Jeannette B. DeJesús
SPECIAL ADVISOR TO THE GOVERNOR
OFFICE OF HEALTH REFORM & INNOVATION
STATE OF CONNECTICUT

Basic Health Plan Work Group

Meeting
April 9, 2012 – 2:00pm-3:30pm
State Capitol, Room 410

Minutes

Members Present: Jeannette DeJesús, Roderick Bremby, Anne Foley, Vicki Veltri, Sen. Terry Gerratana, Rep. Betsy Ritter, Rep. Peter Tercyak, Pat Baker, Jennifer Jackson, Sharon Langer, Matt Salner, Mark Schaefer, Robert Seifert, Katharine London, Bobbi Schmidt, Uma Ganesan, Jane McNichol

Members Absent: Sen. Anthony Musto

Welcome and Introductions

Jeannette DeJesús opened the meeting by welcoming everyone and thanking them for being part of this work group. Members introduced themselves.

Charge of Work Group

Ms. DeJesús began the discussion by saying that this work group is charged with answering questions about a potential Basic Health Plan (BHP) in Connecticut. Pat Baker added that the group should identify assumptions and principles. Rep. Betsy Ritter said that there are two bills (one from the Public Health Committee and one from the Human Services Committee) moving through the legislative process. Sen. Terry Gerratana asked about what information was needed by the administration to move forward on a BHP. Ms. DeJesús responded that the hope is to contemplate questions about its cost and feasibility before moving forward, and that the administration, through its testimony before various committees has indicated that it does not support the current legislation. The formation of the group puts in place a process that includes input from a variety of stakeholders as we consider the issues raised by a BHP model.

Review of Materials

Ms. DeJesús asked Ms. Baker to introduce Robert Seifert and Katharine London, researchers from the University of Massachusetts Medical School. Mr. Seifert and Ms. London had previously written a report for the Legal Assistance Resource Center of Connecticut (LARCC) on the feasibility of a BHP in Connecticut. They have recently written an updated brief which builds on the information in the original report.

Mr. Seifert began this part of the discussion by identifying several issues that need to be considered in determining the feasibility of a BHP: cost (to the state and to individuals), churning (when an individual's eligibility changes based on income fluctuations), tax liability (based on subsidies for purchasing coverage in the Exchange), provider rates, the potential impact on the Exchange, and the timing of decisions on the structure of the BHP.

Mr. Seifert mentioned that part of the group that would be eligible for the BHP, parents with incomes between 133% and 185% of the federal poverty level (FPL) are currently eligible for HUSKY A. He said that if these people are moved to a BHP, the state could experience significant cost savings, as the BHP would be entirely funded by the federal government. He also said that people who are currently uninsured, and who would be eligible for the BHP, might be deterred from purchasing coverage in the Exchange due to the cost (if there were no BHP).

Ms. DeJesús asked Mr. Seifert how other reforms contained in the Affordable Care Act (ACA) would affect people who would be eligible for the BHP. Mr. Seifert responded that there are tax credits and subsidies for people to purchase coverage in the Exchange, but that there would still be some cost sharing for the BHP-eligible population if there were no BHP.

Ms. DeJesús suggested that the researchers create specific scenarios for individuals who would be eligible for the BHP, and compare the cost and impact on them and the Exchange with the various policy options.

Jennifer Jackson said that the group should look at the impact of a potential BHP on provider rates, which would determine the provider network, and therefore access to care. Vicki Veltri said that while provider rates might be low, many of the people who would be eligible for the BHP are currently uninsured, and have even less access to care. Rep. Ritter said that any savings from the BHP should go towards increasing provider rates.

Ms. DeJesús asked work group members to identify questions regarding the BHP which need to be answered. Members including Ms. DeJesús, Ms. Baker, Ms. Jackson, Ms. Veltri, and Commissioner Bremby identified the following questions:

- What is the Exchange's timeline for determining costs (with or without BHP-eligible population)?
- How will access to care change for BHP-eligible population as a result of ACA (without implementation of BHP)?
- What would be the impact of a BHP on costs to individuals (versus the Exchange)?

- What will be included in the Essential Health Benefits package, and what will it cost? What is the timeline for determining this?
- Will the federal government be able to decrease subsidies for the Exchange (and therefore BHP) under the ACA (assuming it is not changed)?
- What would be the impact of a BHP on the Exchange's finances and risk?
- How would a BHP impact beneficiaries' access to providers (versus the Exchange)?
- What is the risk profile for the BHP population, and how would this impact the BHP's feasibility?
- What are other groups (Exchange board and committees, etc) currently doing to determine answers to the above questions?

Ms. London identified the following principles for the work group to follow in considering a BHP:

- Do no harm – no one should be worse off than they are now
- The program design should support access to care
- All programs must be sustainable and cost-neutral
- Payments and administration must be adequate for providers
- Costs should be distributed equitably between the state and individuals

Ms. Jackson added that the group should seek to maximize federal revenues.

Work Plan Development

Ms. DeJesús said that this group should coordinate with the Exchange as well as other groups and agencies which will be impacted by the BHP. She emphasized that it is important to know the timeframes for decision-making.

Ms. Baker mentioned that the CT Health Foundation could help with some of the work of the group, but that actuaries would also be needed to calculate the risk and financial feasibility of the BHP.

Next Steps

Ms. DeJesús said that the Office of Health Reform & Innovation and other group members would connect with the Exchange and other stakeholders to begin to explore the answers to the questions identified by the group.

Adjournment

The meeting was adjourned at 3:30pm.