

Dirigo Health Agency
Board of Directors
Minutes of Meeting - Approved
May 9, 2005

The Dirigo Health Agency Board of Directors held a meeting on Monday, May 9, 2005. Dr. Robert McAfee, Chair, convened the meeting at approximately 1:00PM in the Dirigo Health Agency Board Room, located at 211 Water Street in Augusta. Other Board members in attendance: Carl Leinonen, Mary Henderson, Commissioner Rebecca Wyke, Commissioner Christine Bruenn. Joining by telephone were Trish Riley and Charlene Rydell. Also in attendance: Karynlee Harrington, Executive Director of Dirigo Health Agency, Kirsten Figueroa, Fiscal Operations Director, and Dr. Dennis Shubert, Director of the Maine Quality Forum.

Dr. McAfee presented and the Board reviewed the minutes of the February 7, 2005 and May 2, 2005 meetings. Motions were made, seconded and voted unanimously to accept the minutes as presented.

Dr. Dennis Shubert provided the Board with an update (refer to handout) on the Maine Health Information Network Technology (MHINT) interconnectivity project.

- Phase one completed, and phase two started May 1, 2005 with lead funding of \$100,000 from the Maine Health Access Foundations (MeHAF).
- Dr. Shubert made a recommendation to the Board that the Agency support Phase II with \$50,000. It was also noted that the DHHS-Bureau of Health is also supporting Phase II with \$50,000. The MHIC will have to secure an additional \$300,000 to complete the project.
- Dr. Shubert outlined two specific deliverables in Phase II: The first is to define the technical architecture of MHINT and then determine which design option would be the best choice with resulting hardware and software requirements. The second is to define and achieve consensus on the Master Patient Index, which is essential to the MHINT project.

After some discussion around the long term benefits of interconnectivity and other possible funding sources, the Board approved the recommendation.

In addition to promoting electronic technology, the Maine Quality Forum is also charged with promoting Best Practices. Dr. Shubert highlighted the work of Quality Counts specific to the implementation of the care model. Dr. Shubert explained the significance of the care model in the care of chronic medical conditions and the need to move Maine's small independent practitioners toward adoption of the care model. Quality Counts has a solid reputation and the credibility to continue to work with providers and as such, Dr. Shubert made a recommendation to the Board to provide Quality Counts with \$10,000 to continue their work. The Board concurred and agreed to the contract.

Dr. Shubert then provided an update on the following:

- The MQF Star for Safety Program is a recognition program for healthcare providers who comply with the appropriate NQF safety standards. The program is in development with an August 2005 target start date.
- The Health and Human Services Committee unanimously recommended approval of the MHDO rule change allowing MQF access to provider specific data.
- Paid Claims. The RFP is prepared for release, pending CIO approval.
- Quality Rules. Legislative hearings scheduled this week to review MHDO proposed Chapter 270 Quality Data rules.

Karynlee Harrington summarized the progress with the Savings Offset Payment (SOP) by providing specific dates of meetings scheduled:

- Thursday, May 12, 2005 @ 10:30, location will be the Dirigo Health Agency, 211 Water Street. This will be a follow up meeting from April 15, 2005. Participants will include smaller employers and the discussion will focus on what is going to be used for proxy – paid claims, the methodology for measuring savings, and the amount of savings.
- Monday, May 16, 2005. The proposal is to finalize SOP methodology with formal recommendations and request to the Board.

Ms. Harrington suggested developing a work group to assist with the technical aspects of the invoicing and reconciling of savings offset payments.

At this time Ms. Harrington provided the latest numbers as of May 1, 2005 relating to DirigoChoice:

- 6,366 members
 - 483 Small Groups
 - 1,276 Sole Proprietors
 - 995 Individuals
- Approximately 12% withdrawal rate.
- 78% of membership is eligible for discount.
- 42% presently in group B. Group B is budgeted at 3% and is running at 42%. The demographic mix will impact the budget.
- The Community adjustment factor is 11.2%, budgeted at 10%.
- The Employer contribution level is 66%, budgeted at 65%.
- Community rate increase in Quarter 2 averaged 4%.
- Average age 41.5 sole props/35.6 small group for DirigoChoice group average of 38.8 years vs. Anthem norm of 34.7.
- Claims/Utilization to date (note: data is immature): Claims paid compare DirigoChoice to Anthem's larger business. Claims by setting through February: professional and out patient are in line with Anthem; Rx is slightly higher (mail 3.3% usage, brand name 55%, generic brand 44%).
- Staff engaged in a conference call with Anthem last Friday specific to the enrollment cap for Sole Proprietors and Individuals. A formal proposal will be submitted to Anthem.

- Electronic Funds Transfer (EFT) will become an option effective August 1, 2005. Members will need to use the EBT card for three months, then in the fourth month will set up for EFT. This option will be made available to existing members and will be part of collateral for new members.
- Dirigo Rules: Public hearing held April 20, 2005. Deadline for comments was May 2, 2005. Written comments received from- Anthem, Maine Equal Justice, Consumers for Affordable Health Care, and Maine Chamber.
- Dirigo Agency Staff: Will be recruiting for a Planning and Research Assistant as well as an Evaluation Scientist with the Maine Quality Forum. Additionally, the agency is currently reviewing applications and resumes for the Community Relations Specialist. Plan is to set up interviews for the end of the month.
- Franklin DirigoChoice Incentive Program was described to the Board. Refer to handout.

Ms. Harrington described the Marketing strategy by revealing the “Works for Us!” theme. Dirigo is using present members with marketing DirigoChoice in print and radio advertisements. We have hit 85% of our target through TV and radio to date. Other action items specific to marketing are:

- The current marketing contract, awarded for a total of \$877,000 (of which \$320,320 is funded by DHA) to Ethos ends June 2005. The requested marketing budget for 2006 totals \$400,000. The amount of \$350,000 for DirigoChoice and \$50,000 for the Maine Quality Forum was approved by the Board.
- Finalizing the Dirigo newsletter
- Develop a prospect database and sending material to about 10,000 prospects by the end of May.

The Board reminded the Agency to tap into marketing opportunities with Anthem.

Ms. Harrington reviewed with the Board memos sent on February 17, 2005 and on February 23, 2005 to the Joint Committees on Appropriations and Financial Affairs, Health and Human Services, and Insurance and Financial Services. Ms. Harrington also discussed the Agency’s Part II budget. Dr. McAfee will provide testimony on behalf of the Agency. The request is for 18 permanent positions, 2 project positions that will end FY06, and moving from an Other Special Revenue to an Enterprise Fund. Ms. Figueroa reviewed the Agency’s financials as of April 30, 2005.

Other matters:

- Charlene Rydell mentioned the Tough Choices Campaign scheduled for Saturday, May 21, 2005 being held at UMA and UNE-Biddeford, from 9:00AM-3:00PM

Comments from the public:

- Bob Downs commented on his concerns regarding the SOP meeting being held on Thursday regarding attendance. Secondly, wondering why materials in relation to the Board meeting are not made available to the public. Ms. Harrington suggested that all meeting material will be made available on our website prior to meetings.

- Cathy Gavin also expressed her interest in attendees for the upcoming SOP meeting on Thursday. Showing a concerned interest in the timeframe of meetings vs. a decision presented to the Board members.
- Kris Ossenfort of the Maine Chamber of Commerce stated the inadequate time frame she has had to work with makes attendance to Thursday's SOP meeting difficult.

There were no other comments from the public. Dr. McAfee announced the next Board meeting will be Monday, May 16, 2005 at 1:00PM at the Dirigo Health Agency, 211 Water Street, Augusta.

There were no other matters discussed. Dr. McAfee motioned, the Board seconded to adjourn at 3:00pm.