

**MINUTES OF THE  
HEALTH REFORM TASK FORCE**

Thursday, September 29, 2016 – 1:00 p.m. – Room 30 House Building

**Members Present:**

Sen. Allen Christensen, Senate Chair  
Rep. James A. Dunnigan, House Chair  
Rep. Michael S. Kennedy  
Rep. Edward H. Redd  
Rep. Dean Sanpei

Sen. Peter C. Knudson  
Rep. Rebecca Chavez-Houck  
Rep. Francis D. Gibson  
Rep. Marie H. Poulson

**Members Absent:**

Sen. J. Stuart Adams  
Sen. Gene Davis

**Staff Present:**

Mr. Mark Andrews, Policy Analyst  
Mr. Michael E. Curtis, Associate General  
Counsel  
Ms. Lori Rammell, Legislative Assistant

**Note:** A list of others present, a copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Task Force Business**

Chair Dunnigan called the meeting to order at 1:12 p.m. Rep. Chavez-Houck and Rep. Poulson were excused from the meeting.

**MOTION:** Sen. Christensen moved to approve the minutes of the July 14, 2016, meeting. The motion passed unanimously. Rep. Redd was absent for the vote.

**2. Reports from Workgroups**

Ms. Eliana White, Director, Government Relations, SelectHealth; and Ms. Michelle McOmber, Chief Executive Officer, Utah Medical Association, reported on the progress of the Network Adequacy/Surprise Billing Workgroup. They said the group is working toward agreement on what changes need to be made in statute and in rule.

Chair Dunnigan reported on the work of the Managed Care Workgroup, which he said agreed to the process of unifying some of the managed care regulations and creating a new chapter in the Insurance Code for managed care plans.

Rep. Ken Ivory, representing the Telehealth Workgroup, distributed “Telehealth Workgroup Report to HRTF” and reported that, among other things, the workgroup is considering ideas for several telehealth pilot programs.

**3. Cost and Coverage Update**

Mr. Russell Frandsen, Fiscal Analyst, Office of the Legislative Fiscal Analyst, distributed and presented “Updated Forecasts for Full Medicaid Expansion Costs.” He presented updated estimates of the cost and coverage impacts of expanding Medicaid eligibility. The task force requested that Mr. Frandsen update the figures further to reflect premium changes in the federal health insurance exchange.

Mr. Nate Checketts, Interim Director, Medicaid and Health Financing, Utah Department of Health, responded to questions from the task force regarding projected cost increases for Medicaid expansion.

#### **4. Health Insurance**

Mr. Jaakob Sundberg, Actuary, Utah Insurance Department, presented “2017 Utah Rates” and explained the anticipated increase in individual and small group market rates for 2017. He also noted events that may affect future insurance rates.

Ms. Tanji Northrup, Assistant Commissioner, Utah Insurance Department, briefed the task force on expected changes in 2017 health insurance premiums.

#### **5. Future of the SHOP**

Mr. Val Hale, Executive Director, Governor’s Office of Economic Development, introduced Ms. Patty Conner.

Ms. Patty Conner, Director, Avenue H, Governor’s Office of Economic Development, presented “Avenue H, Health System Reform Task Force” and reviewed the growth of Avenue H, which administers the federal Small Business Health Options Program (SHOP). She reported on challenges faced by Avenue H and the Salt Lake Chamber's study of whether Avenue H could be converted to a nonprofit organization expanded to serve a larger market.

Ms. White distributed and read aloud a statement from SelectHealth regarding SelectHealth’s participation in Avenue H.

Mr. Russell Trujillo, Executive Vice President and Cofounder, HSA Health Insurance Company, stated that HSA finds value in being involved in Avenue H.

Mr. Craig Paulson, President-Elect, Utah Association of Health Underwriters, stated that the value of Avenue H is that employers can go to the exchange to make their health insurance decisions, but this value is diminishing as fewer carriers offer plans through the exchange and none of those plans include out-of-state coverage.

Mr. Andrew Croshaw, Cochair, Health Reform Task Force, Salt Lake Chamber, expressed concern by chamber members over health care costs. He said the chamber is committed to the continued existence, and even expansion, of Avenue H, either as a for-profit or nonprofit entity.

Mr. Jason Stevenson, Education and Communications Director, Utah Health Policy Project, stated that HealthCare.gov and Avenue H are similar in many ways, but the key difference is that those who have employer-based insurance cannot shop for insurance on HealthCare.gov. He recommended the development of state-based solutions to the so-called "family glitch" in HealthCare.gov, which is that eligibility for federal subsidies is based on the cost of an individual health insurance policy rather than the cost of a family health insurance policy.

Ms. Northrup stated that the Insurance Department appreciates having a state-based SHOP and would prefer to see it maintained. She said that with a state-based SHOP, the department is able to have input on some of the policy decisions related to the SHOP. She outlined some of the efforts the department has made to increase the number of carriers in Avenue H.

#### **6. Adjourn**

Chair Dunnigan adjourned the meeting at 3:44 p.m.