

3/3/2009 Insure Montana Board of Directors meeting

Those present: Betty Beverly, Erin McGowan-Fincham, David Kendall, Connie Welsh, Jim Edwards, Jill Sark, Patcharin Williams, Helen Taffs, Barbara Kamerzel, Karen Diehl, Kristy Amestoy, Sharon Robinson, Christina Goe, Robert Moon, Gail Briese-Zimmer, Walter Schweitzer, and Eve Franklin

Present by phone: None, phone line left open until 1:20 pm for those who had requested to attend by phone

The meeting was called to order at 1:10 pm by Connie and Erin and the floor was given to Jill.

Approval of Minutes: Jim's name was corrected by staff after minutes were distributed to members. No other changes or corrections were offered. Betty moved to approve the minutes as corrected. Dave seconded the motion. No discussion. The motion passed unanimously. No public comment was made.

New Board Member: Eve Franklin has been appointed by the Governor to replace Anna Whiting-Sorrell on the Insure Montana Board. Anna has been appointed to a position at the Montana Department of Public Health and Human Services.

Wellness Training: Insure Montana staff and Christina Goe recently attended a web-based training on wellness plans. The training primarily focused upon legal issues, particularly HIPAA, non-discrimination, GINA (family history may be considered to be genetic information), and ERISA. Rate differentials may be considered discriminatory. Dave asked if there were HIPAA or tax consequences to waivers of co-payments. Incentives cannot be tied to health-related issues; for example, a wellness program can provide an incentive to attend a smoking cessation program, but it would likely be a violation to tie the incentive to the program participant actually quitting smoking. The public was invited to comment; no comments were made.

Well With Blue: Well With Blue, the new BCBS wellness program and website, is launching 4/1/09. Sharon Robinson of BCBS provided materials to the Board and explained the program. BCBS is partnering with employers to provide the website, consultation, reporting, and health risk assessments. Buy-up services include handbooks, health coaching, and a 24-hour call-a-nurse line. Christina inquired about privacy for users of the HRA. Sharon stated that the website is a secure, encrypted site, and the data is not provided to employers or the insurer except in aggregate form, and aggregate data is only available for groups with 50 or more members. Data is not linked to claims data. The site is administered by a third party, Alere, and that company will hold the data and not disclose it to BCBS.

Well With Blue includes healthy living programs. They will be promoted based on HRA answers but open to all, and generally run four to six weeks. Participants in Well With

Blue will earn points for participation including physical activity, diet, reading articles, stress reduction, and BCBS has set a goal of 350 points per year per participating member. These points are reportable to employers for incentive purposes. Incentives may include cash, gift cards, and branded merchandise. Christina inquired about liability regarding the Nurse 24 line. Sharon stated that the nurses will be using medically-based triage, and also have liability insurance.

The Well With Blue website will also provide access to claims info and pharmacy info, which will be printable. If the member authorizes it, the site can integrate with case or disease management. Christina voiced a concern about privacy, particularly the possibility of records going to Underwriting; Sharon responded the information will be housed at Alere, not BCBS. Dave asked if there was a contractual disclosure that the information gathered by Well With Blue is not used for underwriting, and Sharon committed to confirm this and follow up. Finally, non-insured groups are also welcome to participate. The public was invited to comment; no comments were made.

The Board informally gave Jill permission to move forward with Well With Blue.

Value Workgroup Healthcare Forum: How can plan administrators promote health and better care? Negotiation with carriers can implement programs. Pay for performance, chronic disease management, Bridges to Excellence.

Legislative Update: John Mudd discussed the status of Insure Montana bills in the Legislature. SB 135 and HB 258 are the primary vehicles. SB 135 has passed the Senate and been transmitted to the House. This bill expands the \$75,000 annual income cap to business owners and clarifies the definition of income. HB 258 is the appropriations bill. As of the date of the meeting the committee had not taken action. Insure Montana funding has been stripped from other bills. The Federal Stimulus Package may free up some General Fund money for the program. Senator Kaufman has proposed a tax on non-cigarette tobacco to fund Insure Montana. John states that the Legislature may not provide the entire requested funding increase, but some increase is likely. Walter stated that clearing the waiting list is his top priority, and in the next session he would like to change the order of priority from first-come-first-served to a needs-based system. Board members were encouraged to contact Legislators with whom they have a relationship to urge support for the program. Dave will keep the Board informed regarding the national legislation.

Jim Edwards stated that the number one priority of the Board is to clear the waiting list, and lobbying efforts should be directed toward that goal. Jim committed to contacting certain legislators, and Betty indicated that she could arrange for some people to make calls to legislators in support of the program.

Jim Edwards, Dave Kendall, and Connie Welsh volunteered for the benefits design subcommittee. Dave indicated that this issue as well as preventive, value-based design, and pay for performance should be deferred until after the legislative session concluded. No objections were raised.

Tobacco Quitline: the latest issue of the Insure Montana newsletter is being mailed on March 4, 2009 and promotes the DPHHS Tobacco Quitline. The issue of having Insure Montana cover additional meds and other smoking cessation benefits was directed to the Benefits Design Subcommittee. Jim moved that all related issues be given to the Benefits Design Subcommittee to be addressed following the legislative session. Betty seconded the motion and it passed unanimously with no discussion.

Payment Procedure: IM staff met with BCBS to develop a timeline for making a single payment to BCBS instead of individual payments to members. Testing will begin in June, and the first actual payment is scheduled to go in early August to cover the September bills. Kristy Amestoy stated that this is going to be worth the effort. It will virtually eliminate bad debt and collections issues for IM, and simplify the process for participants.

Renewals: 22 businesses cancelled their policies during renewal. 15 more lost coverage due to ineligible numbers of employees (less than two or more than 9). 661 businesses are active and eligible, and 548 are currently on the waiting list. Jill will provide a list of statuses to the Board and interested parties, and the Board is asked to suggest changes to the current status list. The goal is to better track the reasons for cancellation.

Budget Report: Pool attrition and income increases have reduced the payout amounts. Please be aware that the income tables are based upon 2005 Federal Poverty Guidelines and have not been updated. Funds which were temporarily housed under "Utilities," are being moved to the Contracted Services (for system enhancements), Benefits, and Salaries accounts.

Income Subcommittee: Dave brought up the issue of employer and employee contribution amounts. If an employer contributes more towards coverage, it reduces the employees' costs and therefore reduces the employee assistance payments, yet the employer incentive payment does not increase. Many microbusinesses co-mingle business and personal funds, and this can adversely affect these individuals. The committee has proposed that employer contributions in excess of the minimum amount be subsidized at the rate of 25%, and eventually the program should develop a 100% income-based subsidy system. Connie indicated more demographic information is needed to make a decision, specifically what the cost of the proposal might be. Helen voiced concern that the top income tier only receives a 20% assistance payment, and if the employer contribution draws down 25%, then wealthier participants would be able to draw down a larger contribution from the State of Montana than the Board originally intended. The Board did not take any action on this issue, as more information is needed regarding the budgetary impact prior to making the decision.

Out-of-State Participants: Jill advised the Board of a potential issue regarding participants in the program who reside outside the state. Some live in border towns, but others live as far away as Florida and New York, although they are employed by Montana firms. The Board agreed that IM staff should verify that out-of-state

participants are meeting minimum hourly eligibility requirements. There are possible statutory issues. The questions are: Does the Board support covering out-of-state participants? And how does one verify they are meeting hourly requirements?

1099 issue: Board members receive stipends for Insure Montana business. If the stipends, in combination with any other State of Montana payments, exceed \$600 a year, Board members will receive a 1099.

Next meeting of the Insure Montana Board is scheduled for May 5, 2009, time and location to be determined.

The meeting adjourned at 4:25 pm.