

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

**September 10, 2009  
SelectHealth  
4646 West Lake Park Boulevard  
Auditorium A  
1:00 p.m.**

**Directors**

**Present:** Elizabeth Hunter, Chair; Andy Galano; Victor Gibb; Douglas Hasbrouck, M.D.; Irene Link; Matthew Minkevitch; Byron Okutsu; Rob Perry; Randy Smart; Norman Thurston.

**Directors**

**Absent:** Michael Bahr; Neal Gooch.

**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; Judy Wolf.

The meeting was called to order at 1:05 p.m. by Elizabeth Hunter, Chair. Doyle Christensen, in for Neal Gooch, was introduced.

**APPROVAL OF MINUTES**

The HIPUtah minutes of July 09, 2009 were presented. **HIPUtah Board had no changes or corrections.** They were approved as presented.

**ADMINISTRATIVE REPORT—Jesse Liddell**

1. July applications are down due to the new law, SB 81. This slump should even out as proof of legal residency is received. Numbers in August are already up.
2. Many have recently been denied due to eligibility for group insurance.
3. Mr. Pritchett interjected the point distribution for approved HIPUtah policies is very much what he would expect in relation to the updated Milliman Debit Point Distribution.

**ACTUARIAL REPORT & FINANCIAL PROJECTIONS—Troy Pritchett**

1. Experience through July 2009 shows a projected net asset balance of \$29.7 million. Base funding of \$8.5 million for fiscal year 2009-10, projected fund balance June 30, 2011 is \$21.8 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 substantially in upcoming years the pool will no longer be viable as currently operated.
4. Enrollment decreased slightly for the months of November 2008 to January 2009 and again June 2009. Enrollment increases in March and April of 2009 are the largest in the past few years.
5. There are no assumption changes for this report.

#### **4<sup>th</sup> QUARTER FINANCIAL STATEMENTS & STATE AUDIT—Tomi Ossana**

1. Ms. Ossana reviewed the Balance Sheet and the Statement of Cash Flows for the quarter ending June 30, 2009. She mentioned one error in the numbers. Following a correction, she will use these numbers to develop the budget for FY 2011.
2. The State Audit has been completed. No findings were reported.

#### **FY 09-10 BUDGET & GOPB MEETING REVIEW—Tomi Ossana**

1. GOPB Meeting. The HIPUtah Legislative Ad Hoc Committee met with GOPB to discuss funding for HIPUtah. It was again stated, "HIPUtah is backed by the good faith and credit of the State of Utah." The need to develop intent language for the next general session was also discussed.
2. Fiscal Analyst, Danny Schoenfeld, met with Ms. Ossana to discuss HIPUtah funding. He suggested gathering data regarding the following:
  - a. HIPUtah enrollment trend.
  - b. Industry standards on high risk pool reserve levels.
  - c. Provide information from AHIP where they recommended HIPUtah as a model for the nation. Mr. Murray will provide the article from AHIP.
3. GOPB Budgetary Guidelines. Copies of financial-related information requested by the Legislature should be provided to the GOPB analyst prior to submitting to the legislative staff.
4. The \$100,000 HIPUtah received when other insurance companies pulled out of the market is currently included in the 2011 budget. **It was moved funds received from companies pulling insurance services be included in the 2010 budget rather than 2011 budget.** Moved—Matthew Minkevitch ; seconded—Douglas Hasbrouck, M.D.. Motion approved.
5. It was discussed it is the duty of the HIPUtah board that a responsible budget be submitted. Communication needs to continue and a good relationship with GOPB must continue to be developed.

#### **JANUARY 2009 BENEFIT REVIEW—Tomi Ossana**

1. Raising Lifetime Maximum. **It was moved the language for the Covered Benefit Maximum from \$1.5 M to: Covered benefits available from the pool may not exceed the greater of \$1.5M or the median of the top five individual insurers LTM in the individual insurance market, which includes a per enrollee calendar year maximum established by the board.** This will need a statutory change to accomplish - the language suggestion would be submitted to the legislature for action. Moved—Douglas Hasbrouck, M.D.; seconded—Irene Link. Motion approved.
2. Raising the Calendar Year Maximum. **It was moved to increase the calendar year maximum to \$400,000 and the medical injectables be covered up to \$300,000 of the \$400, 000 CYM.** Moved—Matthew Minkevitch; seconded—Byron Okutsu. Motion approved.
3. SH - Bilateral Cochlear Implants. SH will begin covering Bilateral Cochlear Implants in 2010. HIPUtah will wait to see what effects this has on commercial plans before making this change. At this time HIPUtah will exclude bilateral but continue to cover uni-lateral with no maximum.
4. SH – High-dose Brachytherapy for prostate cancer. Following further data, SH will remove the exclusion for this therapy. **It was moved HIPUtah also remove the exclusion of High-dose Brachytherapy.** Moved—Douglas Hasbrouck, M.D.; seconded— Byron Okutsu. Motion approved.
5. SH – Durable Medical Equipment (DME) benefit. SH will be removing the \$2500 limit that currently applies to certain DME items. More specific preauthorization requirements will remain in place. **It was moved HIPUtah follow the SH suggestion and drop the limit on certain DME items.** Moved—Douglas Hasbrouck, M.D.; seconded—Byron Okutsu. Motion approved.
6. SH – Compression Stockings. SH has been paying billed charges but now have a DME vendor which provides a discount. SH will now apply compression stockings as a DME benefit instead of

- a Miscellaneous Supplies benefit. **It was moved HIPUtah apply compression stockings to the DME benefit effective 08-01-2009.** Moved—Douglas Hasbrouck, M.D.; seconded—Byron Okutsu. Motion approved.
7. Mental Health Parity. A report was requested on how many enrollees have met the day or visit caps so the data can be reviewed.
  8. Expanding HIPUtah eligibility. **It was moved to craft language allowing a person meeting the criteria of uninsurability to qualify for the high risk pool when involuntarily terminated from an individual insurance policy.** This will need a statutory change to accomplish - the language suggestion would be submitted to the legislature for action. Moved— Douglas Hasbrouck, M.D.; seconded—Randy Smart. Motion approved.
  9. Individual Dental Coverage. This item will be held for future discussions.
  10. Family Coverage. The benefits committee suggested a change for family coverage for uninsurables in the family. The premiums collected would be capped once the family size gets to five or more. Families would pay four premiums. Five or more premiums would be waived 100% on the lowest premiums charged. **It was moved HIPUtah accept the benefit committee recommendation on capping premiums for families of 5 or more.** Moved— Douglas Hasbrouck, M.D.; seconded—Norman Thurston. Motion approved.

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

We are still waiting for a secured web portal for Ms. Osanna. **It was moved once the rule change is made by the UID and Ms. Osanna has a secured web portal, she will receive updates every 2 weeks on those who have been declined from other carriers so HIPUtah can send enrollment information.** Moved— Douglas Hasbrouck, M.D.; seconded—Matt Minkevitch. Motion approved.

**ACTION ITEM LIST—Tomi Ossana**

1. Administrative RFP. The Administrative RFP bids have been submitted: SelectHealth, EMIA, Altius and Mountain Star. Due to conflict of interest, Randy Smart has excused himself from the committee. Vic Gibb will fill his place. A review of proposals will take place after a cost comparison based on claim re-pricing has been received. The selection of the administrator is to be made at least six months prior to the July 1, 2010 renewal date.
2. HIPUtah Board Member Replacements. HIPUtah Board member openings were announced. Vacant positions are open to all and first require an application, recommendation from the HIPUtah board and approval of the Governor. Mike Bahr, HMO Representative, will be filling a new position with Coventry and will be unable to serve. Todd Trettin has accepted Mike's role as CEO of Altius Health Plans. A recommendation was made his name be submitted to replace Mike Bahr. Victor Gibb, Health Insurance Company Representative, will be retiring in December 2009. Recommendations for replacements should be submitted. Possibilities offered were as follows: Dave Call, David Leo, Frank Kyle, Earl Hurst, Greg Poulsen, and Dave Nealman.
3. The NASCHIP conference begins September 16<sup>th</sup> in Washington D.C.. Ms. Ossana, Executive Director of HIPUtah, and SelectHealth will be the only ones attending from Utah.
4. Executive Director Expense Limit. **It was moved the expense limit be increased to \$100 per month for the Executive Director before approval from the board is required.** Moved—Rob Perry; seconded—Irene Link. Motion approved.
5. Satisfaction Survey. The satisfaction survey will be distributed in February 2010.
6. Disease Management. Ms. Donaldson discussed the number of interventions Case Management deals with and how they impact the quality of life for members involved.
7. Utilization Report. Numbers show injectable drugs and RX claims are down.

**FEDERAL GRANTS—Tomi Ossana & Norm Thurston**

HIPUtah has been awarded \$1,910,215 for 2008 Operational Losses. The total amount is approved for the continuation of the Premium Subsidy Assistance program for High Risk Pool enrollees. Thanks were given to Ms. Ossana for all of her hard work in receiving these grants.

**HEALTH CARE REFORM—Tomi Ossana & Norm Thurston**

The Utah Health Exchange has gone live and currently has registered employers representing over 7,000 people.

**PAS PROGRAM UPDATE—Tomi Ossana**

The PAS enrollment is at 869 members.

**NEXT MEETING**

The next Board meeting has been scheduled for **Thursday, November 12, 2009, 1 p.m.** at SelectHealth.

There being no further business, the meeting adjourned at 3:45 p.m.

Dated \_\_\_\_\_ of \_\_\_\_\_