

OREGON HEALTH FUND BOARD – Exchange Workgroup Meeting

December 19, 2007
9:00am (Digitally Recorded)

CCC, Wilsonville Training Center, Room 112
Wilsonville, OR

MEMBERS PRESENT: Denise Honzel, Chair
Chris Ellertson
Jack Friedman
Jon Jurevic
Kelsey Wood
Kerry Barnett
Lynn-Marie Crider
Nina Stratton (by phone)
Steve Doty
Terry Coplin
Damien Brayko (by phone)
Aelea Christoferson

MEMBERS EXCUSED: Laura Etherton, Vice Chair

OTHERS ATTENDING: Rocky King, FHIAP
Bill Kramer, Consultant
Ree Sailors, Health Care Policy Advisor to the Governor

STAFF PRESENT: Nora Leibowitz, Acting Director, Health Policy Commission
Alyssa Holmgren, Policy Analyst
Judy Morrow, OHFB/OHPR Assistant

ISSUES HEARD:

- Call to Order/Review of Minutes
- Board Assumptions
- Discussion: Exchange – identifying problems, opportunities, options, objectives
- Discussion: Exchange functions and affected populations
- Public Testimony

(Digitally Recorded)

Chair I. Call to order and Review of Minutes of 12/06/07 meeting.

There is a quorum. Minutes were reviewed; approval is not required for workgroups.

Nora Leibowitz II. Board Assumptions

- Design principles and assumptions are being revised.
- Working assumptions include:
 - Strengthen foundational elements
 - Shared responsibility and accountability
 - Financial sustainability
 - Consumerism in healthcare needed
 - Remove financial barriers
- New details will be passed on to group.

Chair

III. Discussion: Exchange – identifying problems, opportunities, options, objectives.

Work is due to Finance Committee on or before March 15, 2008. The Committee began reviewing the handout Insurance Exchange Design Issues:

- Review “What problems are we trying to solve by creating an Insurance Exchange?”
 - Portability and Affordability.
 - Barrier for employees with multiple employers.
 - Disadvantages that individuals have vs. large groups.
 - Promote wellness.
- Review of “What opportunities are created by the proposed comprehensive reform plan?”
- Review of “Possible Objectives for an Insurance Exchange.”

Discussion regarding:

 - Portability and COBRA.
 - Minimizing the problems/gaps when changing between employer-based coverage, the individual market, and Medicaid.
 - Should employers be allowed to contribute to premium for individual plans, currently prohibited?
 - Uninsured include small business employees, self-employed and seasonal workers.
 - Individual market reform will affect the structure of portability. Would these individuals be eligible for subsidy and would it be in the individual market via an exchange, or for COBRA?
 - Contributions by employer and opening 125 accounts.
 - Administrative responsibility of enforcing coverage mandate, part of the exchange or existing regulatory entity?
 - Change bullet seven to: Provide a mechanism to collect premium contributions from multiple sources.

Chair

IV. Discussion: Exchange functions and affected populations (see handout).

- Bullet one: will be determined over time, will revisit after identifying who will be in the exchange.
- Bullet two: exchange to provide consumers with tools/information.
- Bullet three: accepted as written
- Bullet four: will revisit but change to the following: Provide a mechanism to collect premium contributions from multiple sources.
- Bullets five and six: committee will revisit at a later time.
- Bullet seven: accepted as written.
- Bullet eight: there was general consensus that 1) the exchange would not determine eligibility, but would be responsible to ensure it is completed, and 2) the committee will recommend that eligibility be determined by a single source.
- Bullet nine: accepted as written.
- Bullets ten through thirteen: discussion on limiting vs. not limiting number of carriers, problems with insurers entering and exiting the market, and what group(s) of individuals will be included in the exchange.

Other Issues:

Who would use the exchange?

- The three possibilities were debated (see handout) and will be discussed further.

What organization should serve as the administrator of the exchange/purchasing pool?

- Should it be a public entity, a public service nonprofit organization, a private organization, or something else?
- Who would do means/eligibility testing?
- Include cost estimates of screening when determining program cost, not just subsidy costs.

Chair V. Public Testimony

No public testimony was offered.

Chair IX. Adjournment

Meeting adjourned by Chair Honzel at 11:55 am.

Submitted By:
Judy Morrow and Paula Hird

Reviewed By:
Alyssa Holmgren, Policy Analyst, OHFB

EXHIBIT SUMMARY

1. Draft Agenda
2. Draft Minutes
3. Discussion document: Insurance Exchange – Problems, Opportunities
4. Exchange Workgroup Roster