

Community Outreach Work Group
State Planning Grant Conference Call Summary
June 10, 2005

MEETING PARTICIPANTS

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|--------------------|--|
| Denise Daly | REACH |
| Leeanne Sciolto | REACH |
| Tim Henderson | George Mason University |
| PJ Maddox | George Mason University |
| Evelyn Henson | VA Dept. of Minority Business Enterprise |
| Donna Dittman Hale | Consultant for Non-profits, Funders and Health |
| Peggy Whitehead | Blue Ridge Medical Center |
| Susan Alford | Southwest Virginia AHEC |
| Janice Carson | Richmond City Department of Public Health |

BRIEF UPDATE OF WORK DONE TO-DATE/STATUS OF MODEL

- ✓ The Model Development Workgroup decided on a model for the insurance product and will soon have a short summary of the model available.
- ✓ The two main drivers of the guiding principles used when developing the model are:
 - 1) Accounting for the economic and political conditions in the state and developing a model that would be acceptable and feasible given those conditions.
 - 2) Working to not destabilize the current health insurance market and try to limit the potential adverse effects the entrance of a new insurance product to the market could have. The addition of a new product must not cause some individuals to lose coverage or cause employers to drop existing plans.
- ✓ It has been shown that, all other factors aside, the largest single predictor of buying insurance is the cost of the insurance product. Nationally, approximately 2% of a family's income is discretionary for health insurance.
 - \$100 per month is the price ceiling for insurance uptake; the developed product is aimed for a total cost of \$100/month total while also meeting the VA guidelines to be called an insurance product.

THE MODEL

- ✓ The model framework is attached on page 4. Product A is the model while the "Basic Hospitalization Product" is there to be used as a comparison product, showing a conventional plan that could be purchased for a similar price as the SPG proposed product (around \$100/month)
- ✓ **The product is a "small business expansion product" that is only available for distribution through an employer and is only available to businesses that are qualified as NOT participating in a group health insurance plan in the year before.**
- ✓ Around \$100 is the full cost for the employer and employee
- ✓ Currently aiming for employer to pay 50%-60% of premium, keeping the employee portion in the 2% discretionary income range.
- ✓ **Family and Dental are options to add-on for an additional cost**
- ✓ Product will be distributed through a third party administrator (TPA).
 - Education and outreach to the TPAs will be a major influence in the success of the product.
- ✓ TPA and employer incentives will be built into the product administration

- Employers: Some kind of tax-relief (through rebates and/r tax credits) where 80% of the premium is returned to the employer is the goal.
 - TPA: TPAs will continue to be paid commission on the basis of volume, creating incentive for them to recommend the product
 - Education and outreach for the employer, employee and TPA will be an essential component of the model.
- ✓ The product is proposed to consist of three (3) parts and is designed to be end-to-end coverage:
- 1) Upfront – primary care/prevention
 - Small co pay (\$10-\$15 visit in network)
 - 2) Diagnostic – more involved acute/diagnostic care
 - Higher deductible
 - Lifetime cap
 - “Less rich coverage”
 - Higher co-pay
 - 3) Catastrophic – true catastrophic insurance to protect from financial ruin
 - For hospital stays, etc
 - Higher co-pay
 - Lifetime cap
 - True catastrophic protection
- If the co-pay or ceiling is adjusted, the product cannot be available for under \$100/month
 - The model will also provide minimum prescription drug coverage with a standard formulary
- ✓ At most a person will spend between \$4000 and \$6000.
- ✓ The product provides incentives for early treatment, while providing NO incentive for the sickest of the sick to join. It is built to attract healthy young workers
- ✓ The product is not conditional upon United States citizenship. The VA state regulations will apply regarding citizenship and eligibility.
- ✓ The VA state regulations will also be followed regarding pre-existing condition coverage.

SELECTION OF TEAM LEAD FOR EACH HEALTH PLANNING REGION/ GENERAL AGENDA FOR TOWN-HALL MEETINGS

- ✓ One to three people from each Health Planning Region will serve as coordinators for their region.
- ✓ A town-hall style meeting can be used as well expanding your network and your network’s network to reach all targeted populations
- ✓ Surveys of clients at health centers and clients of the Wellness Passport can be a low-effort method of reaching many people in a way that is comfortable and safe to them.
 - Survey should be short, consisting of a one-page description of the product along with approximately 10 check box and short answer questions.
- ✓ To reach health professionals and health workers, town-hall style meeting can be used. Other effective meeting styles include small round-table discussions in your office and brief meetings with colleagues.
- ✓ **Community feedback must be collected to be reported back to the Health Department by Mid-July**
- ✓ **The general agenda for town-hall and face-to-face meeting is:**
 - 1) **Welcome**
 - 2) **Overview of the Issue**
 - 3) **General information and background about the product**

4) Feeler questions to get eh group talking

- **Sessions should last a maximum of 2 hours. Forty-Five (45) minutes to describe the model and 1 hour for questions and answers**

NEXT STEPS

- ✓ Leeanne and Denise will work with PJ Maddox and Tim Henderson to get packets of information out about the product
- ✓ Leeanne and Denise will work with George Mason University to get a press release out that can also be used by you and your local resources
- ✓ Leeanne will develop a checklist of things to remember for meetings. She will also be able to assist with the logistics of setting up meetings if need be. There is funding to help in the process of soliciting feedback, please let Leeanne or Denise know if you will require some funds to set up a meeting (i.e., to pay for a room, etc)

SPG Proposed Model Framework

| Service | Product A: Proposed Model Framework | Basic Hospitalization Product (comparison product) |
|--------------------------------|--|--|
| Annual deductible | \$500-\$1500 | \$1000-\$2000 |
| Annual Out of Pocket Maximum | \$4000-\$6000 | \$4000-\$6000 |
| Inpatient Services | 30-40% coinsurance AD | 30-40% coinsurance AD limited to 30days per calendar year |
| Outpatient Surgery | 30-40% coinsurance AD | 30-40% coinsurance AD limited to 30days per calendar year |
| Physician Office Visits | Visits 1-4 \$30-\$45 copay w/deductible waived Visits 5+ 30-40%AD | Up to 3 visits only \$20-\$40 w/deductible waived or 50% of 1 st \$1000 |
| Diagnostic Lab and X-ray | 30-40% coinsurance AD | Not covered |
| Preventative Care for Adults | Visits 1-4 \$30-\$45 copay w/deductible waived Visits 5+ 30-40%AD Includes colorectal cancer screenings, annual pap smears, annual mammograms, PSA screenings; 30-40% AD | Mandated services only |
| Preventative Care for Children | Available as rider Or 100% coverage imbedded | Available as rider Or 100% coverage imbedded |
| Emergency Room Visits | 30-40% coinsurance AD | 30-40% coinsurance AD |
| Maternity | \$3000-\$4000 copay | \$3000-\$4000 copay |
| Prescription Drugs | Not covered or generic only | Not covered |
| Annual Maximum | \$25,000-\$50,000 | N/A |
| Riders | Dental Rider | |
| Out of Network Deductible | 2x in network deductible | 2x in network deductible |
| Out of Network Out of pocket | 2x in network out of pocket | 2x in network deductible |
| Out of Network Coinsurance | 40-50% AD | 40-50% AD |

AD = After Deductible