

# Health Insurance Reform Advisory Committee (HIRAC)

## Meeting Minutes

March 16, 2005

10:00 AM – 12:00 PM

Conference Room B  
Labor & Industries Building  
350 Winter Street NE  
Salem, Oregon

### I ESTABLISHED QUORUM

**Members Present:** Lisa Trussell, Nancy Nevins, Lori Long, Kim Wirtz, Rick Rebel, Dan Field, and Dr. Bruce Goldberg.

**Members Absent:** Lynn-Marie Crider, Ellen Pinney, LoriAnn Sheridan, Angela Kimball, Dean Kortge, Steve Tagmyer, Marla Blagdon Steve Doty, Rocky King, and Laura Cooper.

**Insurance Division Staff Present:** Joel Ario, Shelley Bain, Linh Nguyen, and Elizabeth McMahon.

**Others Present:** Muriel Dittler, Tom Jovick, Gwen Dayton, Kevin Earls, and Grace Flux.

### II CALL TO ORDER

Administrator Joel Ario called the HIRAC meeting to order at 10:08 a.m. on March 16, 2005 at the Oregon Insurance Division in the Labor & Industries Building in Conference Room B.

### III APPROVAL OF MINUTES

The minutes of the January 19, 2005, HIRAC Meeting Minutes were reviewed. Lori Long moved to adopt the minutes. Lisa Trussell seconded the motion. The January 19, 2005 HIRAC Meeting Minutes were adopted.

### IV OLD BUSINESS

#### 1. Update on COB – Muriel Dittler

Muriel Dittler gave the committee a report on the subcommittee's work on the Coordination of Benefits rules. The committee hopes to finalize proposed rule before the May HIRAC meeting to get off to Lewis for him to take a look at.

## 2. Portability - Linh Nguyen

Linh Nguyen reviewed a memo outlining the new portability benefit structures. Did come across two carriers with modified benefit structures from the minimum set by HIRAC. The Division is currently conducting further analysis to determine whether the modified plans are being offered the same rates as those plans designed by HIRAC. Linh reported that Consumer Advocacy has not received any formal complaints about portability rates.

Tom Jovick reported that OMIP has implemented the new HIRAC PPO plan and they are getting a lot of reaction to those plans as the lower benefits, out of pocket maximum, and the change prescription drug benefits for generics and preferred brands. There is also an impact on transplant patients that has resulted in the transplant center at OHSU asking to make an appearance at OMIP board and talk about the impact on transplants. The changes to the drug benefits affects not only people who have had transplants, but also affects those who are candidates for transplants, because OHSU looks at the ability of the candidate to pay the cost of those immunosuppressants. The OHSU finds the candidate cannot afford the drug, the transplant will not be authorized.

The portability benefit structure in the prior OMIP plans did not represent what was available in the marketplace. Tom reported that about 15 percent of the OMIP population has been impacted by the changes to the plans. Approximately forty percent of the enrollees experienced out-of-pocket increases of up to \$100 a month.

Joel reported that Oregon's domestic carriers are better at fulfilling their portability requirements than foreign carriers. The Division has found problems with the foreign carriers, and these compliance issues that are being addressed. The Division is close to finalizing some of enforcement actions on foreign carriers for non-compliance with our portability laws.

## 3. Interpretation of HIPAA Small Employer Groups – Shelley Bain and Lihh Nguyen

The Division held a workshop for carriers on how to define small employers and how to do the census count for the SEHI market. At last HIRAC meeting, the Division agreed to work with carriers on developing a standardized census counting mechanism.

The Division would like to work with carriers to develop a SEHI census form. The Committee agreed to for a subcommittee of consumers, producers, and carriers to develop this form. Carriers should send names of attendees to Linh at [linh.nguyen@state.or.us](mailto:linh.nguyen@state.or.us) or 503-9457-7258.

Issues were raised by carriers concerning amending the enrollment reports prior to the census for being developed. Joel suggested that the Division would consider the requirement for amended/corrected enrollment reports on a case-by-case basis. Carriers were instructed to contact Shelley if they had any problems with the deadline.

**V      DATE, TIME AND PLACE OF NEXT MEETING**

The next HIRAC meeting is scheduled for May 18, 2005 at 10:00 AM in L&I Building Conference Room B.

**VI     ADJOURNMENT**

No further discussion was held and Joel Ario adjourned the meeting at 11:02 a.m.