

**DELAWARE HEALTH CARE COMMISSION
OCTOBER 1, 2009
DELDOT ADMINISTRATION BUILDING
FARMINGTON-FELTON CONFERENCE ROOM
DOVER
MINUTES**

Action Item

Commission Members Present: Theodore W. Becker, Jr., Acting Chair; A. Richard Heffron; Janice E. Nevin, MD; and Dennis Rochford.

Members Absent: John C. Carney, Jr., Chair; Lisa C. Barkley, MD; Tom Cook, Acting Secretary of Finance; Rita Landgraf, Secretary, Delaware Health and Social Services; Vivian Rapposelli, Secretary, Services for Children, Youth and Their Families; Karen Weldin Stewart, Insurance Commissioner; and Fred Townsend.

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

CALL TO ORDER

The meeting was called to order at 9:15 am by Ted Becker, Acting Chairman.

MEETING MINUTES OF SEPTEMBER 3, 2009

The Commission did not have a quorum to vote on *Action Items*; therefore the minutes could not be approved.

UNINSURED ACTION PLAN

Update: Community Health Care Access Program (CHAP)

Chap/Screening for Life

Ted Becker, Chair of the CHAP Oversight Workgroup, reported the CHAP Oversight Workgroup is meeting October 2. Mr. Becker welcomed the addition of Dr. Karyl Rattay and Dr. Janice Nevin as the Workgroup's newest members.

The October 2 CHAP meeting agenda will include:

- The 2010 CHAP Evaluation
- Integration and coordination between CHAP/Screening for Life
- Initiative between CHAP, United Way and Astra Zeneca's *Healthy Delawareans Today and Tomorrow*

The current fiscal year evaluation procedures have not been completed. Last year's evaluation results were less than satisfactory. The Workgroup will take a fresh look at CHAP this year, as discussed at the September meeting.

The CHAP Workgroup has two new members: Dr. Karyl Rattay and Dr. Janice Nevin.

Betsy Wheeler added that CHAP's tenth anniversary is coming up, noting that it is appropriate to consider a fresh approach to determine patient outcomes and overall program performance.

CHAP's tenth anniversary is coming up.

INFORMATION AND TECHNOLOGY

Update: Delaware Health Information Network – Robert White, Chair, DHIN Board of Directors

Robert White reported that DHIN is one of six organizations undergoing a Sunset Committee review this year. The process should reveal that DHIN is doing what it was charged to do and doing it well. However, the operating structure, while having served well up to this point, is not the vehicle that the Board wants to use in the future. DHIN will be transitioning into an operational mode during the next year or so.

DHIN is undergoing a Sunset Committee review.

Paula Roy explained that the Sunset Committee staff completed and distributed the initial questionnaire that all agencies undergoing a Sunset review will be required to complete and submit.

Ms. Roy and Mr. White met extensively on September 30 with the Sunset Committee staff, providing background information and answering questions about operations of the DHIN.

At the end of January 2010, the Sunset staff will submit a report to the members of the Sunset Committee.

During the month of February and the first two weeks of March the General Assembly is typically in recess and the Joint Finance Committee (JFC) conducts hearings on the Governor's recommended budget. At that same time, the Sunset Committee meets and has hearings with the agencies under review. The process will play out throughout this fiscal year but there could be recommendations as early as this session. Depending upon the issues that come up, the process could continue into the next session.

Mr. White reported that during the last session of the General Assembly the debate over Senate Bill 80 gave rise to some members of the Senate questioning DHIN's finances. At that time DHIN representatives suggested that if there truly were questions, perhaps an audit should be conducted. DHIN is currently being audited by the Delaware State Auditor's Office.

DHIN is currently being audited by the Delaware State Auditor's Office.

Relating to the ongoing operations of DHIN:

- Appointments have been made to DHIN's Governance Workgroup and Finance Workgroup, which will be meeting throughout the Fall to create a long term sustainable model for creating organizational structure.
- A major change was made in the late Spring when DHIN was migrated to the 5.0 architecture at Medicity. Migration creates bugs which have to be immediately addressed. The 5.0 platform is the platform for the future, enabling DHIN to have two way connectivity, not only to do data sending but data inquiry mode.

Adding to DHIN's agenda earlier than expected, the federal government is under considerable pressure to award stimulus dollars. The DHIN staff is applying for an American Recovery and Reinvestment Act of 2009 (ARRA) stimulus grant of a minimum of four million dollars.

One requirement of the grant application process includes a *claims processing* functionality. DHIN had always planned to add this, but will have to accelerate its planning to incorporate it.

In the context of that, there is a lot of activity by other states trying to become eligible for those funds. DHIN is "shovel ready" for the required connectivity and, as a result, is being contacted by those states for guidance.

After training, practice sites complete an exit poll and 80 percent report that the new functionality will reduce costs over time for health care and improve quality of patient care.

Discussion

Dennis Rochford asked two questions: 1.) How much is helping other states a diversion from what DHIN staff need to be doing in Delaware; and 2.) Can DHIN charge a consulting fee to accommodate and bolster what DHIN is doing.

Mr. White replied helping other states has the potential to be time consuming. However, Delaware has a relationship with Maryland and Pennsylvania in the delivery of health care. The benefit Delaware receives from that relationship is almost equal to the benefit the other states receive.

If other states follow Delaware's path, that will make the DHIN model more sustainable.

The data analytics package is being rolled out, which will eliminate the task of tracking numbers on use of the system manually.

Appointments have been made to DHIN's Governance Workgroup and Finance Workgroup.

DHIN is "shovel ready" for the required connectivity and, as a result, is being contacted by other states for guidance.

The data analytics package is being rolled out, which will eliminate tracking numbers manually.

HEALTH PROFESSIONAL WORKFORCE DEVELOPMENT

Update: DIMER

The DIMER Board met September 19. The Board recommended awarding loan repayments to 8 physicians. The recommendation will need to be considered at the November Commission meeting for approval.

The Board reviewed the entering class at Jefferson Medical College and Philadelphia college of Osteopathic Medicine.

Jefferson: 29 students (minimum of 20 acceptances required)

- Gender
12 males 17 females

- County of Residence
26 New Castle County
0 Kent County
3 Sussex County

- Race/Ethnicity (self-identified)
6 Asian/Indian
2 Chinese
1 Korean
1 Pakistani
1 Vietnamese
18 Caucasian

The Board discussed the impact of the state's economy and revenue shortfalls on the DIMER budget and identified areas where budget reductions should be taken if necessary.

There was extensive discussion about the overall pending shortage of primary care physicians in Delaware and the nation, and the Board particularly noted the low number of applications and matriculations on the part of African Americans and Hispanics in medical schools.

Dr. Barkley is going to take the lead in indentifying strategies to recruit more underrepresented minorities to medical school.

Two dinners have been scheduled with DIMER students at Jefferson:

- November 30, 2009 with DIMER Board members, hospital representatives and first and second year students.
- January 4, 2010 with Delaware hospital residency program directors and third year students

A total of 29 Delaware students matriculated in the 2009 entering class at Jefferson Medical College.

The Board discussed the impact of the state's economy and revenue shortfalls on the DIMER budget and identified areas where budget reductions should be taken if necessary.

Dr. Barkley is going to take the lead in indentifying strategies to recruit more underrepresented minorities to medical school.

Dinners have been scheduled with DIMER students at Jefferson on November 30, 2009 and January 4, 2010.

Update: PCOM

Philadelphia College of Osteopathic Medicine (PCOM) has 11 students matriculating (minimum of 5 acceptances required).

- Gender
6 males 5 females
- County of Residence
7 New Castle County
2 Kent County
2 Sussex County
- Race/Ethnicity (self-identified)
3 Asian/Indian
1 Black non-Hispanic
1 Filipino
6 White non-Hispanic

Delaware Day at PCOM was held on Saturday, September 26, 2009.

A date will be set for dinner with students at PCOM in the near future.

Update: DIDER

DIDER met on September 15. There are no loan repayment recommendations, but there were applications. The DIDER Board will revisit the applications in December.

The DIDER Board reviewed preliminary results from the Oral Health Planning grant which is co-administered with the Division of Public Health. The Board is very interested in the preliminary findings, many of which involve La Red Health Center. Brian Olsen, Executive Director of La Red has been invited to the December DIDER Board meeting.

The Board reviewed the Temple University Kornberg School of Dentistry entering class. Seven students are entering; only 5 are required. The FY2010 budget reduced the number of seats at Temple from six to five.

- Gender
4 males 3 females
- County of Residence
6 New Castle County
1 Kent County
- Race/Ethnicity (self-identified)
5 Caucasian
2 Did not report

A total of 11 Delaware students matriculated in the 2009 entering class at Philadelphia College of Osteopathic Medicine (PCOM).

Delaware Day at PCOM was held on Saturday, September 26, 2009.

A dinner with students at PCOM is being scheduled.

A total of 7 Delawareans matriculated in the 2009 entering class at Temple University Kornberg School of Dentistry.

Potential budget reductions were discussed.

A dinner with Temple students was held September 17 in Philadelphia.

Update: Oral Health Planning Grant

A \$200,000 grant was awarded to Delaware by the U.S. Health Resources and Services Administration (HRSA) for one year of planning activities to expand access to dental health care services and improve oral health outcomes, with a particular focus on Sussex County. The Commission is collaborating with the Division of Public Health on this planning grant.

In December, a Request for Proposals was released and a contract was awarded to John Snow, Inc. to conduct an oral health infrastructure enhancement feasibility analysis.

The contract with John Snow, Inc expires on October 31, 2009, which was thought to be the end of the grant period. Subsequent to that an extension was granted to continue grant activities through February 28, 2010.

The contract with John Snow will need to be extended to coincide with the end of the grant period.

Update: State Loan Repayment Program

In early August the Commission applied for State Loan Repayment Program funds through the American Recovery and Reinvestment Act (ARRA). Leah Jones reported that Delaware has been awarded a \$100,000 grant that will supplement and support the existing Loan Repayment Program, and add new eligible specialties, including psychiatrists, psychologists, pediatric dentists and geriatric providers.

RESEARCH AND POLICY DEVELOPMENT

Health Fund Advisory Committee - Deborah Gottschalk, Delaware Health and Social Services Chief Policy Advisor

Ms. Gottschalk presented an overview of the Delaware Health Fund Advisory Committee (DHFAC). DHFAC was created in FY 2000 by legislation as the result of the national class action tobacco litigation, to hold the tobacco companies accountable for health costs associated with using tobacco products. The settlement is called the Master Settlement Agreement.

The DHFAC is charged with making recommendations to the Governor and General Assembly for appropriating Delaware Health Fund monies.

A dinner with Temple students was held September 17 in Philadelphia.

The contract with John Snow to conduct an oral health infrastructure enhancement feasibility analysis will need to be extended to coincide with the end of the grant period.

The Commission has been awarded a \$100,000 grant through the American Recovery and Reinvestment Act (ARRA) for the State Loan Repayment Program.

In November 1998, four of the nation's largest tobacco companies had a 99.7 percent of the market share of tobacco products. These companies negotiated and signed an agreement settling a number of lawsuits known as the Master Settlement Agreement (MSA).

Probably the most important provision of the MSA is payment by the tobacco product manufacturers into a fund which goes to the states as reimbursement for health care costs.

Delaware receives a payment on April 15 of each year. In 2009, the state received \$31,027,470.75 from the tobacco settlement money.

The settlement also created a registry of cigarettes. The Delaware Division of Revenue maintains a list of cigarettes manufactured by companies participating in the MSA. Cigarettes that are not on the list are not permitted to be sold in Delaware. The Division of Alcohol and Tobacco Enforcement is in charge of enforcing that provision of the law and is diligent about it. The non-participating manufacturers have no obligation under the MSA to make payments into the fund. The MSA adds \$5 to \$6 to the price of a carton of cigarettes. Therefore more people are buying the cheaper cigarettes produced by the non-participating manufacturers. As a result, the market share of the participating manufacturers has gone down.

In the MSA is a provision that if the participating manufacturer's market share drops below a certain threshold, all parties would renegotiate. This happened in 2002. Currently, Delaware is involved with multi-jurisdictional arbitration to work out the changes of the MSA settlement.

At the heart of the arbitration is the definition of *diligent enforcement*, which the arbitrators have not yet defined. Delaware hopes the factors will be the enforcement of the cigarette registry, correctly spending health fund money awarded and fully supporting the resources that the state needs to enforce the first two of these.

The resolution of the arbitration will affect how much the participating manufacturers pay to the states and the portion Delaware receives.

Ms. Gottschalk is responsible for staffing the Health Fund Advisory Committee, which is chaired by the Cabinet Secretary of Health and Social Services, currently Rita Landgraf.

Delaware receives a payment on April 15 of each year. In 2009, the state received \$31,027,470.75 from the tobacco settlement money.

The President Pro Tem of the Senate appoints 3 members; the Speaker of the House designates 3 members; the Governor designates 3 members; the Health Care Commission and Legislative Council each have one seat.

Delaware's statute states there are eight purposes for which the MSA money can be used: 1) Expanding access to health care and health insurance for citizens of Delaware that lack affordable health care due to being uninsured or under insured; 2) Making long-term investments to enhance health care infrastructure which meets a public purpose; 3) Promoting healthy lifestyles, including the prevention and cessation of the use of tobacco, alcohol and other drugs by the citizens of Delaware; 4) Promoting preventive care for Delawareans in order to detect and avoid adverse health conditions, particularly cancer and other tobacco-related diseases; 5) Working with the medical community by providing funding for innovative and/or cost effective testing regimens to detect and identify lesser-known but devastating and costly illnesses, such as sarcoidosis and hemochromatosis, fibromyalgia, lupus, lyme disease and chronic fatigue immune deficiency syndrome; 6) Promoting a payment assistance program for prescription drugs to Delaware's low income senior and disabled citizens who are ineligible for, or do not have, prescription drug benefits or coverage through federal state or private sources; 7) Promoting a payment assistance program to Delaware's citizens who suffer from debilitating chronic illnesses, such as diabetes and kidney disease which are characterized by onerous recurring costs for equipment, tests and therapy; and/or 8) Such other expenditures as are deemed necessary in the best interests of the citizens of Delaware provided they shall be made for health related purposes.

The Health Fund Advisory Committee received seventy four applications in September for funding this year. Forty five were from existing groups that already receive money and wish to continue. Others were from new applicants.

Applications will go through a review process with the Committee and public meetings in October. Applicants are being asked to make presentations. In November or early December, the Health Fund Advisory Committee plans to make recommendations to the Governor on how funds should be allocated. All of the recommendations will go through the regular budget process.

Last year the budget allocated \$45 million from the Health Fund for programs that were traditionally funded with General Fund money, due to the difficult budget circumstances. The Health Fund has maintained a strategic reserve over the years, and only rarely recommends spending the entire amount of the payments made to the state. Because of the tight budget, Delaware dipped into the

strategic reserve for the first time last June. The Committee will need to determine whether those programs continue to be funded through Health Fund or go back to being funded through the General Fund.

The Health Fund supports some very large government programs. The statute specifically mentions the Prescription Assistance Program, which receives over \$4 million dollars. About \$16 million goes to the Cancer Consortium. Lesser amounts are allocated to non-profits and other state agencies.

Health Resources Board

Ms. Roy explained there has been a relationship by statute and mission between the Commission and the Health Resources Board. By statute the Commission has a seat on the Health Resources Board. At one point, there were two Commissioners who served as members of the Board and, by de facto, the Commission has been filling the second seat with a Commission staff person. The Chair of the Health Resources Board is considering statutory changes to the Board. Some of those have the potential to be fairly consequential.

In the mid-1990s, at the request of the Legislature, the Commission conducted an analysis and evaluation of what was then called the *Certificate of Need* process. The contents of the report submitted by the Commission formed the basis of the new Health Resources Board, which was subsequently created, and the Health Resources Management Plan that was developed. At that time it appeared that the delivery of health care was going to move very aggressively into a market driven setting. The plan developed anticipated that market forces would shape the delivery of health care.

The proposed changes to the Board have the potential to impact the Plan. By statute, that Plan must be submitted to the Health Care Commission for review and comment. In preparation for that, it was suggested that the Commission identify some members to form a workgroup of Commissioners or other entities impacted by the Certificate of Public Review to prepare for this review.

The issues are such that it would be better done in a small group rather than a Commission meeting, and the Commission should be prepared to be drawn into this. It appears there is a desire to have some legislation introduced in January.

Dr. Janice Nevin suggested that this be placed on the agenda for discussion at the Commission's annual strategic planning retreat.

The Chair of the Health Resources Board is considering statutory changes to the Board. Some of those have the potential to be fairly consequential.

It was suggested that the proposed changes to the Health Resources Board and their potential to impact the Health Resources Management plan be placed on the agenda for discussion at the Commission's annual strategic planning retreat.

OTHER BUSINESS

Delaware Health Care Commission Strategic Planning Retreat

Ms. Roy said November 18 is the date most people indicated they were available for the day long strategic planning retreat. She encouraged everyone to reserve that date. Details of the location are still being finalized.

FY 2011 Budget

Ms. Roy reported that the operating budget request has been prepared and budgets have been submitted to the DIMER and DIDER Boards. The Boards have reviewed their proposed budgets and identified areas where they recommend taking reductions in the event further reductions become necessary in the coming fiscal year.

The capital and operating budgets are due for submission to the Office of Management and Budget on October 15. Ms. Roy is working on completing the capital budget request for funding for the DHIN.

When funding for DHIN was originally requested it was for a total package of \$9 million dollars over a three year period. However, it took longer to implement some of the functionalities to make sure they work, so funding was spread out over a five year period. For FY 2011, a final installment of \$1 million dollars is requested.

It is hoped that an operations model of financing and governance is in place by FY 2012, which will probably be outside of the Commission.

PUBLIC COMMENT

Dr. Robert Frelich expressed concern that it was difficult to hear DHIN chairman Robert White speak about DHIN because he did not have a microphone.

Dr. Frelich attended a meeting on September 30 with about 40 people representing many groups. The topic was not on the agenda but they discussed and recognized the value of combining work to improve health care and lower costs.

Dr. Frelich said DHIN apparently does not have a good way to subsidize the cost of purchasing equipment for primary care physicians to participate in DHIN. Standardization would make equipment more affordable for practices to purchase.

Prue Albright, of Advances in Management, responded that DHIN is available to every level of technology within a physician's practice. Some practices are fully electronic with their own information

Commissioners were encouraged to reserve November 18 for the Commission's strategic planning retreat.

technology staff, while others are a single practitioner with a small staff and one or two computers.

The only things needed to use DHIN are a Windows based computer, laser printer, high speed internet access and licensed software. A sophisticated level of networks is not required.

Robert White agreed with Dr. Frelich that this is an important issue and explained that one of the things included in DHIN's strategic planning for the next year is *EMR Lite*. This will give people the ability to pool their resources and, through DHIN, have access to some of the functionality of an electronic medical record system (EMR) without going through the full blown expense.

Mr. White said the last statistics he saw showed that Delaware primary care physicians are adopting EMR systems at more than double the rate of the national average, which he believes is a direct result of recognizing the additional value they can get from an EMR package.

Judy Chaconas said the Division of Public Health has received stimulus money which will be put toward recruitment and retention of health care professionals. It will be aimed primarily at national health service corps vacancies, but will also be used for other health care professionals to fill other vacant slots in health professional shortage areas.

Ms. Chaconas and Leah Jones have been in conversation on ways to coordinate the State Loan Repayment Program and J-1 Visa Program, develop marketing materials, and develop a shadowing program that would allow high school students wanting to enter a health care profession to shadow a professional at an actual practice site.

The Health Resources Board has proposed amendments to the statute and will keep the Health Care Commission informed of the progress. The Chair wants to move on a fairly fast track and he has put together a small sub-group of the Health Resources Board to look at the legislation and the comments on the proposal that were received at the last meeting. The sub-group will put together a report and deliver it to the Chair by October 26. A discussion about that will be on the agenda of the October 29 meeting.

The Chair does want to move forward on this and putting it on the agenda of the Retreat would be appreciated.

The only things needed to use DHIN are a Windows based computer, laser printer, high speed internet access and licensed software.

The Division of Public Health has received stimulus money which will be put toward recruitment and retention of health care professionals.

NEXT MEETING

The next meeting of the Delaware Health Care Commission will be held on Thursday, November 5, 2009, at 9:00 a.m. in the Farmington/Felton Conference Room on the first floor of the Department of Transportation (DeIDOT) Administration Building, 800 S. Bay Road, Dover.

ADJOURN

The meeting adjourned at 10:35a.m.

Next Meeting

The next meeting of the Delaware Health Care Commission will be held on Thursday, November 5, 2009, at 9:00 a.m. in the Farmington/Felton Conference Room on the first floor of the Department of Transportation (DeIDOT) Administration Building, 800 S. Bay Road, Dover.

GUESTS

Prue Albright	Advances in Management/DHIN
Judy Chaconas	DHSS/Division of Public Health
Jeanne Chiquoine	American Cancer Society
J. Conrad	PFE
Dr. Robert Frelich	Medical Society of Delaware
Debbie Gottschalk	Delaware Health and Social Services
Joann Hasse	League of Women Voters
Linda Nemes	Department of Insurance
Sheila Nutter	Electronic Data Systems
Lillian Ronneberg	Electronic Data Systems
Wayne Smith	Delaware Healthcare Association
Betsy Wheeler	Wheeler and Associates Management Services