

**Dirigo Health Agency
Board of Trustees
Minutes of Meeting
July 7, 2008**

The Dirigo Health Agency Board of Trustees held a meeting on Monday, July 7, 2008.

Dr. Robert McAfee, Chair, convened the meeting at 1:10 PM in the Dirigo Health Agency Boardroom, located at 211 Water Street in Augusta.

Other Board members in attendance: Jonathan Beal, Mary McAleney, Mary Anne Turowski, Edward David, and Trish Riley. 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 minutes from the May 20, 2008 meeting with the following revision "The Dirigo Health Agency Board of Trustees held a meeting on Monday, April 28, 2008" be changed to "The Dirigo Health Agency Board of Trustees held a meeting on Monday, May 20, 2008".

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

Trish Riley reported that there is a workgroup on the Capital Investment Fund. The Capital Investment Fund limits capital expenditures and sets a limit on how many CONs the State can approve. This process has been quite contentious and there is an effort to repeal the Capital Investment Fund.

Ms. Riley added they will take the findings from the workgroup back to the Health Systems Development Advisory Council. The two areas the workgroup are looking at most closely are:

- 1) if and how the Capital Investment Fund should change to respond to the concerns raised by the hospitals and
- 2) are there ideas that can be pursued by the stakeholders around cost containment.

The workgroup will report at the end of the summer.

ACHSD has begun an emergency department study look at the over utilization of Maine's emergency departments. A concept paper will be ready by the end of week July 14th.

Ms. Riley reported that the Hospital Study Commission resulted in the Hospital Cooperation Act which will allow hospitals to collaborate free from anti-trust concerns. Southern Maine Medical Center and Maine Medical Center are beginning a merger conversation in which they want to be able to collaborate with the protection of the Hospital Cooperation Act and will be submitting an application shortly.

Ms. Riley reminded the Board that The People's Veto signatures are due by July 17, 2008.

Ms Riley stated that the Board nominations are still ongoing. The Senate will meet August 20th for a confirmation session and there are nominations from the Speaker and the President and there is a nominee from the Minority Leader of the Senate and the Minority Leader of the House.

Maine Quality Forum Update-Dr. Josh Cutler

Dr. Cutler reviewed with the Board the EHR Demonstration Project, the HealthInfoNet Stakeholder Process, and the Pressure Ulcer Initiative that the Maine Quality Forum is currently working on. Please refer to handouts.

Agency Update-Karynlee Harrington

Ms. Harrington recommended to the Board that they go into Executive Session pursuant to Title 1, Section 405, Paragraph 6 C to discuss the terms and conditions of the Harvard Pilgrim Health Care Dirigo Health Agency Group Health Insurance Agreement.

The Board moved to go into Executive Session. The Board moved to come out of Executive Session.

Edward David made a motion that the Board extend the agreement between Dirigo Health and Harvard Pilgrim Health Care for 6 months with an option to extend another 6 months with financing.

The Board unanimously passed this motion.

William Kilbreth presented the monthly numbers to the Board. Refer to Dirigo Health Monthly Numbers, May 2008 and June 2008 handouts.

Mr. Kilbreth noted that the CY subsidy PMPM is running slightly lower than anticipated.

Mr. Kilbreth explained that FY 2008 has ended. In October he will present to the Board a complete FY 2008 report.

Board member asked if Massachusetts has released any figures on their subsidy group.

Ms. Harrington answered that they have some PMPM and enrollment information.

Ms. Harrington added that they will be retooling the financial model.

Ms. Harrington referred to the scenario handout. The agency is assuming a scenario with no new growth.

The expenses are sensitive to the demographic mix of enrollment. Individuals have dropped down to 47% of membership. That is one of reasons why costs are going down.

Board member asked if he was correct in assuming there is a waiting list of 1,300.

Ms. Harrington confirmed that number.

Ms. Harrington reported that SOP 1 has been completely collected, SOP 2 began July 1, 2007 and the agency has collected 3 of the 8 payments, and SOP 3 communications were sent out a month ago and the assessment began July 1, 2008 with the first payment to come in December of 2008. There still continues to be the issue of a cash flow challenge and the agency will work with Commissioner Wyke and her team regarding those challenges. SOP 1 is now closed and 97% was collected.

Ms. Harrington went on to state that the Agency would build the 97% collection rate into future financial projections,

Ms. Harrington presented to the Board a letter to Mila Kofman, the Bureau of Insurance Superintendent, from the Senate and House Chairs of the Insurance and Financial Committee. The letter is in regards to LD 1687 which is An Act to Increase Health Insurance Coverage for Front-line Direct Care Workers Providing Long-term Care. The Committee did not vote in favor of this bill because Dirigo could not support the expansion.

A workgroup is in session to consider how to provide Home Health workers with coverage. This population is typically cannot afford health insurance as significant numbers are under 300% of poverty. Many of them don't take up insurance because it is not affordable to them. The workgroup will continue to explore what other alternatives exist.

Public Comments

There were no public comments.

Next meeting

The next meeting will be held on Monday, August 18, 2008 beginning at 1:00 PM.