

**MINUTES OF THE
PRIVATELY OWNED HEALTH CARE ORGANIZATION TASK FORCE**

Wednesday, June 22, 2005 – 9:00 a.m. – Room W135 House Building

Members Present:

Sen. Michael G. Waddoups, Senate Chair
Rep. David Clark, House Chair
Sen. Gene Davis
Sen. Mark B. Madsen
Sen. Ed Mayne
Rep. Jackie Biskupski
Rep. Stephen D. Clark
Speaker Greg J. Curtis
Rep. Brad L. Dee
Rep. James A. Dunnigan
Rep. Patricia W. Jones
Rep. Bradley G. Last
Rep. Rebecca D. Lockhart

Members Absent:

Sen. John W. "Bill" Hickman
Sen. Peter C. Knudson

Staff Present:

Ms. Constance C. Steffen, Policy Analyst
Ms. Allison Morgan, Policy Analyst
Ms. Catherine J. Dupont, Associate General Counsel
Ms. Patricia Owen, Associate General Counsel
Ms. Cassandra N. Bauman, Legislative Secretary

Note: A list of others present and a copy of related materials can be found at www.leg.utah.gov or by contacting the task force secretary, Joy Miller, at 538-1032. A recording of the meeting may also be available from the task force secretary.

1. Task Force Business

Chair Waddoups called the meeting to order at 9:12 a.m.

MOTION: Sen. Mayne moved to approve the minutes of the June 9, 2005 meeting. The motion passed unanimously with Sen. Davis and Rep. Dunnigan absent for the vote.

Speaker Curtis distributed and reviewed, "Privately Owned Health Care Task Force – Information Protocol."

Task force members discussed the MOU (Memorandum of Understanding) between IHC (Intermountain Health Care) and the Speaker of the House of Representatives and President of the Senate and debated potential policy for obtaining necessary information.

Mr. Doug Hammer, Vice President/General Counsel, IHC, stated that IHC is committed to being open in all aspects of the Task Force's operations. He stated that there should be a test of relevance as it relates to data requests and indicated that the MOU states that IHC will be forthcoming with any data that is "necessary for the task force deliberations." He stated that the Task Force should ask the following questions in determining relevance: What are the priority tasks that the Task Force will address? What are the significant questions as it relates to those tasks? He said it would be appropriate to submit requests in writing so that IHC can adequately and in a timely manner respond to the Task Force's priorities and asked the Task Force to establish a framework for making information requests.

Mr. Darin Underwood, LAG (Legislative Auditor General's Office), indicated that the guiding principle for an audit shop is that the auditors are not directed by the auditee in its process of auditing. He noted

that the LAG does not have constitutional or statutory authority to audit IHC or any other private provider, but is given authority to gather data in the MOU.

Rep. Lockhart asked about the statutory authority to audit if public funds are involved. Ms. Dupont indicated that the LAG's authority to audit IHC would be merely to audit the public funds.

Mr. Ronald Ockey, Assistant Attorney General, Commercial Enforcement Division, Attorney General's Office, indicated that the Division routinely reviews matters that arise in the area of competition law and anti-trust law both on a state and federal level. He stated that the attorney general may use subpoena powers to obtain necessary information for its audits, but must have a valid reason. He explained that some information obtained may be subject to GRAMA (Government Records Access and Management Act) and should be maintained as protected information.

Ms. Dupont explained that the Task Force and staff may treat proprietary information provided by IHC as protected under GRAMA, if requested by the company.

Mr. Spencer Stokes, MountainStar Healthcare, indicated that the provision of information other than what is publicly provided to the Securities and Exchange Commission has not been discussed by the company. He noted that MountainStar has not signed an MOU to provide information.

Speaker Curtis requested that staff provide a history of the MOU and the discussions that took place on the House and Senate floor. He expressed concern that the MOU is being taken further than intended.

MOTION: Speaker Curtis moved to proceed to the next item on the agenda.

SUBSTITUTE MOTION: Rep. D. Clark moved to adopt a structure for submitting information requests that incorporates the following components: 1) a written request for information is submitted; 2) a connection to S.B. 61 is identified; 3) staff investigates the availability of public information to respond to the request; and 4) similar or related information is requested about peers. At the suggestion of Sen. Madsen, Rep. D. Clark amended his substitute motion to also direct staff to draft a process for submitting information requests and a protocol to follow when receiving proprietary information.

The substitute motion passed unanimously.

MOTION: Rep. D. Clark moved that the Task Force prioritize study issues in the following order: insurance, hospitals, and other providers.

SUBSTITUTE MOTION: Rep. Jones moved that the Task Force subdivide the study issues by studying the following for each issue: market penetration, the impact of divestiture, and charitable care. The substitute motion passed with Rep. S. Clark voting in opposition.

Rep. S. Clark distributed a letter to the chairs suggesting that the Task Force focus in three major areas in healthcare services: accessibility, technology, and cost.

2. 2004 Health Insurance Market Report

Dr. Jeffrey E. Hawley, Research Analyst, Health Insurance Division, Utah Insurance Department, distributed and presented, "Health Insurance Market Report: UCA §31A-2-201(7)." He said that, typically, the term "health insurance" only applies to commercial companies in the business of managing risk. Health plans administered by a third party payer are called health benefit plans or self-funded employer plans. He indicated that the purpose of the report was to measure the distribution of the various types of coverage in the state. Dr. Hawley and Ms. Suzette Greenwright, Director, Health Insurance Division, Utah Insurance Department, responded to questions.

3. Health Data Committee

This item was postponed until the next meeting.

4. Utah Health Information Network

This item was postponed until the next meeting.

5. Health Insight

This item was postponed until the next meeting.

6. Other Items / Adjourn

The next meeting is Thursday, July 7, 2005 at 9:00 a.m.

MOTION: Sen. Davis moved to adjourn the meeting. The motion passed unanimously with Sen. Madsen absent for the vote.

Chair Waddoups adjourned the meeting at 12:47 p.m.