

MMA Executive Committee

Wednesday, August 3, 2011

4:00 PM

Linder-Solish Residence

Falmouth, ME

AGENDA

Time	Topic				
4:00	<ol style="list-style-type: none">1. Call to Order and Determination of Quorum: Ken Christian, MD, Chair2. *Review and approval of minutes of June 1, 2011 (attached)3. Introduction of guests4. *Approval of Agenda5. Report of Operations Committee; Dr. Christian<ol style="list-style-type: none">a. Conference Call 8/1 (to be distributed)6. Report of Chief Operating Officer; Mr. MacLean<ol style="list-style-type: none">a. Provider Representative on Reinsurance Board				
4:15	<ol style="list-style-type: none">7. Membership Report August 1, 2010 August 1, 2011<table><thead><tr><th>All Members</th><th>Dues Paying Members</th></tr></thead><tbody><tr><td>3365</td><td>1956</td></tr></tbody></table><ol style="list-style-type: none">b. Report on group memberships and members delinquent in dues; Mr. Smith	All Members	Dues Paying Members	3365	1956
All Members	Dues Paying Members				
3365	1956				
4:30	<ol style="list-style-type: none">8. Finance Report: Dr. Flanigan, Ms. Lukas<ol style="list-style-type: none">a. July financials (to be distributed)b. Proposed 2012 budget (to be distributed)9. Priority Topics for Discussion<ol style="list-style-type: none">a. *2012 Budget (above)b. *Nominating Committee Report; Dr. Cummings (to be distributed)				
5:10	<ol style="list-style-type: none">10. Leadership Reports<ol style="list-style-type: none">a. Dr. Linder<ol style="list-style-type: none">1. T.R. Reid Visit to Maine (attachment)2. *PSR request to continue educational effort re: screening for domestic violence (attachment)3. Health Policy study group4. Final Schedule for Annual Session				

- 5:30
10. Leadership Reports, continued
 - a. Dr. Cummings
 - a. Goals (theme) for the coming year
 - b. Dr. Christian
 - a. Potential Executive Committee dates 2011-2012
 11. Committee, section or delegation reports requiring discussion
 - a. Legislative Committee; Dr. Ryan and Mr. MacLean (tracking sheet to be distributed)
 1. Legislative Summary
 2. Interim studies (to be distributed)
 - b. Public Health Committee; Ms. Barnard
 - c. Senior Section; Dr. Miller
 - d. Committee on Membership & Member Benefits; Dr. Pierce
 - e. Committee on Technology and Communications; Dr Klainer
 1. *Website re-design
 - f. AMA Delegation: Drs. Evans, Makin and Gleaton
 1. Dr. Makin's resignation as delegate to the AMA (attachment)
 - g. Committee on Physician Quality; David Hallbert
 1. Partnership for Patients (attachment)
 - h. Committee for Tomorrow; Dee deHaas/Mr. Smith
 1. Stred Building re-dedication August 24, 2011
 2. Silent Auction at Annual Session
 3. Effort to match Dr. Linder's contribution to MMET Scholarship Fund
 - i. External Peer Review Program Policy (attachment); Mr. Smith; Ms. Pinkham
 12. EVP Report; Gordon Smith
 - a. First Friday's remaining (2011 schedule attached)
 - b. Upcoming OSA programs: Aug. 30, Sept. 14, Oct. 7
 - c. Medicare Patient Empowerment Act
 - d. Coordination of CME with Mass Medical Society (attachment)
 - e. Family Medicine Education Funding request (attachment)
 - f. Changes at Board of Licensure in Medicine
 - g. LD 1501 Study Group/Commissioner Morris Group (attachment)
 - h. QIO contract
 - i. MeHAF grant opportunities
 13. Old Business
 - a. Concept of a "Surgical Home", Dr. Flowerdew
 14. New Business
 - a. MPHA sponsorship (attachment)
 15. Review meeting; identify priority items for next meeting
 16. Adjourn to Dinner
- 6:00

FYI's – newclippings (attached)
NEXT MEETING SEPTEMBER 9, 2011

***Denotes items requiring a vote**
Bar Harbor Club - 10:00 am

Member	10-20	12-8	1-23	3-2	4-13	6-1	Member	10-20	12-8	1-23	3-2	4-13	6-1
K. Christian, MD, Chair	P	CC	P	P	P	P	K. Mitchell, MD						
D. McDermott, MD	P	P	P	CC	CC	P	M. Parker, MD	P	P	P	CC	CC	
J. Linder, MD	P	P		P	P		C. Pattavina			P		P	P
R. Chagasulis, MD		P	P				B. Pierce, MD	P	P	P	CC		
J. Charly, MD	P	CC		P	P		C. Reddy, MD	Web	CC		P	CC	CC
W. Chernin, MD		CC				CC	L. Ryan, DO			P			CC
N. Cummings, MD	P	P	P	P	P	P	J. Smith, MD						
I. Daudi, MD		P	P	P	P	P	W. Strassberg, MD				P	CC	
R. DeLong, MD		P			P	P	STAFF						
R. Evans, MD	Web	CC		CC			J. Barnard	P	P	P	P		
K. Flanigan, MD		P	P	P	P	P	H. Lukas	P	P	P	P	P	P
R. Flowerdew, MD		P	P	P	P	P	A. Maclean	P		P	P	P	P
M. Gleaton, MD	P	P	P	P		P	D. McMahon		P	P	P	P	P
D. Halbert, MD							G. Smith	P	P	P	P	P	P
P. Klainer, MD	Web				CC								
D. Kreckel, MD		P	P	P	P	P							
J. Makin, Jr., MD	P	P		P	P	P	GUEST(S):						
M. McAllister, MD	P	P	P	CC									
B. Miller, MD		P	P	P	P	P	Jim Hamar						P

TOPIC

DISCUSSION

ACTION

1. Call To Order
 - Called to order at 4:00 pm by Chair Kenneth Christian, MD
2. Review of Minutes of April 13, 2011
 - The minutes of the meeting were reviewed. A motion was made and seconded to accept the minutes of April 13, 2011.
3. Introduction of guests
 - James Hamar, Executive Director of the Hanley Center for Health Leadership was welcomed.
4. Approval of Agenda
 - Agenda accepted as presented. Agenda items sequence will be reorganized to accommodate schedules.
5. Report of Operations Committee
 - a. Conference Call 4/24
 - Dr. Christian reviewed the Operations Committee Call minutes of April 24, 2011.
6. Report of Chief Operating Officer, Mr. Maclean
 - a. Physician's Day at the Legislature
 - Mr. Maclean noted that Physician's Day at the Legislature on May 26 was a great success, although noted that it was the day Governor LePage vetoed LD 1222.

A recommendation was made to try to obtain an earlier date in future years for this event. Mr. Maclean acknowledged the goal for an earlier date, although he noted it is difficult to schedule dates in a timely manner at the State House.

Maine Medical Association

Meeting Minutes June 1, 2011

Executive Committee

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TOPIC	DISCUSSION	ACTION
<p>b. Summer staffing</p>	<ul style="list-style-type: none"> To assist in the summer months with vacations and other duties, etc., Katie Hays, a high school senior will go from part time to full time. MMA continues to work on the vacancies that exist within our specialties due to the transition of MMA staff. Maureen Elwell is managing the Maine Chapter of the American College of Emergency Physicians, which was left vacant with Anna Bragdon's move to Florida. The Maine Chapter of American Academy of Pediatrics is a 24-hour a week position open with Aubrie Entwold's move to New York. Warene Eldridge currently staffs American College of Physicians, the Maine Association of Psychiatric Physicians and the Maine Society of Orthopaedic Surgeons. She will be transitioning at the end of the year with a move to Florida for winters. 	<p>MMA to continue to assess the openings with the goal to continue to work with the groups to provide appropriate MMA staff to fill these vacancies.</p>
<p>7. Membership Report</p>	<p>b. Group memberships and members delinquent in dues</p> <ul style="list-style-type: none"> Mr. Smith reported that he believed \$625,000 in membership dues is an attainable goal for 2011. Mr. Smith continues his work to increase MMA membership within various groups. Members were asked to review the delinquent membership dues listing and to make contact with physician colleagues they know. 	<p>Lisa Martin, Membership Coordinator is available, as in the past for assistance with any personalized letters and/or invoices. Ms. Martin can be reached at lmartin@mainemed.com or 622-3374 ext. 221.</p>
<p>8. Finance Report</p>	<ul style="list-style-type: none"> Dr. Flanigan reported that the Budget & Investment Committee effort continues to focus on the goal of a balanced budget. With MMA staffing transitions the committee is evaluating the actual costs of all programs to better understand where we are investing our resources in these programs. The Budget & Investment Committee recommends that a new policy be adopted stating that 4.5% of the rolling average of the reserves over the past five years be placed into the operating budget, beginning in 2012. 	<p>Motion was seconded and approved to accept the new policy recommendation of the Budget & Investment Committee. All in favor, none opposed, motion passed.</p>
<p>9. Priority Topics for Discussion</p> <p>a. Board of Licensure in Medicine, Jurisprudence Exam</p>	<ul style="list-style-type: none"> Beginning in May 2011, the Maine Board of Licensure in Medicine began requiring all renewing licensees to pass an open book exam on the Board's licensing rules and policy statements. It is an online exam that must be taken every four years. The Board believes that this exam will help to reduce the number of complaints received by the Board. Two physicians shared their experience in completing the online exam. Discussion followed. Recommendations that MMA will make to the Board of Licensure regarding the exam: <ul style="list-style-type: none"> Offering CME credits for taking the exam Suggest an opportunity to take the exam a second time before appearing before the Board The importance of an analysis after a 2 year cycle (how many passed the exam?; have complaints been reduced?) 	<p>Mr. Smith will take the recommendations to the Board.</p>
<p>b. Physician Leadership Course; James Harnar</p>	<ul style="list-style-type: none"> Mr. Harnar presented an overview of Maine's Physician Executive Leadership Institute (PELLI). The mission and goal is over the next five years to build a network of 400 physician leaders in the state that will be educated on executive leadership and business skills in order to be more effective and influential physician leaders in the state. The Center has partnered with a well respected national partner, the Heller School at Brandeis University. They will also work closely with Harvard School of Business. This program will be offered on two levels: The basic or "foundational" program and "intermediate" program. The Foundational program will introduce 	<p>Expressions of appreciation were noted to Mr. Harnar for the support and interest of physicians in the State of Maine.</p>

TOPIC	DISCUSSION	ACTION
<p>9. C. Final MMA Bylaws Draft</p> <p>10. Leadership Reports</p> <p> a. Dr. Linder</p> <p> 1. Annual Session 2011 Sept.9-11</p> <p> 2. PES May 18</p> <p> 3. Prep for Practice May 23</p> <p> 4. Book Club</p>	<p>and develop basic leadership skills and concepts. It will be a duration of 6 months with 36 Category I CME Credits. The Intermediate Program will be a more advanced course over a 12 month period of time offering 120 hours of Category I CME Credits.</p> <ul style="list-style-type: none"> Mr. Harnar noted the importance of having more physicians around leadership tables as well as physicians themselves requesting more training. Clinician voices need to be brought to larger tables, i.e. policy making. Heller is going to work with key leaders around this State in developing curriculum. The Finance Committee has not yet priced the new course. It's goal is to apply some grant funding to the cost of this program. Mr. Harnar further mentioned the success of the Hanley Center's Health Leadership Development Course, recently completing its 4th class. A new class has 32 openings for health professionals and currently has received 60 applications. <p>The final draft of the Bylaws was presented with some last minute wordsmithing by Mr. Maclean that was not reflected in the document. A motion was made to recommend adoption of the bylaws for the Annual Session inclusive of the grammatical corrections.</p> <ul style="list-style-type: none"> For the record, the discussion in the Work Group included the hope to reduce the number of committees or to not have any committees. Discussion noted that the recommendation is to put this issue in the next phase of bylaw/governance amendments. All committees, standing and ad hoc, can be in the procedures and policies. The bylaws would reflect the committees we want to keep so they cannot be eliminated. Dr. Linder referred to the Annual Session flyer. The Executive Committee meeting will be Friday morning from 10 am – 12 noon. Education sessions start at 1 pm at Jackson Labs. Jackson Labs is on track to have a new CEO in place. The group of 50-year pin recipients is a large group that includes Dr. Miller and a few MMA Past Presidents. Dr. Linder is in the process of considering the awards to be presented at Annual Session. The 20th Annual Physician Education Seminar was another success. Comments from attendees were excellent and in support of this seminar to be presented another year. The Prep for Practice was held for residents with outstanding speakers addressing a variety of topics; i.e. finances, insurance, legal, real estate and accounting. 40 registered for the event but only 14 in attendance. The busy schedules of residents were acknowledged. The evaluations submitted by attendees were very favorable. The plan will be to do the event again next year, to look at a possible different time and to include additional family medicine residency programs. Dr. Linder reported that out of the Physicians Day at the Legislature came conversations with Joel Kase, DO, MPH and Jeffrey Barkin, MD about starting a book club with anyone who may be interested in participating. The first recommended book was the T. R. Reid book on health care systems in other countries. Another book of interest recommended by Brent Mulgrew, Executive Director of the Ohio State Medical Association was "Consider: Harnessing the Power of Reflective Thinking in Your Organization". 	<p>The motion was seconded and approved. Motion passed. These bylaws will be placed on the MMA website to meet the requirement of the 60 day notice prior to Annual Session.</p>

TOPIC	DISCUSSION	ACTION
<p>5. Meeting time of summer Executive Committee Meeting at Dr. Linder's Residence</p>	<ul style="list-style-type: none"> • Dr. Linder suggested that she would like to have the meeting at 4 pm at her residence if committee members felt this was acceptable. 	<p>Attendees were in agreement for the meeting to start at 4 pm.</p>
<p>b. President-elect, Dr. Cummings</p>	<ul style="list-style-type: none"> • Dr. Cummings continues to work on her presentation as a panelist on physician health and life balance for the <i>INNOVATIONS IN PHYSICIAN WELLNESS</i> on Sunday at Annual Session. 	
<p>c. Chair, Dr. Christian</p>	<ul style="list-style-type: none"> • Dr. Christian represented the Maine Medical Association at the UNE Graduation on May 21. 	
<p>11. Committee, section or AMA delegation reports requiring discussion</p>		
<p>a. Legislative Committee</p>	<ul style="list-style-type: none"> • Mr. Maclean noted the legislative session is winding down although about 500 bills, including the biennial budget, still need to be addressed. Legislative leaders had planned to have everything done by June 8 but the statutory date is June 15. • One bill LD 746 <i>An Act Regarding the Consent of Minors for Mental Health and Substance Abuse Aid</i> is still on the calendar for debate. MMA is opposed as well as MOA, NAPP and AAP. • LD, 360 <i>An Act to Repeal the Maine Certificate of Need Act of 2002</i>. Repeal is off the table at this time. MMA Legislative Committee reviewed the changes in this bill and the decision was that MMA needs to educate its members on both the majority report (most reform) and minority report and to not be partial to either report as both reports are acceptable to MMA principles. 	<p>Appreciation was acknowledged for all the efforts of Dr. Ryan, Chair of the Committee and Mr. Maclean and those contributing to the efforts of the Legislative Committee.</p>
<p>b. Public Health Committee</p>	<ul style="list-style-type: none"> • Meeting scheduled for Wednesday June 7, 2001 at 4 pm. 	
<p>c. Senior Section 1. April 27 Meeting</p>	<ul style="list-style-type: none"> • Dr. Miller reported that the Senior Section met on April 27. A panel discussion was held on how medical students are educated in today's world. • The next meeting is scheduled for August 24 concurrent with the Rededication of the Stred building, an event honoring former Executive director Frank Stred. 	
<p>d. Committee on Membership & Member Benefits</p>	<ul style="list-style-type: none"> • No report. 	
<p>e. Committee on Technology and Communications 1. Website redesign</p>	<ul style="list-style-type: none"> • A date has not yet been determined to meet with the potential vendors. 	
<p>f. AMA Delegation 1. AMA Annual Meeting – Chicago June 18-22, 2011</p>	<ul style="list-style-type: none"> • Dr. Makin reported that this meeting is scheduled to start on June 18 and is expected to deal with resolutions on individual mandates and other health reform issues. A new CEO is also expected to be introduced. 	<p>The Executive Committee members will be notified as soon as a date has been scheduled for this meeting.</p>

TOPIC	DISCUSSION	ACTION
2. NED Meeting April 29-30, 2011	<ul style="list-style-type: none"> Our Maine delegation recently attended the meeting and heard from all other states in New England. Common issues included: ACO's in Massachusetts, single payer in Vermont, health insurance premium increase of 20% was denied in Connecticut. 	
9. Committee on Physician Quality	<ul style="list-style-type: none"> Minutes of April 14 meeting attached. 	
h. Committee for Tomorrow i. Stred Building re-dedication August 24	<ul style="list-style-type: none"> Mr. Smith reported that some of the event will be held outside under a tent and in conjunction with the Senior Meeting. Dr. Stred's widow will attend, with one daughter confirmed to attend and we are in hopes the second daughter will attend as well. A host and working committee will be developed for the event. Drs. McAfee and Holler will present the primary remarks. Formal invitations with donation cards will be sent. 	Executive Committee members were encouraged to attend this event.
12. EVP Report a. First Friday's	<ul style="list-style-type: none"> The First Friday's schedule was attached for the remaining 2011 programs. The June 1 program on Risk Management has the lowest attendance thus far, although we continue to recruit to increase attendance. 	Tabled to August 3 meeting.
b. EVP Report c. Medicare Patient Empowerment Act Report	<ul style="list-style-type: none"> Report attached and was e-mailed a week ago. Mr. Smith reported that the AMA has endorsed this act. The medical societies in Massachusetts, Vermont and New Hampshire are not signing on to it. It has also been opposed by AARP. 	
d. Governor's veto of LD 1222	<ul style="list-style-type: none"> Mr. Smith noted a lot of activity around this bill. The Governor has now submitted his own bill. (Language of this bill was distributed). This bill will be carried over into the next Legislative Session. Mr. Smith noted that the principle in this language is almost as good as LD 1222. 	
e. Resolve LD 1501	<ul style="list-style-type: none"> LD 1501 <i>An Act to Reduce Opioid Overprescription, Overuse and Abuse</i>. MMA did a lot of work on this and was successful in getting the issues studied with a report back in December. 	MMA will post in the Weekly Update.
f. BOLM openings	<ul style="list-style-type: none"> Three openings on the Board – 1 public member and 2 physician members. Anyone interested should send a resume to the Board of Licensure. Sandy Nesin, law intern is at MMA for the summer after completion of her 1st year of law school. She obtained her own grant to support her work. 	Mr. Smith would appreciate any comments or any feedback heard on this article to be reported to him.
Other items noted by Mr. Smith	<ul style="list-style-type: none"> NYT articles – positive comments have been received on the article written by Gardiner Harris. 	Topic to be discussed at August 3 meeting in more detail.
13. Old Business		
14. New Business a. Concept of a "Surgical Home"	<ul style="list-style-type: none"> Dr. Flowerdew explained this new concept as an integration of medical services for surgical patients to have "a surgical home" within a hospital. This initiated proposal came from Mark Warner, M.D., President of the American Society of Anesthesiologists. Senators Snowe and Collins support the 	

TOPIC	DISCUSSION	ACTION
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merits of this. The concept as a whole is positive.

15. Review meeting; identify items for next meeting

- The perioperative or "surgical home" is a new concept and reflects the great potential that coordination and management of surgical patients has to reduce complications and improve efficiencies and cost-effectiveness of perioperative care.

16. Adjourn

Meeting adjourned at 6:05 pm

Submitted by Diane McMahon

Minutes authenticated by Kenneth Christian, MD

NEXT MEETING: AUGUST 3, 2011

JO LINDER, MD RESIDENCE IN FALMOUTH

MEETING TO START AT 4:00 PM AND ADJOURN BY 6 PM

FURTHER DETAILS FORTHCOMING

DRAFT**Concept Paper****Expanding Stakeholder Support For Better Quality Care In Maine**

Background: The Daniel Hanley Center for Health Leadership has arranged for nationally-known author, journalist and public broadcasting commentator **T.R. Reid** to deliver a series of presentations across Maine over the course of an entire week in November, 2011. Reid, the author of “The Healing of America: A Global Quest For Better, Cheaper and Fairer Health Care,” has recently completed a new documentary for PBS that will point out substantial variation in healthcare quality throughout the United States (referring to the Dartmouth Atlas) and draw attention to work now being done to reduce variation, improve outcomes and moderate the growth of costs. The report will describe a range of local and regional quality initiatives as well as emerging approaches such as Accountable Care Organizations. The documentary is expected to air nationally by late 2011 or early 2012.

Proposal: Through a partnership with other statewide organizations, the Hanley Center would like to leverage Reid’s presence in Maine to reach a large and diverse array of stakeholders with a clear, unified message that will help build support for improved healthcare quality in Maine. Awareness-building efforts will be focused primarily on Maine’s employer community and consumers. In recent months, the Center has worked closely with the Maine Health Management Coalition (MHMC) to develop a preliminary plan for Reid’s visit. This month the Hanley Center and MHMC are reaching out to the Maine Health Access Foundation, Quality Counts, the Maine Quality Forum and other organizations to ask for their help in planning and funding this initiative.

Desired Outcomes: Through this proposed partnership, Reid’s presentations would reach thousands of Maine residents with the following key messages:

- *LOOK for the right care for you and your family*

- There is substantial variation in the quality, cost and utilization of healthcare across the United States;
- In Maine, you can find doctors and hospitals that give you the care experts recommend by visiting www.getbettermaine.org
- ***LEARN what quality care is and what's being done to improve health care in Maine, the US, and around the world.***
 - Maine can learn a great deal from communities and regions across the U.S.---as well as from other countries---about how these goals can be achieved;
 - Individual consumers, employers and other stakeholders must become better informed about these issues--and more engaged in efforts aimed at accelerating quality improvement, increasing patient safety and addressing our nation's cost and access crises;
 - Maine-based organizations have developed web-based resources and other tools that can help consumers, employers and others make more informed decisions about their care and become more effective advocates for better, cheaper and fairer care and coverage. (Presentations, printed materials, media coverage, etc. will point audiences to these resources).
- ***LIVE longer and healthier – confident in your relationship with your doctor, feeling good, and enjoying life.***
 - More needs to be done to reduce these variations, improve quality, moderate cost and expand access to insurance coverage;
 - Choosing quality doctors and hospitals, being involved in your care, and making healthy life choices will help you live a longer and healthier life.

How Will We Achieve Our Desired Outcomes?

During the week of November 7, Reid will make approximately ten presentations across the state, focused primarily on reaching Maine employers and consumers.

Employer Outreach

- The Maine Health Management Coalition (which represents a wide array of organizations, including several dozen large and mid-sized employers) has arranged for Reid to keynote a major statewide meeting on Thursday, November 10 in Portland;
- Efforts are now under way to schedule additional presentations earlier in the week; among the groups under discussion are the Greater Portland Chamber of Commerce, the Lewiston Auburn Chamber of Commerce, the Husson University Business Breakfast and a business group in the Rockland-Camden region;
- The University of Maine System (one of the state's largest employers) has made a preliminary commitment to host a presentation that will be videotaped and made available to its entire workforce and student body.
- Business publications such as MaineBiz will be approached to interview Reid; other media interviews will be scheduled throughout the week.

Consumer Outreach

- AARP has tentatively agreed to host a statewide Town Hall audio conference that has the potential to reach thousands of the organizations members;
- Substantial work has been done to encourage book clubs across the state to read Reid's "The Healing of America..." book this fall; we are presently exploring the possibility of bringing together book clubs for an event where Reid would speak or discuss his work with readers;
- Initial conversations have taken place with Maine Public Broadcasting to explore:
 - o Airing Reid's new documentary during the week he will be presenting here in Maine (or possibly hosting the national premier of the documentary here in Maine)

- Airing one or more previous PBS documentaries Reid has made on health care issues;
- Broadcasting (radio and/or TV) one of Reid's presentations.
- Coordinating efforts among partner organizations to promote Reid's presentations and/or his documentaries among their respective constituencies; promote web based resources and other tools;
- Arrange for Reid to be interviewed by media outlets across the state.

Budget:

- Mr. Reid's honorarium, travel and accommodations are expected to cost approximately \$10,000 for the week. Work is now under way to estimate the costs of coordinating the logistics of this visit, promoting, recording and distributing presentations, etc. The total cost of arranging and hosting is expected to run from \$25,000 to \$35,000. Funding will be requested from partner organizations as well as those hosting his presentations.

10a.2

Zimbra

dmcMahon@mainemed.com

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Re: Insurance Payment for screening for Domestic Violence

From : Gordon Smith <gsmith@mainemed.com>

Tue, Jul 19, 2011 10:57 PM

Subject : Re: Insurance Payment for screening for Domestic Violence**To :** Lani Graham <lgraham207@gmail.com>**Cc :** Daniel Oppenheim Oppenheim <OPPEND@mmc.org>, Paul Santomena Santomena <psantomena@psr.org>, jolinder@maine.rr.com (E-mail) <jolinder@maine.rr.com>, Jessa Barnard <jbarnard@mainemed.com>

We will discuss at our August 1 and 3 meetings, but we are clearly not in a position to financially take it on. Our current year operating budget has a deficit that exceeds \$50,000 and as even our friends in Washington are learning, you can not just keep spending more money than you take in, year after year. But we could talk seriously about doing something with the program that would not involve your current level of staffing.

Gordon

----- Original Message -----

From: "Lani Graham" <lgraham207@gmail.com>

To: "Gordon Smith (E-mail)" <gsmith@mainemed.com>, "jolinder@maine.rr.com (E-mail)" <jolinder@maine.rr.com>, "Jessa Barnard" <jbarnard@mainemed.com>

Cc: "Daniel Oppenheim Oppenheim" <OPPEND@mmc.org>, "Paul Santomena Santomena" <psantomena@psr.org>

Sent: Tuesday, July 19, 2011 7:36:32 PM

Subject: Insurance Payment for screening for Domestic Violence

Hello,

Just a small plug for our DV training program finding a home. I heard tonight on the way home that the federal DHHS is going to recommend (perhaps require) payment for certain prevention services from private insurers. This will include screening for domestic violence as recommended by the Institute of Medicine and would seem to make it even more important that physicians know how to do this properly. Lani

RECEIVED JUL 27 2011

11 F. 1

John B. Makin M.D.

824 Bigelow Hill Rd.
Skowhegan, Maine 04976
207-465-5751
John1@beeline-online.net

Gordon Smith
Executive Vice-President
Maine Medical Association
Box 190
Manchester, Maine 04965

26 July 2011

Gordon,

Please accept my resignation as a Delegate to the American Medical Association from Maine. As I have said in the past, I feel this position should go to a practicing physician. Being retired I do not feel I am able to represent the AMA to medical staffs or specialty physician organizations as should be done.

It has been my pleasure to serve the Maine Medical Association at the AMA and the New England Delegation.

Sincerely,
John



EC (CPO committee) (146)

119.1

Lisa Letourneau

From: 18 existing FFS provider listservs [ALL_FFS_PROVIDERS@LIST.NIH.GOV] on behalf of CMS CMSProviderResource [CMSProviderResource@CMS.HHS.GOV]
Sent: Thursday, June 23, 2011 9:16 AM
To: ALL_FFS_PROVIDERS@LIST.NIH.GOV
Subject: Up to \$500 Million in Affordable Care Act Funding Will Help Health Providers Improve Care

Up to \$500 Million in Affordable Care Act Funding Will Help Health Providers Improve Care Through *Partnership for Patients* Federal Contracting Opportunities

The US Department of Health and Human Services has announced that up to \$500 million in *Partnership for Patients* funding will be available to help hospitals, healthcare provider organizations, and others improve care and stop millions of preventable injuries and complications related to healthcare acquired conditions and unnecessary readmissions. This funding, made available by the *Affordable Care Act*, will be awarded by the CMS Innovation Center.

"Since the *Partnership for Patients* was announced, we have had an overwhelming response from hospitals, doctors, employers, and other partners who want to be a part of this historic effort to improve patient safety," said CMS Administrator Donald M Berwick, MD. "We are now looking to contract with local and statewide entities that can foster and support hospitals' efforts to improve healthcare and reduce harm to patients."

The *Partnership for Patients* is a new public-private partnership that will help improve the quality, safety, and affordability of healthcare for all Americans. The *Partnership's* two goals are reducing harm in hospital settings by 40-percent and reducing hospital readmissions by 20-percent over a 3-year period. To achieve these goals, the *Partnership* is seeking to contract with large healthcare systems, associations, state organizations, or other interested parties to support hospitals in the hard work of redesigning care processes to reduce harm. "Hospital Engagement Contractors" will be asked to do the following:

- Design intensive programs to teach and support hospitals in making care safer;
- Conduct trainings for hospitals and care providers;
- Provide technical assistance for hospitals and care providers; and
- Establish and implement a system to track and monitor hospital progress in meeting quality improvement goals.

In addition to the Hospital Engagement Contractors, CMS will also be working with other contractors to develop and share ideas and practices that improve patient safety. These efforts include work with patients and families to understand their thoughts on how to best improve patient safety and transitions between different healthcare settings – such as when a patient is discharged from a hospital to a nursing home.

These contracts make available the first round of funding – which will ultimately total up to \$500 million – that the Innovation Center has committed to this effort. Solicitations for proposals are available on the Federal Business Opportunities website at www.FBO.gov (solicitation number [APP111513](#)).

When the *Partnership for Patients* was announced, the Obama administration committed up to \$1 billion in *Affordable Care Act* funding to help achieve its two goals; at the time of the announcement, up to \$500 million was made available through the Community-based Care Transitions Program to ensure patients safely transition between settings of care. Today's announcement makes available the start of \$500 million additional Innovation Center funds to help reduce healthcare acquired conditions and reduce unnecessary readmissions.

Note: If you have problems accessing any hyperlink in this message, please copy and paste the URL into your Internet browser.

EC
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Maine Medical Association
External Peer Review Program Policy
May 2011

Introduction:

The Maine Medical Association (MMA) External Peer Review Program provides Maine's medical community with an important source of independent review that is completely confidential and peer review protected under Maine law.

Purpose:

A priority of the program is to enhance and improve the peer review process. Peer review may include, but is not limited to, the routine review of patient charts for performance evaluation, education, reappointment, and the review of potential quality concerns.

Maine's medical community has found that the peer review process is frequently challenged to find peers to review the quality of the services provided by their medical staffs. Many times there may be no peers or the only available peers have a conflict of interest such as being in practice together or being in direct competition.

In an effort to make peers more widely available, MMA coordinates a statewide peer review pool from which they may identify appropriate medical providers to conduct or assist in peer review.

Goals:

The goals and priorities will be to:

- Provide a balanced and fair review to ensure that the type and quality of care provided is current and appropriate.
- Ensure quality and transparency of reviews.
- Engage the best reviewers.
- Provide quality evaluation of peer review programs.
- Promote peer review as an educational opportunity for best practice.
- Promote best practice in peer review.

Criteria for Physician/Provider Participation:

All members of the peer review pool shall:

- Be licensed in the State of Maine (if speciality is available in Maine)
- Have experience relevant to the requested review
- Be in good standing in a system of care in which there is a formal evaluation – i.e. hospital, FQHC, stand alone medical practice
- Board certification is preferred
- Active practice is preferred

NOTE: Some of the above criteria may be waived with the permission of the provider being reviewed and/or the requestor.

Peer Review Protection:

An important element of the program is the reviewer(s) conducting the review and the provider being reviewed is protected under the following statutes:

Title 32: PROFESSIONS AND OCCUPATIONS

Chapter 48: Board of Licensure in Medicine

Subchapter 3: General Provisions

§3293. Review committee member immunity

A physician licensed under this chapter who is a member of a utilization review committee, medical review committee, surgical review committee, peer review committee or disciplinary committee that is a requirement of accreditation by the Joint Commission on Accreditation of Hospitals or is established and operated under the auspices of the physician's respective state or county professional society or the Board of Licensure in Medicine is immune from civil liability for undertaking or failing to undertake an act within the scope of the function of the committee.

and

§3296. Records of proceedings of medical staff review committees confidential

All proceedings and records of proceedings concerning medical staff reviews, hospital reviews and other reviews of medical care conducted by committees of physicians and other health care personnel on behalf of hospitals located within the State or on behalf of individuals physicians, when the reviews are required by state or federal law, rule or as a condition of accreditation by the Joint Commission on Accreditation of Hospitals or the American Osteopathic Association Committee on Hospital Accreditation or are conducted under the auspices of the state or county professional society to which the physician belongs, are confidential and are exempt from discovery.

Process for a Peer Review

- A. The "Request for Review" form will be completed and returned to the MMA Peer Review Coordinator.
- B. The Coordinator will contact the identified liaison to discuss the specifics of the review.
- C. The Coordinator will assemble the reviewer(s).
- D. The Coordinator will notify the requestor of the reviewer(s), send a letter outlining the process to the requestor and reviewer(s), send the agreement to the requestor for signature and include appropriate materials.

NOTE: The requestor can request a reviewer change if they feel there might be a conflict.

- E. Once the review is complete, a draft report is sent to MMA for review by legal counsel. Any recommendations are communicated to the chair of the review team and/or the reviewer.
- F. When all appropriate parties are in agreement, the report is signed by the chair of the review team or the reviewer, forwarded to the MMA Peer Review Coordinator. The Coordinator will send the report to the requestor with an invoice, and 2 (two) different evaluations - one for the requesting organization and one for the medical provider(s) being reviewed with 2 (two) self addressed stamped envelopes.
- G. An evaluation is sent to the reviewer(s) with a self-addressed stamped envelope.
- H. Once the evaluations are completed, they are returned to MMA. The results will be shared with the reviewer(s) and a not less than a bi-annual summary of the evaluation results will be shared with the MMA Committee on Physician Quality.
- I. A TIN form is sent annually to each reviewer.
- J. The goal is to complete the entire process for an offsite review within a month. On site reviews can take longer as can reviews done with multiple reviewers.

Supporting documents:

- Request for Review
- Agreement between Requestor and MMA
- Guidelines for the Requesting Organization
- Guidelines for the Reviewer
- Guidelines for an On-site Review Team
- Guidelines for the Report Template
- Suggested Review Form
- Evaluation - Requestor Organization
- Evaluation - Provider being Reviewed
- Evaluation - Reviewer(s)
- Fee Schedule with Types of Review Options
- Highlights of Report of Council on Medical Service AMA - Quality of Care (resource)
- Peer Review Guidelines for Examination of Medical Records (resource)
- Letters to Requestor and Reviewer(s)



TWO WAYS TO ATTEND These programs are available 9:00 am - noon, both live in Manchester and over the web via Webex. Because of the substantial course materials, the per person \$65 fee is the same whether attending in Manchester or participating through Webex. Those interested in attending in person in Manchester, please register using the form below. Those persons interested in attending through Webex may register by emailing webinars@mainemed.com. Webex capacity is limited to 25 sites, so don't delay!

MMA 2011 Seminar Lineup Announced - Register Today!

February 4	The Future of Health Care Reform <i>Are We Moving Forward or Back?</i>
March 4	Human Resources (HR) in a Medical Practice <i>Employee Handbooks, Office Policies, and Trouble Spots to Avoid</i>
April 1	No April's Fool: Annual Coding Seminar
May 6	Annual HIPAA Training <i>Let MMA Train Your New Staff!</i>
May 18	SAVE THE DATE: 20th Annual Practice Education Seminar <i>(Augusta Civic Center)</i>
June 3	Annual Risk-Management Program <i>Presented by the Risk Management Department of Medical Mutual Insurance Company of Maine</i>
September 2	Legal Compliance in the Medical Practice <i>OSHA, HIPAA, FMLA, and Other Annoying Acronyms</i>
October 7	<i>[Held open for a hot topic]</i>
November 4	Treating Minors in a Medical Practice <i>Co-sponsored by the Maine Chapter of AAP</i>
December 2	Supervising Mid-Levels <i>Is There a New Standard of Care?</i>

FIRST FRIDAYS 2011 REGISTRATION (ALL SESSIONS 9AM-NOON)

Attendee(s) (Please include titles) _____

Office/Practice Name _____ Tel. _____ Fax _____
 Office Address _____
 City _____ State _____ Zip _____
 E-mail _____

Please mark number attending in person in Manchester in first space (M), number attending via Webex in second space (W) for each seminar.

M___ W___ Feb. 4: The Future of Health Care Reform	M___ W___ Sept. 2: Legal Compliance in the Medical Practice
M___ W___ March 4: HR in a Medical Practice	M___ W___ Oct. 7: Hot Topics
M___ W___ April 1: No April's Fool: Annual Coding Seminar	M___ W___ Nov. 4: Treating Minors in a Medical Practice
M___ W___ May 6: Annual HIPAA Training	M___ W___ Dec. 2: Supervising Mid-Levels
M___ W___ June 3: Annual Risk-Management Program	

Total Fee: _____ x \$65 per Seminar, per Attendee (\$50 if attending three or more in one calendar year)
(Registration fee includes light breakfast for those participants attending in Manchester and all course materials.)

Payment Enclosed **Please make checks payable to Maine Medical Association**
 ___ Visa ___ MasterCard Credit Card # _____ Exp. Date _____
 Cardholder Name (Please print): _____
 Signature _____

Please register in advance. Same day registration will be offered on space available basis only; an additional \$10.00 will be charged for same day registration. No refunds, but substitutions from same office will be allowed.

Register online at www.mainemed.com, or mail registration form with payment to:
Maine Medical Association, PO Box 190, Manchester, ME 04351 Tel: (207) 622-3374 Fax: (207) 622-3332.

SEE REVERSE SIDE FOR DECEMBER 3, 2010 PROGRAM



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MASSACHUSETTS MEDICAL SOCIETY

Every physician matters, each patient counts.

June 9, 2011

FYI

Gordon H. Smith, JD
Executive Vice President
Maine Medical Association
Frank O. Stred Building
30 Association Drive, P.O. Box 190
Manchester, Maine 04351

Dear Gordon:

Thank you for your willingness to promote the Massachusetts Medical Society (MMS) online CME offerings to members of the Maine Medical Association (MMA). This is an opportunity that is beneficial to both organizations and their members alike. The MMS currently offers 33 online educational activities with a prospect for physicians to earn more than 50 *AMA PRA Category 1 Credits*[™]. New, relevant content is added each quarter to www.massmed.org/cme.

The MMS agrees to provide the MMA with a link to the MMS CME website (listed above) to place on the MMA website. MMA members will receive a special voucher code so they can access these online CME activities. By using the voucher code, MMA members will receive a twenty-five percent (25%) discount off the per-credit fee charged to non-MMS members (currently \$20 per credit). Additionally, they will be able to access their corresponding CME certificate upon successful completion of the CME activity.

Each quarter, MMS will issue an activity report to the MMA containing the names of MMA member participants who used the voucher code, and associated courses taken for CME credit. (Individual participant completion scores will not be issued.) Along with this report, MMS will disburse to the MMA twenty-five percent (25%) of MMS revenue attributable to the voucher code.

Changes to this arrangement may only be made in writing by both parties. Either party may end the arrangement upon thirty (30) days' notice to the other party, with or without cause.

860 WINTER STREET, WALTHAM, MA 02451-1411

TEL (781) 893-4610 TOLL-FREE (800) 322-2303 FAX (781) 893-8009 WWW.MASSMED.ORG

Gordon, if you and MMA agree with the terms stated above, please sign and date below. We look forward to working with the Maine Medical Association and to expanding CME opportunities for your members.

Sincerely,



Corinne Broderick
Executive Vice President
Massachusetts Medical Society

So Agreed,



Gordon H. Smith, JD
Executive Vice President
Maine Medical Association

Date: 7-18-2011

Zimbra

dmcmahon@mainemed.com

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Fwd: Just checking in about the funding of the Family Medicine pipeline

From : Gordon Smith <gsmith@mainemed.com>
Subject : Fwd: Just checking in about the funding of the Family Medicine pipeline
To : Diane McMahon <dmcmahon@mainemed.com>

Wed, Jul 13, 2011 05:28 PM

needs to be on August 3 E.C. agenda. Probably under new business or my items.

From: "Deborah Taylor" <TAYLORD@cmhc.org>
To: "Gordon Smith" <gsmith@mainemed.com>
Sent: Wednesday, July 13, 2011 4:22:36 PM
Subject: Just checking in about the funding of the Family Medicine pipeline

Hi Gordon,

I know that you had mentioned that the MMA Executive Committee or Board of Directors may be reticent to support medical student interest in Family Medicine in the state of Maine due to the residency faculty's lack of membership in MMA. In light of that, I am still interested in a final decision and wonder if you have one. Just in case I have copied the rationale I sent in an earlier email if it still needs to be vetted more.

Thanks,
Deborah

As Executive Directors of our state organizations for Maine's allopathic and osteopathic physicians, I wanted to make you aware of an exciting upcoming event as well as to ask for your support. The Family Medicine Education Consortium (FMEC) is a 503c group of Departments and Residencies of Family Medicine in the northeast region. Each year, the FMEC sponsors a conference in one of the northeast state's "backyard" - this year we are fortunate to be holding our annual meeting in Danvers, Massachusetts. We wanted to have the meeting in Maine but there were no facilities large enough to accommodate the 300 medical students, 200 residents and 300 faculty attendees. The host committee consists of residencies and medical schools from Maine, New Hampshire, Vermont, Massachusetts and Rhode Island. UNECOM along with the four family medicine residencies in Maine (Bangor, Augusta, Lewiston and Portland) are all active members of the host committee. One of the primary missions of this meeting is to expose and teach early in training medical students to the value and importance of Family Medicine to the health and wellbeing of our communities, especially our rural ones (one of the primary foci of this year's meeting). Another mission is to provide 3rd/4th year medical students in the northeast region to the training opportunities in our host states - in our case, Maine. One of the innovative ways that the FMEC has utilized to improve the pipeline of interest to primary care (and family medicine in particular) is to provide scholarships to medical students to attend the meeting. The scholarship (\$500 each) covers the conference registration (much programming is devoted to medical student level of training), housing and meals for the 3 day conference (10/21-10/23/2011 this year).

Given the mission of widening the pipeline for Family Medicine in general and interest in training and practicing in Maine, we are hoping that the MOA and MMA might have interest in helping to support student scholarships. This would be a tax deductible contribution and your sponsorship could be visibly attached to the student awards.

I look forward to hearing from you about your interest in and capacity to support of local medical students (UNECOM and Tufts-MMC Schools of Medicine) in this endeavor.

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RECEIVED JUL 21 2011



STATE OF MAINE
Department of Public Safety
Maine Drug Enforcement Agency
166 State House Station
Augusta, Maine
04333-0166

PAUL R. LEPAGE
GOVERNOR
JOHN E. MORRIS
COMMISSIONER

ROY E. MCKINNEY
DIRECTOR

July 14, 2011

Gordon Smith, Esq.
Executive Vice President
Maine Medical Association
P.O. Box 190
Manchester, ME 04351

Dear Mr. Smith:

On behalf of Commissioner Morris, I am writing to request your participation in a working group to examine the diversion and misuse of prescription drugs with the goal of developing practical solutions to this issue that confronts Maine. The first meeting of this working group is scheduled for Monday, August 1 beginning at 10AM at DPS Headquarters, 45 Commerce Drive, Augusta in the Fallen Heroes Conference Room.

Commissioner Morris is convening this working group to examine how to attain the goal of reducing the number of unwanted pills. This issue is highlighted by the public health and safety threat posed by the misuse of controlled prescription drugs and the 11,920 pounds of medication destroyed as a result of the April 2011 National Drug Take Back Initiative, sponsored by the U.S. Drug Enforcement Administration. This was seven months after the previous drug take back netted 7,820 pounds from Maine households. Your participation is sought because of your expressed desire to be a participant or you offer insight into how to attain this goal.

We hope that your schedule will permit your attendance. Please call Susan Hewes at 624-8980 to confirm your attendance. Should you have any questions, please do not hesitate to contact Commissioner Morris at 626-3803 or myself at 626-3852.

Sincerely,

Roy E. McKinney
Director
roy.e.mckinney@maine.gov

MAINE'S STATEWIDE DRUG TASK FORCE
WORKING FOR A DRUG-FREE MAINE

Offices located at: 45 Commerce Drive
(207) 626-3850 (Voice) (207) 287-3659 (TDD) (207) 287-3042 (Fax)

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**MPHA 2010/2011
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CHES
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Kate Yerxa, MS, RD

**Physician Advisor*

*Tina Pettingill, MPH
Executive Director*

June 6, 2011

Gordon Smith, JD
Maine Medical Association
P.O. Box 190
Manchester, ME 04351

Dear Gordon:

I am writing to request financial sponsorship of the Maine Public Health Association's 2011 Fall Conference titled **Facing Public Health Challenges of Today for a Healthier Tomorrow**. This conference is important for public health professionals throughout Maine, bringing together people from multiple disciplines to discuss and develop new approaches to protecting and promoting the health of Maine people. We expect about 300 people will attend our conference, which will be held on Tuesday, October 18th at MaineHealth in Portland.

Sponsorship of our Fall Conference is a great opportunity to show your support for the work of MPHA. It is also a chance for conference attendees to learn more about your organization. Sponsorship levels and their benefits are listed on the enclosed forms.

This special event once again promises to be the premier public health conference in Maine. We are extremely fortunate to have Dr. Georges Benjamin, Executive Director of the American Public Health Association, as our keynote speaker. We are thrilled to introduce our audience to this dynamic and engaging speaker; he is incredible! In addition to Dr. Benjamin, our committee has lined up nine fantastic and varied breakout sessions from the best in Maine. And, of course, there will be great opportunities to network with your public health colleagues and learn compelling information from the Board and staff of the Maine Public Health Association. It is also a chance for MPHA to recognize leaders for their outstanding public health achievements.

Don't miss the opportunity to showcase your organization to approximately 300 key leaders in public health and healthcare in Maine. Join us to connect and share with your customers, clients and stakeholders who attend this conference. **To secure your sponsorship and to be recognized in our program materials, please respond by August 1, 2011.** If you have any questions, please call us at (207) 622-7566 ext 0.

Anita Ruff
Anita Ruff, Treasurer

Kristina Pettingill
Kristina Pettingill, Executive Director



Maine Public Health Association Fall Conference
 Held at MaineHealth, 110 Free Street, Portland
 October 18, 2011

SPONSORSHIP FORM
 Due by: August 1, 2011

COMPANY NAME:

MAILING ADDRESS:

(including postal code)

CONTACT NAME:

PHONE:

FAX:

EMAIL ADDRESS:

SPONSORSHIP LEVEL	<input type="checkbox"/> PLATINUM <input type="checkbox"/> GOLD <input type="checkbox"/> SILVER <input type="checkbox"/> BRONZE		
SPECIAL SPONSORSHIP OPPORTUNITIES	<input type="checkbox"/> BREASTFEEDING ROOM <input type="checkbox"/> KEYNOTE SPEAKER <input type="checkbox"/> BREAKFAST <input type="checkbox"/> LUNCH <input type="checkbox"/> FLASH DRIVES		
TOTAL SPONSORSHIP AMOUNT	\$	PAYMENT METHOD <small>(circle)</small>	<input type="checkbox"/> CHECK <input type="checkbox"/> INVOICE

Please send completed form to: maryb@mcd.org or Fax: 207-622-3616
 Mail payment to: Mary Brotherton
 Maine Public Health Association
 11 Parkwood Dr.
 Augusta, ME 04330

THANK YOU FOR YOUR SUPPORT!



2011 Fall Conference Sponsorship Information and Form

The Maine Public Health Association invites you to participate in the development and success of the Annual Meeting as a sponsor of the event. There are four levels of sponsorship, each corresponding to financial support, and an equivalent level of recognition and publicity.

LEVEL	FINANCIAL LEVELS	DETAILS
Platinum	Over \$3,000	<ul style="list-style-type: none"> • Website recognition with link to organization’s website • Organization name in conference advertising materials and brochures • Organization name and logo in program • Verbal recognition at conference • Sponsorship signage at event • Organization name and logo in post-event advertising • Exhibit space • Two conference registrations
Gold	Over \$2,000	<ul style="list-style-type: none"> • Website recognition with link to organization’s website • Organization name in conference advertising materials and brochures • Organization name and logo in program • Verbal recognition at conference • Sponsorship signage at event • Exhibit space • One conference registration
Silver	Over \$1,000	<ul style="list-style-type: none"> • Website recognition • Organization name in conference advertising materials and brochures • Organization name and logo in program • Verbal recognition at conference • Sponsorship signage at event • Exhibit space
Bronze	Over \$500	<ul style="list-style-type: none"> • Website recognition • Organization name in conference advertising materials and brochures • Organization name in program • Verbal recognition at conference • Sponsorship signage at event

Special Sponsorship Opportunities

- Breastfeeding Support Room – \$250
- Keynote speaker – \$3,000
- Healthy breakfast – \$300
- Healthy lunch – \$500
- Flash drives – \$500

Sun Journal

Potential first-in-nation change gets little attention in Maine's health insurance overhaul

By Steve Mistler, Staff Writer
Jul 07, 2011 12:00 am
2 Comments

AUGUSTA — Sweeping changes to the state's health insurance laws were notable for their partisan rancor.

But both parties were silent when it came to the law's little-known provision that sets the stage for Maine to become the first state in the nation to change how employers can provide health insurance coverage.

The new law, PL 90, includes a section allowing employers to band together and offer health insurance through so-called captives, insurance companies that are allowed to finance and leverage risk without having to buy additional insurance to cover that risk.

Proponents say the complicated scheme will allow employers within the captive to provide low-cost insurance plans that are not offered by traditional commercial insurance providers.

Skeptics worry that the unprecedented plan could require additional bureaucracy to ensure it remains in compliance with federal mandates, such as the Employee Retirement and Income Security Act and the Affordable Care Act.

Captives have their critics, who say the industry is less regulated than traditional insurance. Additionally, they say captives can carry more debt than their policyholders are aware of and that companies that fail won't be able to pay claims.

Skeptics in a recent New York Times story compared the growing industry to the mortgage-backed security industry that brought the U.S. economy to its knees.

Captives supporters say such concerns are exaggerated. But even they wonder how Maine's new law will fare.

That's because no other state has allowed captives to offer individual health insurance.

"I think it's scary stuff," said Sandy Bigglestone, Vermont's director of captives. "You're talking about providing insurance to people's lives. It hasn't really fit the captive model."

Vermont leads the country in the captive industry. The state is home to more than 900 captives, representing more than \$25 billion in gross written premiums.

Vermont's captive law was adopted in 1981 and opened the door to an industry that had traditionally operated in offshore locations, such as Bermuda.

Vermont's success in the captive industry has been emulated by at least 30 states, including Maine. All hope to land the highly compensated work force of lawyers, risk managers and consultants needed to run the captives' sophisticated operations.

Vermont has amended its law several times to offer incentives that will maintain the state's lead in the industry. Last year, Maine's Democrat-controlled Legislature passed a bill that created incentives for captives by allowing them to qualify for Pine Tree Zone tax breaks.

Other states have taken a similar approach, but to this point Maine appears to be the first state to allow captives to offer health insurance.

The proposal has influential proponents, including former Gov. John Baldacci, who in a December letter expressed support for a group called the Maine Wellness Association.

The group includes Dr. David Howes, CEO of Martin's Point. Last year, the Maine Wellness Association applied to the Bureau of Insurance to create the health insurance captive.

According to Eric Cioppa, deputy superintendent of the bureau, the application was held up because Maine's existing captive law didn't allow health insurance captives.

This session, several Republican lawmakers sought to change that.

Rep. Wesley Richardson, R-Warren, sponsored LD 783, which proposed several significant changes to Maine's captive law. The bill was co-sponsored by Senate President Kevin Raye, R-Perry, and Rep. Andre Cushing, R-Hampden, the House majority whip.

Richardson, along with the Maine Wellness Association, said the organization represented more than 100 members and that up to 200 employers were interested in obtaining insurance from it.

The bill was heavily lobbied. In two months, the Wellness Association spent \$11,781 advocating for the legislation.

But the bill had its critics, including Anthem, the state's largest health care provider, which worried that the bill created an uneven playing field among insurers because captives would not be subject to the same regulations as commercial insurers.

Former Bureau of Insurance Superintendent Mila Kofman had similar concerns. While she supported the Wellness Association's plans to offer insurance filled with wellness and prevention incentives, she worried that the bill allowed captives to maintain low reserves needed to pay claims.

"Some states are looking at ways to reinvent captives as a way of creating new players in the health insurance market," Kofman said Wednesday. "But it can be pretty dangerous when you apply a different set of rules to these entities that could really destabilize the health insurance market."

LD 783 was killed in committee, but much of its language was folded into LD 1333, which eventually became public law.

Cioppa said the new captive provision was reworked to remove worrisome solvency caps and to ensure that captives would operate under the same conditions as commercial insurers.

Cioppa acknowledged that risks were inherent in traditional captives. However, he said, it was up to state agencies to limit exposure to those risks.

"Ultimately, when you license an agency, you're responsible for its oversight and solvency," he said. "Most states take that obligation very seriously. When companies go insolvent, people get hurt and we're very cognizant of that."

So far, Cioppa said, there's only been one applicant to establish a health insurance captive: the Maine Wellness Association. He said the application is still under review.

If it's approved, other states, including Vermont, will be watching to see whether Maine's captive law works.

Maine lawmakers will be watching, too.

"I'm hoping it works," said Richardson, the bill's original sponsor. "It has some excellent points."

smistler@sunjournal.com

FYI

STATE HOUSE BUREAU

July 21

Forum panel split on new health insurance plan

Experts disagree about the impact of new legislation

By [Susan M. Coverscover@mainetoday.com](mailto:Susan.M.Coverscover@mainetoday.com)
MaineToday Media State House Writer

AUGUSTA -- Health care experts disagreed Wednesday about the impact of new legislation that makes sweeping changes to the health insurance system in Maine.

But at least it's better than the status quo, said a spokesman for business interests.

"It is a legitimate attempt to try and change the status quo that was absolutely, in the eyes of the business community, not working for them," said Peter Gore, vice president of the Maine State Chamber of Commerce.

Gore served on a five-member panel Wednesday at a breakfast meeting at the headquarters of the Maine Hospital Association. The forum was sponsored by the Maine Health Access Foundation, the Maine Medical Association, the Maine Development Foundation and Quality Counts.

Dr. Wendy Wolf, chief executive officer of the Maine Health Access Foundation, laid the groundwork for the forum by talking about L.D. 1333, a law passed with mostly Republican support in May.

"This law represents one of the most significant changes in health insurance since the 1990s," Wolf said.

The law takes steps to ease regulations in the health insurance system. It allows Mainers to buy insurance across state lines, gives insurance companies flexibility in setting rates for people based on age, whether they smoke, and where they live. It also creates a "high risk pool" for people who use a lot of health care services.

To pay for those in the pool, everyone in the state with private coverage will pay as much as a \$4 monthly assessment, which could go as high as \$6. The \$4 assessment would generate \$25 million a year to support the reinsurance pool, said Eric Cioppa, acting superintendent of the state Bureau of Insurance.

Cioppa said the reforms are designed to help people who buy health insurance on their own or through employers whose companies have 50 or fewer workers. Combined, they represent about 135,000 Mainers. Also, there are an estimated 100,000 Mainers without health insurance, he said.

Since 1999, Anthem Blue/Cross Blue Shield has raised rates in the individual market 288 percent, Cioppa said. Many Mainers who buy insurance through the individual market also have deductibles of \$5,000 or more.

One major goal of the law is to increase competition and lower the cost of health insurance for young Mainers, to get them to buy insurance. Joel Allumbaugh, director of Health Reform Initiatives for the Maine Heritage Policy Center, showed a graphic showing that rates for 20-year-olds in Maine are three times those in New Hampshire.

If young and healthy people sign up for coverage, "the more cost-effective it is for all of us," he said.

On the other end of the political spectrum, Garrett Martin of the Maine Center for Economic Policy said that while the law will lower rates for younger Mainers, it will likely increase rates for those who are older and live in rural areas.

"We don't believe that many young and healthy people will come into the market to drive prices down," he said.

He showed a chart indicating that the law will increase costs in northern and eastern Maine, lower costs in southern and midcoast Maine and have no effect on cost in the western lakes and mountain region.

Jeff Austin, chief lobbyist of the Maine Hospital Association, said members of the association are waiting to see how the new system works. "The status quo is so hard to defend, and the status quo does need to be changed," he said.

Susan Cover -- 620-7015

scover@mainetoday.com

Were you interviewed for this story? If so, please fill out our accuracy form