

# SustiNet Health Partnership Board of Directors

**Co-Chairs**  
Nancy Wyman  
State Comptroller

Kevin Lembo  
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## Meeting of January 13, 2010 Meeting Minutes

**Board Attendees:** *Nancy Wyman, Comptroller, co-chair; Kevin Lembo, Healthcare Advocate, co-chair; Bruce Gould; Sal Luciano; Jeffrey Kramer; Joseph McDonagh; Bonita Grubbs; Estela Lopez; Ellen Andrews; Cristine Vogel; Jamie Mooney; Lucy Nolan; Todd Staub*

**Absent:** *Mark Boxer; Michael Critelli; Jeannette DeJesus; Margaret Flinter; Norma Gyle; David Henderson; Rafael Perez-Escamilla; Andrew Salner; Marlene Schwartz; Marie Smith; Tory Westbrook; Michael Starkowski; Thomas Sullivan; Paul Grady*

**Guest Presenters by teleconference:** *Stan Dorn, Urban Institute; Sarah Dash, Senior Aide to US Rep. Rosa DeLauro*

Nancy Wyman opened the meeting by asking members to introduce themselves. Nancy asked for approval of minutes from the last board meeting. Joseph McDonagh moved to approve, and it was seconded by Sal Luciano and approved unanimously.

Kevin Lembo said that the following names had been omitted by the Board during the voting on committee memberships at the last meeting: Patricia Baker, Ann Ferris and Sharon Langer, all part of the Preventive Healthcare Committee. Sal made a motion to approve these appointments; it was seconded by Bonita Grubbs, and all members were approved. The following additional names were presented to serve on Preventive Healthcare: Tanya Barrett, Yvette Bello, Paul Cleary, Marian Evans, Alice Forrester, Nancy Heaton, Robert Krzys, Tung T. Nguyen, Carlos Fuentes, Alicia Woodsby, and Nancy Yedlin. Sal made a motion; it was seconded by Estela Lopez, and all the members were approved.

The following persons were moved by Kevin to serve on the Provider Quality Committee: Mark Belsky, Jane Deane Clark, Teresa Dotson, Lynne Garner, Bryte Johnson, Pieter Joost van Wattum, William Kohlhepp, Rick Liva, Sara Parker McKernan, Jean Rexford, Linda Ross, Jody Rowell, Christine Shea Bianchi, Richard Torres, and Jeff Walter. Estela made a

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Bruce Gould • Paul Grady • Bonita Grubbs • Norma Gyle • Jeffrey Kramer  
Estela Lopez • Sal Luciano • Joseph McDonagh • Jamie Mooney

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motion to approve; it was seconded by Joe and all members were approved. Kevin said that the chairs of the Health Information Technology Committee were reviewing possible members, so that list will be voted on at the next Board meeting. He thanked Committee co-chairs for all their work.

The following updates were given by Committee and Task Force co-chairs:

Health Information Technology: Jamie Mooney reported that this Committee has held two meetings. Their workplan has been reviewed, and members have been assigned to initiatives.

Health Disparities and Equity: Bonita Grubbs reported that it was hoped that Dr. Olayiwola would be a co-chair but she has declined participation. Rafael Perez-Escamilla is a co-chair and the search continues for another chair. Bonita said that it was hoped that this would be settled by early February.

Patient Centered Medical Home: Ellen Andrews reported that at the last meeting, there was a slide show given on a medical home in Flushing, NY in addition to a video shown of ACP Medical Home Builder that showed the steps a practice needs to take to become a medical home. The Committee has written a paper on the differences between the House and Senate bills, and Ellen thanked Sarah Dash from Rep. Rosa DeLauro's office for all her input with this. Ellen is working to put together a webinar with NCQA to show what is involved with becoming a certified medical home.

Healthcare Work Force: Ellen reported that the Committee has held two meetings. There will be four meetings held in February with panels of these groups.

Childhood and Adult Obesity: Lucy Nolan said that in its last meeting, Task Force members expressed their top priorities as to what they'd like to see happen with policy. The co-chairs are writing up a plan for this.

Provider Advisory: Todd Staub reported that Francoise de Brantes, a national expert on reimbursement, will lead a discussion on reimbursement strategies and the principles that these strategies should follow. The Committee hopes that by the end of the meeting they will have determined three basic principles for SustiNet to follow for reimbursement that support quality and safety. Kevin asked about reimbursement reform and the quality and clinical standards charges. Todd said that the current system is driven largely by the reimbursement structure. The challenge is to redesign this while supporting quality and safety.

Stan Dorn from the Urban Institute provided a federal update on the shape of emerging national healthcare reform. The House and Senate have each passed bills, and both staffs are working on producing a reconciled bill. The basic outlines are remarkably similar, yet key details are quite different. Both proposals would substantially expand Medicaid to cover everyone with income up to a certain level. The House bill is more generous in this regard

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than the Senate bill. The House bill not only extends Medicaid eligibility to higher income levels, it also would increase Medicaid reimbursement rates to Medicare levels for most primary care services and some specialized care services. The new requirements imposed on states would be funded with greater than usual medical matching rates. In the initial years the new coverage and increased provider costs would be fully federally funded, and then gradually diminished as years go by. In terms of those people with incomes above Medicaid or CHIP income levels but below 400% of the federal poverty level, both bills would provide assistance in obtaining insurance, helping to pay premiums, and helping to pay out of pocket cost sharing.

Stan continued, saying that as income gradually rises, the level of assistance gradually declines. The House bill will have a nationally administered exchange, whereas the Senate bill will have a state administered exchange. The Senate bill would have all insurance products be private products, but the House bill would have a public option available as well. Most people believe the public option will be dropped out of the exchange in the final product. In addition to subsidized recipients, the exchange is also open to people who are not offered affordable employer sponsored coverage regardless of income. In the initial years, the exchange would be open to small businesses, but eventually it would be open to larger businesses.

Stan also said that both bills will have an individual mandate to obtain coverage unless people can't afford it or refuse it for religious reasons. Both bills would create insurance market reforms, limiting the ability of insurance companies to discriminate against people based on illness or health problems. Pre-existing condition exclusions and medically underwritten premiums would no longer be permitted under either bill. Neither bill comes into effect immediately. The House bill would be effective in calendar year 2013, and the Senate bill would be effective in calendar year 2014, for the bulk of the bills, the subsidies, the individual mandates and most of the insurance reforms. Small parts of each bill would go into effect immediately, like the so-called early deliverable.

Stan continued by saying that the SustiNet plan contained two essential components, the first being to expand coverage so that everyone in the state who wants insurance gets it, and that everyone would have access to affordable coverage. The idea was to have subsidies up to 400% of the federal poverty level built into the Husky program. Rather than an individual mandate, there would be default enrollment options; people would receive coverage unless they declined it. Much of that strategy remains intact. Legislation in Congress is going up to 400% of the federal poverty level with subsidies. The main gap is that the subsidies being contemplated in the exchange are significantly less generous than what Husky currently provides and are significantly less generous than what was originally contemplated. Maybe SustiNet needs to consider supplementing federal subsidies with state subsidies. Although that requires general fund dollars, it's worth keeping in mind that originally SustiNet envisioned Medicaid expansions, where the state would pay half of the costs. In talking about supplementing the federal subsidies, the state would pay 15 – 20% of costs. There would still be a cost, but it wouldn't be incurred until 2013-14, and it would be much less

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than what was originally envisioned. Federal legislation requires an individual mandate, so this will need to be looked at to see how the state has room to innovate an enrollment mechanism.

The second major component of SustiNet is to create a strategy to galvanize the healthcare delivery system change in CT. This would slow the growth of healthcare costs while preserving or improving quality. The basic strategy is that a new self-insured plan, SustiNet, would be created, implementing the country's best thinking about how to accomplish this. The way national reform is unfolding, it leaves room for CT to pursue the basic strategy that was envisioned in SustiNet of subsidizing coverage for the uninsured, creating a plan that reforms the healthcare delivery system, using as much of a critical mass as possible and making this available to others in the state. He expressed optimism that this would happen.

Sarah Dash from Rep. Rosa DeLauro's office discussed some key pieces of each bill that are being worked out. First she discussed affordability and subsidies, and how robust these would be. There could be premium assistance and also cost sharing. The Senate bill is slightly more generous than the House bill. Sarah also spoke of accountability, and how to ensure that consumer protections in healthcare reform are robust and enforced. Key to this will be how the structure of the exchange is designed. The Senate bill has the states designing their own exchanges, and allows partnering with other states for regional exchanges, with the federal government stepping in to provide oversight. The House bill creates one national exchange, allowing states to opt out only if they can meet stringent requirements. CHIP is also an important piece of this. Congress is hoping to see at a minimum, a two year bridge funding that's part of the Senate bill in terms of setting up exchanges. The state has a very important role in all of this. A crucial element is consumer assistance, ensuring that every state has a Kevin Lembo. It is necessary to have really good people explaining this. The second crucial element is setting up systems for smooth enrollment. Some of the revenue provisions are still undecided.

Todd asked how SustiNet fits in with the national exchange. Stan said that the national exchange leaves room for state-based health plans. Sarah said that this is a really fluid area. There will probably be a hybrid between what the House and Senate have done. Sal asked about pre-existing conditions, and the fact that both bills address this, and wanted to know what the cost differences would be. Sarah said that the House bill shortens the length of time that people in group plans who have pre-existing conditions must wait for coverage. In individual plans, where people can be denied coverage for any reason, the bills would ban that practice, starting in 2013 or 2014. There is a difference in costs because of different subsidy levels. Costs of premiums to individuals will depend on how good the subsidies are, how much big changes are empowered to negotiate with insurance companies, and how much competition there is. Sarah also said that the Senate bill would allow plans to charge people up to 50% more, based on whether they have health status risk factors, are willing to take a health risk assessment, and meet certain "wellness goals." This is being pushed hard on the hill and some businesses really want this. This is of some concern; hopefully it won't

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be seen in the final package. The House bill contains worksite wellness, but it doesn't allow variations in premiums or cost sharing based on risk factors.

Jeff Kramer said that the public option is not included in either bill, and wanted to know how this would affect the SustiNet charge. Stan said that the House bill does include it, but it looks like it will be eliminated, so there will be concessions in other areas.

Kevin said that the two issues that seem to be getting the most press coverage are the funding question around the excise tax and the abortion issue. He asked Stan if he felt that these issues could be settled. Stan said that regarding the excise tax, conventional wisdom seems to be that there will be a deal made. There will be a tax, but there will be accommodations, so he doesn't feel that this will be an obstacle. Stan said that the abortion issue is trickier. Almost everyone agrees that the status quo should be preserved. The two sides, pro-life and pro-choice, have very different understandings of what it would mean to continue this status quo, presenting an intellectual and political challenge. Stan said that he's optimistic this will be worked out, but this could be derailed by the special election in MA. If the Republican wins, the Democrats will no longer have a filibuster-proof majority in the Senate. It might mean that the House would have to pass the Senate bill with no modifications at all, or perhaps they'd have to have reconciliations. This is the biggest factor that could derail this.

Kevin said that the Board will need to make a 60 day recommendation to the legislature and the governor based on whatever action is taken at the federal level. He mentioned new staff members at the Office of the Healthcare Advocate who will be working on SustiNet. Africka Hinds-Ayala will be SustiNet's new program associate. She was previously at DSS, and has great experience with the Medicaid pharmacy side, understands public programs and will be a great asset to this process. Marilyn Rice is the Administrative Assistant, and she is in place, churning out minutes. Vicki Veltri, Michael Mitchell and David Krause from the Comptroller's office are all assisting, taking the Senate bill and taking SustiNet provisions and getting these lined up in a way that's easy to understand. Kevin suggested that one or more Board members become more intimately involved in the inside conversation, because he sees this happening very quickly and there will need to be a draft made. The areas that need to be pushed down to the Committees and Task Forces for input will probably need to have a two or three day turnaround. The draft will then need to be cleaned up and presented to the Board. The Board needs to come to agreement on this document by a simple majority and then move it on. Kevin asked if anyone was willing to participate in the small group working on getting this draft together. He said that this effort would need to begin in the second week of February and then would be a flat out effort for about three weeks for this first step. Cristine Vogel said that she has spent the last two weeks almost fully looking at the healthcare reform bill, and said that it is bigger than life. In DC it seems to be very political; if CT wants to make a difference for its people, this will need to not be a political topic. CT needs to figure out what it can get done and when, because there is some major infrastructure that CT needs to have in place within the next two years. She offered to participate in working on the draft. Sal also offered to work on this.

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Kevin mentioned that he'd like to hold a Board retreat, probably lasting half a day. He proposed that the co-chairs of Task Forces and Committees meet with the Board in a less formal atmosphere to discuss workplans and the resources needed to achieve their goals, and to identify what consultants' services will be needed to support those efforts. Nancy Wyman said that she thinks a retreat is a great idea, but that it would need to be facilitated by someone other than Kevin or her, someone from the outside. Kevin said that he'd like to do this as soon as possible, perhaps by the end of January. Bonita said that her Disparity Committee hasn't met yet, so it won't get the kind of attention it should get, and suggested that February would be better for them. Kevin said that he'd look for a facilitator, invite Stan to participate, and then select some dates in February to choose from.

Kevin mentioned that the CT Public Health Policy Institute would be presenting an event at the LOB in room 2A on 1/19/10, entitled Overweight and Obesity in CT and Smoke and Mirrors. The specifics will be posted on the SustiNet website.

Meeting was adjourned.

**Next meeting will be held on February 10, 2010 at 9:00 am.**