

# LOUISIANA HEALTH PLAN

## MINUTES

### BOARD OF DIRECTORS MEETING

November 15, 2011

#### ATTENDANCE:

Board Members Present: Scott Westbrook, Robelynn Abadie, Kevin Bridwell, Michele Calandro, Derrell Cohoon, Dr. William Dimattia, Phyllis Perron, Emma Fontenot

LHP Staff Present: Leah Barron, Carl Mautner, Reva Broussard, Jon Bonneval, Kathy Stern

#### MINUTES

There were no Minutes.

#### OLD BUSINESS

CEO, Leah Barron, explained that at the board meeting held on November 2, 2011 a Motion had been passed for the HIPAA Plan to utilize a premium rate between 125% - 175% of premium that would yield an assessment of \$7.7 million (inclusive of 5% uncollected amounts). Upon further review of the rates, several board members expressed concern that the 14.8% premium increase was higher than expected. Ms. Barron was asked to request from Milliman numbers between Scenario 2 and 2.5 using the weighted load between 150% and 167% to yield an assessment to the carriers of approximately \$7.77 million.

#### NEW BUSINESS

#### MOTION

Dr. Dimattia made a motion to rescind a motion previously adopted at a board meeting held on November 2, 2011. The motion to rescind read:

“Dr. Dimattia made a motion to approve for the HIPAA Plan to use the weighted average at a percentage net of grant funds between 150% and 175% that will maintain an assessment of \$7.77 million (inclusive of 5% for uncollectible amounts). To use the combined benefit enhancements of both Group A and Group B:

1. Group A

The prescription deductible reduction:

- a. \$1,000 Plan Prescription deductible reduced from \$250 to \$100
- b. \$2,000 Plan Prescription deductible reduced from \$500 to \$200
- c. \$3,500 Plan Prescription deductible reduced from \$875 to \$350
- d. \$5,000 Plan Prescription deductible reduced from \$1,250 to \$500

2.Group B

- a. increase in annual maximum limit from \$150,000 to \$200,000
- b. increase in lifetime maximum limit \$750,000 to \$1,000,000
- c. increase in wellness benefit from \$300 to \$500
- d. increase annual prescription drug limit from \$20,000 to \$25,000
- e.. increase the transplant limit from \$150,000 to \$200,000
- f. add smoking cessation benefit
- g. provide coverage for oral contraceptives

Use the December 31, 2013 termination date (under PPACA) with the understanding that claims runout may last as long as 18 months.

Motion seconded by Michele Calandro. No opposition. Motion passed”

Phyllis Perron seconded the motion to rescind the above Motion that was passed on November 2, 2011. No opposition. Motion passed.

**Revised HIPAA Premium/Assessments for the year 2012**

Leah Barron presented a projection for the HIPAA Plan that would reduce the premium increase. In the new scenario 2.3, the premium rates are at 160% of the weighted average with the same benefits as previously approved. The assessment to the carriers would be \$7.713 without an additional 5% for uncollected amounts. The average increase would be 9.8% (it had been 14.8% in the previously approved model).

**MOTION**

Robelynn Abadie made a motion to approve for the HIPAA Plan to utilize the 160% weighted average of the top five carriers as the premium level for the HIPAA Plan for the year 2012 to include the following benefit enhancements of Group A and Group B:

1. Group A

The prescription deductible reduction:

- a. \$1,000 Plan Prescription deductible reduced from \$250 to \$100

- b. \$2,000 Plan Prescription deductible reduced from \$500 to \$200
- c. \$3,500 Plan Prescription deductible reduced from \$875 to \$350
- d. \$5,000 Plan Prescription deductible reduced from \$1,250 to \$500

## 2. Group B

- a. increase in annual maximum limit from \$150,000 to \$200,000
- b. increase in lifetime maximum limit \$750,000 to \$1,000,000
- c. increase in wellness benefit from \$300 to \$500
- d. increase annual prescription drug limit from \$20,000 to \$25,000
- e.. increase the transplant limit from \$150,000 to \$200,000
- f. add smoking cessation benefit
- g. provide coverage for oral contraceptives

Use the December 31, 2013 termination date (under PPACA) with the understanding that claims runout may last as long as 18 months.

Motion seconded by Dr. Dimattia. No opposition. Motion passed.

## **MOTION**

Robelyn Abadie made a motion to adopt \$7.713 million dollars as the assessment amount for the year 2012 without an additional 5% for uncollected amounts. Motion seconded by Dr. Dimattia. No opposition. Motion passed.

## **OTHER BUSINESS**

There was no other business.

## **MOTION**

Derrell Cohoon made a motion to adjourn the meeting. Motion seconded by Robelynn Abadie. No opposition. Motion passed.