

**Dirigo Health Agency
Board of Trustees
Minutes of Meeting
Monday, May 10, 2010**

The Dirigo Health Agency Board of Trustees held a meeting Monday, May 10, 2010.

Jonathan Beal, Chair, convened the meeting at 9:07 AM in the Dirigo Health Agency Boardroom located at 211 Water Street in Augusta.

Other Board members in attendance: Sara Gagne Holmes, Joseph Bruno, Mary Anne Turowski, Marianne Ringel, Dr. Edward David, Trish Riley, and Anne Head. Also in attendance: Karynlee Harrington, Executive Director of the Dirigo Health Agency, William Kilbreth, Deputy Director of the Dirigo Health Agency, and Dr. Josh Cutler, Director of the Maine Quality Forum.

The Board unanimously approved the April 12, 2010 minutes with a revision requested from Board member Joe Bruno on page 3 stating that the vote was not unanimous and he had opposed the Year 4 SOP of 2.14%.

Board made the policy decision to adopt Robert's Rules of Order. Ms. Harrington will write a policy statement for the Board's review.

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

Ms. Riley reported that per the Executive Order, She has convened the Health Reform Implementation Steering Committee. Members are: Anne Head, Karynlee Harrington, Brenda Harvey and Mila Kofman.

The Steering Committee will present to the Advisory Council on Health Systems Development (ACHSD), the clearinghouse of stakeholders, the various policy options identified as a result of national health care reform. ACHSD will review and discuss these options. In addition, the State Health Plan will include a chapter on implementing national health care reform which will lay out the policy options and a matrix of activities between now and 2014 that state government will need to address. Lastly, each department impacted by national health reform will complete their own internal work plans.

Ms. Riley added that the State Health Plan will be distributed in draft the week of May 17, 2010.

Ms. Riley reported on the high-risk pool program (HRPP) that is a provision of the Patient Protection and Affordable Care Act. The HRRP will be available July 1, 2010. The program is designed for those who have been uninsured for six months and have a pre-existing condition. Preliminary guidance for Maine suggests that Maine is eligible for \$17 million in federal funding for the HRRP between now and 2014 and that there is no state contribution required.

Ms. Riley reviewed the letter of intent sent to the Secretary. After many discussions including one with Anthem, it was determined that given the limited funding and the criteria established in the law the most effective way to leverage the funds is to create a HRPP within DirigoChoice. The State is now waiting for guidance from the federal government about how to apply for this funding.

Ms. Riley added that the early projections show that the HRPP will be able to cover up to 700 members. Dirigo is the only product in the market place that meets the federal criteria established in the federal law.

Board members asked a series of questions about the criteria set by the federal government, program definitions, timing, funding, options, selection issues and the contract.

Ms. Riley and Ms. Harrington Board responded based on the guidance from the feds to date. Details to come as more guidance is released.

Ms. Harrington described the experience modification program (EMP) with HPHC and that some of the \$17 million may be used towards that program. The EMP is a form of risk sharing that is not uncommon when working with an unfamiliar market. The goal is to use HPHC's standard rates (DC non-group population) for the HRPP and if necessary use some of the federal funding to offset claims that exceed the 90% loss ratio target.

After a lengthy discussion specific to the definition of a pre-existing condition and how this new program would be administered and processed, Ms. Harrington asked the Board for permission to move forward with filing the application recognizing that the Board would make the final decision relative to the contract DHA and HHS will enter into.

The Board unanimously approved the request for the Agency to move forward with responding to and filing the application with HHS for June 1, 2010.

Agency Update

Ms. Harrington reported that the Agency has returned an additional \$3 million to the State on May 1, 2010 bringing the outstanding balance down to \$7.5 million. Refer to handout titled "DHA SFY 2010 Cash Balances 4/30/10".

Ms. Harrington reviewed the mechanics of how the remaining \$7.5M will be paid back by June 30, 2010. Part of the plan includes a deferred payment to HPHC. July 1, 2010, DHA will pay back to HPHC the deferral amount. SFY11 subsidy spend will be lower as a result of the increased membership in SFY10.

Ms. Harrington stated that the plan is to open DirigoChoice subsidy for August 1 coverage. The Agency is in the process of communicating to the waiting list and others.

Mr. Kilbreth presented the income statement, balance sheet, April enrollment report, and revised March enrollment report. Please refer to handouts.

Mr. Kilbreth made note that a new line has been added under revenue for the HRSA Grant Funding and there will be a corresponding line for Cost of Services

Mr. Kilbreth added that since March 2010 the percentage of members who received the highest subsidy has declined from 48% to 46%.

Board member asked if the enrollment reports could include how many people have been gained and lost in each category to the Agency.

Mr. Kilbreth agreed to incorporate this into the report and added that the enrollment reports will also be revised to include all programs being administered by the Agency.

Ms. Harrington began the discussion around FY11. She presented to the Board the handout titled "Dirigo Health Agency SFY 2011 Budget-\$85 million" and "DHA SFY 2011 Operating Budget and Projected Membership". Refer to handouts.

Ms. Harrington, referring to the “DHA SFY 2011 Operating Budget and Project Membership” handout, reviewed the projected membership by program. Refer to handout.

Ms. Harrington stated that their projection is by end of SFY11 the total number of lives covered (all existing programs) is approximately 22,500. Staff will reforecast the membership numbers once we lock into the HRPP.

Grant Opportunities

Ms. Harrington reported that there are two potential grant opportunities the Agency is considering. Both are with the Robert Wood Johnson Foundation. One is a quality initiative for \$300,000 for up to three years and the other is for an access initiative for \$250,000 for up to 24 months.

Ms. Harrington stated that the quality initiative is looking at health care quality and value. This fits into the Agency’s obligation under Chapter 350 to report quality and cost information at a provider specific level.

Maine Quality Forum Update-Dr. Josh Cutler

Dr. Cutler updated the Board on PL 2009, Chapter 350. Refer to handout.

The law clarifies that MHDO and MQF work collaboratively and post information regarding healthcare quality and cost on the websites. Specifically, MQF is required to report on cost and quality at the level of the practitioner.

Dr. Cutler added that over the last couple months there have been discussions on how to do this at the practice level with a stakeholder which includes Consumers for Affordable Health Care. There are three considerations that have surfaced:

- Use Patient Centered Medical Home reports to measure Primary Care
- Use the MaineCare Reports that have been in existence for over 10 years
- Use patient experience of care survey tool

These options will be discussed at the next MQF Advisory Council scheduled for Friday, May 16th.

Ms. Harrington stated that one of the concerns that has been raised in the stakeholder groups is the requirement in the law that states the quality/cost reporting to the extent practicable should be practitioner specific. There are issues with provider specific analysis that will be vetted over the next several months.

Ms. Harrington added that the law requires the quality/cost website to be live by September of 2010. The analysis and the data posted will be incremental and evolve over time. A work plan is being developed which will articulate the strategies, the tactical plans and timing that will guide this work.

Public Comments

There were no public comments.

Next Meeting

The next meeting will be held on Monday, June 14, 2010 beginning at 9:00 AM.

The meeting was adjourned at 10:54 AM.

