



## **The Delaware Health Care Commission (DHCC) Meeting**

November 2, 2023

9:00 a.m. - 11:00 a.m.

### **Meeting Attendance and Minutes**

**Commission Members Present In-Person:** Dr. Nancy Fan (St. Francis), Theodore Becker, Dr. Stephanie Traynor (DSCYF), and Michael Quaranta

**Commission Members Attending virtually:** DHSS Cabinet Secretary Josette Manning, Dr. Roger Harrison (Nemours), and Dr. Jan Lee (DHIN)

**Commission Members Absent:** Cabinet Secretary Rick Geisenberger (DOF), Richard Heffron, Insurance Commissioner Trinidad Navarro (DOI), Nick Moriello (Highmark Delaware), Melissa Jones

**Meeting Facilitator:** Dr. Nancy Fan (Chair)

**Health Care Commission Staff:** Dionna Reddy (Public Health Administrator I), Latoya Wright (Manager of Statistics and Research), Colleen Cunningham (Social Service Senior Administrator), and Susan Walters (Public Health Treatment Program Administrator)

**Anchor Location:** The Chapel, Herman M. Holloway Sr. Health and Social Services Campus  
1901 N. DuPont Highway, New Castle, DE 19720

#### **CALL TO ORDER**

After confirming a quorum, Dr. Fan called the meeting to order at approximately 9:05 a.m. Public attendees were reminded to identify themselves by placing their name and affiliation in the chat box and those attending in person to sign the sign-in sheet in the Chapel.

#### **BOARD BUSINESS**

**ACTION ITEM:** Approve October 5, 2023, meeting minutes

The Commissioners reviewed the October 5, 2023 meeting minutes. Dr. Fan asked if there were any comments. Hearing none, Dr. Jan Lee made a motion to approve the minutes, and Ted Becker. No objections were made. The minutes were approved by the commissioners and are available on the [DHCC Website](#).

## **DHCC Strategic Retreat Agenda**

Dr. Fan confirmed the date for the retreat as November 16 at Buena Vista and briefly reviewed the agenda. As a reminder, the meeting is scheduled for 1:00 p.m. to 5:00 p.m. Light refreshments will be available. Devona Williams will return as facilitator. Dr. Fan also indicated that the retreat is open to the public.

## **POLICY DEVELOPMENT**

### **Reinsurance Program**

Stephen Costantino Director of health care reform introduced the Reinsurance presentation. Using Data collected which indicated that the Reinsurance Program has had a positive impact, noting a decrease in the premium rates has dropped since starting in 2020. Premium rate increases have averaged 3% annually. Technical details on program operations and carrier reimbursements were discussed. The projected impact of the Reinsurance Program is 15.4%. Of this, 15% is directly due to carrier reimbursement, the other 0.4% is an improvement in rates as a result of the Reinsurance program bringing in people who may have otherwise been uninsured.

For 2024, the program will be funded at \$72.2 Million. Through the 1332 waiver, \$49.3 Million is expected from federal grants. The remaining \$22.9 Million is funded by state dollars through a 2.75% annual assessment of health insurance carrier premium rates.

Insurance enrollment was reviewed, noting growth in the market. The Reinsurance Program is one of several contributing factors that account for this growth.

Secretary Manning inquired how the program's benefit can be isolated as a driver for the positive growth and was the 34-38% result was an acceptable outcome given the funding dedicated to the program. Her understanding was that there was decreased enrollment nationally between 2016 and 2020. States that did not participate in the Reinsurance Program also experienced increased enrollment. Additional factors that also impacted the results included ARPA and IRA enhanced subsidies, the impact of COVID-19, and post-COVID Medicaid disenrollment. He added that the best way to isolate the impact of the Reinsurance Program is to review the significant reduction in gross premium rates between 2019 and 2020. In addition, the Reinsurance Program primarily helps those who are not receiving premium tax credits, because the way premium tax credits work, the Program reduces gross premium rates but does

not have a significant impact on what individuals pay, because individuals pay at a specified percentage of their household income.

Data was also shared on the distribution of enrollment in the healthcare insurance market. A shift has been noted from Silver plans to Gold plans. While there is usually no fluctuation in enrollment by age, an increase in younger enrollees has been noted. This is interpreted as the market becoming healthier, enrolling individuals who were not previously enrolled. An increase in enrollment has also been identified in households with higher income levels.

Steven Costantino added that one of the goals is to make health insurance more affordable to households over 400% of the poverty level. These may be individuals who can't take advantage of tax credits but can't afford health insurance coverage. That was one of the major goals of the program.

Although distribution bands appear to include individuals who may qualify for Medicaid. Steven clarified that the "under 200%" would likely be those individuals under 200% but over the Medicaid income threshold of 138% of the federal poverty level.

Of those individuals who are disenrolled as a result of unwinding (returning to normal state operations), those who are not aging into Medicare are being referred to insurance navigators at Westside and Quality Insights and are connected to the marketplace. Since Delaware participates in the federal marketplace (and has not created a state marketplace), the state relies on federal reports that will be generated from CMS. Trends and forecasts will be able to be generated once these reports are regularly available.

Any changes to premium tax credits will be monitored. When enhanced tax credits are in effect, more individuals are eligible to receive premium tax credits, resulting in more savings for government programs. When the tax credits are reduced, more financial pressure on the state. A letter of intent will be sent to HHS to request a waiver to extend the Reinsurance Program for another five years.

Steven added that there are some challenges that the program needs to watch. Every year there is change. Data that are reviewed include available dollars as well as how much pressure to put on the premiums. Program costs increase every year. CMS has inquired about how states are containing costs and providing care management for chronic conditions. Delaware has reached out to other states that are providing innovative reports on care management. This is being investigated further. Steven expressed concern that Delaware may not be able to maintain a 15% reimbursement rate this year, putting pressure on keeping premiums low and adding pressure on the Department of Insurance on rate reviews.

A concern was raised about Delaware's aging population and the increased number of those retiring in the state. It was noted that Delaware has the 7<sup>th</sup> oldest population and healthcare for those over 65 years old is more costly. Steven shared that many are still employed and on

private insurance plans, while others are on Medicare. He added that the concern was for those who were older than 55 and had chronic conditions. An analysis could be done on risk adjustment within those groups. The aging population is not unique to Delaware.

Secretary Manning understands that affordability is Delaware's motivation for the Reinsurance Program, but since Delaware has some of the highest premiums in the country, and states that have some of the lowest rates do not participate in the Reinsurance Program, the question remains: are those states doing so well?

Steven replied that many states had double-digit increases in premium rates over the past year. He will look into the increases across the country. One of the factors that had affected premiums in previous years was due to having a single carrier in the market. Now having four carriers, it will be interesting to see the effect that this competition will have on healthcare costs.

## **UPDATES**

### **Marketplace**

Christine Vogel, Director of the Office of Home-Based Healthcare Delivery, discussed open enrollment for the marketplace and Medicare. Christine agrees with the earlier conversation regarding the Reinsurance program and affordability. The Department of Insurance had not previously experienced rate decreases until the Reinsurance program was implemented. It is bringing more affordable plans to Delaware's consumers. When comparing premiums to other states, Delaware may not compare well. However, Delaware's premiums over the past years have been some of the highest in the country, and now they are closer to the national average. There are two organizations, Quality Insights, and Westside Health, that are working through CMS lists to identify those who have been recently determined ineligible for Medicaid. Navigators have contacted approximately 5000 individuals to educate them on coverage options. Christine stressed to meeting participants to encourage anyone looking into healthcare options to go directly to healthcare.com as many scams actively collect personal information.

Chris Frazier of Westside highlighted the importance of building a trusting relationship with the community, not only connecting people with insurance plans but the importance of maintaining this trust beyond providing primary care services.

Individuals can also connect with the marketplace online. The website address was provided in the chat.

### **HCPLRP**

Colleen Cunningham shared that the brochure for the Loan Repayment Plan was updated to reflect legislative changes which goes from a six-month graduation requirement to two years.

As a priority consideration, the DIDER Program was added, to include dentists with eligible degrees of Doctor of Dental Surgery and Doctor of Medicine and Dentistry. Other eligible degrees that have been added include Master of Psychology, Licensed Psychologist, Licensed Clinical Social Worker, and Licensed Professional Counselor of Mental Health.

New brochures have been printed. Please contact Colleen for copies.

Dr. Fan expressed appreciation to ABC, the vendor who has been assisting with expanding outreach and marketing as this program is valuable to independent practices and health care systems.

Additional information is available at [dhss.delaware.gov/dhcc/loanrepayment](http://dhss.delaware.gov/dhcc/loanrepayment)

### **Primary Care Reform Collaborative (PCRC) Strategic Planning Committee update**

The Healthcare Reform Collaborative has a strategic planning subcommittee that will create a draft strategic plan for the PCRC with priorities for 2024. The PCRC met on September 18 and the Strategic Planning Committee met on November 1 and discussed the content regarding national standards. The Committee is considering what has been successful regarding cost containment and primary care investment in several other states. The group is working on takeaways: what has worked for other states, how can it apply to Delaware, and recommendations to the PCRC to move primary care investment forward. The second component includes takeaways from the National Academy of Science and Engineering Medicine Survey that was distributed to PCRC members. A preliminary draft will be shared at the December PCRC meeting for review and to collect feedback.

### **PUBLIC COMMENT**

No public comment

### **ADJOURN**

The meeting adjourned at 10:15 a.m.

### **UPCOMING MEETING**

The next DHCC meeting is scheduled for Thursday, January 4, 9:00 a.m. – 11:00 a.m. The anchor location for the meeting:

The Chapel  
Department of Health and Social Services  
Herman Holloway Campus  
1901 N. DuPont Highway, New Castle, DE 19720

No DHCC meeting is scheduled for December.

**Public Meeting Attendees  
November 2, 2023  
Public Meeting Attendees (Virtual)**

Anthony Onugu	
Bria Greenlee	302 Strategies
Brian Olson	Livanta LLC
C Ballard	
Chris Fraser	
Christina Haas	
Cristine Vogel	DOI
Daniel Isom	
Daniel Madrid	Finance
David Bentz	DHSS
Delaney McGonegal	MACHC
Eschalla Clark	DSAAPD
Janet Bailey	
Judith Butler	
Kristin Dwyer	Nemours
Lincoln Willis	
Lori Ann Rhoads	Medical Society of Delaware
Maggie Bent	Westside Health
Nicole Freedman	Morris James

Nora Hoban	Mid-Atlantic Association of Community Health Centers
Pamela Gardner	
Peter Scharl	
Rachel Hersch	
Ryan Schultz	
Susan Jennette	DOI
Wayne Smith	Smith Capitol Advisors
William Albanese	