COMMISSION ON HEALTH CARE REFORM

MINUTES
November 10, 2009

State House
Montpelier, Vermont

Approved 12/16/2009 with correction.

AGENDA
1. 1:00-1:05 Convene
   a. Review and Approve 10/6/09 Meeting Minutes

2. 1:05-2:00 Prevention and wellness
   Wendy Davis
   Christine Finley

3. 2:00-2:30 Federal Health Reform Update
   a. Update on national health reform
   Heidi Tringe/Jennifer Carbee
   Hunt Blair
   - Regional HIT extension center
   - State HIT grant

4. 2:30-3:30 Green Mountain Care enrollment trends
   a. Overview of enrollment trends (10 min)
   Betsy Forrest
   b. Enrollment concerns (10 min)
   Peter Sterling
   c. Dynamics of enrollment (30 min)
   Steve Kappel
   d. Potential fiscal implications (10 min)
   Nolan Langweil

5. 3:30-4:00 Commission Studies
   a. AG Study on disclosure of free samples: delay to 1/15/10 (5 min)
   Jennifer Carbee
   b. Catamount Options study: UNE Phase I work plan* (20 min)
   Ron Deprez
   c. ACO workgroup: 11/5 meeting (5 min)
   Jim Hester
   d. Hearings on health reform: December 15
   e. Next commission meeting: December 16 @ 1-4 pm, Montpelier

MEMBERS PRESENT:
SEN. M. JANE KITCHEL, CO-CHAIR
REP. STEVEN MAIER, CO-CHAIR
SEN. ANN CUMMINGS
REP. MARK LARSON
REP. FRANCIS MCFAUN
REP. GEORGE TILL
SHARON MOFFATT

MEMBERS ABSENT:
SEN. KEVIN MULLIN
SEN. DOUG RACINE
JOHN BLOOMER, JR.

Also present: Legislative and Joint Fiscal staff, members of the Administration, and the public.
Meeting recorded: CD HCRC 10/6/09, CD # 13, 14, 15
Documents distributed:
Doc. #1: Appendix A: MAPPs Interventions for Communities Putting Prevention to Work. Dept. of Health.
Doc. #3: Senate letter to Sens. Reid, Baucus, Dodd, 10/22/09, re disparity in federal assistance to “expansion state” Medicaid programs.
Doc. #4: Prong 1: Incentive Language for Expansion States
Doc. #5: Federal Health Care Reform: Improvements for Vermont. VT LEG 249870
Doc. #6: Letter from Peter Shumlin and Shap Smith to Rep. Peter Welch, 10/30/09: concerns re current federal health legislation
Doc. #7: Health Care Reform: NCSL letter to US Senate. 10/21/09
Doc. #8: National Governors Association (NGA) letter to Sen. Baucus and Rep. Grassley, re concerns re unfunded federal mandates. 7/20/09
Doc. #10: HIT-HIE Planning & Implementation Funding Resources. Updated 11/9/09. Hunt Blair
Doc. #11: Federal HIT/HIE Policy, Oversight & Standards –Office of the National Coordinator. Hunt Blair
Doc. #13: Preliminary Analysis of Catamount Health Premium Assistance Enrollment. S. Kappel
Doc. #14: Premium Assistance Survey Results. Bi-State Primary Care Assn. (per Betsy Forrest)
Doc. #15: Catamount Health [graphs re enrollment]
Doc. #16: Proposed Study Questions for the Catamount Options Study and ESI-Cost Effectiveness Study. Prepared by: Center for Health Policy, Planning and Research, University of New England
Doc. #17: The UNE Center for Health Policy, Planning and Research: Vt. Legislative Reform Commission Catamount Study: Phase 1 Summary Budget Nov. 2009

Witness list:
Wendy Davis, Commissioner, Department of Health
Chris Finley, Deputy Commissioner, Department of Health
Heidi Tringe, Secretary of Civil and Military Affairs, State of Vermont
Jennifer Carbee, Legislative Counsel, Legislative Council
Hunt Blair, Assistant Director of Health Reform, Office of Vermont Health Access
Betsy Forrest, Health Care Affordability Project Director, Office of Vermont Health Access
Peter Sterling, Executive Director, Vermont Campaign for Health Care Security
Steve Kappel, Consultant, Health Care Reform Commission
Nolan Langweil, Fiscal Analyst, Joint Fiscal Office
Ron Deprez, Executive Director, University of New England’s Center for Health Policy, Planning and Research
Jim Hester, Director of the Health Care Reform Commission

1. Meeting Convened at 1:10 PM
The Minutes from October 6, 2009 were approved.

2. Prevention and Wellness
Re Question re H1N1 flu: It is widespread in most communities. Doing widespread immunizations. Challenges getting the vaccines. Vaccinating high-risk populations only.

Prevention and Wellness:
They discussed the Vermont prevention model.

3. Federal Health Reform Update
--Heidi Tringe, Jennifer Carbee, Hunt Blair

3.a. Update on national health reform
--Heidi Tringe/Jennifer Carbee

Documents distributed:
Doc. #3: Senate letter to Sens. Reid, Baucus, Dodd, 10/22/09, re disparity in federal assistance to “expansion state” Medicaid programs.
Doc. #4: Prong 1: Incentive Language for Expansion States
Doc. #5: Federal Health Care Reform: Improvements for Vermont. VT LEG 249870
Doc. #6: Letter from Peter Shumlin and Shap Smith to Rep. Peter Welch, 10/30/09: concerns re current federal health legislation
Doc. #7: Health Care Reform: NCSL letter to US Senate. 10/21/09
Doc. #8: National Governors Association (NGA) letter to Sen. Baucus and Rep. Grassley, re concerns re unfunded federal mandates. 7/20/09

Tringe: re federal health reform, we are seeing unprecedented cooperation between the Governor’s office and the Legislature.
Carbee: the whole state government is cooperating with our congressional delegates, and with many national associations.
Biggest Q: will national legislation build on our reforms or penalize Vermont for our advances?
Staff are reviewing all possible impacts of potential federal legislation.
Carbee discussed the congressional House bill, just passed.
Tringe reviewed the possible Senate bills, which are quite different. They discussed Medicare cuts.

Rep. Maier thanked Tringe, Carbee and Hunt Blair for this update, and for their cooperation.

3.b. Update on Coordination of ARRA Health IT funds
--Hunt Blair
- Regional HIT extension center
- State HIT grant

Documents distributed:
Doc. #10: HIT-HIE Planning & Implementation Funding Resources. Updated 11/9/09. Hunt Blair
Doc. #11: Federal HIT/HIE Policy, Oversight & Standards –Office of the National Coordinator. Hunt Blair
Hunt Blair discussed health care reform tasks in Vermont; funding, and possible federal funding in various areas.

4. Green Mountain Care Enrollment Trends
   --Peter Sterling, Steve Kappel, Betsy Forrest, Nolan Langweil

   First: 4.b. Enrollment concerns
   --Peter Sterling

Documents distributed:

Peter Sterling discussed his study on conflicting trends in enrollment: the main message is that people find it unaffordable. His recommendation: their is an opportunity to ask questions re affordability as part of the upcoming BISHCA Household Insurance Survey.

4.c. Dynamics of enrollment
   --Steve Kappel

Documents distributed:
Doc. #13: Preliminary Analysis of Catamount Health Premium Assistance Enrollment. S. Kappel

Steve Kappel discussed data, trends, findings, implications.
- The change in enrollment in Catamount is defined by lots of people coming on, and lots of people going off the program.
- People do not get on and stay on.
- Over the study period: over 16,000 have enrolled overall, but approximately 8,000 are currently enrolled.

4.a. and 4.d. a. Overview of enrollment trends; Potential fiscal implications
   --Betsy Forrest and Nolan Langweil

Documents distributed:
Doc. #14: Premium Assistance Survey Results. Bi-State Primary Care Assn. (per Betsy Forrest)
Doc. #15: Catamount Health [graphs re enrollment for ESIA, VHAP, ABD, ANFC, Rx, Caseload]

Nolan Langweil discussed the charts, noting in particular the last chart on “p.m.p.m.” (per member per month) costs comparisons among programs.
Fiscal pressures on the Catamount Fund:
1. The fund has always had a carry-forward, but this is decreasing each year.
2. ARRA: this may or may not end.
3. The budget is based on getting Waiver funding in October, and we have not received this yet.
4. Premium increases are a bit lower than projected in our models.

Betsy Forrest discussed the Premium Assistance Survey Results from the Bi-State Primary Care Assn. In the pie chart, re people who did not enroll—she cautioned that this is a small sample.

Q from Rep. McFaun for BISHCA: re the MVP original rate increase request: Can BISHCA draw any conclusions from the changes in their request?
A, from Christine Oliver: There are various factors built into these rate requests other than actuarial—these include business decisions.
Sen. Kitchel noted that this issue was also discussed extensively at the most recent meeting of the Health Access Oversight Committee (HAOC): what the law required; and impact of that rate differential on people making the financial decisions re insurance coverage.

A. Oliver: No, that does not happen.

Rep. McFaun requested that this exact language be noted in the Minutes:

CD #15, Tr. 2, at 4:40 on the track: McFaun: "I'm wondering if other people's premiums went up, to make up for where that went down."

At 4:53 on the track: Oliver: "Your question is did other ...people's premiums go up because Catamount came down?" ...At 5:03: "The answer to that question is no. Because rates are built separately by product, so you couldn't build in a potential loss to Catamount and then build up your premium plan for the—farmers—or whatever the case may be."

She also discussed contributions to reserves.

Discussion continued, re years of varying rate increases, etc.

Rep. Larson: To the person on the street, there is a real credibility issue here.

5. Commission Studies

a. AG study on disclosure of free samples: delay to 1/15/10 --Jennifer Carbee

Carbee presented the request from the Attorney General’s Office, that this study be delayed until Jan. 15, 2010, because of pending federal legislation.

Discussion followed, re whether the HCRC has the authority do to this; and re the timing.

The sense of the HCRC commissioners: They are OK with saying that January 15 is fine, to the extent of their authority to do so. But there should be no extension beyond that [Jan. 15].

b. Catamount Options Study: UNE Phase I work plan --Ron Deprez

Documents distributed:

Doc. #16: Proposed Study Questions for the Catamount Options Study and ESI-Cost Effectiveness Study. Prepared by: Center for Health Policy, Planning and Research, University of New England

Doc. #17: The UNE Center for Health Policy, Planning and Research: Vt. Legislative Reform Commission Catamount Study: Phase 1 Summary Budget Nov. 2009

Ron Deprez discussed the study questions to be addressed and the expected budget for this phase of the study.

Motion, Rep. Larson: I move that we approve this budget [in Doc. 17]. Seconded.

Discussion followed: the legislative charge for this study, and the budget; data; phases of the project; additional budgets.

VOTE on the Motion—"to authorize the expenditure of up to $14,662 for the work and the deliverables that have been identified in the Phase 1 of this study."

Yea: 6. Nay: 0. The Motion passed.

c. ACO Workgroup: update from the Nov. 5 meeting --Jim Hester

Three provider sites in Vermont are participating in the national Learning Collaborative. Two hospitals are working on the financial model—Gifford and NVRH in St. Johnsbury.

We have conceptual agreement with the commercial insurers re a pooled savings fund. Vermont Medicaid needs to develop a plan.

Re Medicare, all the current federal bills have a provision for Medicare to participate—but not starting until 2012.
Best guess re timing is that a Vermont site wouldn’t start until October of 2010.

CD #15, Tr. 6

d. Hearings/briefing on health reform: December 15
e. Next commission meeting: December 16, 1-4 pm, Montpelier

December 15 is scheduled as a briefing on Federal health reform actions; the regular HCRC meeting is scheduled for Dec. 16, 1:00 PM.

The meeting adjourned at 4:20 PM.
Respectfully submitted,
Loring Starr