

Insure Montana Board Meeting May 6, 2008
State Auditor's Office, Helena, MT

Board Present: Gail Brieze-Zimmer, Betty Beverly, Jim Edwards, David Kendall, Bob Marsenich

Staff Present: Jan VanRiper, Jill Sark, Christina Goe, Erin McGowen Fincham, Virginia Summey, Patcharin Williams

Others Present: Frank Cote, Karen Diehl & Kristy Amestoy of BCBS; Webb Brown of Montana Chamber of Commerce; Loretta Dreon of New West Health Services

Attended via telephone: Anna Whiting-Sorrel, Governor's Office; Daren Engellant of Glacier Financial Strategies; Malinda Shafman of Montana Logging Association

The meeting was called to order at 1:10 p.m.

Gail asked everyone to introduce him/her self and asked Jill to facilitate the meeting.

Jill asked the Board to review the minutes from the previous meeting on 2/19/2008. There were no changes requested. The minutes were passed unanimously.

Jill introduced a new Board member, David Kendall, a health policy analyst from Progressive Policy Institute, a think tank organization based in Washington D.C. He telecommutes from his residence in Missoula. He replaces Kate McIvor, from May 6, 2008 to June 30, 2008 and was reappointed through June 30, 2011. He fulfills the qualification of consumer representing the public interest. Cliff Larson, a former Board member resigned toward the end of March 2008.

During the Legislative Performance Audit in 2006, Insure Montana (IM) was cited for not properly compensating its Board members. The Montana Code Annotated – 2007, Sections 2-15-124 and 2-18-501 were presented. The issue has been resolved. It is further clarified that members who are state employees, are not eligible for this type of compensation, unless personal annual leave time is used. Patcharin Williams is a contact person if there are any further questions.

Jill proposed to have the IM final policy manual and plan of operation posted on the IM web site, the Board will be informed via email, as each section is updated. The final draft version must be approved by Jan VanRiper and Christina Goe. All draft versions would be archived and available for references. The proposal was unanimously approved.

The IM newsletter is being written. It is planned to be issued on an as needed basis, as a tool to remind businesses of pertinent information such as the renewal process, Healthy Generations, Employee Assistance Program, overlooked/under utilized health care benefits, etc. A draft copy will be provided to the Board via email prior to publishing.

Kristy Amestoy of BCBS, informed the Board that large drug claims can be automatically referred to case management as a way to help control health care cost. However, some specifics such as threshold dollars amount, drug types, usage frequency, etc. need to be determined. Complex case management and disease management were also discussed, but more data is needed to compare cost versus benefits. Karen Diehl and Kristy agree to provide a one hour presentation at the next Board meeting in August, 2008.

Kristy also presented the Employee Assistance Program which provides four free visits of short term counseling service to members. It is noted that the program is not well known, and most likely under utilized. BCBS will provide utilization report so that the Board can make a decision whether to maintain this service or not at the next Board meeting. It was questioned who should promote this program and how should it be promoted. Kristy and Jill will work on this issue and report back to the Board. IM will include EAP information with its newsletter to help promoting the program.

Betty Beverly joined the meeting at 1:35 p.m.

CHAT progress report. A large volume of data has been collected, but a narrative report is not available yet. It is noticeable that participants from the high income group prefer a health care plan with a low premium, but high deductible, whereas participants from the low income group prefer first dollar coverage. Participants from the medical profession unanimously selected Tier 2 mental health benefits and voted against transplants.

The RFP Subcommittee meeting minutes from March 18, 2008 were submitted and approved. The following time line was suggested.

- The RFP is scheduled to be posted by June 1, or June 15th (the latest) 2008.
- Formal questions accepted until July 1, 2008.
- Answers to be posted by July 15, 2008.
- RFP responses due August 1, 2008
- Carrier(s) to be selected by Sept 1, 2008.
- Contract in place by October 1, 2008

The RFP Subcommittee is delegated authority to work on the final draft and circulate the final draft to the full Board via e-mail for additional comments/approval.

The IM Experience Report Subcommittee meeting minutes from March 19, 2008 were submitted and approved.

Healthy Generations Report:

The program receives favorable and positive comments from interested parties. It offers varieties of incentives for example, \$100 gift card provided even beyond the first trimester of pregnancy, a free book, one free ultra sound, free prenatal vitamins, etc. Currently, there are two enrollees. It is suggested to have promotion materials such as mocked gift cards available at physicians' offices, etc. Jill will explore additional options.

Waiting List Renewals:

IM mailed out renewal application forms to all 780 businesses that are currently on waiting list to determine if they are still interested and eligible to participate. Some applications were submitted prior to December 2006. The majority (more than 90%) of them are eligible. There are a few of them that are no longer eligible to participate within the Purchasing Pool Program, but may be eligible to participate within the Tax Credit Program. The program growth rate was asked. There were only 22 businesses added since August 2007. Jill found an interesting article in the Missoulian which reported that there are two Montanans die each week due to lack of health insurance. She was asked to forward the articles to meeting attendees.

Budget Update:

Insure Montana is expected to spend approximately 94% of its budgeted benefits by the fiscal year ended June 30, 2008. There is some remaining budget, approximately \$394,000 that can be used to add approximately 6-10 new businesses to the Purchasing Pool Program. The MCA does not allow the program to add new businesses when 95% of appropriated funds are anticipated to be expended. Jill will monitor the budget closely and keep the Board informed via e-mail.

Audit Pilot Program:

IM will start a case auditing project in June or July, 2008. Fifty case files from each of the Purchasing Pool Program and Tax Credit Program would be randomly selected. Information regarding household income, group health insurance policy premiums, etc. would be verified to ensure that participants are in compliance with the established rules and regulations, etc. A copy of a sample cover letter was presented. It is suggested that, the letter be more user-friendly and include the purpose of the audit process. Jill will revise the letter.

Legislative Issues:

Erin reported that the State Auditor's Office (SAO) submitted 14 concept pieces to the Governor's Office to meet the EPP dateline on April 15, 2008. Bills have not been drafted yet. Sources of funding are not specified. The Board will be informed of the monthly progress via email.

The following issues were discussed:

- 1) Funding request for FY 2010/2011 - estimated cost \$18,055,780 with three options;
 - To add approximately 712 businesses currently on the waiting list to the program and add one FTE with an estimated cost of \$11,327,775.
 - Partially remove the 2007 caps from the employee assistance and employer incentive benefits paid to current participants (767 businesses). Estimated cost \$3,101,316.
 - Partially remove the 2007 caps from the waiting list businesses. Estimated cost \$3,626,690.
- 2) Requested flexibility of fund transfer from program to program within IM. Currently only funds from the Purchasing Pool Program can be transferred to the Tax Credit Program.
- 3) Considered ability to increase or decrease employer size based on available funds.
- 4) Explored eligible income issues for both employers and employees. The current \$75,000 annual income limitation is applied to employees only.
- 5) Explored new sources of funding such as interest from the Tobacco Trust Fund.

The Board approved the IM funding request. Other issues are open for further discussion.

Next Board Meeting: August 12, 2008, Place and time to be announced.

The meeting was adjourned at 3:20 p.m.

