

Dirigo Health Agency
Board of Directors
Minutes of Meeting - FINAL
September 13, 2005

The Dirigo Health Agency Board of Directors held a meeting on Tuesday, September 13, 2005. Dr. Robert McAfee, Chair, convened the meeting at approximately 10:50AM in the Dirigo Health Agency Board Room, located at 211 Water Street in Augusta. Other Board members in attendance: Dana Connors, Mary Henderson, Commissioner Rebecca Wyke and Carl Leinonen. Joining by telephone were Charlene Rydell, Commissioner Christine Bruenn and Trish Riley. Also in attendance: Karynlee Harrington, Executive Director of Dirigo Health Agency and Kirsten Figueroa, Fiscal Operations Director.

Agenda: Meeting is dedicated to the Savings Offset Payment and the work of the SOP workgroup specific to the proposed methodology for calculating aggregate measurable costs savings. If time allows at the end of the meeting the Board will review several key issues relating to the operation of the DirigoChoice Program.

Dr. McAfee opened the meeting by outlining the purpose of the discussion. The meeting is intended to be another informational session for the Board to hear additional information from the Payor side of the workgroup and the public specific to the proposed methodology for calculating aggregate measurable costs savings.

Dr. McAfee asked Dan Roet from the Payor side of the workgroup to introduce the presenters. Mr. Roet introduced himself and shared with the Board that he was not going to make the formal presentation but that he was there to answer questions that the Board may have as a result of the presentation. Mr. Roet then introduced John Sheils and Grady Caterall from the Lewin Group.

Mr. Sheils is the Vice President of the Lewin Group and has specialized over the years building economic models of the cost of proposals. Grady Caterall is a health benefits actuary. Mr. Sheils distributed to the Board a presentation titled Illustrative Analyses of Potential Savings Under the Dirigo Health Program (see attached). Mr. Sheils proceeded to review the document with the Board. Board members asked Mr. Sheils clarification questions as he reviewed his presentation.

Dr. McAfee opened the discussion to members of the SOP workgroup and to the public for questions and comments.

Dr. McAfee reminded the SOP workgroup members that in order for the Board to meet its statutory obligation they needed to hear from both sides of the workgroup the actual dollar amount associated with the methodologies presented. Now that the Board has heard multiple presentations regarding the technical aspects of the methodologies the timing is appropriate for tomorrow meeting to start off with a presentation from both side on the dollars associated with the methodologies.

Dr. McAfee turned the meeting to Ms. Harrington who outlined for the Board the three items that the Board needs to vote on. Ms. Harrington indicated that she was not looking for a vote today but rather her intent was to present the issues and take a vote at the next Board Meeting. The issues are:

- Definition of paid claims. Workgroup very close to consensus on the majority of the definition with one outstanding issue and that was around whether or not out of state claims for Maine residents should be included in the claim base.
- Additional Deductible option for employers and employees not eligible for a discount. This would not be available for individuals and/or self employed employers.
- Asset Test for Groups B-E.

Dr. Shubert provided an update specific to the work of the Quality Forum (refer to presentation).

There were no other comments from the public. There were no other matters discussed. Dr. McAfee motioned, the Board seconded, to adjourn at 2:15PM.