

**DELAWARE HEALTH CARE COMMISSION**  
**MAY 4, 2006**  
**DELAWARE TECHNICAL & COMMUNITY COLLEGE**  
**CONFERENCE CENTER, ROOM 400B**  
**DOVER**

*Action Item*

**MINUTES**

**Commission Members Present:** Dennis Rochford, Acting Chair; 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; Robert Miller; and Lois Studte, RN.

**Members Absent:** John C. Carney, Jr; and Vincent Meconi, Secretary of Health and Social Services.

**Staff Attending:** Sarah McCloskey, Director of Planning and Policy; and Marlyn Marvel, Community Relations Officer.

**CALL TO ORDER**

Acting Chairman Dennis Rochford called the meeting to order at 9:30 a.m.

**APPROVAL OF APRIL 6, 2006 MINUTES**

Lois Studte made a motion that the April 6, 2006 meeting minutes be approved. Dr. Joseph Lieberman seconded the motion. There was a voice vote. Motion carried.

**RESOLUTION & TRIBUTE – ROBERT MILLER**

Robert Miller is moving out of state, and has resigned from the Commission and as Chair of the Delaware Health Information Network (DHIN). Mr. Rochford presented Mr. Miller with a resolution from the Delaware Health Care Commission and a tribute from Governor Ruth Ann Minner and Lieutenant Governor John C. Carney, Jr. recognizing his contributions to the State of Delaware, particularly in regard to his leadership of the DHIN utility project.

**UNISURED ACTION PLAN**

**Cover the Uninsured Week**

Betsy Wheeler updated the Commission on “Cover the Uninsured Week.” The event, which is taking place during the week of May 1 through May 7, 2006, is a time to call national attention to the policy issue of the uninsured. It is sponsored by the Robert Wood Johnson Foundation. The foundation requires each of its state funded Covering Kids and Families Programs to support and participate in the event. The Delaware Covering Kids and Families Program is sponsored by the Medical Society of Delaware.

***Action:***

The April 6, 2006 meeting minutes were approved.

Robert Miller was presented with a resolution from the Delaware Health Care Commission and a tribute from Governor Ruth Ann Minner and Lieutenant Governor John C. Carney, Jr.

Cover the Uninsured Week is May 1-7, 2006. It is a time to call national attention to the policy issue of the uninsured.

In recognition of the event, the Voluntary Initiative Program (VIP) newsletter was dedicated to resources and services available for uninsured citizens, and press kits were widely distributed. In addition, a packet of information was distributed to Delaware state legislators; appealing to them to preserve health care programs in Delaware.

#### Community Healthcare Access Program

Ms. Wheeler updated the commission on the status of the Community Healthcare Access Program (CHAP). She stated that all changes that were set to take place in 2006 have now been implemented and activated.

Effective May 1, 2006, Electronic Data System (EDS) began the process of administering a new health risk assessment to all new CHAP enrollees. The health risk assessment is a series of questions designed to identify CHAP enrollees with the targeted high-risk conditions: hypertension, diabetes, asthma, and over 50 years of age.

Responses to the questions are reviewed by a nurse who will:

- Communicate with those with one of the high risk conditions
- Initiate a relationship and outline its future course
- Make an assessment of resource availability and resource needs
- Provide education on state sponsored programs as well as other community resources
- Distribute a summarized statement of findings to the physician

A new group of clinical staff, including representatives from all of the health homes, has convened for regular meetings to focus on:

- A continuous quality improvement process for the high-risk assessment process
- Clear mechanisms for following patients and attending to health needs
- A continuous quality improvement process for interface with health services, providers and hospitals
- A pathway to chart review and Dr. James Gill's annual evaluation of the program.

Dr. James Gill has begun the evaluation of the CHAP program. This year the focus will be on:

- Geo-mapping, in collaboration with the Division of Public Health, to identify and illustrate the location and distribution of VIP physicians compared to low income populations
- Pathway to chart review
- Technical Assistance with high risk processes

The new outreach contractors, including the Delaware Ecumenical Council and the Slaughter Neck Community Action Agency, have hired staff and have kicked off activities. A meeting is scheduled on May 15 to discuss specific plans and establish a process to measure the effectiveness of their outreach efforts.

Effective May 1, 2006, Electronic Data System (EDS) began the process of administering a new health risk assessment to all new CHAP enrollees. The health risk assessment is a series of questions designed to identify CHAP enrollees with the targeted high-risk conditions: hypertension, diabetes, asthma, and over 50 years of age.

Ms. Wheeler distributed the following package of materials on the CHAP program:

- Poster
- Table top display designed to hold program brochures
- List of VIP physicians. As of the end of April, 460 physicians are participating in the VIP program. Of those, 13 joined the program in April.
- A list of 72 specialty referrals made in April
- Sample of the new CHAP enrollee letter
- A description of benefits available to CHAP enrollees
- New streamlined CHAP application
- VIP newsletter for the spring quarter of 2006

Universal Coverage Discussion: Elliott K. Wicks, PhD

Dr. Elliott Wicks, of the Economic and Social Research Institute (ESRI) gave a presentation on the Universal Coverage Project.

The objectives of the project are to identify barriers that may exist and to determine the steps that would need to be taken to implement a universal coverage system in Delaware. A key part of the project is to meet with and interview key Delaware stakeholders to collect preliminary information about their perspectives on universal coverage approaches, particularly a single-payer type of plan. Dr. Wicks has begun the interview process as an important first step in trying to achieve some consensus around a policy framework that is acceptable to stakeholders.

The purpose of this presentation was to get feedback from the Commissioners to identify issues that would need to be addressed should the Health Care Commission choose to pursue a universal coverage initiative.

Dr. Wicks presented three possible approaches to achieving universal coverage:

1. Pure single-payer approach
2. Single state pool/multiple health plan approach
3. Individual mandate approach

The following are the objectives of the Universal Coverage Project:

- Ensure everyone is always covered.
- Reduce complexity and administrative duplication and cost.
- Enhance cost containment prospects.
- Distribute the burden of paying in a fair way.

Commissioners were asked to consider the following questions, assuming that Delaware will adopt a system to achieve universal coverage.

- What are priority objectives besides universal coverage?
- What are desirable features? What are unacceptable features?
- What are major impediments to implementing a system of universal coverage? Can they be overcome?

As of the end of April, 460 physicians are participating in the VIP program. Of those, 13 joined the program in April.

Dr. Elliott Wicks, of the Economic and Social Research Institute (ESRI) gave a presentation on the Universal Coverage Project.

The objectives of the project are to identify barriers that may exist and to determine the steps that would need to be taken to implement a universal coverage system in Delaware.

- Which approaches appear to have the most promise, and why?
- Are there other approaches that need to be considered?
- How can such a program be financed?

## **1. Pure Single Payer Approach**

### Pure Single Payer Elements:

- Every state resident is covered automatically with no eligibility tests.
- If people fail to sign up, they are enrolled when they seek care.
- Everyone is covered by the same comprehensive benefit package.
- State government is the only insurer/payer.
  - Medicare, Medicaid, SCHIP would be folded into a new state program.
- Private insurers could sell supplemental insurance.
- Financing would occur entirely through the state government budget.

### Pure Single Payer Financing:

- Federal Medicare and Medicaid/SCHIP funds
- State funds that now pay for patient care.
- New state funds:
  - Employer payroll taxes
  - Premiums paid by households, probably graduated by income
  - General revenues (income tax)

### Pure Single Payer Administration:

- Responsibility of state government; perhaps structured to operate under the auspices of new semi-independent commission somewhat protected from everyday politics.
- Some functions (e.g., claims processing, provider payment) probably contracted out to private sector.
- State government/commission would negotiate or set payment rates for providers.
- State government/commission would be responsible for containing costs.

## **2. Single State Pool Approach**

### Single State Pool Elements:

- Every state resident is covered automatically with no eligibility tests.
- If people fail to sign up, they are enrolled when they seek care.
- Everyone is covered in a single pool offering several health plans (no employer-sponsored coverage).
- Coverage is available on a community-rated, guaranteed issue basis.
- Separate programs for different populations.
- Medicare remains unchanged.
- Everyone else is in a new state pool offering several health plans:
  - Could choose to enroll with any health plan/insurer.
  - Standard benefit package similar to those that are currently offered in the state.

- Medicaid/SCHIP benefits remain similar to the current System.
- \* Eligibility is based on income only (not family status).
- \* Eligibility is expanded, perhaps to 300% of the Federal Poverty Level (to maximize federal funding).
- Private insurers could sell supplemental insurance.

#### Single State Pool Financing:

- Medicare unchanged, financed federally.
- Increased federal funds because Medicaid coverage extended to more people.
- State funds that currently pay for patient care.
- New state funds:
  - Employer payroll taxes
  - Premiums paid by households, graduated by income.
  - General revenues (income tax)
- The state would pay much of the premium (for the standard plan), with remainder being financed by premiums charged to families and individuals (similar to state employees' plan).

#### Single State Pool Administration

- The state, perhaps operating as a somewhat autonomous commission, would administer the state pool, negotiate with insurers, and make sure revenues match expenditures.
- Insurers would be responsible, as now, for enrollment, claims payment, and negotiating with providers.
- Cost containment would be determined by market forces and negotiation.
  - The pool would have great bargaining power with insurers.
  - Insurers, competing for enrollees, would have incentives to keep premiums down, so they negotiate with providers to keep costs down.

#### Single State Pool Modified Employer Role

- Could allow employers to continue with their own coverage, giving credit against the payroll tax for whatever they spend on health coverage.
- But adds complexity and additional administrative cost.

### **3. Individual Mandate**

- Individual mandate, with significant penalties for not buying coverage.
- Assessment on all employers, e.g., 7% of payroll
  - Get credit for any amount spent on health coverage up to 7% (no requirements about benefits).
  - No assessment on first \$50,000 of aggregate payroll or on individual worker's payroll above \$150,000.
- Subsidies for low to moderate income people not eligible for Medicaid/SCHIP.
- Expand Medicaid up the income scale.
- Purchasing pool required of employers with 20 or fewer employees and individuals.
- Adjusted community rating (e.g.,  $\pm 40\%$ ), identical in individual and small group market.

## **Discussion**

Commissioners discussed the three possible approaches to achieving universal coverage that were presented and the following points were raised:

- It is likely that there will be considerable resistance to the notion of state government assuming the responsibility of a universal coverage program.
- A study needs to be conducted to determine realistic cost and benefit estimates and economic models.
- Delaware is a small state located in a highly populated region. A mechanism needs to be identified to deal with the potential influx of people from surrounding states, should a universal coverage system be available in Delaware. The issue of covering people who work in Delaware and live out of state, or live in Delaware and work out of state also needs to be addressed.
- Is solving the health care issue through a universal coverage approach something that is viable on a state by state basis? Or is it something that needs to take place on a national level?
- Is it appropriate to spend limited resources on this type of activity when there are other more immediate and well defined needs to be addressed?
- It is likely that the idea of implementing a payroll tax on employers will meet with resistance.
- It is not practical to believe that a universal coverage system could be funded solely through the state operating budget, especially considering other high profile expenses the state will need to address in the near future, e.g. school construction and transportation.
- With regard to financing part of the single state pool approach with increased federal funds by extending Medicaid, additional state matching funds are required to receive the federal funds. In the current fiscal year, the state contribution to Medicaid has increased by about \$50-60 million.
- Currently, SCHIP program premiums are relatively low. People drop out of the program because either they no longer need the services, or simply cannot afford the premium. An individual mandate would present a hardship for low income people, and enforcing the requirement would be administratively overwhelming.
- Perhaps proof of health insurance coverage could be required when filing state income tax.
- It is important to review the quality of care offered through a universal coverage program.
- Commissioners agreed that health care should be available for everyone. It is necessary to identify a realistic objective for Delaware.
- Private industry would be able to handle a universal coverage program in a much more cost effective way than state government.

It was the Commission's consensus that the issue of health care coverage should continue to be addressed; but it must be an incremental approach, rather than a comprehensive approach, which seems to be less feasible.

It was the Commission's consensus that the issue of health care coverage should continue to be addressed; but it should be an incremental approach, rather than a comprehensive approach, which seems to be less feasible.

## **INFORMATION & TECHNOLOGY**

### **Delaware Health Information Network (DHIN)**

A Delaware Health Information Network (DHIN) Clinical Information Sharing Utility progress report was distributed to commission members and public observers for review. In the interest of time, a verbal presentation was not made. A copy of the report is attached to these minutes.

## **HEALTH PROFESSIONAL WORKFORCE DEVELOPMENT**

### **Health Workforce Data Gathering Committee**

Lois Studte updated the commission on the activities of the Health Workforce Data Gathering Committee.

In November 2005, a minimum data set survey was mailed to 6,000 registered nurses in Delaware. About 5,000 of the surveys have been returned. It is anticipated that preliminary results of the survey will be available by mid summer.

The Delaware Area Health Education Center (AHEC) has been sending a health educator to visit elementary schools to promote health careers with a program entitled "The Great Hospital Adventure." The interactive program includes a bi-lingual video and puppets that are designed to address and promote diversity. The program also covers healthy behaviors and risk avoidance.

The Health Professional Workforce Data Committee has met twice, and heard presentations from a number of state agencies on the types of data being collected. In February the committee heard presentations from the Delaware Health Care Commission, Division of Public Health, Department of Labor and Delaware Economic Development Office.

The April meeting included representatives from the Division of Public Health, Division of Substance Abuse and Mental Health, Higher Education Commission, Department of Labor, Delaware Economic Development Office, Department of Education, and the Division of Professional Regulation.

The next meeting is scheduled on May 25, and will include representatives of the private sector.

### **Mental Health Issues Committee**

Secretary Cari DeSantis updated the Commission on the activities of the Mental Health Issues Committee.

A key finding of the Mental Health Issues Committee was the need for data to gain a better understanding of the supply, distribution and demographics of mental health professionals in Delaware. As a result, the Delaware Health Care Commission initiated a Mental Health Supply and Demand Data Gathering Project.

A minimum data set survey was mailed to 6,000 registered nurses in Delaware. About 5,000 of the surveys have been returned.

The Delaware Area Health Education Center (AHEC) has been sending a health educator to visit elementary schools to promote health careers.

The goals of the project are to:

- Study the capacity of mental health providers in Delaware
- Identify the need or demand for mental health services in Delaware
- Submit a request to the federal Department of Health and Human Services Health Resources and Services Administration (HRSA) for a mental health shortage area designation, where applicable
- Develop policy recommendations for addressing mental health supply and demand issues

A survey of mental health practitioners has been conducted. Focus groups including providers and consumers have been completed statewide with over 125 participants. The next step is to analyze the data. It is anticipated that the analysis will be complete at the end of May. If a final report is not available in time for the Commission's June meeting, it will be presented at the September meeting.

There was consensus that the mental health project should be included on the agenda of the Commission's annual strategic planning retreat.

#### Delaware Institute of Dental Education & Research (DIDER)

Ms. Studte updated the Commission on the activities of the Delaware Institute of Dental Education & Research (DIDER).

The DIDER Board of Directors heard a presentation by Edward Ratledge, of the University of Delaware, on the 2005 Dentists in Delaware report. There are currently 261 full-time equivalent (FTE) general dentists and 71 FTE specialists, for a total of 332 FTE dentists practicing in Delaware. In 1998, Delaware's ratio was one FTE dentist to every 2,600 people. The current ratio is one FTE dentist to every 3,100 people. In Sussex County the ratio is one FTE dentist to every 5,300 people, which indicates a shortage in that region. There are 51 dentists who are over 65 years old. There are 81 who are 55 to 64 years old.

DIDER's Fiscal Year 2007 budget request included a request for \$75,000 to purchase six slots at Temple University School of Dentistry, and an additional \$75,000 for tuition supplements for Delawareans. The request was incorporated in the governor's recommended budget. It is understood that the intention is to increase the budget each year, at six slots per year, for four years, for a total of \$300,000 for 24 slots and \$300,000 for tuition supplements.

Dr. Louis Rafetto, chair of the DIDER Board, is working with representatives of Temple University and the University of Delaware to develop an agreement between the schools to allow University of Delaware students, after meeting specified qualifications, to be accepted at Temple University School of Dentistry after completing three years of undergraduate study at the University of Delaware.

There was consensus that the mental health project should be included on the agenda of the Commission's annual strategic planning retreat.

There are currently 261 general dentists and 71 specialists, for a total of 332 dentists practicing in Delaware.

The FY 2007 budget request included a request for \$75,000 to purchase six slots at Temple University School of Dentistry, and an additional \$75,000 for tuition supplements for Delawareans.

An agreement is being developed to allow University of Delaware students to be accepted at Temple University School of Dentistry after completing three years of undergraduate study at the University of Delaware.

The Board heard a presentation from Dr. Ray Rafetto, President of the Delaware State Dental Society, on dental care access issues. He presented a list of activities that the Dental Society would like to see accomplished in Delaware.

The DIDER Board will identify other groups of people to help determine how the activities suggested by the Dental Society might be accomplished, along with other activities to solve the access problem in a meaningful way.

#### State Loan Repayment Program

Sarah McCloskey said that the Loan Repayment Committee met on March 9, 2006 and the DIDER Board of Directors met on April 18, 2006. The following recommendations for funding were made.

The current available balance of state loan repayment funds for dentists is \$191,979.

#### **1. Dr. Marieve Rodriguez (DMD) to establish a dental practice in Wilmington, DE**

Dr. Rodriguez is licensed in Delaware and plans to establish a private practice at: 1021 Gilpin Avenue, Wilmington, DE. She plans to open the practice in June 2006 with hours of operation Mon (9am-5pm) and Tues-Fri (10am-6pm). She is bilingual (speaks English and Spanish fluently.)

A graduate of Temple University School of Dentistry, she completed a residency program with Christiana Care Wilmington Hospital. For the past year, she has provided dental care to elderly patients at the Nemours Dental Clinic.

Dr. Rodriguez has also provided care to patients in the Hispanic community that would otherwise not be able to communicate with their dentist. She states that she is aware of the shortage of dentists providing care to the Latin community in Delaware, and she wishes to become a long-term dental care provider for the underserved communities in the state.

#### Recommendation

The Committee and DIDER recommend that \$70,000 be allocated to Dr. Rodriguez for a two-year contract to establish a private practice in Wilmington.

#### ***Action***

Ms. Studte made a motion that the Commission accept the recommendation that \$70,000 be allocated to Dr. Rodriguez for a two year contract to establish a private practice in Wilmington. Dr. Lieberman seconded the motion. There was a voice vote. Motion carried.

#### ***Action:***

Dr. Rodriguez will be awarded \$70,000 for a two year contract to establish a private dental practice in Wilmington.

## **2. Extension for Delmarva Rural Ministries to recruit a dentist**

Delmarva Rural Ministries requested an extension.

### **Recommendation**

The Committee and DIDER recommend that an extension to July 1, 2006 be granted.

### ***Action***

Dr. Lieberman made a motion that the Commission accept the recommendation that an extension to July 1, 2006 be granted to Delmarva Rural Ministries to recruit a dentist. Dr. Jacquelyne Gorum seconded the motion. There was a voice vote. Motion carried.

## **OTHER BUSINESS**

### **Delaware Healthy Mother and Infant Consortium**

Dr. Jacquelyne Gorum reported that the Delaware Healthy Mother and Infant Consortium will hold a conference during the week of June 19, 2006. When a date is confirmed, it will be posted on the Commission website.

## **PUBLIC COMMENT**

Dr. Robert Frelick said, with regard to achieving universal health care coverage, action needs to be taken to reduce overhead and administrative costs, such as simplifying billing.

## **NEXT MEETING**

The next meeting of the Delaware Health Care Commission will be held at 9:00 a.m. on **THURSDAY, JUNE 1, 2006** at the Delaware Technical and Community College Conference Center, Terry Campus, Room 400B.

## **ADJOURN**

The meeting adjourned at 11:00 a.m.

### ***Action:***

Delmarva Rural Ministries will be granted an extension to July 1, 2006 to recruit a dentist.

### ***Next Meeting***

The next meeting is 9:00 a.m. on Thursday, June 1, 2006 at the Delaware Tech Terry Campus Conference Center, Room 400B.

## **GUESTS ATTENDING**

Jack Akester, Consumer Advocate  
June Butler, National Alliance for the Mentally Ill - Delaware  
Judy Chaconas, Bureau of Health Planning, Division of Public Health  
Robert W. Frelick, MD, Medical Society of Delaware  
Joann Hasse, League of Women Voters  
B. Michael Herman, Coventry Health Care of Delaware  
Kay E. Holmes, Division of Medicaid Medical Assistance  
Joseph Letnaunchyn, Delaware Healthcare Association  
Linda Nemes, Department Of Insurance  
Sheila Nutter, EDS  
Gina Perez, Advances in Management  
Brian Posey, AARP  
Suzanne Raab-Long, Delaware Healthcare Association  
Rosa Rivera, Henrietta Johnson Medical Center  
Jose Tieso, EDS  
Betsy Wheeler, Wheeler & Associates Management Services, Inc.