Dirigo Health Agency
Board of Trustees
Minutes of Meeting
Monday, May 9, 2011

The Dirigo Health Agency Board of Trustees held a meeting Monday, May 9, 2011.

Chair Bruno convened the meeting at 9:10 AM in the Dirigo Health Agency Boardroom located at 211 Water Street in Augusta.

Other Board members in attendance: Jonathan Beal, Mary McAleney, Gary Reed, Sara Gagne Holmes, Mary Anne Turowski, Dr. Edward David, Robert Harmon, and Douglas Carr. Also in attendance: Karynlee Harrington, Executive Director of the DHA and William Kilbreth, Deputy Director of the DHA.

The Board approved the March14, 2011 meeting minutes with three abstentions and unanimously approved the April 4, 2011 meeting minutes.

Ms. Harrington introduced Bill Graham, Vice President of Policy and Governmental Affairs with Harvard Pilgrim Health Care.

Agency Old Business

Ms. Harrington walked the Board through a discussion document created to layout the options for the Boards consideration specific to plan design changes in the DirigoChoice program.   Refer to document.

Ms. Harrington stated that at the end of SFY11 the Agency anticipates approximately 15,600 people enrolled in all programs. DirigoChoice will have 8,539 which includes HCTC and PCIP enrollment. Approximately 6,233 will be subsidized and 2,306 unsubsidized.

Ms. Harrington reviewed the impact of the three additional scenarios that the Board requested at the Board meeting in April.

Ms. Harrington stated that in the preliminary modeling the following assumptions have been made: $15 million of the $17 million projected carryover is built into the subsidy calculations. The remaining $2 million is budgeted for quality initiatives. This is all subject to change based on the budget the Legislature passes.

Ms. Harrington added that the 43 %reduction in revenue over the 30 month period equals about a $52.5 million. In the modeling the $15 million carryover offsets the $52.5 million reduction so that the gap is closer to a $37 million reduction.

Ms. Harrington summarized the deductible and out-of-pocket maximum analysis on page five of the discussion document.

 At the conclusion of the overview the Board discussed the options that Ms. Harrington presented.

Chair Bruno discussed the option of increasing the deductible by $250.00 and changing the subsidy levels by 10% except for level B which could be reduced by 5%.

A motion was made to raise the deductible levels by $250.00.

The motion passed with a vote of 8-1.

Agency New Business

Ms. Harrington reported on LD 1333. The Agency was asked if there would be a fiscal note on the bill. Ms. Harrington communicated that there are many provisions in the bill and how they will impact the program may or may not have a fiscal impact on the Agency's expenditures.

Ms. Harrington presented to the Board a comparison of LD 1497 to LD 1498. Refer to handout.

Chair Bruno stated that he would like to testify, neither for nor against, with a recommendation to carry these LDs over to the next legislative session. A motion was made in support of the recommendation and the motion passed.

Ms. Harrington stated that the Agency is planning to apply for the next round of grant funding from the federal government for the establishment of State based Exchanges in September 2011.

Ms. Harrington reported that a consultant will be selected to guide the State in the development of a Business Operations Plan and an Implementation Plan.

Ms. Harrington reported to the Board that Ellen Schneiter has accepted a new position with the University of Augusta. She will be the new Vice President of Finance and Administration. Her last day with the Agency will be Friday, May 20th.

Public Comments

Mitchell Stein from Consumers for Affordable Health Care complimented the Board on their discussions and interactions this morning and asked the Board as they consider changes to the plan to remember who will be impacted by these program changes.

Next Meeting

The next meeting will be held on Monday, June 13, 2011 beginning at 9:00 AM.

The meeting was adjourned at 11:27 AM.