

(Draft - Awaiting Formal Approval)

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

Wednesday, September 21, 2011 – 2:00 p.m. – Room 450 State Capitol

Members Present:

Sen. Wayne L. Niederhauser, Senate Chair
Sen. Gene Davis
Rep. James A. Dunnigan, House Chair
Rep. Rebecca Chavez-Houck
Rep. Brian Doughty
Rep. Francis D. Gibson
Rep. Merlynn T. Newbold
Rep. Dean Sanpei

Members Absent:

Sen. Peter C. Knudson
Rep. Ronda Rudd Menlove

Staff Present:

Mr. Mark D. Andrews, Policy Analyst
Ms. Catherine J. Dupont, Associate General Counsel
Ms. Wendy Bangerter, 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.

1. Task Force Business

Chair Dunnigan called the meeting to order at 2:40 p.m.

MOTION: Sen. Davis moved to approve the minutes of the July 20, 2011 meeting. The motion passed unanimously.

2. Spiritual Care

Ms. Elizabeth Beall, Ph.D, Christian Science Committee on Publication for Utah, gave a slide presentation addressing the possible consideration of spiritual care as a benefit to be provided by insurance plans available on the Utah Health exchange.

Mr. Kenneth E. Bemis, JD, Legislative Attorney, First Church of Christ, Scientist, gave a video presentation telling several stories of spiritual healing. He indicated that studies show a trend of Americans increasingly turning to alternative options for treating their health. He said that coverage of spiritual care does not increase costs to a health plan.

Dr. Robert P. Faraci, MD, Medical Consultant, related his experiences with Spiritual Care in a managed care setting. He was one of the executives given the task to investigate the mind-body aspects of disease and health. He encouraged the Legislature to consider adding Spiritual Care as a benefit provided by the insurance plans available on the Utah Health Exchange. He stated that where they developed a Spiritual Care benefit for HMO members, they did so as a standard benefit at no increase in premium and at a low cost (copay) to the members.

Chair Niederhauser arrived and assumed chairing the meeting.

3. Response to Proposed Federal Rulemaking

- National Conference of State Legislatures (NCSL) meeting with federal officials

Rep. David Clark distributed two documents, "Utah's Strategy" and "Utah's Defined Contribution Market," which he presented at NCSL. He also briefed the Task Force on the state's meeting with the United States Department of Health and Human Services (HHS) regarding implementation of health insurance exchanges under the federal Affordable Care Act (ACA). He expressed his frustration that HHS indicated that the states would have flexibility, but recent rules proposed by HHS indicate there will be no flexibility.

- NCSL policy on exchanges

Rep. Clark reported that NCSL adopted an official policy statement urging HHS to give states flexibility in meeting HHS deadlines for exchange implementation and exchange design.

- Proposed essential benefits policy

Rep. Dunningan reported on the policy that was proposed to Institutes of Medicine (IOM), submitted to NCSL for its consideration, and published by Kaiser Health News. He distributed the published article titled "Defining 'Typical': A Critical Step in Determining The Health Law's Essential Benefits Package."

Ms. Dupont discussed the definition of the proposed essential benefits policy in relation to the ACA.

- Report on August 24 Centers for Medicare and Medicaid Services (CMS) "Listening Session"

Rep. Chavez-Houck commented on her conversations with CMS regarding the state's Medicaid waiver. She recommended that the state make their requests in writing, which could help to reinforce the request. She reported that CMS promised there would be continued dialogue regarding the Medicaid waiver.

Other task force members expressed their impressions from the NCSL "listening session."

- Response from Utah executive branch agencies

Dr. Norman Thurston, Governor Herbert's Health Reform Advisor, reported on the executive branch's response to proposed federal rules. He expressed the need for the executive and legislative branches, other stakeholders, and other states to communicate a consistent response to the proposed federal rules that focus on the need for greater state flexibility.

Chair Niederhauser expressed his concern as HHS moves ahead that Utah be able to maintain control of the state's Medicaid program and keep insurance regulation at the state level.

- Response from stakeholders regarding federal rules

Ms. Shelly Braun, Utah Health Policy Project, provided public comment and distributed "The state of the Utah Health Exchange."

- Presentation of letter from Task Force

Chair Niederhauser and Ms. Dupont distributed and reviewed a letter from the task force chairs to HHS commenting on proposed federal rules.

The Task Force discussed the content of the letter and recommended a stronger emphasis be made that HHS get the rules out to the state more quickly, that the deadline be extended, and that the federal timeline is unrealistic.

MOTION: Sen. Davis moved to direct staff to make changes to the letter and send it by the first of next week. The motion passed unanimously. Rep. Gibson was absent for the vote.

4. Multi-state Exchanges

Sen. Niederhauser explained that the ACA authorizes states to operate multi-state health insurance exchanges, with the approval of the federal Secretary of HHS. He explained that some other states would like to join with Utah in an effort for a regional exchange.

Task Force discussion followed.

5. Providing Dental Benefits through the Utah Health Exchange

Mr. Jeff Album, Vice President, Public and Government Affairs, Delta Dental of California, Delta Dental of New York, Delta Dental of Pennsylvania, and affiliates, briefed the Task Force on how the Utah Health Exchange could be used to make dental benefits more accessible and affordable to small employer groups.

Rep. Dunnigan spoke in favor of including dental insurance but expressed his concern that the state is still working to make the medical part of the exchange work efficiently.

Ms. Patti Conner, Director, Office of Consumer Health Services, commented that there should not be a challenge in working out the underwriting logistics. She explained that there would be administrative costs and fees incurred.

Ms. Dupont stated that the issue will have to be addressed eventually, because it will be federally required and will require a change in state statute.

6. Demonstration Projects

Ms. Korey Capozza, HealthInsight, used a slide presentation to brief the Task Force on the progress of Utah's payment and delivery reform projects. She reviewed the multi-payer model. She summarized the current status for online data and children's programs.

Dr. Chuck Norlin, Medical Director and Principal Investigator for the University of Utah Pediatric Medical Home Demonstration Project, used a slide presentation to explain the Pediatric Medical Home Project and how it expands primary care roles to include valuable services.

Dr. Thurston commented that from the Health Department's perspective, it would be better to focus state efforts for multi-payer demonstration projects on the projects that have momentum.

7. Adjourn

MOTION: Rep. Gibson moved to adjourn the meeting. The motion passed unanimously. Sen. Davis was absent for the vote.

Chair Niederhauser adjourned the meeting at 5:15 p.m.