

**MINUTES OF THE  
HEALTH SYSTEM REFORM TASK FORCE**

Tuesday, November 11, 2008 – 8:00 a.m. – Room C250 State Capitol

**Members Present:**

Sen. Sheldon L. Killpack, Senate Chair  
Rep. David Clark, House Chair  
Sen. Gregory S. Bell  
Sen. Gene Davis  
Rep. Roger E. Barrus  
Rep. Jackie Biskupski  
Rep. Bradley M. Daw  
Rep. David Litvack  
Rep. Merlynn T. Newbold  
Rep. Patrick Painter

**Members Absent:**

Sen. Peter C. Knudson

**Staff Present:**

Mr. Mark D. Andrews, Policy Analyst  
Ms. Catherine J. Dupont, Associate General Counsel  
Mr. John T. Nielsen, Advisor to the Governor on  
Health System Reform  
Ms. Phalin L. Flowers, Legislative Secretary

**Note:** A list of others present, a copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Task Force Business**

Chair Clark called the meeting to order at 8:12 a.m.

**MOTION:** Rep. Daw moved to approve the minutes of the October 13 and October 31, 2008 meetings. The motion passed unanimously with Sen. Davis absent for the vote.

**2. Potential Health Care Reform Legislation**

Chair Clark distributed "Possible Legislation for the Health System Reform Task Force," a document which summarizes various concepts discussed by the Task Force and its input groups this year. He and other members of the Task Force took turns presenting the concepts. Chair Clark began by presenting the concept of creating an additional new market for health insurance that would serve as a pilot program to test reform concepts.

Rep. James A. Dunnigan presented the concept of creating a new family of lower cost, "mandate-lite" health insurance products called "NetCare."

Rep. Daw presented the concept of increasing consumerism in the health care market by increasing data transparency and increasing the ability of an insured to choose from a variety of providers and a variety of health insurance plans. He discussed the use of contributions from multiple sources and an insurance portal to accomplish this.

Chair Clark presented the concept of expanding the small group market to include groups of one person under certain conditions.

Ms. Tanji Northrup, Utah Insurance Department, testified that the small group insurance market in Utah included businesses with 1 to 50 employees beginning in January 1995 and ending when the provisions of the Health Insurance Portability and Accountability Act took effect.

Chair Clark also raised the issue of whether plans adopted under health insurance reform should be opened up to persons insured by either self-insuring employers or the state.

Rep. Biskupski presented the concepts of reinsuring risk in the small group market and requiring transparency of insurance broker payments.

Ms. Elizabeth Garbe, Utah Health Policy Project, discussed reinsurance.

Ms. Tomi Ossana, Executive Director, Utah Comprehensive Health Insurance Pool (HIPUtah), discussed the operation of HIPUtah. She said that some states are attempting to fund high risk pools by assessing self-insured employers who are exempt from state regulation under the federal ERISA law, but that there have been some legal issues associated with these attempts. She said that she will send the Task Force information on HIPUtah enrollees, by income.

Chair Clark presented the concept of standardizing the transfer of insurer information.

Rep. Newbold discussed the concept of reducing health care spending by lowering administrative costs through various changes related to processing insurance claims.

Ms. Judi Hilman, Executive Director, Utah Health Policy Project, indicated that the various aspects of health care reform cannot be worked on separately and that the Task Force should consider omnibus legislation to implement reform. She indicated that failure to enact comprehensive reform could result in the state having to enact reform on the federal government's terms rather than its own.

Rep. Dunnigan presented the concept of requiring certain contractors who contract with the state of Utah to provide health insurance for their employees.

Sen. Bell presented the concept of medical malpractice reform and discussed three specific recommendations.

Dr. Tom Metcalf, member of the Provider Input Group and the Community Input Group, complimented the Task Force for its work and suggested that the Task Force find a way to convey its work in simple terms to the public.

Rep. Barrus discussed medical malpractice reform, medical homes, affordable plans, and physician supply.

Mr. Nielsen indicated that the medical malpractice insurance industry should undergo the same sort of scrutiny applied to the health insurance industry in terms of how risk is assessed and premiums are set.

Chair Clark noted that in this first year of a ten-year health care reform process the Legislature is laying the foundation for future reform. He noted that reform will not be accomplished with only a single omnibus bill.

Sen. Killpack spoke of the need for personal responsibility in health care and noted the need to look at health care as a whole and how to improve health care using market principles.

**3. Other Business**

The next meeting was scheduled for December 16, 2008 at 8:00 a.m.

**4. Adjourn**

**MOTION:** Rep. Barrus moved to adjourn the meeting. The motion passed unanimously.

Chair Clark adjourned the meeting at 11:04 a.m.