

Health Care Task Force
Office of the Insurance Commissioner
August 24, 2005
State Capitol, Room 329
2:00-4:00pm

Meeting Summary

I. Call to Order

J.P. Schmidt, Insurance Commissioner, called the meeting to order at 2:10 pm. with 12 of 13 members present.

II. Introductions

Health Care Task Force members

Representative Josh Green, M.D.
Dr. Patricia Blanchette
Mr. Gary Allen
Representative Lynn Finnegan
Ms. Susan Forbes, Ph.D.
Ms. Beth Giesting
Mr. David Heywood
Mr. Rich Meiers
Dr. Virginia Pressler
Mr. John Radcliffe
Mr. J. P. Schmidt
Dr. Calvin Wong
(Dr. Roseanne Harrigan - excused)

Support Staff

Mr. James Nagle, Esq., Dept of the Attorney General
Mr. Lloyd Lim, Administrator, Health Insurance Branch, Ofc of Insurance
Commissioner
Ms. Laurel Johnston, Ms. Carol Taniguchi, and Ms. Gladys Quinto -
Hawai'i Uninsured Project

III. Public Testimony

Several members of the public voiced their concerns about the composition of the Health Care Task Force (task force), citing potential conflict of interest for task force members who represent the interests of insurers and insurance companies.

Concern was also raised about the rising cost of health care, which is difficult for people on a fixed income.

The issue of universal health care was raised as an important issue for the task force to explore. Everyone is entitled to universal, portable, affordable, and accessible health care.

One comment emphasized that health care isn't a party issue, it's about everyone because anyone can go medically bankrupt at any time.

Request was made by Insurance Commissioner Schmidt to all oral testifiers to provide a written copy of their testimony for the public record.

IV. Selection of Chairperson and Vice Chairperson

John Radcliffe made a motion to nominate Dr. Josh Green as chairperson, Dr. Pressler seconded motion. The task force vote was unanimous in favor of the motion.

Dr. Pressler made a motion to nominate Dr. Blanchette as vice chairperson, Rich Meiers seconded the motion. The task force vote was unanimous in favor of the motion.

Chair Green recommended that the chairs work in equal capacity.

V. Review of Act 223, SLH 2005 (HB 1304 CD1)

Chair Green provided a history of the bill indicating that it involved a lot of discussion and compromise because it started as a universal health care bill, and then evolved to studying how to provide health care for all of Hawaii's residents.

VI. Scope, Role, and Objectives of Task Force

Chair Green opened up discussion to task force members, who provided following thoughts:

The idea hasn't necessarily been health insurance per se, but rather access to health care for all. It's also very important for citizens to have access to all types of health care, including dental, vision, and mental health, especially because for a segment of our population, dental care can be more vital than health care.

For any solution the task force develops, it is imperative that there be sufficient resources and mechanisms to pay for it. A lot of hospitals close because they aren't getting their reimbursements, and doctors leave the State because they're not getting paid.

The legislation charges the task force with considering a single-payer system, but working out a single-payer system is a daunting task. The task force should separate all the issues and prioritize which ones to tackle.

Work done by the task force should not be overlapping with another group that may be working on similar issues. For example, SHPDA was charged by the

legislature to explore access issues as well. The task force should communicate with other groups so as not to repeat other efforts. A suggestion was to have more informal communication, rather than have those other groups directly address the task force.

The task force should know that there is a big difference between medical care and health care. High quality care is more cost effective in the long run. There aren't any measuring sticks right now, so the task force should consider providing the infrastructure for a solution that would evolve over the years.

Streamlining health information technology should be part of the solution, while focusing on quality of and access to care. The solution should also address the lack of access to specialty doctors, which is a huge concern, especially on the neighbor islands and rural areas.

Open health savings accounts for uninsured persons; providing \$3,000 so they can put it into a medical savings account to use on health care however they see fit. The goal should be to change their mindset, and have these people take responsibility for their own health care. The cost of health care is the problem, and the solution should include changing the health care delivery system.

Availability of providers is as important as health care coverage. Even if people have health insurance, if there are not providers available to them, then they must incur additional expense.

A request was made to include an analysis of medical malpractice and tort reform.

To narrow the focus of the task force, a suggestion was made to focus on the population that can't get into our health care system, and obtain objective information about a single-payer system.

The task force should also look into the costs of running a business, since that is what health care delivery is. Hawaii's health care system is unique because hospitals must take in patients, even if they can't pay.

Chair Green suggested and the task force members discussed establishing focus areas, with focus group chairs. The task force discuss having four focus areas and having respective focus group chairs, who would investigate these areas for the task force:

- 1) Delivery of health care, to include primary, specialty and trauma care (Dr. Pat Blanchette)
- 2) Health insurance coverage issues (Susan Forbes, JP Schmidt)
- 3) Efficiency of Delivery system/business model, to include information technology and business models adaptable for health care (Gary Allen, Dr. Calvin Wong)
- 4) Single-payer system; to include exploring full range of options (John Radcliffe, Chair Green)

Commissioner Schmidt made a motion to direct foregoing focus group chairs to investigate the foregoing focus areas. John Radcliffe seconded motion. The task force vote was unanimous in favor of the motion.

Chair Green recommended that in recognition of time constraints and because this is a complicated issue to cover within only four months, the task force may need to ask the legislature for an extension of deadline for submission of final report, to include an interim report to be submitted 20-days before the 2006 regular session deadline.

Scope of Hawai'i Uninsured Project Contract

The task force was asked to approve the contract between DCCA and the task force conveners, the Hawai'i Uninsured Project (HUP). A motion was made by Chair Green which was seconded by Dr. Pressler. The task force voted unanimously to approve the contract.

HUP will work with the Task Force to set a timeframe for meetings and milestones for the task force. HUP is also to coordinate experts that can talk to the task force about addressing the uninsured. Suggestions were taken from the task force of consultants or experts on the issues, especially regarding a cost-benefit analysis of a single-payer system. Milliman and the Lewin Group were submitted for HUP to contact.

HUP recommended that the group engage a meeting facilitator. The motion was made by Susan Forbes and seconded by Beth Giesting. The task force voted unanimously to approve use of a facilitator selected by the conveners.

Regarding submission of public testimony, it was agreed that testimony be submitted to the office of the Insurance Commissioner.

VII. Future Meeting Schedule

The task force agreed to two meetings a month, at least in the beginning. Thursdays from 4:30 to 6pm was most agreeable to all members of the task force. September meetings: Thursday, Sept 8 and Tuesday, Sept 20 (exception for September).

VIII. Adjournment

Chair Green adjourned the meeting at 4:15 pm.