



**Monday, January 24, 2011 1:00 – 3:00 PM**  
**Capitol Annex, Room 171 - Frankfort, KY**

**MEETING SUMMARY**

**Attendees:**

Tracy Antle, Cumberland Family Medical Center, Inc.  
Luke Barlowe, National Patient Advocate Foundation  
Steve Bryant, American Diabetes Association  
Tonya Chang, American Heart Association  
Dudley Conner, KPHA/KHDA  
Colette Crown, Friedell Committee  
Holly Curry, Cull, Hayden & Vance  
Pat Delahanty, Catholic Conference  
Bob Gray, KVH Policy Consultant  
Betsy Janes, American Lung Association  
Anne Joseph, Covering KY Kids and Families  
Lacey McNary, Kentucky Youth Advocates

Christin Miller, Advocacy Action Network  
Jodi Mitchell, KVH  
Germaine O'Connell, KY Council on Developmental Disabilities  
Ann Marie Regan, KY Equal Justice Center  
Lisa Rice, Dept. of Behavioral Health  
Sheila Schuster, KVH Co-Chair, Advocacy Action Network  
Bruce Scott, Mental Health America – Kentucky  
Rich Seckel, KVH Co-Chair, KY Equal Justice Center  
James Sharp, American Cancer Society  
Marian Taylor, Council of Churches  
Laurel True, AARP

**Participating by Webinar/Phone**

Joan Buchar, Foundation for a Healthy Kentucky  
Mary Michael Corbett, Norton Hospital  
Richard Heine, Friedell Committee  
Loretta Maldener, Purchase AHEC

Melody Nall, Purchase AHEC  
Mary Nicholson, KVH Local Leader  
Therese Sirles, Norton Kosair Childrens Hospital  
Max Thomas, Organizing for America

Jodi Mitchell called the meeting to order with introductions by all in attendance. The meeting summary for the December 7 meeting was reviewed with no questions or revisions.

**Assure that all Kentuckians have access to high quality, affordable health care**

DJ Wasson, Bill Nold, and Sharron Burton with the KY Department of Insurance provided an update to the coalition on Rate Review Activities, Consumer Assistance Program, and Medical Loss Ratio.

- Rate Review (Bill Nold) – 26 states including KY currently have rate review authority. The Dept. of Insurance's role in reviewing rates seeks to maintain competition in the insurance marketplace. It was noted that KY does not have many insurers in Kentucky. The Dept. provides guidelines to insurers. It was admitted that the process is very complicated and not very transparent to the public. It was noted that the general public would have difficulty understanding the rate increase request. The federal government is helping to define what is reasonable and unreasonable (currently a gray area).

KY received a \$1M grant to enhance the current rate review process. DOI is interested in input to bring greater transparency to the process. They will be outreaching to insurers and will seek to educate consumers about the rate review process and improve consumer protections. \$300,000-400,000 of the grant will be used to supplement actuarial support.

DOI does not regulate the entire insurance marketplace (does not oversee private/self-insured market – 30% of the market). Its jurisdiction covers 658,000 lives/that equals over \$2 billion in claims. There are 328,000 lives/9.5 million in claims attributed to the small business, individual market. Insurance companies are permitted to raise rates by 20% once a year due to health changes. KVH stakeholders asked about defining what is reasonable in regards to rate increases. 10% or more calls for review.

DOI asked for input on what information would be helpful to consumers. The following were suggested:

- Disclosure of factors that caused rates to go up
- Why rate increases were approved/disapproved
- Recommended looking at other state models for transparency
- Greater opportunity for public input
- Comparison of insurance plans

DOI emphasized that rate review grant was not intended to lower rates.

- Consumer Assistance Program – KY received \$486,000 to establish Consumer Assistance program. The Department of Insurance will be using its Consumer Protection Department to provide consumer assistance and handle questions and concerns. They have used current staff at temporary ombudsman and this position will be filled in the next month. The ombudsman will help consumers with insurance forms, maintain contacts with Department of Labor for self-insured plans, and develop consumer materials. The ombudsman hotline is 877-587-7222.
- Medical Loss Ratio – DOI will be submitting a request for an adjustment to allow for a more gradual escalation of the percentage that must be used for beneficiaries' health care services. DOI has spoken with insurers and agents and there is concern that agent/broker compensation will be impacted. DOI is concerned about a stabilized marketplace and fear disruption in service. It was reiterated that KY is dominated by only a few insurers. The current state law calls for 65% for a lifetime ratio per product.

Public feedback will be solicited by US Dept of HHS on state requests for adjustments. KVH Stakeholders indicated great concerns with KY's request for an adjustment and allowing insurers to pass costs on to beneficiaries and lack of transparency of actual costs. DOI expressed an understanding of consumers concerns but need to balance consumer needs with ensuring a competitive marketplace. The individual market currently has 8 carriers and Anthem has 85% of the marketplace. KVH expressed interest in attracting more insurers to the marketplace.

Jodi Mitchell provided a brief update on implementation efforts by the Cabinet for Health and Family Services (CHFS). The Cabinet is moving forward with the exchange planning grant and hopes to contract with University of Kentucky to do the exchange analysis. The exchange forums have been put on hold. The web site as suggested by KVH is going through some editing by the CHFS IT department. Carrie Banahan is scheduled to come to the February KVH meeting to give further updates.

Sheila Schuster provided a Medicaid update. Rep. Rand is expected to file legislation that would include the Administration's plan to borrow funds from 2012 to fill the 2011 Medicaid gap. The Governor held a press conference to announce the plan and to indicate the need to pass the plan to avoid provider cuts. President Williams did not indicate support for this budget transfer. It was discussed that moving funds now would allow KY to take advantage of an enhanced match rate. The Administration has indicated that 2012 will remain solvent because of better management and expansion of managed care as a cost containment mechanism. The Request for Information (RFI) are due on February 7.

Richard Heine inquired on how advocates can encourage case management to contain costs and improve care.

### **Make prevention a priority for Kentucky's health policies and programs**

The Smoke Free Kentucky Coalition reported that their advocacy training event was full to capacity and they are looking into opportunities to offer again in the future. The statewide smoke free effort will be spotlighted on KET Tonight. ACS, AHA, and ALA will host lobby days in February to advocate for statewide smoke

free legislation (HB 193). There was discussion as to whether Speaker Stumbo's bill adds support for the legislation and it was suggested that it has added the opportunity for great discussion.

Jodi Mitchell provided updates for Betsy Janes, ALA. The radon bill will soon be introduced that would ensure that radon mitigation is performed by qualified professional. Radon is the 2<sup>nd</sup> leading cause of lung cancer and it is important to assure that radon exposure is reduced. KY is a high radon state and therefore this has become a health concern. KVH has signed on to a letter indicating support for trained professionals for radon mitigation.

The KY Chamber of Commerce Worksite Wellness guides will be provided to KVH attendees at the next meeting.

### **Improve the health of Kentucky's children**

Lacey McNary provided an overview of the Blueprint for KY's Children (with handout). The Blueprint is an open coalition. Among the issues included are payday lending and BMI monitoring. Legislation on BMI monitoring sponsored by Rep. Wuchner/Rep. Burch and Sen. Harper Angel will draw attention to action on this issue. KY Dept. of Education has indicated some support perhaps for this but it is not clear if this will be taken care of. There is a need to collect data that can be aggregated by county.

There is also legislation addressing physical activity sponsored by Rep. Belcher and Rep. Wuchner. Stakeholders have indicated that the Belcher bill does not meet national standards. Rep. Wuchner is also sponsoring a resolution calling for a Children's Obesity Task Force.

There is another legislative effort of possible interest that seeks to add three new Technical Advisory Committees for Children's Health, Behavioral Health, and Developmental Disabilities. Rep. Lee will sponsor this legislation and a fact sheet is forthcoming.

Children's Advocacy Day is scheduled for Feb. 17 and will highlight the Blueprint.

Anne Joseph indicated that there were no current legislative initiatives and continued efforts in working with the Governor and Cabinet were needed. KY has successfully simplified the application process and eliminated the face to face interview. Funding is very important to maintain coverage through the Medicaid and CHIP programs and we will need to watch both federal and state budget discussions to protect Medicaid and Children's Health Insurance Program. The Governor has been very instrumental in addressing coverage and retention of children within insurance programs.

Anne noted that Feb 4<sup>th</sup> is the birthday of the CHIPRA program and a good time to highlight past successes. One area for possible greater attention is the work that is needed to help KY qualify for the bonus payments from HHS. Anne distributed a handout explaining the bonus payments structure.

A KVH Children's Health Task Force will be convened to recommend strategies and future actions by the coalition on children's health. CKKF also plans to host a meeting in February.

### **Improve the efficiency and effectiveness of health care for Kentuckians**

Bob Gray provided an update on Pew Center work and reforming the penal code system. The Task Force on the Penal Code and Controlled Substances Act made its recommendations and legislation is likely to be introduced. There are provisions that call for greater attention to substance abuse treatment.

#### Coalition Updates

- Enroll America
- Speakers' Bureau Requests - <http://kyvoicesforhealth.com/speakersbureau.html>
- KVH Website Survey – [http://kyvoicesforhealth.com/form\\_view.php?form\\_id=4](http://kyvoicesforhealth.com/form_view.php?form_id=4).
- Calendar Postings – send to [kvhexec@kyvoicesforhealth.org](mailto:kvhexec@kyvoicesforhealth.org)

Stakeholder Updates (open forum for sharing information)

Luke Barlowe inquired as to stakeholders' positions on PSE legislation that would make pseudoephedrine a controlled substance accessible with prescription only. There is concern that this will create accessibility issues.

HB 208 sponsored by Rep. Napier was an issue of interest. This legislation would require those individuals on welfare or public assistance to be subject to randomized drug testing. This legislation would also provide the option of attaining substance abuse treatment. Anne Joseph added that questions of legality are surfacing on this. Dudley Conner added that the KY ASAP Board voted against the bill. James Sharp also added that the new FSA requirement (because of the ACA) is to require prescriptions for over the counter PSE drugs.

Next Meetings: Feb. 28 (CHFS Health Reform Update), 1:00-3:00PM in Room 171 of the Capitol Annex.