

Healthcare Coverage Reform Initiative

Advisory Committee Meeting Minutes

Tuesday, December 11, 2007

9:00 a.m. to 4:30 p.m.

Lazarus Government Center, Room C621 A&B, 6th Floor
Ohio Department of Job & Family Services (ODJFS)
50 W. Town Street, Columbus, OH 43215

Attendees:

Brent Mulgrew, Shawn Frick, Jerry Friedman, Ken Statz, Cynthia Burnell, Carol Roe, Brian Keaton, Teresa Long, Steve Millard, Ty Pine, Roger Geiger, Jim Castle, Patty Starr (for Steve Millard), Fred McGraw, Kelly McGivern, Nancy Enright, Kathleen Gmeiner, Vuka Stricevic, George Dunigan, Amy Goldstein, Nick Lashutka, Margie Frazier, Col Owens, Ron Bridges, Ted Fisher, Cathy Levine, John Burant, Bill Hayes, Katherine Kuck, Cristal Thomas, Richard Stoff, Marianne Steger, Steve Wall, Dave Dillon, Heidi Welch (for Rep. Raussen), Mary Ellis, Dirk Raderstorf, Jessica Hart, Mel Borkin, Dave Dorsky, Lindsay Davis, Chris Whistler, Carol Baushier, Ryan Biles, Sandra Solano-McGuire, Lori Herf, TC Wolfe, Todd Celman, M. Rooney, Shannon Ginther, Doug Anderson, Malika Bartlett, Sarah Curtin, Kevin Tyler, Marjorie Ellis, and Suparna Bhaskaran.

1. Introductions and welcome by Steve Wall. Steve goes over the day's agenda. He informs the committee that there will be several presentations today and one small group break out session towards the end of the afternoon.
2. Dave Dillon provided the committee with a brief update on the progress of the actuarial study. Dave has started to receive insurance carrier data regarding individual and small group markets. Dave has preliminary estimates of some of the packages but can't finalize anything until he gets all the data. Once the data is in, Dave can provide information regarding uncompensated care, premiums, take up rates, and other information. The actuarial estimates will be provided to Ken Thorpe, who will do the economic modeling. A committee member asked Dave whether Ken Thorpe's focus on chronic disease and preventative care would influence the benefit package design. Dave responded that insurance historically has been catastrophic coverage, for major problems only. The current focus on chronic disease and preventative care will effect the discussion. However, the more benefits you add to a package, the more expensive it will be, and the less people will take up coverage voluntarily. Vermont has taken a very aggressive role in addressing chronic disease such as diabetes and obesity. Another committee member asked Dave whether there are studies that show the long-term benefits of preventative care. Dave responded that he could not say anything definitively. There haven't been long term studies on whether preventative care

- such as diabetes coverage reduces premiums over the long term for diffuse populations. The benefit designs to be modeled will include a preventative package and a catastrophic one and they will be actuarially equivalent. Another committee member suggested that perhaps Ken Thorpe and other health economists could augment the actuarial analysis. Dave responded that some economists don't agree on the long-term impact of preventative care. Another committee member asked if the actuarial analysis will look at ER costs, and Dave said "yes."
3. Doug Anderson updated the group on the progress of the modeling and the modeling scenarios. He said that they are still working on the details of a state employee health plan scenario. Doug then distributed a handout that identified funding approaches in California, Illinois, Maine, Massachusetts, Maine, New York and Vermont. The handout also included approaches suggested by stakeholders.
 4. Kathleen Gmeiner then went over a chart distributed to the Advisory Committee that compared Ohio to other states in terms of the size of its population, budget and uninsured populations. The states included in on chart were California, New York, Illinois, Ohio, Massachusetts, Tennessee, Maryland, Colorado, Kansas, Maine and Vermont. A copy of the chart is the initiative website: www.healthcarereform.ohio.gov. Several participants asked Kathleen if she could add Indiana, Kentucky and West Virginia to the chart, and she said she would do so.
 5. The Benefits Team then provided a report is its findings. Malika Bartlett explained that the benefits team was charged with identifying companies and organizations in Ohio known for their unique employee benefit options. The team surveyed 15 Ohio companies and organizations about wellness benefits and attempted to identify cutting-edge benefits. Dirk Raderstorf (OSU) and Mary Ellis (DAS) then explained the "best practices" identified by the survey, which was confirmed by national information. The benefits team made recommendations for best practices to be included in any program to cover Ohio's uninsured populations. The benefits team presentation is available on the initiative website: www.healthcarereform.ohio.gov. During the presentation, a committee member asked about what small employers are doing in terms of best practices. Dirk Raderstorf explained that the benefits team looked at large employers and will recommend best practice that can be included in a program to get more small employers covered. Another committee member stressed the importance of culturally appropriate coverage and care, and stressed that cultural education, training and advocacy could be included in any program.
 6. Bill Hayes gave a presentation on "The Good, The Bad and the Ugly" of health spending. Bill's handout is available on the website. During Bill's presentation, a committee member asked if there were enough primary care providers in Ohio.

Bill responded that that is an issue that needs to be discussed. Another committee member noted that the Advisory Committee is looking at a six-month time frame to develop reforms, when it took 2 and ½ years for a similar committee to recommend changes to the worker's compensation system some years ago. Bill responded that he did not think we should wait at all. We have to keep moving. We will come up with proposals for the SCI Team, Governor and the Legislature. They will debate this in 2008. But we should also keep at it. We can't resolve all the problems but we must keep at it. Also, we should look at how we can improve value and quality, and capture savings. Another committee member asked if we are looking at things we want to take off the table that are not providing value. Bill noted we should make a distinction between two things: we are not talking about how to reduce benefits, but how to better use medical services and technology to capture savings.

7. Lunch Break
8. Steve Wall then began to go over the work of the Advisory Committee at the last meeting concerning benefits. He provided the Committee with a chart, entitled "Adjusted Cost/Impact Analysis: Average results from small group discussions," that contained the results of the Advisory Committee discussion on benefits. The chart indicated where certain benefit features fell on the chart in terms of their cost and their impact of achieving a healthy Ohio. Cristal Thomas raised the issue of pregnancy coverage and prenatal care, and asked the Committee where those benefits would fall on the chart. Some Committee members thought it was a low cost, high impact benefit, while others thought it was a high cost benefit. Dave Dillon explained that insurance companies typically cut pregnancy and mental health benefits first when trying to make a package more affordable. Marianne Steger noted that mothers in prison, such as Marysville prison, get prenatal care and that prison babies have high birth weights and are very healthy. Marianne said this shows that prenatal care works to reduce costs. Another committee member suggested that reforms should allow for innovations in the way care is delivered, including direct contracting between hospitals and patients. Another member said that this has been tried in Ohio and it works.
9. The Advisory Committee then heard a series of presentations on health care system financing. Written materials relating to the presentations and the presentations themselves are available on the initiative's website: www.healthcarereform.ohio.gov. The presentations included the following:
 - a. Richard Stoff introduced Tom Latkovic of McKinsey & Associates to give a presentation entitled: "Ohio Health System Flow of Funds (2006 Estimated Spending)." During the presentation, committee members asked a variety of questions about the details of and information underlying the flow of funds chart presented by Mr. Latkovic.

- b. Jim Castle gave a powerpoint presentation on hospital financing. Jim answered questions about how uncompensated care is determined, how state funding is calculated in his numbers, hospital net income, and HCAP dollars.
 - c. Mel Borkin gave an overview about the standards that apply to Medicaid waivers and how those standard relate to Ohio's current situation. Ogbe Aideyman gave a presentation of Ohio's HCAP system.
 - d. Shawn Frick gave a powerpoint presentation on community health centers. Shawn explained community health centers are experiencing unprecedented growth and that they are a good medical home for uninsured Ohioans. Advisory Committee members indicated that community health centers may be a good model for providing care to the populations targeted by any coverage expansion. Shawn also mentioned that some community health center have the capability for electronic medical records.
 - e. Marjorie Frazier gave a powerpoint presentation entitled, "Overview of Free Clinic in Ohio." Marjorie also distributed some handouts.
 - f. Marianne Steger gave a powerpoint presentation on "Health Care Financing and its Consequences."
 - g. Cathy Levine gave a presentation on "What Consumers Pay?"
 - h. Teresa Long distributed a handout and gave a presentation on "The Role of Local Health Departments in the Provision of Clinical Services in Ohio."
10. Doug announced that the next Advisory Committee Meeting will be an all-day event (9 a.m. to 4:30 p.m.) at the Lazarus Building, Room 621, on Tuesday January 8, 2008.
11. Meeting adjourned at 4:30 p.m.