Oregon Medical Insurance Pool
Board Meeting Minutes
October 24, 2012
Wilsonville Training Center of Clackamas Community College
29353 Town Center Loop East, Room 111
Wilsonville, OR

Board Members Present
Robin Richardson, Reinsurer Representative
Sue Sumpter, General Public Representative
Don Antonucci, Regence (via teleconference)
Robert Gluckman, M.D., Non-designated Representative
Chris Ellertson, Non-designated Representative
Suzan Turley, Public Representative
Ken Provencher, Health Care Services Contractor Representative
Dave Houck, Public Representative Emeritus
Andrew McCulloch, Health Maintenance Organization Representative
Kelly Ballas, Oregon Health Authority

Board Members Absent
Rocky King, Public Representative Emeritus
Patrick Allen, Department of Consumer and Business Services

OMIP Staff Present
Don Myron, Administrator
Linnea Saris, Program Development Specialist
Cindy Lacey, Data Analyst & Policy Advisor
Napua Catriz, Program & Operations Specialist
Matt Smith, Budget Analyst OPHP

Others Present
Steve Villanueva, Regence
Csaba Mera, M.D., Regence
Lynn Nishida, Regence (via teleconference)
Roseanne Combs, Regence (via teleconference)
Gloria Coronado, Kaiser Permanente
Linda Nilsen-Solares, Project Access NOW
Janet Hamilton, Project Access Now
Laura Berrutti, Familias en Accion
Olga Gerberg, Familias en Accion
Jaeme Klever, Familias en Accion

Tom Jovick, Cover Oregon
Jeremy Vandehey, OHA
Brian Nieburt, OHA
Judith Anderson, OHA
Cindy Bowman, OPHP
Mark Jungvirt, OPHP

Approval of Minutes
Ms. Sumpter motioned to approve the September 5, 2012 Board meeting minutes. Mr. Provencher seconded the motion and all approved.

Administrators Report
Stat Packs
Enrollment in FMIP is 1432. The overall loss ratio is at approximately 300%. Enrollment in OMIP is 11,399 as of August; it continues to decline in plan 500 and increase in plan 1500. The Incurred loss ratio remains at approximately 200 as it had during 2011. There seemed to be an error in the area of utilization; Mr. Myron explained would be reviewed with Regence and reported on during the January Board meeting to ensure accuracy.

Children's Reinsurance Pool
There has been a significant increase in children ceded to the children's reinsurance pool since assessment #2; there have been 819 children added to the program. There are 92 children from the Healthy Kids Connect program. The total number of children ceded to the program is 1,724. Mr. Myron explained the children's reinsurance program only requires premium and claims data during July and January each year. The next reporting file is due 1/7/2013.

TPA Contract
Mr. Myron delivered an update on the status of negotiating the third party administrator contract with Regence Blue Cross Blue Shield of Oregon (RBCBSO) and the renewal of the federal contract to administer FMIP. The target date of completion for both contracts is November or December.

Reserve Accumulation
OMIP confirmed agreement with Regence actuaries that $17- $20 million will be the amount needed in reserves by January 1, 2014 to pay claims run-out in 2014.

Benefits Subcommittee Report
The Benefits subcommittee (Mr. Gluckman, Ms. Sumpter, and Mr. Ellertson) discussed creditable coverage for lower benefit plans.

Mr. Ellertson gave an overview of the staff recommendation and of the subcommittee discussion leading up to their Board recommendations. The subcommittee agreed that their recommendation to the Board was continue to allow credits for any plan with comparable benefits regardless of the magnitude of the deductible or coinsurance. There is no solid evidence that individuals have come to OMIP just to take advantage of lower deductibles or coinsurance; although some anecdotal information suggests this may be happening. The percentage of applicants coming from individual plans has not varied much over the last three years, but the actual number of these applicants has been decreasing along with overall enrollment. There has been little change in the percentage of applicants coming from individual plans who received full or partial credits.

Ms. Sumpter requests that the benefits subcommittee review offering member's naturopathic medicine. Following a discussion among Board members, Mr. Robinson asked the benefit subcommittee to review information specific to naturopathic medicine limited to active Cancer treatment patients and specific to the OMIP population.

Executive Session:
The Oregon Medical Insurance Pool Board met in executive session held pursuant to ORS 192.660(2)(f)) which allows the board to meet in executive session to consider information or records that are exempt from public inspection, such as written advice from its attorney, and to consult with counsel concerning the legal rights and duties of the Board with regard to current litigation or litigation likely to be filed.

Representatives of the news media and essential OMIP staff were allowed to attend the executive session. All other members of the audience were asked to leave the room. Representatives of the news media were specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. The Board did not vote on issues in Executive Session. **Following the Executive Session, the board returned to its open session.**

Navigator Program Updates
Ms. Nilsen-Solares from Project Access NOW explained the pathways model in relation to their scalable measures. She presented an example from the Familias en Accion program of the medication management pathway and the steps in the process. She concluded by explaining how they will provide services by adopting what has been learned from Familias en Accion and how they plan to model operations by outsourcing navigators and paying them in accordance to patient outcomes.

The role of Regence Blue Cross Blue Shield of Oregon's in the navigation programs was explained by Dr. Mera. He also explained that barriers to care are greatly due to communication.

Ms. Berrutti a patient navigator of Familias en Accion gave a program overview. She explained that OMIP has referred 63 Hispanic patients, of which they are currently working with 46 patients. 39% of the patients being navigated by them are under the age of 40. Familias en Accion picked 6 pathways to work on with the patients they navigate. They have developed a social group for patients that take place the second Saturday of each month. Ms. Berrutti shared examples of two patients with Board members and their similarities. The Familias en Accion navigators are helping patients become educated on their disease, gain access to necessary physicians, and provide them with knowledge of their health care coverage and their diseases; as well as provide them with resources for necessities they seek, such as housing. They are working closely with the patient, social workers, and dialysis providers.

Dr. Gluckman inquired if our contract has language that says physicians are required to provide language services as required within federal guidelines. Ms. Coronado explained outcome evaluation, process evaluation, and patient narratives. Mr. Jovick gave a synopsis on the history of implementing the programs in OMIP. Board members discussed several aspects of the programs in relation to OMIP before moving on.

OMIP Sunset Legislation – LC 353

Mr. Vandehey of Oregon Health Authority briefly explained sunset legislation of the OMIP program. The concept will end eligibility and enrollment at the end of 2013, continue Board activities for 18 months, and any other related sunset activities. Any remaining funds will be redistributed to carriers. He assured Board members that this is preliminary and final determination will be during legislative session.

There was a brief explanation by Mr. Myron in regard to submitting language to allow flexibility to continue coverage for OMIP enrollees facing a medical hardship for a short time and only on an exception basis. Ms. Sumpter inquired about those members who were non-citizens and would only be eligible for the commercial market at a high cost. Mr. Jovick explained that Dialysis patients may have American Kidney Funds available to them but was unsure of other subsidies. There was a question on how OMIP staff would identify enrollees who haven't enrolled in other coverage by the end of 2013. OMIP staff will be sending communications to enrollees throughout 2013 to assist in enrollee transitions to other coverage and staff will also collaborate with Cover Oregon and the Oregon Health Plan to ensure enrollees receive proper direction. Due to HIPPA it is unclear whether staff can share personal enrollee information in these transitions.

Dialysis Cost Update

Ms. Goldwater updated Board members on Dialysis cost. RBCBSO obtained flat rate pricing which was critical and eliminated charge master increases that come throughout the year. The result is substantial with a reduction of more than a million spent monthly. One month of data brought per member per month utilization from 145%-180% with charge master increases down to 40%. Mr. Robinson commented that the initial amounts were astounding and that Board members will continue to be cautious until these numbers are validated. Board members discussed the previous egregious pricing and anticipated overall cost savings.

OMIP/FMIP Premium Rates

Estimates of the 2013 commercial average individual plan rates, adjusted for trend and benefit differences, show that OMIP rates are currently 10.1% above market. This means we would need to decrease rates by 9.2% to be at the market level.

In order to maintain the Medical Plan premiums at the current surcharge level of 6%, the Board would need to decrease the medical rates by 3.7%. To get to the maximum surcharge level of 25%, the Board would need to increase the medical rates by 13.5%.

Mr. Myron explained that staff recommendation is to hold the rates. During the July Board meeting members voted to increase assessment to build up a reserve for claims run out and potentially have January be the last assessment month. We also need to be attentive to the assessment for the Children's Reinsurance Pool. Board members discussed the impact on members and the program. Mr. Myron further explained that FMIP rates are tied to federal contractual agreements that require rates to stay at market average. Using OMIP plans and benefit relativities provided by actuaries at Regence BlueCross BlueShield, the 2013 FMIP rates will decrease by 4.0% for plan 500 and 3.5% for plan 750. These estimated FMIP rates will require CMS approval. Portability rates impact 13% of OMIP contracts (5.5% Plan 750; 6.1% Plan 1500, 1.4% grandfathered plans 500 & 1000).

Ms. Sumpter motioned to follow staff recommendation to maintain the 2012 rates for OMIP medical plans in 2013. The motion was seconded by Dr Gluckman and all approved. There was additional discussion to revisit the rates later in 2013 if necessary; pending more information on Dialysis savings.

Public Testimony

No public testimony

Meeting adjourned at 3:45 p.m.