

HIRAC Meeting Minutes
April 29, 2004
1:00 PM
Conference Room F
Labor & Industries Building
350 Winter Street NE
Salem, Oregon

Present: Joel Ario, Shelley Bain, Jann Goodpaster, Ruth Rogers Bauman, Lynn-Marie Crider, Steve Doty, Angela Kimball, Howard "Rocky" King, Dean Kortge, Lori Long, Nancy Nevins, Ed Nieuburt, Rick Rebel, Steve Tagmyer, Ellen Pinney, LoriAnn Sheridan, Bruce Goldberg, MD.

Apologies: Cory Streisinger, Laura Cooper, Barney Speight, Lisa Trussell,

Joel Ario welcomed the members of the committee and asked everyone to introduce themselves. Joel explained the HIRAC representation that includes five health carriers, the agent community, employers and purchasers, a broad range of consumer representatives, the labor force, and state government representatives.

Committee Discussion Agenda:

- Health Care Reform Bills Reporting Data

Review health care reform bill reporting criteria and data.

Joel explained that the health care reform bills were passed last session and loosened regulation from prior sessions. The bills have a four-year sunset provision. The Division will gather data associated with bills during a four-year period.

HB 2987 increased the age band rate in the SEHI market from 2:1 to 2.5:1. The bill also allows carriers to impose a waiver of coverage for pre-existing conditions for up to 24 months in the individual market.

HB 3431 also provides more flexibility in the individual market. Previously, if a carrier accepted an individual, that individual could choose from any plan the carrier offered. Carriers may now limit an individual's choice of plans. The hope is that this will allow more people into the market.

The carriers discussed their plans for implementation of the health reform bills. For the most part the bills are under evaluation for the next product cycle; because the bills will require different underwriting guidelines.

Joel discussed the new quarterly reporting requirements as a result of the bills. He asked if carriers felt the reporting was a barrier to implementation of the bills. The general consensus was that it was not.

- Oregon Standard Health Statement

Review subcommittee recommendations and approve/deny revisions.

Muriel Dittler, chair of the Health Statement Subcommittee gave an update on Health Statement revisions. Muriel explained that the main purpose of the revisions is to clarify the questions for individuals and agents. The subcommittee feels the changes will help to decrease the number or rescissions as a result of incorrectly submitted health statements.

Muriel explained each of the purposed changes.

Joel explained that the committee would need to make a recommendation to Cory for approval of the revisions. After discussion, the committee asked to table the decision until the next meeting.

- Portability and Health Savings Accounts

Consider revising current portability health benefit plans so plans may qualify to be used with a Health Savings Account.

Joel explained that the committee needs to evaluate the current portability plans to determine if they should be revised to more closely reflect the current market. After some discussion, the committee recommended that a subcommittee be formed to evaluate the plans.

Issues to be addressed by the subcommittee include:

- 1) Portability plans that could use a Health Savings Account (HSA). Should the committee develop a portability plan that we can use with an HSA – a high deductible plan that could be used in conjunction with an HSA?
- 2) Broader approaches to how portability plans are characterized. More flexibility. Broader approach to how we describe what is mandated.
- 3) Evaluate the indemnity type plans.

The following subcommittee was formed to evaluate the portability plans:

Dean Kortge, Rick Rebel, Ruth Rogers Bauman, Rocky King, Laura Cooper, Muriel Dittler, Lori Long, Nancy Nevins, Shelley Bain, Kathi Kalk. The committee will meet on May 19th, from 10 to 12.

Next meeting:

The committee agreed to meet again on June 10th in the morning.

Joel asked if there were any other issues that need to be discussed and asked the committee to forward issues Shelley Bain or Elizabeth McMahon.