

Healthcare Coverage Reform Initiative

Advisory Committee (AC) Meeting Minutes

Tuesday, October 9, 2007

1:00-4:20 p.m.

Vern Riffe Center for Government and the Arts, Room 1960, 19th Floor
77 S. High Street, Columbus, OH 43215

Attendees: Steve Millard, Fred McGraw, Jerry Friedman, Cynthia Burnell, Nick Lashutka, Amy Goldstein, Trisha Hershey, Melissa Bauer, Shawn Frick, Kelly McGivern, Linda Woggon, Shannon Ginther, Sandra Solano-McGuire, Teresa Long, Cristal Thomas, Deborah Miller, William Fitzgibbon, Janet Grant, Kenneth Statz, Julie DiRossi, Jewel Neeley, Kathleen Gmeiner, Bill Harper, Cheryl Boyce, Heath MacAlpine, Col Owens, Jessica Hart, Cathy Levine, Chris Whistler, Brent Mulgrew, Brian Keaton, George Dunigan, Jessie Cannon, Melissa Craddock, Lloyd DePew (for Ted Fisher), Jeff Biehl, Nancy Enright (for John Burant), Jim Castle, TY Pine, Mel Borkan, Toya Johnson, Dwight Tillery, Amy Rohling McGee, Janetta King, Mary Jo Hudson, Doug Anderson, Robin Harris, Marjorie Ellis, Suparna Bhaskaran, Malika Bartlett, Carly Glick, Anne Jewel, Ron Bridges, David Koeninger, Vuka Stricevic, Keith Shoemaker TC Wolfe, Carol Roe, Melissa Briggs-Phillips, Bill Hayes, Senator Tom Niehaus, Representative Jim Raussen, Senator Shirley Smith, Marianne Steger, Richard Stoff, Steve Wall, Elise Geig, Heidi Welch, Michele Shipp, Dwight Tillery, and Fred McGraw.

1. Introduction and welcome by Doug Anderson from the Ohio Department of Insurance.
2. Doug reviewed the priorities list and asked for comments. The list was provided to the AC as a handout. He then went over the work plan for the next series of meetings (this was also handed out to the AC). This information will be on the website.
3. Col Owens provided an overview of the SCI team participation in the Robert Wood Johnson Foundation conference in Chicago.
4. Governor Ted Strickland arrived and spoke to the committee. He thanked Mary Jo Hudson for her leadership and members of the AC and other participants for participating in the health reform process. The Governor talked about a fair and competitive economic structure in Ohio; the fact that healthcare is always paid for by someone; that there are problems in the current system and no easy answers, and that healthcare should be provided in a way that maintains quality and contains costs. The Governor added that no opinion or idea should be discounted and every recommendation on the table must get a fair hearing. Following his remarks, Governor Strickland left.
5. Col Owens resumed his overview of the SCI team's team attendance at the RWJF conference. He said that the SCI team members were on board with the goal of extending coverage to 500, 000 by 2011. The Chicago conference brought the team back to square one: "to provide coverage"—the fundamental bottom line.

6. Janetta King, Cynthia Burnell and Doug Anderson presented ten principles that the SCI team learned at the Chicago conference. The following is a list of the ten principles:
 1. Health care reform has many aspects, but this conversation is about expanding coverage to Ohio's uninsured residents and making coverage affordable for small businesses.
 2. We must have well-defined goals, with benchmarks and mileposts. Our goal is to provide access to quality, affordable health insurance for every Ohio child and reduce the total number of uninsured Ohioans by 500,000 by 2011.
 3. Populations to target must be identified.
 4. Reforms must build upon Ohio's strengths.
 5. It has got to be affordable. Subsidies are required to reach lower income Ohioans.
 6. A connector needs to have complementary reforms and subsidies to bring costs down.
 7. Portability of coverage is important.
 8. Financing will be a challenge.
 9. We must focus on small businesses and consider economic development.
 10. We must be conscious of maintaining competitive insurance markets.

During the presentation, the following comments were made:

A question was raised about whether the goal of extending coverage to 500,000 people includes the recent Medicaid and SCHIP expansions, and the answer was yes. Another concern was raised about defining coverage and it was confirmed that the AC would discuss defining coverage.

Someone added that during the Chicago conference it was pointed out that Ohio is a leading state in financial institutions and insurance. COSE is a national leader in offering benefits to its members.

A comment was made that Massachusetts, California and Texas are not Ohio. Ohio is unique and we need an Ohio based solution.

Issues were raised about how a coverage program might impact physician participation, how subsidies would work, and whether we should be thinking not about shared costs but about shared responsibility.

The issue of defining a connector was raised and the group discussed that it is a way to link those who need insurance with affordable options, potentially including subsidies.

The issue of whether or not the group should be considering cost containment at this level was discussed. The group decided that cost and quality will be discussed—and the components that tie in with this.

The issue of insurance law reform was discussed and that costs cannot be controlled without insurance law reforms. Coverage expansion naturally leads to containment discussions and reforms cannot be modeled in a vacuum. Reforms must be in sync with other markets. Modeling can be done in a statistical way or in a more dynamic way. In Massachusetts, no cost containment improvements can be observed. The Massachusetts plan looks affordable in the near term but some observers wonder if it will be sustainable.

The issue of having subsidies and offering them only to those in the connector was raised. An individual mandate is another option. All of the proposals should be considered, especially those that may affect a connector.

There was discussion as to whether it is viable to bring people in the existing marketplace and whether a connector is necessary considering Ohio's vibrant market. A team member said that they felt that coverage is available but it is unaffordable and that we especially need coverage for individuals and small businesses. The fact that Ohio's uninsured population is different than the uninsured in other states was discussed. Most of Ohio's uninsured are in lower income brackets. There would need to be regulations in place so coverage is available and subsidies succeed. Subsidies of some kind will be required to expand coverage and a connector is one way to do this.

The question of whether the SCI meeting defined affordability was raised and a team member said that there is no exact percentage but that many believe that many factors must be considered and that if there was to be a mandate, like in Massachusetts, then you can only mandate what is affordable.

The group discussed the health reform plan in Massachusetts. Massachusetts was in a unique position; they were going to lose federal dollars. States are using a variety of approaches. Want to investigate drawing more Medicaid dollars.

There was discussion about ERISA and how it might affect health reforms.

The question of how we have financing that is counter cyclical (when the economy is tight, more people go on public assistance) was raised. A person suggested that we might need a provider assessment.

7. Bill Hayes gave a power point presentation of a condensed version of the fact pack of data about Ohio's uninsured and the insurance market. The comprehensive fact pack will be available on the website

One participant requested data on the impact an uninsured family member has on a family. Other issues were raised including the necessity of thinking about insurability under HIPPA and the need to continue efforts to look at measurable impacts on productivity.

8. Doug Anderson gave instructions to the AC about small break out groups.
9. The AC broke out into six groups and were asked to answer the following question: "Reforms need to work for what uninsured populations, and why?" The six break-out groups discussed this question for 30 minutes and then reconvened as a larger group. During the larger group discussion, each group reported what they had written down in response to the question. Each group's report is attached to these minutes as an addendum.
10. Doug concluded the meeting by stating that the next meeting will focus on reforms and that the AC will receive a mailing of reading materials beginning next week. The next set of meetings will be at JFS (Lazarus Government Center). Marjorie also announced to everyone that they look at the internet links (hardcopy given to AC members).
11. Meeting was adjourned at 4:20 p.m.

Small Groups

Questions:

1. Reforms need to work for what uninsured populations(s)?
2. Why?

Groups 1 & 2

Who:

- All
- Pre-existing condition people
- The most vulnerable
- Poverty level markers
- People with mental health conditions
- Children living in poverty
- Pregnant women
- Recently unemployed
- Young invincibles
- Working poor
- Medicaid “yo-yos”/pre –Medicaid
- Regions with high uninsurance rates
- Citizenship
- Independent contractors
- Hard to reach people

Why:

- Stability
- Economic development
- Family stability
- Fairness

Group 3

Who:

- People who have no other option for insurance
- People who can't afford insurance-regardless of whether it is offered through an employer or not
- Those with chronic health conditions
- It is easier to insure: people who make enough money and are not choosing to purchase insurance; individuals with employers that don't offer insurance-a connector for those at 200-300% FPL might help; there is no affordable product for the independently employed
- Should there be different solutions for different populations?
- 24% have income above 300% FPL
- 41% have income above 300% FPL

What's important?

- Reaching the 500,000 goal or reaching it in a way that represents proportionality in terms of the insurers (balance)
- The purpose of insurance equals the cost shift from healthy people to people who need health coverage
- Do different people respond to incentives in different ways?

Group 4

Who:

- All children, including those eligible for Title 19 and those ineligible for Title 19
- The uninsurable, including those with pre-existing conditions, the chronically ill, and those who have capped out
- Adults who are below 100% FPL; those who are at less than 300% FPL and independently employed or in small businesses with less than 250 employees

Group 5

Who:

- The first group includes those feasibly insured by a public or private program. They must be insurable, as this is an issue for the individual market
- Premiums must be affordable
- Role of plan design with costs of the plan
- Would be easier if coverage is offered as group coverage by an employer
- Suggest that ten percent of income (or less) goes to health costs
- Obtain a subsidy through the employer
- How do we get those eligible for public programs to participate? Help cover COBRA costs
- How do we handle those who are high-risk and uninsurable?
- The role of insurance agents could help with enrollment into existing and new public and private options; Benefit Bank
- What is the role of helping those who have lost their income? How long should the waiting period be?
- The second group is able to be insured in-market. Those at 100% FPL would need a subsidy.
- The third group would have a sliding scale of support.
- How do we get or keep employer subsidies?

Group 6

- Reforms should work for: those already eligible; self-employed; those employed by small businesses; young invincibles; older, pre-Medicare adults
- Based on need: lower-income individuals would receive a subsidy; high-risk individuals (may need a subsidy)
- Outreach to certain populations: minorities, immigrants, Appalachians

- Private insurance may be available to: self-employed, small employers. Barriers may be cost and physical condition.
- Small market reforms
- “Older unemployed”
- Subsidies should be offered to those under 300% FPL