

**Dirigo Health Agency
Board of Trustees
Minutes of Meeting
Monday, October 18, 2010**

The Dirigo Health Agency Board of Trustees held a meeting Monday, October 18, 2010.

Sara Gagne Holmes convened the meeting at 9:08 AM in the Dirigo Health Agency Boardroom located at 211 Water Street in Augusta.

Other Board members in attendance: Mary McAleney, Joseph Bruno, Marianne Ringel, Gary Reed, Frank O'Hara, Mary Anne Turowski, Trish Riley, and Anne Head. Also in attendance: Karynlee Harrington, Executive Director of the DHA and William Kilbreth, Deputy Director of the DHA.

The Board unanimously approved the minutes from the June, August, and September 2010 meetings. The Board approved the minutes for the July meeting with Board members Bruno and Gagne Holmes abstaining because they were not in attendance for the July meeting.

Governor's Office of Health Policy and Finance Update-Trish Riley

Ms. Riley reported to the Board that the Governors office was awarded \$1 million in funding from the federal government for the planning of an Exchange. The funding is for the period October 1, 2010 through September 30, 2011. The funding will help support the work with the Advisory Council on Health Systems Development and the health reform steering committee.

Ms. Riley stated the agenda for the December 17, 2010 ACHSD meeting is to summarize public input, the Health Reform Steering Committee guidance and discuss a report and possible recommendations to be made to the new Governor and Legislature.

Ms. Riley referred to the discussion from the last ACHSD meeting regarding Exchanges. Refer to handout.

Ms. Riley gave an update to the Board regarding the American Lung Association Annual Meeting held on October 15, 2010. Four gubernatorial candidates attended to speak about health care.

There were a number of questions related to Dirigo. The four candidates that attended all agreed that in the transition they want to protect the people covered under Dirigo. They also support the other parts of Dirigo.

Agency Business

Ms. Harrington reviewed the DHA-SFY 2011 Operating Budget and Projected Membership report. Refer to handout.

Ms. Harrington reported that she participated in Harvard Pilgrim Health Care's (HPHC) Broker Breakfast. HPHC CEO Eric Shultz stated HPHC and Dirigo Health just signed a three year contract. The opening of the DirigoChoice program was the focus of Ms. Harrington's presentation.

Ms. Harrington reported that the financial order has been signed for the Cohen Foundation grant which is to evaluate the PCMH pilot and that the financial order for the pre existing condition insurance plan will be signed within the next week. Both will then go to the Legislature and Governor for approval.

Mr. Kilbreth reviewed the income statement, balance sheet, and September enrollment report. Refer to handouts.

Ms. Harrington reviewed the DirigoChoice Program 2010-2011 Strategic/Tactical Sales and Marketing Plan created with HPHC. Please refer to handout.

Ms. Harrington reported on the most recent MHDO activities. Deloitte Consulting firm is conducting an analysis of their business process. Ms. Harrington serves on the Board Steering Committee that is working with Deloitte through this process. Deloitte will release a report to the MHDO Board in November.

Ms. Harrington reviewed the Self Employed Subsidy Consideration paper. Refer to handout.

Ms. Harrington summarized the Agency's existing policy as it relates to self-employed of one. Businesses are required to contribute 60% of the employee share of premium and the subsidy applies to the remaining 40%. The proposal submitted is to consider the business share (60%) of health insurance premium as an eligible deduction to the self-employed of one's income. The cost of this change has been estimated at \$1.2 million annually which translates into a reduction of approximately 350 members.

Ms. Harrington suggested the Board continue this discussion at the next meeting.

Ms. Harrington stated that the contract with the federal government for the pre existing plan (PCIP) includes a provision that allows the Agency to request changes to the contract by November 15, 2010. At this point the Agency is reviewing potential recommendations.

Public Comments

Katherine Pelletreau of the Maine Association of Health Plans provided additional comments regarding the Deloitte review.

Next Meeting

The next meeting will be held on Monday, November 8, 2010 beginning at 9:00 AM.

The meeting was adjourned at 10:48 AM.