# HealthFirst Connecticut Authority

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**Meeting Summary**
Thursday, May 29th, 2008
9:00 AM in Room 1C of the LOB

The Following Members were present: Tom Swan, Margaret Flinter, Sharon Langer, Sal Lucciano, Teresa Younger, Lenny Winkler, Commissioner Robert Galvin, Commissioner Thomas Sullivan, Fernando Betancourt, and Mickey Herbert.

Also present were: David Krause representing Nancy Wyman, Vickie Veltri representing Kevin Lembo, Paul Grady representing Mike Critelli, Barbara Ormond, Martha Judd representing David Benfer, Robert Zavoski, and Angelo Carabba.

The following members were absent: Lieutenant Governor Michael Fedele, Brian Grissler, Commissioner Michael P. Starkowski, and Franklin Sykes.

Lenny Winkler asked for one change to the minutes for the purpose of clarifying a statement.

The meeting minutes were approved.

Tom Swan gave the meeting dates for upcoming HealthFirst Authority Meetings and related Workgroups. Tom Swan explained that public forums would be set up to allow the public to offer their input into the healthcare options that could be made.

Mickey Herbert requested that the HealthFirst Meetings be scheduled to December because of difficulty planning schedules.

Tom Swan promised to work on planning additional meetings despite difficulty planning.

Margaret Flinter briefly explained the charge to the HealthFirst Authority as it was laid out by the Legislature. Margaret Flinter listed some components of recommendations for coverage that she felt were widely agreed upon by the Authority. 1.) Strong component of prevention and health promotion. 2.) A medical home for each individual. 3.) Acceleration of the adoption of electronic medical records

and health information technology. 4.) A strategy to meet the eligible but un-enrolled Medicaid beneficiary. 5.) A strategy for management of chronic disease. There has also been agreement for strategies, incentives and personal responsibilities in healthy lifestyles.

There are other principles that have been widely agreed upon by the Authorities. Those include: Transparency with regard to data that will allow the State to make decisions about where resources should be invested, Evidence-Based Practices, addressing the inadequacy of Medicaid Reimbursement, Patient Safety, Employer Contributions and Individual Contributions.

Mickey Herbert asked that the inadequacy of Medicare reimbursement be included. The hospitals in the state would be out of business if they relied only on Medicare reimbursement. Mickey Herbert asked how we could discuss the cost of implementing certain proposals that have been discussed.

Tom Swan responded that legislative leadership has agreed to offer the services of the Office of Legislative Research (OLR), and the Office of Fiscal Analysis (OFA), assist when appropriate. Academy health may also be willing to donate additional resources.

Margaret Flinter added that some of the suggested proposals have been implemented in other places. In those cases there should be some knowledge of what the cost of the plan would be.

Paul Grady commented on transparency, specifically at the consumer level.

Tom Swan suggested that it referred to consumer and the macro level. There is an inadequacy of public health data in the State of Connecticut.

Angelo Carabba suggested a need to address the workforce to see if there was an adequate number of doctors to meet the needs of our State's health. He suggested a program that encourages young graduates to stay in the state by acting as a mentor or healthcare providing by offering them loan forgiveness. The current fiscal environment of healthcare in the state makes it very hard for established practitioners to recruit workers.

Margaret Flinter agreed that workforce issues should be included.

Fernando Betancourt suggested that the concept of universality was not listed and should be the goal.

Tom Swan suggested that because that was part of the mission he felt that was included already, but for the purpose of clarification, that could be included in the list of "agreed upon principles."

Commissioner Galvin agreed with Angelo Carabba that recruitment of physicians was important in certain areas of the state.

Lenny Winkler noted that southeastern Connecticut was struggling with regard to their healthcare workforce because of the cost of military healthcare. Active personnel have been placed into Connecticut's healthcare system and they are dependents. The federal government is only paying about $35 for each emergency room visit. Education of the participants to whatever plan is created will be necessary. Education must be part of the final plan.

Vickie Veltri asked that sustainability, adaptability, an attempt to increase federal dollars into the state, and a consideration of speaking to MERCER with helping to determine the price of the plan they decide on.

Martha Judd suggested access to specialty care must also be included.

Tom Swan said that the previous concepts would be the building blocks of a proposal to the Legislature.

Randy Bovbjerg suggested that it was time to move from general concepts to specific proposals that will be suggested to the State Legislature as reform proposals.

Margaret Flinter stated that one component of universal access and coverage is the expansion of Medicaid. A second piece is the movement of SAGA patients to Medicaid, insurance pooling is an issue that must be discussed, and subsidy issues must also be considered with pooling. Dr. Katz presented on the concept of shared responsibility and an insurance plan, not just a plan for care, and employer responsibility for care of the workforce will all need to be discussed.

Sharon Langer stated that the department has several proposals before the federal government and the department should be asked to produce a document that explains all of that.

Mickey Herbert asked if the Authority was looking for additional ideas to be included in the building blocks of the legislative proposal.

Margaret Flinter responded that they were.

Mickey Herbert discussed the issue of mandates. Only two states in the country has more health insurance mandates that Connecticut. The issue of affordability is a challenge. If there is no way to put more affordable policies to the market there will be a challenge. Medical malpractice costs are also higher in Connecticut that in most of the rest of the country. Those are also a challenge to affordability.

Randy Bovbjerg asked Mickey Herbert if he would be willing to work to consider the intersection of mandates and evidence based medicine.

Mickey Herbert responded that a study of health related mandates may be in order.

Robert Zavoski suggested there are a number of federal waivers that have been waiting for a new administration before they could be put into effect. A SAGA waiver is not one of those waivers being considered. The department is committed to moving forward with the Charter Oak plan.

Teresa Younger responded to Mickey Herbert's comments regarding mandates. There must be quality and comprehensiveness that deal with gender and race inequities in the healthcare system.

Sharon Langer discussed publicly financed programs and the state children's healthcare program. That program is threatened by the current administration.

Barbara Ormond suggested there must be serious attention paid to what the members of the HealthFirst Authority intended to cover in whatever plan is suggested to the legislature.

Vickie Veltri agreed with Mickey Herbert that an independent study must be done of mandates and a study of the administrative costs that are associated with insurance. The issue of underinsurance and the consequences of underinsurance must also be addressed. Individual verses group insurance must have an impact on the benefit package design.

Teresa Younger noted that the group could not walk away from the definition of quality. Mandates are not simply about how long you stay in the hospital but about the level of quality of care.

Randy Bovbjerg commented on the direction of the conversation. It would be helpful to have a discussion about an insurance system or the level of care that Connecticut should provide to its healthcare consumers.

Commissioner Robert Galvin guessed that there are many studies available that deal with the issue being discussed. Connecticut has not employed innovative change at the rate that other states have. Telemedicine has already been adopted in neighboring states. Connecticut is only beginning to discuss it as an option. We must consider whether we want a benefit package as many people as possible in the state or are we interested in designing a healthcare system that functions more typically and funding those aspects of the system that we find most important.

Richard Antonalli built on Commissioner Galvin's points and discussed the medical home as an infrastructure that includes connectivity to the sub-specialty world. It is a structure that is lacking in Connecticut. We must consider results based accountability. Merely pumping dollars into the healthcare system is not the solution to Connecticut's healthcare troubles. The purpose of the Quality, Access, and Safety Workgroup is to come up with a mechanism to finance the healthcare infrastructure.

Margaret Flinter summarized the Healthy San Francisco model that had been presented at the previous meeting. The Healthy San Francisco model includes automatic enrollment, the individual enrolled always knows what they will pay for care, the system operates under the knowledge that hospitalization is the thing that uninsured fear the most, public hospitals exist for those who need care, every patient is assigned to a primary care provider, and that provider is accountable for making sure the patient gets the services he or she needs.

Mickey Herbert explained that aspects of that system were good but that 25% of the funding came out of an employer mandate that may not survive an ERISA challenge in Connecticut. The other issue is that if there are catastrophic claims, the program may not be able to survive. Something like that system should be used on a pilot bases in Hartford or New Haven.

Sal Lucciano agreed with Commissioner Galvin that there is a level of people with health insurance. There are others eligible for Medicaid who have no card. Others have a card but cannot find a provider. The working poor are hesitant to go to doctors. Small employers covered about 70% of their employees seven years ago, now they cover about 60%. That 10% of people did not disappear, they are just not covered.

Tom Swan brought up the issue of cost containment as a topic that should be investigated.

Paul Grady commented on benefit plan design. We must communicate to individuals what is covered. It is important for the HealthFirst Authority to discuss what should be covered and to discuss value based plan design and evidence based plan design. A cost shift onto the commercial and private payers has occurred due to uncompensated care and inadequate Medicaid and Medicare reimbursement. If everyone was insured, some of that shortfall would go away.

Randy Bovbjerg suggested that it is time for the Authority to decide what issues they will focus on.

Angelo Carabba suggested that the San Francisco model is a very good model and the only component that is lacking in Connecticut is the public hospital.

Lenny Winkler reminded the Authority that licensure of other groups to expand primary care providers was discussed at a previous meeting and that should be included in the Authority's legislative plan.

Robert Zavoski told the committee that he spoke to community physicians on a regular basis and they would like to continue to provide care to the Medicaid and uninsured population.

Martha Judd agreed that the shared responsibility plan is a good idea but if it is funded at the current Medicaid or SAGA levels, it would not survive.

Mickey Herbert added that if there is a funding problem, the cost shift problem would be exacerbated. Mickey Herbert also noted that he felt uncomfortable voting on a direction without knowing more about the cost implications of such a decision. Mickey Herbert asked a procedural question about who on the Authority is eligible to vote on a proposal.

Tom Swan explained that he did not expect any formal vote to occur until September.

Commissioner Galvin explained there is a fundamental difference between programs with a local sponsored hospital plan and the State of Connecticut which only has one state sponsored hospital, Dempsy Hospital.

Teresa Younger asked if cost of care was a way to proceed. The San Francisco model was very interested, however, that model does not deal with Connecticut's workforce issue. We need an assessment of the shared responsibility model for Connecticut. A pilot in a city may not be able to answer that for us. We need to know if the plan could work across Connecticut.

Tom Swan addressed the two components of the shared responsibility plan. One is an expectation that employers and individuals contribute. The second is the delivery of care via insurance. There are ways to expect employers to be a participant that address many of the ERISA concerns.

Margaret Flinter reminded the HealthFirst Authority that there is a goal of getting to universal coverage. We do not have a public hospital, we must consider an alternative. Another issue is the workforce shortage. It is hard to know if we have a shortage of primary care providers.

Robert Zavoski agreed that the payment for physicians is so low that they are unable to sustain their practice. The money needed to sustain the system exists, it is just not spent wisely.

Vickie Veltri asked what the standard for receiving care was.

Margaret Flinter responded that the standard is that a patient requests the care.

Vickie Veltri asked about the consideration of catastrophic costs and how those costs could be dealt with.

Margaret Flinter responded that the underlying concern should be keeping people out of bankruptcy.

Barbara Ormond asked the HealthFirst Authority for an agreement on issues that should be considered further. She listed the policy proposal agreements the Authority had made earlier in the meeting.

Teresa Younger asked for further discussion of the Healthy San Francisco model.

Fernando Betancourt noted some concern with the pilot program. He suggested it may be a program that does not resolve the original issues.

Sharon Langer suggested they should look at the San Francisco model in further depth to see if it could be applied to Connecticut.

Mickey Herbert suggested that the uninsured in Connecticut are in different places. A pilot in New Haven and Hartford would reach the Medicaid uninsured and would be able to enroll those people. One sixth of the uninsured in Connecticut have an income over 500% of the federal poverty level. An individual mandate in the state would address those people. We may need to do different things with different segments of the uninsured.

Margaret Flinter asked Robert Zavoski to bring a list of Medicaid waivers to the next HealthFirst meeting. There should be more explanation of the Healthy San Francisco model and if it could work in Connecticut. A workgroup may need to deal with the hospital component of that potential model.

Lenny Winkler asked for a listing of providers and their Medicaid reimbursement levels and when they got their last increase. If we are asking them to take on more responsibility, we must be able to give them the necessary funding.

Robert Zavoski addressed the fee schedules and said that those schedules were available online.

Lenny Winkler clarified that she was interested to know when the last fee schedule increase was.

Robert Zavoski answered that the last fee schedule increase for physicians was twenty years ago and different groups received fee increases more recently.

Sharon Langer mentioned that Connecticut Voices for children recently released a report of the fee increases in pediatrics which shows that even when money is put into fee increases, the some of money distributed is not large enough to be effective.

Paul Grady suggested that one of the appeals of the Healthy San Francisco model is the realignment of patient outcome and reimbursement. What is worrisome is that the system is new and it may be hard to draw conclusions from it. Other pilots should also be considered.

Tom Swan thanked the Authority members for their participation.

The meeting adjourned at 11:05