

Discussion Document
Dirigo Board of Trustees
September 14, 2009

Outstanding Eligibility Issues

1) Should eligibility be limited to the uninsured?

Data on uninsured in Maine

Uninsured in Maine by Age Group and Poverty Status								
2006-2007								
Age Group:	0 - 17	18-24	25-29	30 - 44	45 - 59	60 - 64	Total	%
Poverty Status								
<100% FPL	3,445	3,856	2,473	4,899	6,342	553	21,568	18%
100-199%, Eligible for XIX**	4,983	1,025	878	5,963	1,539	137	14,525	12%
100-199%, NOT eligible for XIX**	na	4,435	1,723	5,242	5,246	1,498	18,144	15%
2-299%	3,180	2,837	5,178	6,576	8,574	1,449	27,794	24%
3-399%	2,482	3,152	1,894	5,371	3,585	632	17,116	14%
4-499%	1,035	2,855	508	1,766	2,899	.	9,063	8%
500% and over	1,243	2,380	483	2,597	2,467	776	9,946	18%
Total	16,368	20,540	13,137	32,414	30,652	5,044	118,155	

Number of INSURED Adults (Ages 18-64) in Maine by Firm Size and Household Poverty Status, 2006/2007						
	Employer Size					
Household Income (% of FPL)	1 - 24	25 - 99	100 +	Not Working or Unknown Employer Size	TOTAL	%
<100%	9,294	1,227	9,496	42,469	62,486	9%
100-200	15,984	7,443	23,778	45,592	92,797	13%
200-300	22,094	10,700	52,176	26,533	111,503	15%
>300	106,415	50,737	237,529	70,851	465,532	64%
TOTAL	153,787	70,107	322,979	185,446	732,319	

Number of UNINSURED Adults (Ages 18-64) in Maine by Firm Size and Household Poverty Status, 2006/2007						
	Employer Size					
Household Income (% of FPL)	1 - 24	25 - 99	100 +	Not Working or Unknown Employer Size	TOTAL	
<100%	5,253	542	2,474	9,853	18,122	18%
100-200	11,689	3,254	4,228	8,517	27,688	27%
200-300	9,621	3,248	7,227	4,518	24,614	24%
>300	16,431	2,093	7,558	5,283	31,365	31%
TOTAL	42,994	9,137	21,487	28,170	101,789	

** Adults with own children living in the household between 100-199% FPL assumed to be eligible for Title XIX

Note: Generally, estimates of fewer than 1,500 individuals are based on unweighted samples of fewer than 10 respondents.

Note: The CPS Annual Social and Economic Supplement includes members of the armed forces. These individuals are excluded for the purposes of this analysis.

Note: Generally, estimates of fewer than 1,500 individuals are based on unweighted samples of fewer than 10 respondents.

Note: The CPS defines a person as uninsured if he or she did not have any type of insurance coverage for the entire previous calendar year.

Source: Muskie School Analysis of 2007-2008 CPS ASEC Data, Data Released 8/26/2008

Definitions of Un/underinsured

DHA definition of uninsured: individual had no coverage for any point in the past 12 months.

DHA definition of underinsured: a deductible exceeding 5% of income where income was less than 200% FPL. The DHA Board adopted this definition of underinsured in 2005.

CPS definition of uninsured: did not have any type of insurance coverage for the entire previous calendar year.

Commonwealth Care (MA) definition of uninsured: do not already have insurance coverage that covers doctor's visits and hospitalization. Individuals are considered insured and not eligible to participate in Commonwealth Care if:

- their (or a family member's) current employer offered them health insurance coverage within the last six months

and

- the employer-offered health insurance covered at least:
 - 20% of the annual premium costs for a family
 - 33% of the annual premium costs for an individual

Catamount Health (VT) definition of uninsured: must be uninsured for 12 months before you can enroll in Catamount Health. This 12-month waiting period will NOT prevent you from enrolling, however, if you lost your health insurance for one of the following reasons:

1. retirement, getting fired, quitting your job or having your hours reduced
2. the death of a household's principle insurance policy holder
3. divorce or dissolution of a civil union
4. no longer qualifying as a dependent under the insurance plan of a parent or relative
5. no longer qualifying for, or voluntarily choosing to end, COBRA coverage
6. college or university-sponsored health insurance is no longer available because of graduation, a leave of absence or the termination of studies.
7. the lack of access to health insurance through your employer, or because the insurance offered by your employer does not cover hospital and physician services.

Agency recommended timing change to previously adopted eligibility changes

The Board adopted a change relative to the 80% subsidy eligibility at their last meeting to be effective July 1, 2010. The Agency recommends that this change be adopted January 1, 2010.

Additional Guiding Principle for Board Consideration

Provide an actuarial value of .65 or greater.

RFP Scoring Methodology

	Area	Points
I	Cost	40
II	Administration	15
III	Value	
III.A	Actuarial Value	15
III.B	Adherence to Guiding Principles	
III.B.i	Network	10
III.B.ii	All Others	20
	Total	100

Cost – The team will evaluate bidders on how close their aggregate PMPM is to the target established by the Agency.

Administration – The team will evaluate the bidders ability to manage the program administrative (enrollment, claims processing, customer service, billing, reporting, etc.) responsibilities.

Value

Actuarial Value – The team will evaluate bidders on the actuarial value of their proposed plans.

Adherence to Guiding Principles

Network – Bidders who achieve cost reductions through creative network management will be awarded more points.

All Others – The team will determine the degree to which the bidders' proposals meet the guiding principles for the program established by the Board.