

**DELAWARE HEALTH CARE COMMISSION**  
**APRIL 7, 2005**  
**DELAWARE TECHNICAL & COMMUNITY COLLEGE**  
**CONFERENCE CENTER, ROOM 400B**

*Action Item*

**MINUTES**

**Commission Members Present:** John C. Carney, Jr., Chairman; Richard Cordrey, Secretary of Finance; Matt Denn, Insurance Commissioner; Carol Ann DeSantis, Secretary, Delaware Department of Services for Children, Youth and Their Families; Jacquelyne W. Gorum, DSW; Joseph A. Lieberman, III, MD, MPH; Vincent Meconi, Secretary of Health and Social Services; Robert F. Miller, A. Herbert Nehrling, Jr.; Dennis Rochford; and Lois Studte, RN.

**Guest Speakers:** Alice Burton, Director, State Health Policy Group at AcademyHealth; Ed Ratledge, Center for Applied Demography and Survey Research, University of Delaware; and Elliott Wicks, Senior Fellow, Economic and Social Research Institute and Senior Consultant, Health Management Associates.

**Staff Attending:** Paula K. Roy, Executive Director; Judith A. Chaconas, Director of Planning and Policy; Marlyn Marvel, Community Relations Officer; and Jo Ann Baker, Administrative Specialist III.

**CALL TO ORDER**

John C. Carney, Jr., Chairman, called the meeting to order at 9:06 a.m.

**APPROVAL OF MARCH 3, 2005 MINUTES**

A. Herbert Nehrling made a motion to accept the minutes of the March 3, 2005 meeting. Lois Studte seconded the motion. There was a voice vote. The motion carried.

***Action:***

The March 3, 2005 meeting minutes were accepted.

**LOAN REPAYMENT PROGRAM**

Judy Chaconas briefed Commissioners on recommendations for structural changes of the Loan Repayment Program.

**Recommended Changes**

- Focus on the retention of providers in underserved areas of the state, as well as recruitment
- Expand the eligible specialties list, currently open to only dentists and physicians, to those allowed under federal rules, such as nurse practitioners and clinical social workers
- Identify sites eligible for placement under federal rules and increase efforts around marketing
- Reduce the minimum services requirement from three years to two years (the federal minimum), with one year addendums. Retain the graduated payment structure
- Increase allowable award thresholds to the maximum allowed under federal rules (keeping in mind that this is the maximum allowed and awards can be less)
- Contingent upon available funds, engage an intern to focus exclusively on administering these program changes
- Consider using state loan repayment funds for alternative

***Action:***

Structural changes for the Loan Repayment Program were accepted.

“economic incentives”, such as loan assistance for capital expenditures to establish a practice in a high-need area, on a case-by-case basis

Lois Studte made a motion to accept the recommendations for structural changes. Joseph A Lieberman, III made a second. There was a voice vote and the motion carried.

### **UNINSURED ACTION PLAN**

#### **A. Delawareans Without Health Insurance, 2004**

Edward Ratledge, of the University of Delaware, gave a presentation on Delawareans Without Health Insurance.

There are about 836,000 people in Delaware. By the year 2030 it is estimated there will be 1,030,000. Kent County is the largest growing county in the State, followed by Sussex County and then New Castle County. Of the current population, 80,000 (3-year moving average) are uninsured. The bulk of the uninsured are located in New Castle County (50 percent), Kent County (17 percent) and Sussex County (13 percent). Of the 80,000 uninsured:

- 79% are over the age of 17
- 55% are male
- 68% are white
- 15% are Hispanic
- 61% own or are buying their home
- 21% live alone
- 81% are above the poverty line
- 28% with household income over \$50,000
- 56% are working
- 4% are self-employed
- 13% are non-citizens

A copy of the presentation is attached to these minutes and also available on the Delaware Health Care Commission website (Presentations) at [www.state.de.us/dhcc](http://www.state.de.us/dhcc).

#### **B. Delaware Health Care Coverage Options: Prioritizing Strategies**

Alice Burton, Director, State Health Policy Group, AcademyHealth and Elliott Wicks, Senior Fellow, Economic and Social Research Institute and Senior Consultant, Health Management Associates led discussions on Delaware Coverage Options. Commissioners narrowed the 22 Strategies for Population Group options down to eight for further study. Those eight include:

- Limited Benefits for CHAP Enrollees (primary care, x-ray, lab, and prescription formulary but no hospitalization)
- Extend Medicaid/SCHIP eligibility to parents of CHIP (for 100-200 percent poverty level)
- Statewide purchasing pool (could be extension of state

Edward Ratledge, of the University of Delaware, gave a presentation on Delawareans Without Health Insurance.

Alice Burton and Elliott Wicks led discussions of Delaware Coverage Options.

employees' plan) to encourage employers to offer or extend eligibility

- with subsidy to cover adverse selection
- with 33 percent premium subsidy (builds on State plan; covers 200-400 percent poverty level)
- Individual tax credits/vouchers to workers to buy coverage
- Employer tax credit/voucher to encourage employers to offer
- Three-Share product for employers to offer
- Subsidized reinsurance (state assumes risk for high-cost cases)
- Require insurers/health plans to cover dependents up to age 26

A copy of the presentation is attached to these minutes and also available on the DHCC website (Presentations) at [www.state.de.us/dhcc](http://www.state.de.us/dhcc).

## **UPDATE**

### **INFORMATION AND TECHNOLOGY**

Herbert Nehrling updated Commissioners on activities of the Delaware Health and Information Network (DHIN).

#### **Project Management**

Contract negotiations with the technical and operational planning consultant have been finalized and a May 1, 2005 contract start date is planned. The following timeline has been established for the contract deliverables:

<b><u>Planning Phases and Deliverables</u></b>	<b><u>Completion date</u></b>
Architectural Design Requirements	July 30, 2005
Functional Requirements Document	August 15, 2005
Advance Planning Document (APD)	September 15, 2005
Feasibility Study & Cost Benefit Analysis	October 15, 2005
Sustainability Assessment	November 15, 2005
Implementation RFP release	October 15, 2005
Finalize RFP evaluation processes	October 31, 2005
Implementation vendor selection	December 30, 2005

DHIN held the first Consumer Advisory Committee meeting on March 17, 2005. The Committee will provide expertise, insight and policy direction to the DHIN Management Team to ensure: 1) the DHIN Utility project meets the needs of consumers; 2) consumers are fully represented in the development and operation of the system; 3) consumers understand and can use the utility to improve their health care outcomes. The committee represents the general public as well as special-needs groups.

#### **Funding**

DHIN received a request for proposal from the Agency for Healthcare Research Quality (AHRQ) entitled "Delaware Health Information Network HIT Demonstration." A single award is anticipated for a period

A. Herbert Nehrling updated the Commission on DHIN Activities.

of five years. The estimated cost of this procurement is approximately \$700,000 for year one and \$1,000,000 each for the remaining four years. The RFP response is due April 26, 2005.

**OTHER BUSINESS**

A resolution was presented to A. Herbert Nehrling for his contribution and dedication to the Delaware Health Care Commission. Mr. Nehrling is relocating to the Baltimore County area in Maryland.

**PUBLIC COMMENT**

Dr. Robert Frelick stated that he heard every variable today except health needs.

Joann Hasse would like more data to determine how many members in the household as it relates to the \$50,000 when referring to the federal poverty level.

Pat Hawkins wanted to bring up education, access, and prevention so younger parents can be educated. You might prevent a visit to the emergency room altogether even if they are insured.

**NEXT MEETING**

The next meeting of the Delaware Health Care Commission will be held at 9:00 a.m. on **THURSDAY, MAY 5, 2005 in Room 400B** at the Delaware Technical and Community College Conference Center, Dover.

**ADJOURN**

The meeting adjourned at 11:32 a.m.

A resolution was presented to A. Herbert Nehrling for his contribution and dedication to the Delaware Health Care Commission.

***Next Meeting:***  
The next meeting will be held 9:00 a.m. on **THURSDAY, MAY 5, 2005 in Room 400B** at the Delaware Technical and Community College Conference Center, Dover.

## GUESTS ATTENDING

Jack Akester, Consumer Advocate  
Joy Blasier, EDS  
Paula Bodner, Bayhealth Medical Center  
Anthony J. Brazen, D.O., Division of Social Services, Medicaid  
Charles Case, MD, Henrietta Johnson Medical Center  
Kim Chappell, EDS  
Kathy Collison, Division of Public Health  
Barbara DeBastiani, Division of Public Health  
Robert Frelick, MD, Medical Society of Delaware  
Edward Goaté, Central and southern Delaware Health Partnership  
Joann Hasse, League of Women Voters  
Pat Hawkins, InfoSystems  
Cathy Imburgia, Creative Communications  
William Kirk, BlueCross/BlueShield Delaware  
James Lafferty, Mental Health Association  
Paul Lakeman, Bayhealth Medical Center  
Bill Leitzinger, Leitzinger Associates – Workplace Health  
Lolita Lopez, Westside Health Center  
Spiros Mantzannen, American Heart Association  
Gregory McClure, DMD, MPH, Dental Director, Division of Public Health  
Anita Muir, Division of Public Health  
Merle Murray, Delaware Workforce Investment Board  
Linda Nemes, Depart of Insurance  
Brian Olson, La Red Health Center  
Betty Paulanka, University of Delaware  
Suzanne Raab-Long, Delaware Healthcare Association  
Rosa Rivera, Henrietta Johnson Medical Center  
Tonia Ryan, Coalition for Healthier Delaware  
Debra Singletary, Delmarva Rural Ministries  
Joan Sloan, AmeriHealth Insurance Company  
Rob White, Delaware Physicians Care, Inc.  
Rex Yaniello, Nemours (for Marianne Stefano)  
Joe Zingaro, Ph.D., Delaware Psychiatric Association