

Dirigo Board Discusses Federal Reform, Agency Finances & Enrollment, and Individual Practitioner Data Reporting at Today's Meeting

New Board Chair Jonathan Beal presided over his second meeting of the Dirigo Health Agency Board of Trustees this morning at the DHA offices at 211 Water Street in Augusta. Chairman Beal, a Portland attorney, is a long-standing member of the DHA Board who succeeds Robert McAfee, M.D., the Agency's first Board Chair. Governor's Office of Health Policy & Finance Director (GOHPF) Director Trish Riley led an initial discussion of the board about the Agency's role in responding to the national health care reform law. In particular, Ms. Riley talked about a Letter of Intent filed April 26, 2010 with DHHS Secretary Sebelius seeking authorization to build upon the Dirigo Health Program as an alternative to establishing a high-risk pool to cover a specific portion of the high-risk population: persons uninsured for six months with pre-existing conditions. The Board also discussed briefly the newly established executive and legislative task forces recently established by Executive Order and legislative Joint Order to assist the State in responding to the new health care reform law. The Board expects to devote more time at its next meeting to this topic.

Next, DHA Director Karynlee Harrington and her staff presented an update on the Agency's financial statements and enrollment numbers. She stated that the Agency is on track to pay back a \$25 million General Fund advance by June 30, 2010. With more stable cash flow because of the assessment (rather than the SOP), Ms. Harrington expects the Agency to have a balanced operating budget in FY 2011. She presented an interesting graphic representation of the Agency's proposed FY 2011 income and expenditures in its \$85 M annual budget.

The income breaks down as follows:

- Membership fees: \$0.7 M (1%)
- Healthy ME: \$4.4 M (5%)
- HRSA Grant: \$8.0 M (9%)
- Member & Employer Payments: \$29.7 M (35%)
- Access Payments: \$42.1 M (50%)

The expenditures break down as follows:

- Quality Initiatives: \$1.0 M (1%)
- Agency Operating Expenses: \$3.3 M (4%)
- DC Subsidy (prior years): \$4.2 M (5%)
- Parent Expansion: \$5.1 M (6%)
- Voucher: \$8.9 M (11%)
- DC Member Share: \$29.7 M (35%)
- DC Subsidy: \$32.7 M (38%)

During his Maine Quality Forum update, Director Josh Cutler, M.D. discussed his office's work with other stakeholders in responding to a legislative directive in L.D. 1444, *An Act to Protect Consumers and Small Business Owners from Rising Health Care Costs* (P.L. 2009, Chapter 350)

to publish data at the individual practitioner level on cost and quality. You can find this legislation on the web at:

http://www.mainelegislature.org/legis/bills/bills_124th/chappdfs/PUBLIC350.pdf. During conversations with *Quality Counts* and consumer representatives so far, three potential approaches to practitioner-specific data have been discussed, including those based upon:

1. the medical home/Health Dialogue model;
2. the MaineCare primary care case management (PCCM) model; and
3. the "patient experience of care" model based on a patient survey tool known as CAHPS or "consumer assessment of hospital processes and systems."

At this point, the stakeholders seem to be leaning towards the third model above. This matter will be on the agenda of the Advisory Council on Health Systems Development (ACHSD) this Friday.

The next DHA Board meeting is scheduled for Monday, June 14, 2010 from 9:00 a.m. to 11:00 a.m.

You can find information about the Dirigo Health Agency on the web at:

<http://www.dirigohealth.maine.gov/>.