

**Dirigo Health Agency  
Board of Directors  
Minutes of Meeting  
September 19, 2007**

The Dirigo Health Agency Board of Directors held a meeting on Wednesday, September 19, 2007. Dr. Robert McAfee, Chair, convened the meeting at 1:03 PM in the Dirigo Health Agency Board Room, located at 211 Water Street in Augusta. Other Board members in attendance: Jonathan Beal, Edward David, Rebecca Wyke, Lloyd Lafountain, and Trish Riley. Also in attendance: Karynlee Harrington, Executive Director of the Dirigo Health Agency, William Kilbreth, Deputy Director of the Dirigo Health Agency, and William Laubenstein of the Attorney General's Office.

The Board unanimously approved the minutes from the August 3, 2007 meeting.

Ms. Harrington recommended to the Board that they go into Executive Session pursuant to Title 1, Chapter 13, Subchapter 1, Section 405, Paragraph 6 E which allows the Board to discuss legal matters with their attorney.

The Board so moved to go into Executive Session. The Board moved to come out of Executive Session.

Upon returning from Executive Session Dr. McAfee stated that during the Executive Session the time was spent discussing the Superintendent's decision regarding the savings offset payment decision with William Laubenstein of the Attorney General's Office and that no formal action was taken.

**Enrollment Update**

As of August 1, 2007 there are 15,113 members enrolled with 5,593 enrolled through the parent expansion. (Refer to August Enrollment report) August was the last month that new enrollment was accepted. An enrollment cap was put into effect on September 1, 2007. There was an individual cap as of August 1, 2007.

**Determination of SOP Amount**

Ms. Harrington stated that once savings have been determined it is then up to the Board to determine the savings offset payment amount. The requirement currently in the law is that the Board makes the determination prior to April 1<sup>st</sup> but because of the change in the last legislative session the date the Board must determine the savings offset amount is not later than January 1<sup>st</sup>.

Ms. Harrington reviewed the language in 6913 (2) which describes the determination of savings offset amount to be applied during the 12-month period beginning July 1, 2008. Ms. Harrington provided the Board with hard copies of the reports described in 6913 (2).

Ms. Harrington handed out to the Board a document with a recommendation regarding the amount of the savings offset payment to be applied beginning July 1, 2008 (refer to document).

The Board voted unanimously to accept the Agency's recommendation to assess the full \$32.8 which translates into a 1.74% assessment.

**Harvard Pilgrim Update**

After months of discussions and negotiations with Anthem the Agency made the decision that the financial terms and conditions set forth by Anthem were not terms and conditions that the Agency could agree to. As such the contract between the parties will end December 31, 2007.

Ms. Harrington provided the Board with a status update regarding the contract negotiations with Harvard Pilgrim Health Care. Both the Agency and Harvard Pilgrim are working on building the operational infrastructure. Both parties are also working closely with the Bureau of Insurance and Anthem Blue Cross and Blue Shield of Maine on transitional issues. Common goal is a smooth transition for the 15,000 members covered.

**Highlights:**

- o Bureau of Insurance approved a force migration (moving all 15,000 members over to Harvard January 1, 2008)
- o First of October Harvard Pilgrim will file rates for both the individual/self-employed group as well as the small group segment.
- o Agency expects Harvard to file rates that allow the Agency to manage to our budget
- o Harvard plans to honor current rates in 2008 until each subscriber/small group's renewal date.

**Group A DirigoChoice/MaineCare**

Ms. Harrington reminded the Board that the Group A population are the dual eligibles for MaineCare/DirigoChoice. CMS approved the managed care contract between DHHS and Anthem and they also approved the rate certification for this population. However, CMS sent DHHS an official denial specific to the financing of this group.

As such, Ms. Harrington recommended that they temporarily eliminate Group A from DirigoChoice (approximately 81 participants) until this legal matter is resolved (outside counsel has been retained). The Agency will work closely with DHHS and the 81 members that will be eligible to move to a subsidy group or Medicaid directly. Once we work through the issues with CMS we will re strategize how we market to this group.

The Board agreed unanimously to adopt the Agency's recommendation to temporarily eliminate Group A.

**Public Comments**

There were no public comments.

The Board voted again to move into Executive Session pursuant to Title 1, Chapter 13, Subchapter 1, Section 405, Paragraph 6 E which allows the Board to discuss legal matters with their attorney. The Board moved to come out of Executive Session.

**Next Meeting**

The next meeting will be held on Monday, October 15, 2007 beginning at 1:00 PM.