

Health Care Task Force
Office of the Insurance Commissioner
May 16, 2006
John A. Burns School of Medicine, Access Grid Room

Minutes

In Attendance: Gary Allen, Patricia Blanchette, Lynn Finnegan, Susan Forbes, Beth Giesting, Josh Green, Roseanne Harrigan, David Heywood, Rich Meiers, Virginia Pressler, J.P. Schmidt

Staff Support: Laurel Johnston and Carol Taniguchi Hawai'i Uninsured Project, Miki Lee, Leeway Enterprise, James Nagle, Department of Attorney General, Lloyd Lim, Insurance Division

I. Call to Order

Chairperson Josh Green called the meeting to order at 4:06 PM with 11 of the 13 members present.

II. Review and Approval of April 14, 2006 Minutes

Roseanne Harrigan made a motion to approve the minutes. Beth Giesting seconded and the Task Force voted unanimously to approve the April 14, 2006 Minutes.

III. Public Testimony

Nancy Walden and Laura Crites offered testimony.

IV. Chair's Report on Legislative Initiatives

Chair Josh Green reported on final action by the legislature on several measures.

SB 2133, CD1, establishing a Hawaii Health Commission to be administratively attached to the Insurance Division and to continue the work of the Health Care Task Force, was passed by the legislature. However, another controversial bill banning the use of vaccines containing mercury, was attached to this measure and will be opposed by several groups, including the Hawaii Medical Association. Thus, this measure, in its entirety will likely be vetoed by the Governor.

HB 3116, CD1, establishing a temporary children's health insurance project as a public private partnership between the State and the Hawaii Medical Service Association, was introduced pursuant to recommendation in the task force's interim report. This measure passed and is awaiting action by the Governor.

SB 2592, requesting the State Health Planning and Development Agency to produce a comprehensive provider map, was introduced pursuant to recommendation in the task force's interim report. This measure was deferred because tort reform was attached to it.

Several resolutions were introduced, including SCR 77, calling for a legislative study of reimbursement rates to providers serving QUEST patients, and HCR 88, calling for Department of Health to develop a statewide trauma system plan.

V. Report from Hawai'i Uninsured Project

Reports from Individual Task Force Members

- J.P. Schmidt, HCTF Draft No. 1 (March 8, 2006)
 - o The proposed options in this piece are intended to supplement current pre-paid options to address the problem of the uninsured given the current system.
 - o Options consist of limited benefit health plans designed to help more people, especially sole proprietors get insurance.
 - o Options are seen as voluntary (for sole proprietors), though a different approach would be to mandate coverage in some form.
 - o The Hawaii Essential Plan may not be necessary because of the initiatives that are presently moving forward.
 - o Add a paragraph about a mandatory model as an option.

The Task Force accepted the intent of the proposed options in the draft and recommended changes ()

- Hawaii Primary Care Association
 - o The proposals here are intended to expand the current safety net.
 - o Any growth of services at community hospitals will require funds to support necessary infrastructure.
 - o This proposal, combined with what HMSA is proposing may work well together and help to shrink the "pool" of uninsured quickly.
 - o The proposal does not speak to workforce issues and the difficulty of recruiting and retraining professionals, especially specialists. The Task Force recommends adding language about this important issue.
 - o Revise this proposal to make clear what specifically is being provided for (the scope of coverage/services).

The Task Force accepted the intent of the proposed options in the draft and recommended changes ()

- Asheville for Hawaii
 - o This proposal focuses on disease management and suggests that prevention would save money in the long run.

- The proposal also suggests that savings could be returned to the uninsured population, though there is not a model for how this is actualized.
- The project has started in Hawaii and the State and County are considering participation.

While this is seen as a potentially effective disease management program, it does not necessarily address the needs of the uninsured. The Task Force wanted information on this option included as an addendum to its final report and suggested that the success of the program be revisited once it has been fully implemented to assess whether savings can indeed be passed on to support the uninsured.

- **Complementary and Alternative Medicine**
 - Unlike other proposals that are designed to reduce costs to the system, this one actually adds to the cost.
 - It's believed that Hawaii consumers want alternative services so adding these becomes a selling or marketing point.

The Task Force accepted the intent of the proposed options in this draft.

- **Health Information Technology Systems**
 - Requires funding from the State to build basic inter-operability.
 - The proposal has no relationship to the Lewin Report or a single-payer system. Instead it's an infrastructure solution that benefits the delivery and care system as a whole.
 - An effective technology system is expected to reduce costs, errors and duplication.
 - Need to add language that makes clear the scope of what's being proposed and how it is designed to support the whole system (not just one element). ☒
 - If possible, include costs estimates (where available). ☒

The Task Force accepted the intent of the proposed options in the draft and recommended changes (☒).

- **Perfect Storm (from Healthcare Association of Hawaii and Hawaii Pacific Health)**
 - Paints a picture of what the current and anticipated landscape will be in the health care system.
 - Implies that "coverage for all" will have little effect if the system is vulnerable or unreliable.

The Task Force recommends incorporating information from "The Perfect Storm" into its report to provide a broad context of the conditions expected to impact health care.

What's missing?

- Statement about the percentage of people in Hawaii who may be eligible for VA benefits. HUP to craft for the final report.

- Language that makes clear the shortage of specialty care at community health care centers and in Hawaii, in general. HUP to work with Patricia Blanchette to craft language.
- All proposals need to offer a clear context about what portion of the uninsured population or health care system is being addressed. (Otherwise, one might assume one option may take care of the entire gap, which is not the case.)

Discussion of Proposed Final Report Outline

The Task Force accepted the proposed final report outline.

Status of Final Report from the Lewin Group

- Need to clarify that what percentage of the uninsured population the single-payer option will cover.
- Make clear in the final report that the proposed 130% Medicare reimbursement is expected to prevent further erosion of Hawaii's health care delivery system.
- Make sure it's clear that the numbers referred to in the various tables are in the millions.
- The Task Force wanted to know if it is possible to validate that the formula used to calculate (savings in) administrative costs are accurate.
- The Task Force wants as much time as is feasible to review the final Lewin report and to develop it's recommendations for inclusion in its final report.

VI. Future Meetings

The Task Force agreed to meet on June 20 and June 28, 2006.

One week prior to the June 20, a final draft of the Lewin report and a draft of the Task Force's final report will be distributed for review.

VII. Adjournment

Chairperson Josh Green adjourned the Task Force meeting at 5:57 PM.