

**MINUTES OF THE
UTAH COMPREHENSIVE HEALTH INSURANCE POOL
BOARD OF DIRECTOR'S MEETING**

**July 9, 2009
SelectHealth
4646 West Lake Park Boulevard
Auditorium B
1:00 p.m.**

Directors

Present: Elizabeth Hunter., Chair; Victor Gibb; Neal Gooch; Douglas Hasbrouck, M.D.; Irene Link; Matthew Minkevitch; Byron Okutsu; Rob Perry; Norman Thurston.

Directors

Absent: Michael Bahr; Andy Galano; Randy Smart

Present by

Invitation: Tomi Ossana; Perri Ann Babalis; Troy Pritchett.

SelectHealth

Staff Present: Jim Murray; Lyndee Astill; Maren Donaldson; Fran Gard; Jesse Liddell; Greg Matis; Annette Meier.

The meeting was called to order at 1:10 p.m. by Elizabeth Hunter, Chair. Greg Matis, Sr. Council of SH was introduced by Mr. Murray.

ADMINISTRATIVE REPORT—Jesse Liddell

1. Applications are up to 135 per month this year as apposed to 110 per month in 2008.
2. The retention of enrollees has also increased. Numbers now show a 15% per year growth rate in the HIPUtah program.
3. A new version of the Milliman Small Group Underwriting manual was finalized June 9, 2009.

ACTUARIAL REPORT & FINANCIAL PROJECTIONS—Troy Pritchett

1. Experience through May 2009 shows a projected net asset balance of \$30.3 million. Base funding of \$8.5 million for fiscal year 2009-10, projected fund balance June 30, 2010 is \$27.3 million.
2. HIPUtah is slightly under the projected claims expense and slightly above premium projections.
3. The projected asset balances decrease quickly for future years. If funding is not increased in upcoming years the pool will no longer be viable as currently operated.
4. Assumption on enrollment doesn't need to change at this time. The board will watch the numbers in upcoming months.

APPROVAL OF MINUTES

The HIPUtah minutes of May 14, 2009 were presented. **HIPUtah Board had no changes or corrections. They were approved as presented.**

FY 09-10 BUDGET REVIEW—Tomi Ossana

1. HIPUtah currently is showing a 12 month projected reserve for the ending of FY 2009.
2. If the program continues as projected, 37 million will have to be requested in appropriations for the FY 2013 budget to retain a 6 month reserve.

3. The HIPUtah Legislative Committee will be meeting with GOPB on August 18, 2009 to discuss HIPUtah and its funding needs.

SB81 LEGISLATION—Perri Babalis & Tomi Ossana

1. Ms. Ossana and Perri Babalis met with SelectHealth on SB81. The Outline of Coverage has been changed to accommodate the bill for those 18 years and older. HIPUtah Board Members felt an additional change was needed. Currently the application only mentions documentation for U.S. Citizens. The board would also like an example of documentation for non-citizens who legally reside in the country. Mr. Liddell will work with Ms. Ossana to determine those examples. Mr. Liddell will then make that change.
2. Ms. Babalis mentioned there is no law suit on this legislation at this point. There is a similar law in Oklahoma that is being reviewed by the courts. Other states are watching.

NOTIFICATION TO HIPUTAH BY CARRIERS-RULE— Tomi Ossana & Perri Babalis

1. Along with a decline notice to prospective enrollees, every insurer in the State of Utah is required to provide a written notice regarding their option for coverage under the Utah Comprehensive Health Insurance Pool (HIPUtah). The HIPUtah Board would like to update the rule so names and addresses of all declined are supplied to HIPUtah.
2. In a recent meeting it was suggested to Ms. Ossana that carriers send notification to the Executive Director not to the administrator of the HIPUtah program.
3. This may create extra expense for carriers. Perhaps electronic notification weekly or monthly is a possibility. There is a time line to be considered for HIPUtah enrollment. Ms. Ossana will provide a draft of the rule to the Insurance Department to start the process of modifying the rule and also get feedback from carriers.

ACTION ITEM LIST—Tomi Ossana

1. NASCHIP. The National Association of State Comprehensive Plans has contracted with an individual to provide consultation on policy issues related to health care reform.
2. First Health Withdrawal. First Health Life & Health Insurance Co. has withdrawn from the small group market in Utah. Since that business has not been placed with another insurer the insurance company is to pay the fee of \$50,000 to HIPUtah. It was suggested to use this \$50,000 along with the additional payment of \$50,000 from CIGNA for HIPUtah outreach strategies.
3. Administrative RFP. The Administrative RFP was submitted for distribution July 1, 2009. It is now posted. The committee: Randy Smart, Byron Okutsu, and Neal Gooch.
4. Electronic Storage. Following a meeting with the Insurance Department SelectHealth is proceeding with the electronic storage of applications. Policies & Procedures for Electronic Files have been created. Paper files will be on site until SelectHealth's move in March 2010. At that point old hard copies will be shredded and a CD given to the state. The electronic files will be stored for 11 years prior to being deleted.
5. Medical Underwriting Audit. If the auditor has a hard drive that is encrypted the board has no problem with the auditor doing monthly audits from home. An amendment to the contract would be necessary.
6. Newsletter. A draft of the latest HIPUtah Newsletter was presented to the board. Further suggestions and/or changes are requested as soon as possible.
7. The State audit is scheduled for 8-10-09 to 9-3-09.
8. Copies of the July 1 SelectHealth newsletter, Selections, were provided for the board. Articles on medical cost management by Utah's Intermountain Health Care and where Utah's health care costs rank nationally and internationally are included.

HEALTH CARE REFORM—Tomi Ossana

1. A couple of different articles were presented on health care reform. The biggest changes noted were the creation of the following: a Health Insurance Exchange, a public health insurance option, guaranteed coverage, eliminating of pre-existing waiting periods, insurance market reforms, and essential benefits.
2. The NASCHIP Congressional Letter has been developed to be sent to some committees of Congress. The letter points out the role and the importance of high risk pools in the insurance market.

FEDERAL GRANTS—Tomi Ossana & Norm Thurston

1. The High Risk Pool Federal Grant-CMS has allotted \$1,910,215.00 in additional funding for the HIPUtah PAS program, but to date has not been awarded.
2. Another grant application, the Health Access Program Proposal, has also been submitted.

PAS PROGRAM UPDATE—Tomi Ossana

1. The PAS enrollment was at 837 in June 2009. Currently there are 116 outstanding re-verifications. Those are trickling in once enrollees receive a bill without the subsidy.
2. There could be a delay between when current funds are exhausted and the new grant money is received. **It was moved to use money received when carriers drop coverage to bridge the shortage in the PAS funding until the new grant arrives.** Moved—Douglas Hasbrouck, M.D.; seconded—Matthew Minkevitch. Motion approved.

NEXT MEETING

The next Board meeting has been scheduled for **Thursday, September 10, 2009, 1 p.m.** at SelectHealth.

There being no further business, the meeting adjourned at 2:45 p.m.

Dated _____ of _____