

**DELAWARE HEALTH CARE COMMISSION
JUNE 7, 2007
DELAWARE TECHNICAL & COMMUNITY COLLEGE
CONFERENCE CENTER, ROOM 400 B
DOVER**

MINUTES

Commission Members Present: Lt. Governor John C. Carney, Jr., Chair; Theodore W. Becker, Jr.; Matthew Denn, Insurance Commissioner; Carol Ann DeSantis, Secretary, Department of Services for Children, Youth and their Families; Joseph A. Lieberman, III, MD, MPH; Vincent Meconi, Secretary, Delaware Health and Social Services, Lois Studte, RN.; Jacquelyn W. Gorum, DSW, and Dennis Rochford, President, Maritime Exchange for the Delaware River and Bay Authority.

Member Absent: Richard Cordrey, Secretary of Finance

Staff Attending: Paula Roy, Executive Director; Sarah McCloskey, Director of Planning and Policy; Marlyn Marvel, Community Relations Officer; and Linda G. Johnson, Administrative Specialist.

CALL TO ORDER

John Carney, Chairman, called the meeting to order at 9:10 a.m.

MEETING MINUTES OF APRIL 5, 2007

Vincent Meconi made a motion that the May 3, 2007, meeting minutes be approved. Ted Becker seconded the motion. There was a voice vote. The motion carried.

UNINSURED ACTION PLAN

UPDATE: Universal Coverage Report – Elliot Wicks

Elliot Wicks gave a presentation detailing two approaches to achieving universal coverage in Delaware: *Single Payer* and a *Massachusetts Style Plan*. The presentation and related reports are attached to these minutes.

Single Payer Plan

The *Single Payer* plan would be a government-sponsored program with automatic coverage for everyone. This plan's elements could include:

Eligibility

- Every resident automatically covered, except Medicare recipients, who would be covered as they are now;
- Resident is someone residing 18 months in Delaware; 6 months if fully employed;
- New residents and non-residents working in Delaware could buy in; and
- People eligible for Medicaid/SCHIP would have the same insurance card but be separately tracked.

Action Items

Action

The minutes from the May 3, 2007 meeting were approved.

Elliot Wicks gave a presentation detailing two approaches to achieving universal coverage in Delaware: *Single Payer* and a *Massachusetts Style Plan*.

The *Single Payer* plan would be a government-sponsored program with automatic coverage for everyone.

Covered Benefits

- Would be similar to the most widely purchased benefit plan bought now;
- Would not include long-term care;
- Medicaid/SCHIP enrollees have coverage at least equal to federally required benefits; and
- Households could buy private supplemental coverage to extend benefits.

Budgeting & Finance

- All payers would contribute roughly in proportion as they do now;
- Employer payroll tax:
 - Not on first \$20,000 of aggregate payroll
 - Not on individual wages over \$100,000
 - All employers withhold premiums and establish Section 125 (cafeteria) plan (to get federal tax benefit for employees to contribute using pre-tax dollars)
- Household tax/premium applied to gross income minus exemptions used for state income tax;
- State and federal maintenance of effort for Medicaid/SCHIP;
- All revenues go to a dedicated fund;
- “Rainy day” fund to cover economic downturns and unexpected spikes in medical costs;
- A global budget established for overall expenditures; and
- A capital budget cap, probably with additional controls on new technologies.

Provider Payment

- New mechanism should build on the present system; and
- Should be done with a provider advisory panel.

Administration

- Done by a quasi-independent commission (not an existing state agency);
- Should be somewhat independent of political influence (as with Federal Reserve);
- Members should have staggered, terms of office; and
- Be paid positions appointed jointly by the Governor and State Legislature.

Massachusetts Style Plan (Building Blocks Approach)

The *Massachusetts Style* plan outlined in the presentation includes elements that are similar to those adopted in the Massachusetts reform passed in 2006 and the proposal offered by Governor Schwarzenegger in California. However, some aspects of the approach are significantly different.

Plan Elements

- Individual responsibility, i.e. mandate to purchase coverage;
- Employer responsibility, i.e. tax with credit for coverage and requirement to offer coverage;
- Provider responsibility, i.e. sales tax;
- Expansion of Medicaid/SCHIP to cover low income;
- State subsidies to make the mandated purchase of coverage affordable;
- A statewide insurance exchange to facilitate purchase of coverage.

The Massachusetts Style plan outlined in the presentation includes elements that are similar to those adopted in the Massachusetts reform passed in 2006 and the proposal offered by Governor Schwarzenegger in California.

Individual Responsibility

- Everyone would be required to get coverage or pay a penalty equal to two-thirds the cost of the minimum coverage plan;
- Minimum benefit package defined; and
- Penalty enforced only if coverage is deemed affordable (with the aid of subsidies if qualified).

Employer Responsibility

- All employers would be assessed a payroll tax equal to 75% of the average current employer contribution;
- Credits would be issued against the tax for anything spent for employee health care;
- Requirements would be modified for low-wage employers;
- Employers must withhold from wages employees; insurance payments;
- All employers must establish a Section 125 plan (to pay premiums on a before-tax basis).

Medicaid-SCHIP Expansion

- Expand coverage up to 300% of the Federal Poverty Level (FPL) for children and 200% for all adults (generates federal revenue that the state would otherwise have to supply); and
- People eligible for Medicaid/SCHIP who have employer coverage would be required to accept that coverage, with state “wrap around” and “hold harmless” on premium.

Direct Subsidies

- Needed to make insurance affordable for low-income people up to 350% of FPL who are not eligible for Medicaid/SCHIP;
- Tax credit:
 - “Advanceable” – paid in advance of the premium due date
 - “Refundable” – paid even if the credit is larger than the tax liability
- The amount of the subsidy would be linked to percent of family income spent for health care (from 1 percent to 10 percent).

State Insurance Exchange

- Would contract with a number of insurers to offer a small number of standard plans;
- Adjusted community rating, guaranteed issue;
- Required for all individuals and small groups, open to others;
- Combine small-group and individual markets;
- Individual employee plan choice; and
- Risk adjustment for insurers.

Financing

- Employer “play or pay”;
- Individual premiums;
- Provider sales tax: 2 percent on physicians and 4 percent on hospitals;
- Federal Medicaid (50/50) and SCHIP (65/35) matching funds; and
- Perhaps additional state general fund revenue.

Achieving near-universal coverage in Delaware will require coming up with new revenue, which almost certainly means imposing some kind of new tax or a tax increase. No tax increase will be easy to get through the political process, and a provider tax is no exception. However, a provider tax has some economic advantages that make it worthy of consideration.

Chairman Carney noted that a year ago, the Commission expressed skepticism of a *single payer* system, but formed a committee to examine ways to achieve universal coverage. Initially there were four or five alternatives, which were narrowed down to these two tracks. The reality is that any plan will require additional resources to provide assistance to those who are currently uninsured and can't afford coverage.

The next step in evaluating these two approaches is econometric modeling to determine how much each plan may cost, and how they could be funded. A Request for Proposals (RFP) to conduct microsimulation will be released tomorrow. Results from the microsimulation are anticipated in the Fall of 2007.

Discussion

The Commission discussed the following points:

- There is an expectation that the proposed hospital provider tax would be recouped over time by increased rates. It would be a legitimate cost of business and would have to be reimbursed.
- Hospitals would no longer incur uncompensated care costs because everyone would be covered by some form of insurance. However, because all of the hospitals in Delaware are non-profit, this would not produce windfall profits for the facilities.
- It may be necessary to examine and seek legal advice regarding the residency requirement. Pursuant to federal laws relating to interstate travel, a state may not deny a new resident immediate access to any public benefit program that anyone residing in the state receives.

Action

Dr. Joseph Lieberman made a motion to accept the Universal Coverage Report. Ted Becker seconded the motion There was a voice vote and the motion carried.

UPDATE & ACTION: Community Healthcare Access Program (CHAP)

Ted Becker reported that the CHAP Oversight Committee met on June 6 to review proposals for the CHAP outreach and enrollment vendors. This year there are seven applicants for outreach, as opposed to six last year. Existing partners from last year who re-applied include: Bayhealth Medical Center, Beebe Medical Center, Claymont Community Center, Delaware Ecumenical Council, Nanticoke Memorial Hospital and Slaughter Neck Community Action Agency. This year an outreach proposal was also received from Christiana Care Health Services. There was one proposal received for an enrollment vendor, which is from EDS.

Action

The Commission accepted the Universal Coverage Report

The CHAP Oversight Committee met on June 6 to review proposals for Outreach and Enrollment vendors.

Upon reviewing the proposals, it was noted that they included a significant increase in funding requests. The Oversight Committee determined additional information from the applicants will be required before contracts can be awarded. In the interest of maintaining continuity of care and avoiding interruptions in services, contracts need to be awarded by the end of June.

Action

Ted Becker made a motion that the Chair, Lt. Governor Carney, and Executive Director, Paula Roy, in consultation with the CHAP Oversight Committee, execute the contracts as soon as possible. Lois Studte seconded the motion. There was a voice vote and the motion carried.

INFORMATION & TECHNOLOGY

UPDATE: Delaware Health Information Network (DHIN)

Rob White presented the following update on the DHIN:

- The physician practice roll-out is going well. Bayhealth Medical Center, Beebe Medical Center, Christiana Care Health Services, and LabCorp are currently using the system to send clinical results (lab, radiology, etc) to participating physician offices. Three of the five pilot practices are fully live and using the system daily for clinical patient care. The fourth site is live and beginning to incorporate the system into work activities. The fifth practice will go-live shortly after office staff and physicians receive training.
- Next week DHIN staff will begin contacting 66 practices (as many as 300 physicians) that are on a waiting list to participate in the DHIN. This horizontal integration and expansion will continue to take place over the next many months.
- The contracts with Medicity (implementation vendor) and John Snow Inc. (quality assurance vendor) are due for renewal July 1, 2007.
- The public website www.dhin.org is being revamped and is expected to go-live with new information for providers, policymakers and the public shortly.
- DHIN representatives gave a PowerPoint presentations to the Bond Bill Committee and to combined members of the House and Senate Health Care Committees to gain legislative support for the DHIN. Legislators seemed to have a growing appreciation for DHIN's ability to improve health care quality and potential to save costs.
- There is a \$3 million dollar funding request for the DHIN in the Governor's recommended budget. It is assumed that like last year, any funding appropriated to DHIN must be matched with private funds.

Lt. Governor Carney noted that, unfortunately, DHIN funding is currently tied to an increase in the cigarette tax. There has been some resistance on

Action

The Commission agreed that the Chair, Lt. Governor Carney, and Executive Director, Paula Roy, in consultation with the CHAP Oversight Committee, should execute the contracts as soon as possible.

Next week DHIN staff will begin contacting 66 practices (as many as 300 physicians) that are on a waiting list to participate in the DHIN.

There is a \$3 million dollar funding request for the DHIN in the Governor's FY 2008 recommended budget.

the part of Legislators to tie cigarette tax revenues to a proposed “Healthy Life Fund” that would fund several health initiatives. DHIN should be touted as a successful project with solid commitment from participants in order to be considered on a legislative “must do” list.

Mr. White expressed his appreciation for the retiring Commissioners, Dr. Jacquelyn Gorum, Lois Studte and Dr. Joseph Lieberman. Dr. Lieberman has been a key player in the development of DHIN, having been with the project since the beginning and serving as interim-chair and vice-chair. He has always been an ardent supporter and advocate for the DHIN.

HEALTH PROFESSIONAL WORKFORCE DEVELOPMENT

Presentation: Health Education Pipeline Study, Tibor Tóth, PhD, University of Delaware

Ms. Roy explained that a reoccurring theme at the Commission’s Health Workforce Data Committee is the capacity of health education programs in Delaware. One goal of this study was to gauge capacity and identify barriers to expansion.

Tibor Tóth, PhD, from the Center for Applied Demography and Survey Research, presented a summary of findings of the Health Education Pipeline Study.

For the purpose of this study, a total of 111 health education programs were identified at 23 educational institutions in Delaware, representing all of the known health training programs in the state. Of those 111 programs, 104 were found to be active programs with current student enrollments. (The remaining seven are likely in the process of being canceled, accounting for the discrepancy.) A total of 89 responses to the survey were received, a response rate of 86 percent.

A copy of the Health Education Program Survey presentation is attached to the minutes. Topics included in the study are:

- Demand for health programs today and predicted for the future;
- Admissions rates and number of applicants, enrollees, and graduates;
- Diversity (race, ethnicity, sex) of students enrolled
- Course accessibility: offered on weekends, evenings, online, etc...
- Barriers to expansion such as shortages of classroom facilities, faculty shortages, lack of clinical placements sites, etc...

Discussion

Lt. Governor Carney asked if the results of this study regarding program capacity were compared to data on the demand for health professionals in the state. Dr. Tóth responded that the survey included a question that asked respondents to indicate the occupation students would most likely pursue after completing the program. This allows results to be compared to Bureau of Labor Statistics data that tracks the growth of different

A total of 89 program responses were received (86%) out of 104 active programs at 23 educational institutions in Delaware.

professions in Delaware. The final Educational Pipeline report (page 17) includes a chart on the number of enrolled students compared to employment change by occupation. Results indicate that while Delaware is training students for occupations that are growing, those professions are also the two-thirds lowest paying occupations. However, this is somewhat expected considering Delaware does not have a medical or dental school.

Ms. Roy also noted that the Delaware Healthcare Association surveyed their member facilities a few years ago and made some projections of shortages in nursing and allied professions. However, since only hospitals and their affiliated nursing homes were surveyed, conclusions could not be drawn about the entire health workforce across the state.

Lois Studte complimented Dr. Tóth on the report, which was presented at the recent Health Workforce Data Committee meeting. Ms. Studte also described a new Allied Health Professional Capacity Study that will be conducted shortly. A survey form has been developed with input from Committee members, and pre-testing is going on now. The goal is to mail out the survey in early summer and have results analyzed by the fall.

The license files used to identify allied health professionals included 1,400 pharmacists, 849 physical therapists, 531 respiratory practitioners, 412 speech language pathologists, and 3,030 radiology practitioners, and 900 other allied health professionals (physician assistants, physical therapist assistants, therapeutic optometrists, and paramedics.)

Additional information will need to be collected if conclusions are to be drawn about the demand for jobs vs. the number of health professionals being trained in the state. Dr. Tóth noted that the educational pipeline study and allied health studies are snapshots of current conditions. He may be able to design a survey or vacancy tracking project to serve as an on-going evaluation of demand.

Ms. Studte reiterated that standardized information needs to be obtained from health care workers who are licensed by the state. Ms. Roy met with the Division of Professional Regulation and Board of Medical Practice to ask if questions about race and ethnicity could be added to the licensing application. The Board declined the request, citing the sensitive nature of the information. Further attempts to collect this information as part of the licensure process may require legislative action. Ms. Studte noted that in Pennsylvania, completing a survey, which includes questions on race and ethnicity, is a mandatory part of the license renewal application.

Action

Dr. Joseph Lieberman made a motion to accept the Education Pipeline Study. Ted Becker seconded the motion. There was a voice vote and the motion carried.

Action

The Commission accepted the Education Pipeline Study.

State Loan Repayment Program

The Loan Repayment Committee met on May 3, DIMER met on May 16, and DIDER met on May 22. The following recommendations for funding were made.

Funding Updates:

- \$0 currently available in DIMER funds (\$150,000 in state funds recommended in the Governor's FY 2008 budget should be available on July 1, 2007.)
- Note: ALL of the DIMER recommendations will be contingent upon the receipt of State funds on July 1, 2007. A "back-up plan" has been developed in the event DIMER receives less.
- \$166,979 available in DIDER Funds (\$100,000 in state funds recommended in the Governor's FY 2008 budget should be available on July 1, 2007.)
- \$60,338 available in Federal matching funds (must be allocated by August 31, 2007.)

(Two health professionals were not recommended for funding because they are not licensed in Delaware: Melissa King (mental health counselor) and Carmen Rivera (social worker).

RECOMMENDATIONS:

Site: The Birth Center: Holistic Women's Health Care, LLC, Wilmington
The Birth Center provides care to approximately 2000 patients per year and is dedicated to improving prenatal outcomes in Wilmington. About one-third of their patients are Medicaid enrollees; the others are covered under private insurance. The Center provides free pregnancy confirmation to all patients, prenatal care, labor/delivery, child birth education classes, post partum home visits, extensive newborn care, breast feeding support, and routine well-woman care. Each midwife is allotted four hours of administration time per week.

Note: according to the federal SLRP Regulations, for OB-GYN physicians and certified nurse midwives, the majority of the 40 hours per week (not less than 21 hours) is expected to be spent providing direct patient care. Also, time spent in "on-call" status will not count toward the 40-hour work week.

Recommendation: The Loan Repayment Committee and DIMER recommend The Birth Center be approved as an eligible site.

- Nicole Black, Certified Nurse Midwife – The Birth Center
Ms. Black graduated from the University of Pennsylvania with a Master's in Nursing in 2006. She is licensed in Delaware as an RN, and has a temporary license as an APN. She works a total of 24 hours per week and spends an additional 60 hours on call: Monday and Thursday 9 AM – 5 PM and Wednesday Noon – 8 PM. She spends significant time responding to labor/delivery. (The site will provide a full account of hours spent in this capacity.)

Recommendation: The Loan Repayment Committee and DIMER recommend that \$10,000 in State funds be allocated to Nicole Black for a two-year contract.

- Katie Mansur, Certified Nurse Midwife – The Birth Center
Ms. Mansur graduated from Columbia University with an MS in Nurse Midwifery in 2003. She is a licensed nurse mid-wife in Delaware and works a total of 24 hours per week and spends an additional 60 hours on call: Wednesday Noon – 8 PM; Thursday and Friday 9 AM – 5 PM. She also spends significant time responding to labor/delivery. (The site will provide a full account of hours spent in this capacity.) She speaks basic medical Spanish.

Recommendation: The Loan Repayment Committee and DIMER recommend that \$10,000 in State funds be allocated to Katie Mansur for a two-year contract.

Action

Vincent Meconi made a motion to approve loan repayment in the amount of \$10,000 for Nicole Black for a two-year contract, and \$10,000 for Katie Mansur for a two-year contract. Dennis Rockford seconded the motion. There was a voice vote and the motion carried.

Site: Bayside Health Association – Sussex County

Bayside provides OB-GYN and family practice health care services to over 18,800 patients per year at three locations in Sussex County: Lewes, Ocean View, and Georgetown. Approximately one-third of their patients are Medicaid enrollees and about seven percent are uninsured who receive services at reduced rates. Although it is located in a designated shortage area (Sussex County), since this is a private, for-profit practice it does not qualify for federal funds.

Recommendation: The Loan Repayment Committee and DIMER recommend the Bayside Health Association be approved as an eligible loan repayment site.

- Jack Ayoub, MD - OB-GYN, Bayside Health Association
Dr. Ayoub graduated from Creighton University School of Medicine in 2003 and is currently completing an OB-GYN residency at the George Washington University Medical Center. He will begin working 40 hours per week at Bayside in July 2007 and will split his time between the three locations in Sussex County.

Recommendation: The Loan Repayment Committee and DIMER recommend that \$30,000 be allocated to Dr. Ayoub for a two-year contract.

Action

Dennis Rockford made a motion to approve loan repayment for Dr. Jack Ayoub in the amount of \$30,000 for a two-year contract. Ted Becker seconded the motion. There was a voice vote and the motion carried.

Action

The Commission approved loan repayment in the amount of \$10,000 for Nicole Black for a two-year contract, and \$10,000 for Katie Mansur for a two-year contract.

Action

The Commission approved loan repayment for Dr. Jack Ayoub in the amount of \$30,000 for a two-year contract.

Site: Westside Health – Newark (Marrows Road) and Wilmington locations
Westside, a federally qualified health center, has previously been approved as a site for loan repayment participants. Recently they've recruited an OB-GYN, Family Medicine Physician and Dentist. This site is eligible for matching federal funds.

- Ushma Patel, MD - OB-GYN, Westside Health – Newark location
Dr. Patel graduated from the UMDNJ – Robert Wood Johnson Medical School in 2003, and will complete an OB-GYN residency at the hospital there in June 2007. At RWJ, Dr. Patel sees mainly uninsured, Spanish-speaking patients. She speaks medical Spanish and Gujarati (a language spoken in India and several African countries). Dr. Patel will begin at Westside in July 2007.

Recommendation: The Loan Repayment Committee and DIMER recommend that \$20,112 in Federal funds and \$25,000 in State funds (total: \$45,112) be allocated to Dr. Patel for a 2-year contract.

- Mary Leddy, DO - Family Medicine, Westside Health – Newark
Dr. Leddy graduated from the Philadelphia College of Osteopathic Medicine in 2006. She will complete a family medicine residency at the Christiana Care Family Medicine Program in June 2007 and will begin at Westside in July 2007.

Recommendation: The Loan Repayment Committee and DIMER recommend that \$20,112 in Federal funds and \$25,000 in State funds (total \$45,112) be allocated to Dr. Leddy for a 2-year contract.

- Myochul Kwon, DMD - Dentist, Westside Health – Wilmington
Dr. Kwon graduated from the Temple University School of Dentistry in 2006. Currently she is completing a residency with Christiana Care in Wilmington. She speaks Korean fluently and is scheduled to be working at Westside in July 2007. (Reminder: in February 2007, \$35,000 in federal funds and \$35,000 in DIDER funds were allocated to Westside to recruit a dentist.)

Recommendation: The Loan Repayment Committee and DIDER recommend that \$20,112 in Federal funds and \$50,000 in State funds (total \$70,112) be allocated to Dr. Kwon for a 3-year contract.

Action

Dr. Lieberman made a motion that the Commission approve loan repayment for Dr. Ushma Patel in the amount of \$45,112 for a two year contract; Dr. Mary Leddy in the amount of \$45,112 for a two year contract; and Dr. Myochul Kwon in the amount of \$70,112 for a three-year contract. Lois Studte seconded the motion. There was a voice vote and the motion carried.

Site: Dedicated to Women (OB-GYN Associates of Dover)
Dedicated for Women has previously been approved as a site for loan repayment participants (Dr. Cooper and Dr. Chou continue to practice

Action

The Commission approved loan repayment for Dr. Ushma Patel in the amount of \$45,112 for a two year contract; Dr. Mary Leddy in the amount of \$45,112 for a two year contract; and Dr. Myochul Kwon in the amount of \$70,112 for a three-year contract.

here). This practice of eight physicians provides OB-GYN services to about 13,500 clients per year. Approximately 12 percent of their patients are Medicaid enrollees, 9 percent Medicare enrollees, and 5 percent are uninsured. Although it is located in a designated shortage area (Kent County), since this is a private, for-profit practice it does not qualify for federal funds.

- M. Scott Bovelsky, MD - OB-GYN – Dedicated to Women
Dr. Bovelsky graduated from the Wake Forest School of Medicine in 2002 and completed a residency at the University of Louisville, KY in 2006. He has been working at the Riddle Memorial Hospital in Media, PA since 2006 and will begin work at Dedicated to Women in July 2007.

Recommendation: The Loan Repayment Committee and DIMER recommend that \$30,000 be allocated to Dr. Bovelsky for a two-year contract.

Action

Lois Studte made a motion that the Commission approve loan repayment for Dr. Scott Bovelsky in the amount of \$30,000 for a two-year contract. Ted Becker seconded the motion. There was a voice vote and the motion carried.

Back-Up Plan

The Loan Repayment Committee and DIMER have also recommended a “back-up plan” for funding in the event DIMER only receives \$100,000 in the State budget adopted for Fiscal Year 2008. (The allocation to DIMER has been \$100,000 per year since the program’s inception in 2001. The Governor’s recommended budget for FY 2008 included a \$50,000 increase in DIMER funds for loan repayment.)

Action

Dennis Rochford made a motion that the Commission approve the “back up” plan for loan repayment. Dr. Lieberman seconded the motion. There was a voice vote and the motion carried.

OTHER ACTION ITEMS:

Recommendation

The Loan Repayment Committee, DIMER and DIDER recommend that a time limit be added requiring approved applicants to sign and return loan repayment contracts to the Health Care Commission office within 30 days or forfeit their award.

The Commission agreed with the recommendation of a 30 day limit, with the addition of an extension for extenuating circumstances.

Action

The Commission approved loan repayment for Dr. Scott Bovelsky in the amount of \$30,000 for a two-year contract.

Action

The Commission approved the back up plan for loan repayment.

Action

Dennis Rochford made a motion that a time limit be added requiring applicants to sign and return loan repayment awards within 30 days or forfeit their award, with the addition of an extension for approved extenuating circumstances. Dr. Lieberman seconded the motion. There was a voice vote and the motion carried.

Recommendation

The Loan Repayment Committee, DIMER and DIDER recommend that the Health Care Commission advocate for an amendment to the federal Public Health Service Act. An interpretation of this law by a Deputy Attorney General from the Delaware Division of Revenue states that loan repayment recipients funded with state and federal dollars are exempt from federal/state income taxes. However, recipients funded with state-only dollars are not tax exempt, thus rendering them liable for taxes on their total award amount. It is the opinion of the Committee that this reduces the effectiveness of the loan repayment program, and DIMER/DHCC should seek assistance from Delaware’s Congressional delegation to either clarify or amend the law.

Action

Lois Studte made a motion that the Commission advocate for clarification or amendment of the federal Public Health Service Act. Dr. Lieberman seconded the motion. There was a voice vote. The motion carried.

UPDATE: Delaware Institute of Dental Education and Research (DIDER)

Lois Studte reported the following information from the last DIDER meeting:

- Larry Miller, Director of the Delaware Technical and Community College Stanton and Wilmington Campuses, and Judith Hall, Department Chair of the Dental Hygiene Program attended.
- Nineteen students are currently enrolled in the Dental Hygiene Program at the Wilmington campus and 9 at the Dover campus.
- Recently, the Dental Society conducted a survey that illustrated the need for hygienists in Kent and Sussex Counties is critical and a dental training facility is needed downstate.
- Currently, there are training facilities in Wilmington and Dover. Delaware Tech is trying to develop an overall strategy for expansion of the college. Currently the Stanton Campus (Newark area) is the only campus in the process of expanding. There is a particular need for science lab space (which also affects training of Del Tech nursing students.) The college has presented this problem to the General Assembly and requested funding for capital expansion through a proposed tax increase.
- Agreement with Temple University School of Dentistry: Dr. Rafetto, Sarah McCloskey, Marlyn Marvel and Maureen Laffey (Higher Education Commission) met with Temple University Dental School officials to discuss in detail the operating procedures for the new contractual relationship with DIDER.

Action

A time limit will be added requiring applicants to sign and return loan repayment awards within 30 days or forfeit their award, with the addition of an extension for approved extenuating circumstances.

Action

The Commission will advocate for clarification or amendment of the federal Public Health Service Act.

- In 2006, Temple accepted seventeen percent of the Delaware applicants. As a result of the new agreement, they accepted 57 percent of the applicants in 2007. \$75,000 was allocated this year for tuition assistance to twelve Delaware students attending Temple.
- Temple will sponsor a dinner for all Delaware students enrolled in the DIDER program in early fall 2007.
- Sarah McCloskey met with over 30 pre-dental students at the University of Delaware to share information about the new relationship between DIDER and Temple University.

OTHER BUSINESS

House Bill 49 – Increases the cigarette tax by 45 cents

Paula Roy reported that House Bill 49 has been introduced to increase the cigarette tax by 45 cents. The bill calls for a portion of the tax’s proceeds to be earmarked for the Delaware Healthy Life Fund, which would fund several health initiatives, include the DHIN and a measure to begin the expansion of the SCHIP program to include parents up to 120 percent of the federal poverty level.

Action

Dr. Lieberman made a motion to advocate support of House Bill 49. Cari DeSantis seconded the motion. There was a voice vote and the motion carried.

Action

The Commission will advocate support of House Bill 49.

House Bill 169 – Establishes a Hospital Quality Report Card Initiative

Paula Roy reported that HB 169 may have implications for the DHIN related to the reporting of hospital data such as infections and number of admissions/discharges. The legislation establishes an advisory committee but neither the Commission nor the DHIN are listed. The State has already made a significant investment in DHIN efforts should be made to encourage project collaboration and avoid duplication of work.

Action

Dr. Lieberman made a motion that Commission staff pursue having the Commission and the DHIN referenced in House Bill 169, and that the Commission support the Bill. Ted Becker seconded the motion. There was a voice vote and the motion carried. Vincent Meconi abstained.

Action

The Commission staff will pursue having the Commission and/or DHIN referenced in HB 169, and the Commission will support the Bill.

RECOGNITION OF RETIRING COMMISSIONERS

Lt. Governor Carney recognized retiring Commissioners, Dr. Jacquelyn Gorum, Lois Studte and Dr. Joseph Lieberman, for their many years of commitment, dedication and service to the people of Delaware. They will be greatly missed as Commissioners and friends.

Each was presented with a resolution, signed by Lt. Governor Carney and each Commissioner, in appreciation for their work. A luncheon in honor of the retirees will take place following the meeting.

RETREAT

The Commission’s annual strategic planning retreat is scheduled for September 24 and 25, 2007.

The Commission’s annual strategic planning retreat is scheduled for September 24 and 25, 2007.

PUBLIC COMMENT

Joann Hasse asked if the Education Pipeline Study and Universal Coverage reports would be posted on the Commission website. Ms. Roy responded that they will.

Ms. Hasse asked if there would be some action on Chapter 72 (small group rating laws) of the Insurance Code. Ms. Roy said that legislation has been drafted and is being finalized.

Dr. Robert Frelick expressed concern that the Health Care Commission is not well understood or appreciated as an agency. Not many people are aware of what it is or what it does.

Dr. Frelick asked how each of the universal coverage approaches will reduce “red tape” and administrative costs. He suggested that state efforts toward universal coverage may help push the federal government toward a plan.

Mr. Carney added that the Commission agreed several years ago that a single payer system would be better implemented at the federal level. One of the benefits would be a reduction of overhead costs. A building blocks or Massachusetts style approach would likely have higher administrative costs.

Dr. JoAnn Fields, a local primary care physician, applauded the Commission’s work on an approach to reach universal health care coverage. It seems most action is happening at the state level rather than the federal level where ideas are still being discussed. The key thing she is pleased with in Delaware’s plan is making coverage mandatory.

NEXT MEETING

The next meeting of the Delaware Health Care Commission will be held on Thursday, September 6, 2007, at 9:00 a.m. at the Del Tech Terry Campus Conference Center, Room 400 B.

The next meeting of the Delaware Health Care Commission will be held on September 6, 2007, at 9:00 a.m. at the Del Tech Terry Campus Conference Center, Room 400 B.

ADJOURN

The meeting adjourned at 11:20 a.m.

Guests Attending

| | |
|----------------------|---|
| Anthony Brazen, D.O. | Division of Medicaid and Medical Assistance |
| Judy Chaconas | Division of Public Health |
| Barbara DeBastiani | Wheeler and Associates/MACHC |
| Robert Frelick | Medical Society of Delaware |
| JoAnn Fields, M.D. | Physician |
| Joann Hasse | League of Women Voters |
| Lolita Lopez | Westside Health |
| Linda Nemes | Department of Insurance |
| Sheila Nutter | EDS |
| Brian Olson | La Red Health Center |
| Albert Shields | Office of the Lt. Governor |
| Roger F. VanBrussel | ICW-America |
| Betsy Wheeler | Wheeler and Associates |
| Rob White | Delaware Physicians Care, Inc. |
| Calvin Young | UAW Healthcare |
| Silvia Zepeda | EDS |