

Oregon Medical Insurance Pool
Board Meeting Minutes
April 24, 2014
Wilsonville Training Center – Clackamas Community College
Wilsonville, Oregon

Board Members Present

Sue Sumpter, General Public Representative
Dave Houck, Public Representative Emeritus
Patrick Allen, Department of Consumer and Business Services
Chris Ellertson, Non-designated Representative
Robin Richardson, Reinsurer Representative
Kelly Ballas, Oregon Health Authority
William Ely, HMO Representative
Paul Harmon, Domestic Insurance Representative

Board Members Absent

Suzan Turley, Public Representative
Ken Provencher, Health Care Services Contractor Representative
Robert Gluckman, M.D., Non-designated Representative

OMIP Staff Present

Don Myron, Administrator
Matt Smith, Budget Analyst – OPHP
Cindy Lacey, Operations and Policy Analyst
Craig Urbani – OTRP Program Manager

Others Present

Kevin McCartin - Actuary
Cindy Bowman – OPHP
Margaret Moran - OPHP
Ted Falk – DOJ
Linda Nilsen-Solares – PANOW
Jonathan Sauerwein – PANOW
Sheila Hale - PANOW
Adam Mercias – Familias en Accion

Minutes approved for the January 29, 2014 meeting.

Administrator's Report

Mr. Myron gave an update on the Temporary Medical Insurance Pool (TMIP). December 2013 was the first discussion with the OMIP board to create a program where OMIP clients could transition. At that time, the low-end estimate assumed 50 percent of the OMIP population would move to TMIP with an estimated cost, net of premium, of 9.2 million dollars. The most recent enrollment figures show 22 percent of the OMIP population moved into TMIP in January. The three-month average enrollment for the TMIP population is 14 percent of the original OMIP population. TMIP program costs, net of premium, are expected to remain well within the 7 million dollars insurers tax balance and will likely total 3 - 4 million dollars.

The Office of Private Health Partnerships (OPHP) officially closes its doors May 2, 2014. The OMIP Reinsurance Pool is going forward and will be staffed by Craig Urbani, Cindy Lacey and Matt Smith. They will also handle close out functions for OMIP and other OPHP programs.

OMIP/CRP Financial Update

Mr. McCartin reported that OMIP reserves are anticipated to be well above the projections provided in late 2013. Mr. Richardson asked that a subcommittee be formed to identify options concerning the timeline for disbursement of those funds back to the carriers.

Ms. Sumpter asked if there are any restrictions on what can be done with the money. Mr. Myron replied that statutorily they must refund but they can hold the funds for the reinsurance program. Mr. Myron will take the question to legal for advisement.

Enrollee Transition Results

Nearly all of Familias/OMIP 75 clients are enrolled in insurance in the commercial market outside of Cover Oregon. They are working with clients to familiarize them with co-payments, deductibles and out of pocket costs. The Familias contract runs through the end of June 2014.

PANOW has started a premium assistance program for individuals who have income in the 139 – 200 percent FPL range. To date PANOW has enrolled 42 members. Some of those enrolled were

OMIP members. They have made 31,000 phone calls to OMIP members to assist them in getting coverage; about 90 percent have transitioned to other coverage.

Closing the OMIP Program

Mr. Richardson brought the gavel down on the OMIP health insurance program and symbolically closed that portion of the meeting, noting the end of the OMIP health plan. This is the last meeting for Dave Houck & Sue Sumpter, they both resigned from the board.

Mr. Richardson then symbolically opened the Reinsurance portion of the board meeting.

Reinsurance Update

Mr. Urbani reported that SB 1582 passed the 2014 Oregon Legislature and has been signed by the Governor. That legislation provides the necessary flexibility to respond to the Federal Reinsurance Program reducing the Federal Attachment Point from \$60,000 To \$45,000, and making the Federal Reinsurance Program coinsurance flexible, depending on the amount of revenue collected for the program and the claims submitted. The Oregon Transitional Reinsurance Pool legislation now establishes a 90 percent target for coinsurance. If the Federal Reinsurance Program pays 90 percent coinsurance or more, the Oregon Transitional Reinsurance Pool will not pay an additional amount. Since Federal Reinsurance Program payments won't start until 2015, the Oregon Transitional Reinsurance Pool claim payments will not start until after the Federal Reinsurance Program payments have been determined. Mr. Urbani distributed a chart that illustrates how the Federal Reinsurance Program and the Oregon Transitional Reinsurance Pool will coordinate if the Federal Reinsurance is 80 percent or 90 percent.

Staff reviewed de-identified claims data for OMIP for 2013. There were about 600 claims that exceeded the attachment point. Future assessments for the Oregon Transitional Reinsurance Pool may be reduced.

The 2014 Assessment will be based on the Second Quarter Enrollment Report submitted to the Oregon Insurance Division. Historically the OMIP Assessment has been based on the First Quarter Report. Using the Second Quarter report allows the enrollment during the special enrollment to be counted for assessment purposes. The assessment for 2014 will probably occur in September. The assessment will be for the statutory maximum. If less funding is needed in the future, the assessments for 2015 and 2016 will be reduced or even eliminated.

OMIP staff is working with the Oregon Insurance Division on a data call to identify the Portability and Children's Reinsurance Lives that are potentially eligible for Reinsurance. Lives that became insured during the Special Enrollment Period in April will be eligible for reinsurance from the Oregon Transitional Reinsurance Pool. Reinsurance eligible lives enrolled in Medicaid are not eligible for reinsurance while in Medicaid, but are eligible for reinsurance if they move into ACA compliant coverage and meet all other eligibility criteria. Approximately 30 percent of the OMIP members have move to Medicaid. Mr. Ellertson asked if this reduction in the OMIP enrollment should change the assumptions for the 2014 assessment given that fewer lives are being reinsured. Mr. Urbani explained that the original assumptions included some OMIP lives moving to Medicaid and may need adjustments in the 2015 and 2016 assessments.

Draft Administrative Rules for the Oregon Transitional Reinsurance Pool are being developed in cooperation with the Oregon Insurance Division. The draft will be distributed to the Board for comments.

Public Testimony

No public testimony

Meeting adjourned at 2:35 pm.