

**HDHP Task Force
October 16, 2019
11:30 AM – 1:30 PM
Legislative Office Building, Room 2D**

Members Present: Ted Doolittle, Dr. Daniel Freess, Susan Halpin, Atty. Robert Krzys, Dr. Andrew Lim, Patrick McCabe, Joseph McDonagh, Cassandra Murphy, Janice Perkins, Dr. Gregory Shangold and Dr. Andy Wormser; Seth Powers by phone.

OHA Staff Present: Adam Prizio, Sean King, Valerie Wyzykowski, Sherri Koss

Welcome & Introduction of Insurance & Real Estate Committee and OHA Staff

- Ted introduces Diane Kubeck from the Insurance and Real Estate Committee
- Ted introduced the OHA Staff present, Valerie Wyzykowski, Sean King, Adam Prizio and Sherri Koss
- Ted reviewed housekeeping and safety rules

Roll Call

- Dr. Andrew Lim – ER Physician and Medical Director at Bristol Hospital Emergency Room
- Dr. Andrew Wormser – Primary Care Physician in New Haven, Past President of Connecticut Society of Internal Medicine
- Cassandra Murphy – CT Coalition of Taft-Hartley
- Dr. Daniel Freess – ER Physician @ Hartford Hospital/Formal President of Connecticut College of Emergency Physicians
- Dr. Gregory Shangold – President Elect for the Connecticut State Medical Society as well as an ER Physician
- Janice Perkins – Director of Government Relations for ConnectiCare
- Joseph McDonagh – Insurance Agent in Connecticut
- Pat McCabe – Senior VP of Finance for the Yale New Haven Health System
- Robert Krzys - Attorney
- Seth Powers – Co-director of Center for Children with Special Needs – children with disabilities
- Sue Halpin – Executive Director of Connecticut Association of Health Plans – represents the 6 major carriers in Connecticut
- Ted Doolittle – Former prosecutor, former State Asst. A.G., Senior official with Medicare/Medicaid

Approval of 10/16/19 Agenda

- Ted asks for discussion or motion to approve agenda, Joseph McDonagh motioned to approve and Pat McCabe, seconded; no nays; motion carries unanimously

Approval of 8/23/19 Minutes

- Ted asks for motion to discuss or approve minutes, Pat McCabe motioned to approve and Janice Perkins seconded; no nays, motion carries unanimously

Public Comment

- Lynne Ide gave comments – (written comments distributed to members)
 - High Deductible plans for many equals being functionally uninsured – not merely under-insured for those without significant savings
 - These people do not get care unless unavoidable
 - A 2019 benchmark employer health benefits survey reports a 162% increase in deductible costs in the past 10 years
 - A 2018 non-partisan statewide poll of voters shows that 43% of Connecticut adults delay or did not get care due to costs
 - A CT Health Policy Project report states that 63% of individuals and 55% of families are in high deductible plans in Connecticut
 - 2015 National Bureau of economic research paper, high deductible plans may decrease cost but depress care. Tracks a company move from a no deductible health plan to a plan with a \$3,000-\$4,000 family deductible. The average annual spending per employee fell 13% but it was nearly all due to employees using fewer health care services, even those services that are preventative and free
- Colleen Brunetti
 - History – She is a constituent/patient with a rare disease; Consumer has HDHP through spouse's job with a family OOP deductible of \$13,000. Consumer's personal cap is over \$8,000 with over \$250,000 per year for medications and a monthly copay of \$7,000
 - Wants to bring the committee's attention to copay accumulator model
 - In 2018 consumer had a \$6,000 copay card; ordered prescription and showed card; pharmacy applied it to her high deductible out of pocket expense
 - She ordered another one and she was done for the year
 - In 2019 the plan declined to apply the co-pay card to her deductible and now consumer has to come up with \$7,000 by January for her meds; consumer has no other options for meds and this leaves her in a financially difficult position
 - Urges committee to consider the copay accumulator model in their work
- Senator Lesser
 - Just wanted to welcome and thank the committee for their time and tackling this issue

Review of FOIA and Open Meeting Laws

- Sean King reviews state laws regarding FOIA; any document, including emails is subject to FOI; 3 points
 - This is a public agency and subject to State freedom of information laws
 - All task force business must be held with proper notice of meeting; when the business of the task force is completed members must be careful not to not discuss in a group, including emails; If you do discuss task force business in a quorum that is not properly noticed, that is considered an illegal meeting
 - Any and all public records of the task force are subject to disclosure under FOI law. Remember all emails are public records even if you are using your private email, so retain those emails
 - Any requests for FOI records should be forwarded to Sherri Koss at Sherri.Koss@ct.gov and the Office of Healthcare Advocate will handle

Introductory comments/reflections on task force by each member

- Dr. Daniel Freess
 - Sees many patients who skip follow-up visits due to unpaid bills because of high deductibles.
 - When patients do come in they are much sicker because they have skipped their preventive visits
 - Feels access to care is a big issue
- Cassandra Murphy works with 14 union health plans
 - Agrees that access to care is a problem even those who have lower deductibles.
 - Would like to address the problems of the theory that make the high deductible plans not work
- Dr. Gregory Shangold
 - Boils down to access to care
 - Having insurance doesn't equal quality of care
 - Doctors are left to collect the fees which costs the providers
 - Coverage costs more but consumers access it less
- Dr. Andrew Lim
 - Patients express concern about how much things will cost, do I really need this test?
 - Also feels access to care is a big issue
- Robert Krzys
 - Negotiating focus to removing barriers to access of care
 - Identify issues that have come about as proliferation of high deductible health plans grows
 - Resolve tax implications
- Ted Doolittle – gives overview of OHA
 - Hard to explain to a consumer that the service is covered, but you are still responsible because of your high deductible
 - Understands trends in the marketplace, fully insured is waning, self-funded is rising – this drives our thinking because state only authorized to regulate fully insured
 - This task force puts Connecticut out in front on this issue of HDHP scrutiny and/or reform
- Susan Halpin
 - Feels that committee needs to understand wide range of benefits and the drawbacks
 - Concern for unintended consequences
 - Question whether or not something should cost as much as it does – underlying cost of medical care is the overriding issue
 - She hopes there will be a host of speakers/presentations to see this issue through different points of view
 - Any changes will only apply to 35% of the market (fully-insured)
 - Reflection of healthcare costs on premium/deductibles; if you lower deductibles you increase premiums
 - There is a push toward value based healthcare
- Janice Perkins
 - Hopes the committee will come to a common understanding about the scope of this issue and HDHP plans including the downstream implications for example, the exchange plans have to meet certain levels and actuarial factors in plan design
 - Need to pay attention to the impact on consumers in the exchange plans

- Pat McCabe
 - The patient needs to be the center of decision-making
 - How will things affect the patient is key
 - Need to pay attention to patient financial situation on the healthcare journey
- Dr. Andrew Wormser
 - Impact of pattern of care; when patients finally go in they are much sicker as they put off preventive care
 - Changes in scheduling of patients which puts pressure on primary care which is already under a lot of pressure
 - Cost sharing by patients reduces necessary/unnecessary care they receive
 - We need a logical healthcare system
- Joseph McDonagh
 - Feels there is very little this task force can do in this area
 - In 2015 the Exchange had only 1 plan that had no deductible
 - In 2019 all plans on the Exchange had deductibles
 - In a Leonard Davis report, in 2016 CT has 2nd highest deductible in country with a 75% increase is the 4th or 5th highest nationally
 - If the committee can do anything he would like to take a look at how and where deductibles are applied
- Seth Powers – looking at high deductible health question from 2 fronts
 - Provider group – supports (mostly children) people with disabilities
 - Families who have high deductibles who need access to chronic care for the HD plans can be out of a tremendous amount of money at the beginning of the year causing a financial burden
 - Small business side
 - Has seen cost of premium for health insurance increase dramatically, much quicker than employers can increase salaries
 - Consumers wonder where do I come up with additional 10-15% more for premiums
 - Small business can't afford to increase salaries at that rate
 - HSA's eligible plans almost at parity with PPO plans
 - Take the opportunity to think about consumer element at point of purchase
 - Add to price transparency the total expected cost during term of policy

Discussion and possible appointment of two co-chairs, per legislation

- Sue Halpin motioned to appoint Ted Doolittle as one chairman of the committee; Dr. Wormser seconded; no nays, motion carried with 1 abstention
- Committee agreed to table second nomination to a later date; no nays, motion carried

Level-setting

- Adam Prizio discusses Self-insured vs Fully-insured – 2 functions
 - To maintain a reserve of capital sufficient to cover it's risk over a period of time
 - To administer claims, subscribe people and keep adequate provider network
- This is thought to be done by the same entity but doesn't have to be this way
- Larger employers may be able to put up the money to pay and assume risk themselves and hire an insurance carrier to administer the benefit. These are called self-insured or self-funded plans
- They are not very touchable by State policy, regulation or laws because of preemption by a

Federal statute called ERISA.

- The State can most affect, by law, fully-insured plans;
- This committee can work around some of the limitations in self-insured plans to help consumers

Next Steps

- Some members thought we should meet every two (2) weeks and have a permanent date and time
- Many members wanted to discuss the topics to be covered at future meetings
- Committee agrees with meeting every 2 weeks beginning with Nov. 6, 2019 with a permanent time, Dr. Wormser motioned and Dr. Shangold seconded; motion carried unanimously
- Janice thinks topics/speakers for future meetings should be discussed
- Some examples given by members are as follows:
 - Tax implications
 - Scope of problem
 - Important to have DOI, Exchange as speakers
 - Demands from their perspective from their consumers
 - More brokers
 - Employer community
 - Banking Community
 - HSA's tax free on the way in and out
 - Get some of the fixes, proposal out on the table earlier and present to the different communities
 - Treasury Department or IRS
 - Existential question should deductibles be in the health insurance market, very aggressive and harsh method of cost sharing
 - Transference of bad debt; physicians left to collect debt which interferes with doctor/patient relationship, providers are requiring patients to put credit cards on file to cover any deductibles that aren't reimbursed by insurance; need to understand rules and regulations pertaining to that
- The Committee Report is due to the legislature by February 1, 2020
- Ted advised committee to submit any articles/information, to our office, they feel they want to share with the members

OHA Logistics

- Ted announces his role may be limited due to medical reasons. If needed, he will appoint a designee, likely Sean King or Adam Prizio, either of whom would be excellent.

Ted ask for motion to adjourn meeting. Joseph McDonagh motioned to adjourn and Robert Krzys seconded. Meeting adjourned by unanimous vote

Next meeting will be held on
November 6, 2019
11:00 AM – 1:00 PM
Legislative Office Building (LOB) Room 2D