

MINUTES

HEALTH REFORM LEGISLATIVE TASK FORCE

December 15, 2015

The Health Reform Legislative Task Force met Tuesday, December 15, 2015 at 1:00 p.m. in Committee Room A of the Big MAC Building, Little Rock, Arkansas.

Senate Health Reform Task Force Members Attending: Senators Jim Hendren, Chair; Cecile Bledsoe, Vice Chair; Linda Chesterfield, John Cooper, Keith Ingram, Jason Rapert, and Terry Rice.

House Health Reform Task Force Members Attending: Representatives Charlie Collins, Chair; Reginald Murdock, Vice Chair; Justin Boyd, Joe Farrer, Deborah Ferguson, Michelle Gray, Kim Hammer, and David Meeks.

Non Legislative Members Attending: Gregory Bledsoe, M.D., Arkansas Surgeon General.

Other Legislators Attending: Senators Alan Clark, Linda Collins-Smith, Jonathan Dismang, Joyce Elliott, Jane English, Stephanie Flowers, Jeremy Hutchinson, Missy Irvin, Blake Johnson, Uvalde Lindsey, Gary Stubblefield, and Larry Teague. Representatives Charles Armstrong, Bob Ballinger, Ken Bragg, Andy Davis, Jim Dotson, Charlotte Vining Douglas, Kenneth Ferguson, David Fielding, Charlene Fite, Vivian Flowers, Mickey Gates, Michael John Gray, Ken Henderson, Grant Hodges, Lane Jean, George McGill, Micah Neal, John Payton, Rebecca Petty, Mathew Pitsch, Laurie Rushing, Nelda Speaks, Dwight Tosh, and Dave Wallace.

Call to Order & Comments by the Chairs

Representative Charlie Collins called the meeting to order. He thanked Senator Cecile Bledsoe for serving as Senate Chair while Senator Jim Hendren was absent due to a military obligation. Next he welcomed Senator Hendren back from his tour of duty; and thanked him for helping to defend The United States against terrorism. Senator Hendren thanked everyone for filling in for him.

Consideration to Approve the November 24, 2015 Meeting Minutes (EXHIBIT C)

Without objection the minutes from the November 24, 2015 meeting were approved.

Representative Michelle Gray, et al. DiamondCare Proposal Discussion (*Handouts # 1-A & 1-B*)

Representatives Michelle Gray, Joe Farrer, Justin Boyd, Deborah Ferguson, and Senator Missy Irvin, presented an alternate health care plan, known as DiamondCare. Each presenter spoke in detail about each component in this plan.

Ray Hanley, President/CEO, Arkansas Foundation for Medical Care (AFMC), responded briefly to Representative Kim Hammer's question regarding 'risk', and described AFMC's responsibilities in regard to contractual liabilities that can potentially happen within health care programs, but he stated that AFMC would not be the 'at risk' party for the DiamondCare health care plan.

John Selig, Director, Department of Human Services, was asked to comment on the DiamondCare plan. Mr. Selig stated that from the testimony he has heard today, his one great concern is that to get the savings this plan states, some entity will have to be 'at risk' to generate these savings; and he agrees with Mr. Hanley that this group will not be able to shoulder this risk. Mr. Selig maintains that a hybrid plan would be better for Arkansas.

Discussion of the Draft Decision Matrix (*Handout 2*)

John Stephen, Managing Partner, Richard Kellogg, Senior Consultant, and Stephen Palmer, Senior Consultant, all with The Stephen Group (TSG), described and discussed the drafted Comparison Matrix of the proposed health care programs. The various health care programs presented in this matrix were shaped by TSG, Governor Asa Hutchinson, and the DiamondCare Group.

Mr. Stephen stated that since time is critical, The Health Reform Task Force should submit their recommendations to the Governor by December 31, 2015; as it is vital to begin making progress in attaining savings and improving efficiency as soon as possible.

Max Greenwood, a representative of Blue Cross-Blue Shield Insurance Company, will provide the requested amount of premium tax for 2015 that insurance companies have paid to the state of Arkansas. Representative Collins asked Ms. Greenwood to also provide what the difference would be if the program was a Managed Care Medicaid program. Ms. Greenwood agreed to provide this information.

Mr. Stephen stated that The Arkansas Insurance Department included this information in a letter to TSG, and this letter has been provided to the task force members.

The task force adjourned at 4:30 p.m.