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OFFICE OF HEALTH REFORM & INNOVATION  
STATE OF CONNECTICUT

## **Basic Health Plan Work Group**

Meeting

May 22, 2012 – 2:00pm-3:30pm

Legislative Office Building, Room 1B

Minutes

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**Members Present:** Jeannette DeJesús, Kathleen Brennan (for Roderick Bremby), Anne Foley, Vicki Veltri, Rep. Betsy Ritter, Pat Baker, Jennifer Jackson, Matt Salner, Mark Schaefer, Robert Seifert (by phone), Bobbi Schmidt, Uma Ganesan, Jane McNichol

**Members Absent:** Sen. Terry Gerratana, Sen. Anthony Musto, Rep. Peter Tercyak, Sharon Langer, Katharine London

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### **Welcome and Introductions**

Jeannette DeJesús opened the meeting by welcoming everyone. Members introduced themselves.

### **BHP Work Group Membership**

Ms. DeJesús asked the work group to consider expanding its membership to include people who have professional expertise in specific areas related to health care. Vicki Veltri suggested that a legal services representative be added to the work group, and Rep. Betsy Ritter recommended Jane McNichol, executive director of the Legal Assistance Resource Center of Connecticut, to fill this role. Ms. McNichol has served as a technical advisor to the work group. Ms. Veltri also suggested that a primary care provider and a CEO of a federally qualified health center be added to the group.

Pat Baker suggested that the Medicaid administrative services organization should be represented on the work group. Anne Foley suggested that someone with health insurance expertise should be added to the group.

Ms. DeJesús asked that all recommendations for new work group members be submitted to Matt Salner by May 25.

## Legislative Update

Ms. DeJesús mentioned that during this year's legislative session, the legislature considered a bill which would have established a Basic Health Program. The bill did not come up for a vote in the House or Senate, but it led to discussions between the legislature and the administration about the BHP. Rep. Ritter added that these discussions were helpful, and that legislators reached agreement with the administration on several elements of the bill. Ms. Foley agreed that progress was made during the discussions, but that a number of questions need to be answered before proceeding with a decision on whether to implement a BHP.

## Discussion of BHP Work Group Governing Principles

Ms. DeJesús asked members to review a draft of the work group's principles for evaluating the BHP option. The principles were drafted by Katharine London and Robert Seifert of the University of Massachusetts Medical School Center for Health Law and Economics. The proposed principles were as follows:

- A. Equity
  1. Do no harm. The plan should make no individual or group worse off than they are now. Policy decisions should not disrupt people's lives.
  2. The cost of financing new coverage should be distributed equitably between state government and individuals.
  3. The plan should not require lower income individuals to subsidize costs for higher income individuals.
- B. Access
  1. The program design should support access to high quality, comprehensive care and continuity of care.
  2. Payments to providers and program administration should meet the reasonable requirements of a provider network sufficient to provide adequate access to care.
- C. Sustainability
  1. The plan should be sustainable and financially sound.
  2. The plan should require no additional state funding.
  3. The plan should include design features to reduce the risk of cost overruns.
  4. The plan should maximize federal revenue.

Ms. Baker said that the second principle under "Equity" seemed redundant or unnecessary, and several other members agreed. Mr. Seifert said that this principle would be revised or removed. Ms. Foley and Ms. Veltri both said that the principles should be framed in the context of a comparison between the BHP and the Exchange. Other members agreed, and Mr. Seifert said that this could be included as an introduction to the principles. Ms. Veltri asked what was meant by the term "adequate" in the second principle under "Access". Mr. Seifert said that he would provide a further explanation of this in a revised document.

## Presentation and Discussion of Work Plan

Mr. Seifert presented a document which included questions to inform the development of a work plan for the group. The document was distributed to members. Mr. Seifert discussed the questions, which were as follows:

- Overarching
  - What balance should Connecticut strike among various goals vis-à-vis ACA coverage provisions?
    - Maximize coverage
    - Minimize financial risk to state
    - Minimize financial risk to population
    - Maximize federal revenue to state
    - Sustain provider rates/revenues
  - What degree of uncertainty concerning financial risk to the state is acceptable for the work group to make recommendations?
- Costs
  - What is the risk profile of the potential BHP population (especially those not currently in HUSKY A)?
  - What latitude is there for adjusting benefits and cost sharing in a BHP to manage costs?
  - What should a BHP provider network look like?
  - What rates do these providers need to receive to ensure adequate access for BHP enrollees?
- Revenues
  - What will Essential Health Benefits include?
  - How will the federal government calculate the payment to states (95% of premium tax credits)?
- Population
  - What is the risk profile of the potential BHP population?
  - What effect would the presence or absence of this population in the Exchange risk pool have on the Exchange?
  - What would the take-up rate for a potential BHP population be in the BHP under different benefit and cost-sharing scenarios? In the Exchange?
- Program Design
  - Are there design elements that can help to hedge the state's financial risk?
  - What administrative costs and infrastructure are required to integrate BHP eligibility processes with Medicaid and the Exchange?

Ms. Foley suggested adding a question about whether the federal government would allow the state to run the BHP through an administrative services organization, as it does with Medicaid. Ms. Foley also mentioned that the Office of Policy & Management might be able to retain a consultant to help in answering some of these questions.

## Adjournment

The meeting was adjourned at 3:30pm.