

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

**March 11, 2010
SelectHealth
4646 West Lake Park Boulevard
Auditorium A
1:00 p.m.**

Directors Present: Libby Hunter, Chair; Steve Bateman; Neal Gooch; Irene Link; Chet Loftis; Matthew Minkevitch; Steve Neeleman; Rob Perry; Randy Smart; Norman Thurston; Todd Trettin.

Directors Absent: Douglas Hasbrouck, M.D.

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; Judy Wolf.

The meeting was called to order at 1:05 p.m. by Elizabeth Hunter, Chair.

APPROVAL OF MINUTES

The HIPUtah minutes of January 14, 2010 were presented. **The HIPUtah Board had no changes or corrections. The minutes were approved as presented.**

BOARD REPLACEMENTS – COMMITTEE ASSIGNMENTS – CONFLICT OF INTEREST POLICY—Tomi Ossana

1. The new HIPUtah Board Members stand as follows:
 - a. Steve Bateman, Hospital Representative.
 - b. Steve Neeleman, Health Insurance Company Representative.
 - c. Chet Loftis, Health Insurance Company Representative.
2. Several vacant committee chair positions were filled:
 - a. Appeals Committee—Rob Perry, Member.
 - b. Finance Committee—Norman Thurston, Chair and Steve Neeleman, Member.
 - c. Audit Committee (sub –committee of Finance) —Chet Loftis, Chair and Todd Trettin, Member.
3. There is still an at large opening on the Executive Committee. This position will be addressed in the May 2010 meeting.
4. Since we have several new board members, a copy of the HIPUtah Conflict of Interest Policy was distributed. There was a discussion of the need for signatures on this policy. In the past it has been left up to the individual to leave the meeting if they felt there would be a conflict of interest. The board felt members had been honorable and that there is no need to have the policy signed at this time.

ADMINISTRATIVE REPORT—Jesse Liddell

1. In the first 2 months of 2009 enrollment increased. For the remainder of the year there was a drop. During the first couple of months in 2010 enrollment has been on the increase.

2. During the past month, enrollment in HIPUtah reached over 4000 members. There has been an average of between 110 – 120 new HIPUtah enrollees per month. There was a large growth of 145 members in the month of February 2010.
3. Every other year an Eligibility Verification is required of the membership and in 2010 it is required. The letter will be sent in August 2010. Since this is the first time many of the enrollees have been required to produce proof of legal status, there is a possibility of a decrease in membership. Members enrolling since July 2009 have already met this requirement and will not be asked to produce the materials again.
4. The re-verification for the PAS program is required every year. In April 2010 the letters for re-verification will be mailed requesting the 2009 tax information.

ACTUARIAL REPORT & FINANCIAL PROJECTIONS—Troy Pritchett

1. Based on experience incurred and paid through December 2009, we show that the fund is projected to have a net asset balance at June 30, 2010 of \$28.6 million.
2. With base funding of \$8.075 million for FY 2010-11, the projected fund balance at June 30, 2011 is \$23.9 million. The projected asset balances decrease quickly for future years.
3. If funding is not increased substantially in upcoming years, the pool will no longer be viable as currently operated.
4. HIPUtah experienced an increasing enrollment from July 2007 thru December 2009.
5. The IBNR as of December 31, 2009 is projected to be \$3.9 million. Due to extremely high claims incurred in December, this is significantly higher than previous reports.
6. Ms. Ossana and Mr. Gooch will be meeting with the Governor's Budget Office in August on the implications to the State Insurance market if there is no HIPUtah.

2nd QUARTER FINANCIAL STATEMENT—Tomi Ossana

1. Second quarter financial statements were reviewed.
2. HIPUtah has a sweep account at Key Bank. There is to be a signed W9 form in order to avoid being taxed. This form was to go to the bank but was lost. It will be sent again.

FY 09-10 BUDGET & REDUCTIONS FY 10-11—Tomi Ossana

1. HIPUtah is currently at 67% of the budget year. At the end of FY 2010 HIPUtah will have a projected 10 ½ months of reserve.
2. The HIPUtah board requested an additional \$9.6 million for FY2011. The Governor's office did not recommend any cuts but did not support additional funding. HIPUtah did not receive any cuts for FY2010 but did receive a 5% cut for FY2011.

BENEFIT COMMITTEE RECOMMENDATION JULY 1, 2010—Tomi Ossana & Troy Pritchett

1. The Benefit Committee recommended a HIPUtah rate increase for July 2010. They explained to new board members that HIPUtah has always done an across the board increase rather than variances in the increase according to age. **It was moved as of July 1, 2010 HIPUtah increase rates at 8.6% across the board.** Moved—Rob Perry; seconded—Randy Smart. Motion approved. Ms. Ossana will send a PDF of the Enrollee Agreement to new board members.
2. The HIPUtah Administrator has identified some areas of the state that may have limited access to certain types of providers. Correspondence was sent to enrollees in rural areas explaining the process. A call should be made to the SelectHealth member advocates and they will assist them in finding the closest facility, making an appointment, and explaining the benefits. In May, Ms. Ossana plans to present a rule to the board for their consideration that rural, Out of Network Providers provide their services without balance billing the enrollees.

3. The Mountain Star Network has shown interest in being added to the HIPUtah Network. The RFP has only recently been awarded to SelectHealth. The recently approved RFP combined Administration and the network. The HIPUtah network at this time includes the Intermountain Healthcare Network and the University of Utah. The RFP includes administration, provisions on claims and benefits, and benefit plans. When HIPUtah originally moved to SelectHealth the decision was made to have no out of network option. It was suggested that HIPUtah look at the program from the top down to see if it would be beneficial to enrollees to have access to all networks or if it would end up costing them more money. In the past, the network was narrowed to get the best discount for enrollees. If the benefit prices were fixed and all networks be made available, enrollees could chose where they want treatment. If at location charges a higher amount for the services, enrollees would pay the difference. The board would need to review how this affects the current SelectHealth contract. To begin such a change, the costs of procedures would need to become more transparent. Mr. Bateman volunteered to help in working with different hospitals to provide costs per procedure. Mr. Bateman moved to separate the administrator RFP from the network. After further discussion this motion changed. **It was moved to analyze options to offer network benefits broader than the current network under the RFP. This would offer flexibility to optimally reduce costs.** Moved—Steve Bateman; seconded—Todd Trettin. One “No” vote by Randy Smart. Motion carried. Members then discussed who would get this research done as well as the time frame for presentation. **It was moved the Benefits Committee research and develop this report to be presented at or before the July board meeting.** Moved—Norman Thurston; seconded—Matt Minkevitch. Motion carried.
4. HIPUtah currently has over 1,000 enrollees in the Premium Assistance Subsidy Program. Unless funding to the program is restored, funds will be depleted by August 2010. In the event there are no more grant funds provided, the program will be terminated. **It was moved that notice be sent to enrollees in June concerning the August 2010 termination of the PAS program and that a special open enrollment be allowed to change to a higher deductible at that time.** Moved—Steve Neeleman; seconded—Randall Smart. Motion carried.
5. In the past, newborns have only been added to the parent's HIPUtah policy for the first 30 days after birth with timely notification. Parents were to first verbally notify SelectHealth and then send a written request to add the newborn. This policy has met with some confusion. **It was moved HIPUtah continue with this notification policy for newborns. In addition, for the first 30 days following birth, SelectHealth will attempt to identify newborns to be added to the parent's policy for the first 30 days following birth. In the event that SelectHealth has not been made aware of the newborn, the newborn may be added to the parent's policy if SelectHealth is notified within thirty days after the first notification of a claim denial for that newborn.** Moved—Neal Gooch; seconded—Robert Perry. Motion carried.
6. When a person applies to HIPUtah and is denied a written policy of action needs to be developed. **It was moved when an application to HIPUtah is denied, the person has the right for an appeal. When received it would go to the Executive Director and the Executive Committee of HIPUtah for review.** Moved—Matt Minkevitch; seconded Steve Neeleman. Motion carried.

ACTION ITEMS—Tomi Ossana

1. HIPUtah 2009 External Audit -- The auditors estimated cost for HIPUtah's audit is between \$1,850 and \$2,460 and will take between 60 and 80 hours to complete. A letter from the auditors requesting data was received March 1, 2010. Random samples from that group were pulled on March 4, 2010. Auditors will be at SelectHealth for a review of data and on-site file examination the week of March 22, 2010. The final report will be submitted between May 6 and 10, 2010.
2. Rule 590-172 Modification -- The final steps to complete modifications have occurred. HIPUtah can now submit changes to the Insurance Department for the next step. This modification allows HIPUtah to receive the name and address of individuals denied coverage by carriers. Ms. Ossana will have access to this information through the eRoom an encrypted web based internet browser

using SSL. Ms. Ossana will then scrub the names of the denying insurance company and send the name/address information to SelectHealth. SelectHealth will then mail the HIPUtah Outline of Coverage to each name on the list.

3. NASCHIP -- Ms. Ossana will be attending the NASCHIP Mid Year Executive Directors meeting in Seattle between June 7th and 8th.
4. Satisfaction Survey -- The Satisfaction Survey was sent to enrollees and will be discussed in the May meeting.
5. Case Management Summary and Passive Intervention Report -- Ms. Donaldson will hold the discussion of the Case Management Summary and Passive Intervention Report until the May board meeting.
6. Utilization Report -- This report will be discussed at the May board meeting.

FEDERAL HEALTH CARE REFORM—Tomi Ossana

1. In January, Ms. Ossana tried to get Rep. Dunnigan to submit a boxcar bill for possible health care changes.
2. Recently there has been a great deal of discussion of health coverage in the national news. HR3590 has been passed in the Senate and sent to the House for consideration.
3. There has been quite a lot of discussion about Exchanges. The feds plan to provide support to states to create such exchanges in 2014. The feds also plan to provide support to states to create a temporary high risk pool (THRP) program by July 2010. Information is to go out quickly to get things moving. States have considerable discretion on how to implement the THRP and the exchanges. The Feinstein amendment allows rate experience prior to the exchange to be considered.
4. Quick identification of states that already have a high risk pool is imperative in order to supply resources rapidly. If states do not have high risk pools, they may decide to run national high risk pools in those states.

NEXT MEETING

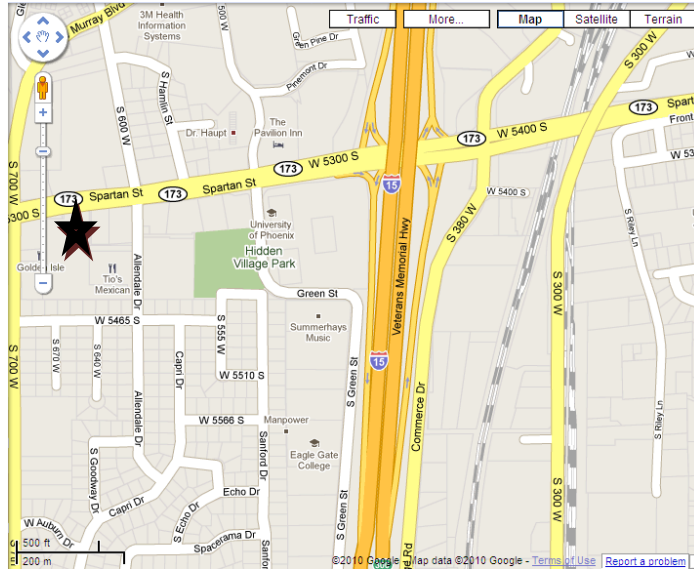
The next Annual Board meeting is scheduled for **12:00 a.m. Thursday, May 13, 2010 at the new SelectHealth Offices at 5381 Green Street, Murray, UT.** (Map attached.)

There being no further business, the meeting was adjourned at 4:10 p.m.

Dated _____ of _____

Neal Gooch, secretary

Utah Comprehensive Health Insurance Pool



SelectHealth Offices

5381 Green Street

Murray, UT

801-442-6660