

Louisiana Health Care Commission Meeting Minutes
Poydras Building Hearing Room
Baton Rouge, Louisiana
November 30, 2018

Members present: Lauren Bailey, Katie Brittain, Lisa Gardner, Arnold Goldberg, Dr. Faye Grimsley, Linda Hawkins, Randal Johnson, Jennifer Katzman, Darrell Langlois, Barbara Morvant, Frank Opelka, John Overton, Ed Parker, Stephanie Phillips, Clay Pinson, Dr. Anthony Recasner, Debra Rushing, Dr. James “Butch” Sonnier, Elizabeth Sumrall

Members absent: Robelyn Abadie, Jeff Albright, Rick Born, Diane Davidson, Dr. Rachel Durel, Dr. William Ferguson, Dr. John Fraiche, Dr. Marlon Henderson, Rep. Mike Huval, Jesse Lambert, Dr. Eva Lamendola, Jesse McCormick, Jennifer McMahan, Andrew Muhl, Ronnell Nolan, Patrick Reed, Judy Wagner, Senator Rick Ward, Scott Webre, Dr. Shondra Williams, LaCosta Wix

Staff present: Crystal M. Stutes and Julie Freeman

Ms. Crystal Stutes, Executive Director of the LHCC, called the meeting to order at 9:10 a.m. and noted that Chairperson Fraiche would not be present at the meeting. She then introduced Mr. Frank Opelka, the new Deputy Commissioner of Life, Health & Annuity, who gave members an overview of his professional background and experience, and then gave an update on the most recent activity of the Office of Health, Life & Annuity. He reported on the new set of federal regulations (the Final Rule) promulgated by the Department of Labor to create different vehicles to be used as alternatives to traditional health insurance.

Associated Health Plans (AHPs):

- Expands the ability for Multiple Employer Welfare Arrangements (MEWAs) to come together and form associations on the basis of common geography or industry.
- There are two self-funded plans in Louisiana licensed for licensing products for fully-insured plans.
- Allows for greater flexibility in terms of how groups may associate with each other.
- Interest has generated from groups that want to self-fund an AHP, although traditional insurers are uncomfortable with the idea of pursuing the pathway under the new rule that has more restrictive rating guidelines.

Short-Term Health Plans:

- Adopted on October 2, 2018.
- Established under the Affordable Care Act.
- Previously, the Obama Administration limited the length of a short-term plan to a maximum of three months.
- Under the Trump Administration, it extends the rule to 364 days and then allows for renewal up to a total of 36 months.
- Interest in short-terms plans have been greater than those of association health plans thus far, presumably because they are simpler to set up.
- To date, ten insurers have submitted applications in Louisiana and nine of them have been approved to sell products on the Individual Market.
- Compared to traditional plans, these plans do not have Essential Health Benefit requirements.
- Often these plans are set up by “per occurrence” and “lifetime benefit restrictions,” so they have a tendency to be more restrictive in terms of the services they offer than that of a traditional insurance plan.

Health Reimbursement Arrangement (HRA) Rule:

- Allows an employer to fund the premium of its employees through the individual market rather than purchasing traditional insurance for them.
- HRA Rule restrictions cause concern in precluding the individual market from gaining more risk.
- The rule will not be final until January 2020.

Other Activity:

- The Centers for Medicare & Medicaid Services released 1332 Waiver Models that have generated great interest in pursuing these models on the federal level.
- The rules are less restrictive in terms of when states can and cannot apply; how much authority states need to pursue a 1332 Waiver; and and the level of evidence that is required to demonstrate that it is acceptable.
- The Reinsurance Model is also still available.

Darrell Langlois, Senior Vice President, Strategy and Business Development at Blue Cross and Blue Shield of Louisiana, commented on the Department’s prior pursuit of a 1332 Waiver with the Legislature that approved the authorization but denied its attempts to fund it, and questioned whether these new rules would heighten the Department’s interest in pursuing another 1332 Waiver. Mr. Opelka stated the new rules will not ease the path for a 1332 Waiver in that context due to the fact that the issues that precluded it from moving forward last year have not been addressed by the rule change.

Ms. Stutes then asked that roll be called, providing a quorum for the record. After roll call, Ms. Stutes then introduced Mr. Doug LeBlanc, Policy Coordinator for Louisiana Cancer Prevention and Control Programs; Mr. John O’Donnell, Director of Southwest Louisiana Area Health Education Center and Dr. Justin Kozak, Research and Policy Analyst for the Center for Planning Excellence (CPEX), who all gave presentations on Complete Streets Initiative – An “Intervention” to Thwart Obesity and Promote the Health of Louisiana Citizens.

The presentations may be found at: <http://www.lda.la.gov/consumers/boards-commissions/health-care-commission/lhcc-meetings>

Ms. Stutes asked members to submit any recommendations for the LHCC Annual Report to her, including any future areas of study. With no further business, Ms. Stutes asked for a motion to adjourn the meeting. Dr. Grimsley moved to adjourn and Arnold Goldberg seconded the motion. Hearing no objections, the meeting was adjourned at 11:00 a.m.