

**Revised Draft Work Plan for HJR 48-- Study Regarding Health Care Financing**

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**Introduction**

This revised Draft Work Plan for House Joint Resolution No. 48, a study of health insurance reform and public funding of health care programs, will require a minimum of 16 hours of concentrated committee or subcommittee work time. That can be accomplished in four 4-hour half-days or a combination of full day subcommittee meetings and limited full committee time.

This Draft Work Plan lists topics to be addressed as provided in HJR 48, divided into menu options based on what deliverables are preferred. The main study areas are: approaches to health-care financing (insurance exchange, tax credits, expansion of existing systems), use of health insurance pools and community delivery systems, and the advantages or disadvantages of mandated coverage (in total or in types of service) and of health savings accounts. Deliverables can be specific, as in legislation, or general, as in information.

**I. Scope of Study**

The Legislative Council on May 15, 2007, assigned House Joint Resolution No. 48, a study regarding health insurance reform and systems of paying for health care, to the EAIC with the suggestion that a joint subcommittee be formed with the Children, Families, Health and Human Services Committee. The EAIC chose at its June meeting to request that the Children, Families, Health and Human Services Committee form a joint subcommittee and appointed members. At an August meeting, the EAIC reconsidered that vote and decided to keep HJR 48 solely in the EAIC and within a subcommittee.

**II. Issues as listed in legislation with related activity**

The goal of the study is to review options for increasing access to health care at reasonable costs. Access involves who pays for coverage of health care services as well as availability. Reasonable costs involve issues of quality and affordability of care or of health insurance premiums. The study is broad in its list of issues. Specifically listed tasks include:

- Study creation of a system of universal, portable, affordable health insurance coverage that involves private health insurance issuers and incorporates existing public programs.
- Study ways to improve the quality, affordability, and delivery of health care.
- Study use of a health insurance exchange and what would be necessary to implement it.
- Examine similar reforms enacted in other states, including the cost of the reforms to the states and to consumers, any improvements in affordability or availability, and barriers to enactment, along with solutions to those barriers.
- Study advantages and disadvantages of mandating private universal coverage.
- Address whether and, if so, how to incorporate existing state-related insurance programs into

reforms.

- Address whether to include public employee health benefit programs in a reform proposal.
- Address whether to maximize the use of federal funds and ensure broader coverage through existing publicly funded health care programs, including Medicaid and the Children's Health Insurance Program, and, if so, what types of changes might be needed.
- Examine how health care providers handle uncompensated care and provide an estimate of the uncompensated costs.
- Examine opportunities for coordination with the federal government and tribes regarding health care services and programs.
- Examine other issues related to access to health care, including access in rural areas.
- Examine opportunities for coordinating workforce planning and medical education funding.
- Involve interested parties.

### **III. Study Schedule (all times tentative -- this will be revised, depending on menu choices)**

#### **Original Schedule:**

- June to September** Staff to compile from legislators, other states, and interested persons a list of goals and concerns plus background reports on HJR 48 issues.
- 1st meeting (1-2 hrs)** Committee/subcommittee to adopt work plan and operating guidelines, scope of study and types of deliverables.
- 2nd meeting (4 hrs)** Speakers on three types of health care financing: health insurance exchange, tax credits, combination of private/public pay. Panel on self-sufficiency, insurability, underinsured.
- 3rd meeting (4 hrs)** Panel discussions/reports on expanding existing insurance pools (state, teachers, Insure MT, Montana Comprehensive Health Association) and roles of Indian Health Service and community health centers.
- 4rd meeting (4 hrs)** Panel discussion on mandated universal coverage through private and public payors and changes in existing mandates to provide more price ranges for existing private pay insurance. Examine Health Savings Accounts. Choose whether to draft legislation on any of the above topics.
- 5th meeting (2 hrs)** Meeting to review legislation and remaining HJR 48 issues.
- 6th meeting (1 hr)** Consider final report and legislation changes/recommendations. Review by full committees of final report/legislative suggestions.

### **IV. Study deliverables and end products ( to be identified from Menu Choices, see below)**

#### **Briefing Papers**

#### **Panel Discussions**

#### **Legislation**

**MENU CHOICES for HJR 48: Reforming Health Care Financing**

<b>Study area (1)</b>	<b>Study creation of a system of universal, portable, affordable health insurance coverage that involves private health insurance issuers and incorporates existing public programs.</b>
<p><b>**Full meal**</b></p> <p>~ 8 hours for presentations and discussions</p> <p>Massachusetts took 3 years on its plan.</p> <p>This option can include all of study areas (3), (4), (5), (6), (7), and (8) and parts of study area (2).</p>	<p>A) Briefing paper on other states' health insurance reforms involving expanded coverage, including options for expanded public programs.</p> <ul style="list-style-type: none"> <li>• Incorporate overview of differences between those states and Montana's existing, relevant laws to clarify what changes would be needed.</li> </ul> <p>B) Presentations by representatives from selected states or people knowledgeable about the reforms in those states.</p> <p>C) Panel discussions by insurers, State Auditor's Office, and representatives of existing programs in Montana, like the Montana Contractors Association plan, which has some portability features.</p> <p>D) Panel discussions of:</p> <ul style="list-style-type: none"> <li>• Insurance pricing as that affects affordability.</li> <li>• Transparency, involving representatives of hospitals, physicians, insurers, the Attorney General's office.</li> <li>• Certificate of need or public service commission-type approaches to review of allowing new health care competitors or services.</li> </ul> <p>E) Review options for expanding public programs, with commentary by DPHHS.</p>
<p><b>**Light meal**</b></p> <p>~ 4 to 5 hours for presentation and discussion</p>	<p>Combination of A with C plus either D or E (above).</p>
<p><b>**Snack**</b></p> <p>~ 2 hours for presentation and discussion</p>	<p>A) Briefing paper on other states' health insurance reforms involving expanded coverage, including options for expanded public programs.</p>
<p><b>**Fasting**</b></p>	<p>no action</p>
<b>Study area (2)</b>	<b>Study ways to improve the quality, affordability, and delivery of health care.</b>

<p><b>**Full meal**</b></p> <p>Panel = 2 hrs Study = contract (possible grant \$)</p> <p>Total ~ 4.5 - 5 hrs (beyond time in Study Area 1)</p>	<p>A) Panel discussion on how to regulate/achieve improvements in quality.</p> <p>B) Incorporate Study Area (1) for affordability.</p> <ul style="list-style-type: none"> <li>• Expand to include formal study of health care costs in Montana.</li> </ul> <p>C) Panel discussion on options to expand health care delivery systems in a way that improves access to care (e.g. Community Health Centers)</p> <p>D) Briefing paper on quality, affordability, and delivery issues (some of which are in SJR 15)</p> <p>E) Updates on SJR 15 study of health care delivery systems.</p>
<p><b>**Light meal**</b> ~ 2.5 - 3 hrs</p>	<p>Combination of A, B without formal study, D and E.</p>
<p><b>**Snack**</b></p>	<p>Briefing paper (D)</p>
<p><b>**Fasting**</b></p>	<p>no action</p>
<p><b>Study area (3)</b></p>	<p><b>Study use of a health insurance exchange and what would be necessary to implement it.</b></p>
<p><b>**Full meal**</b> ~ 2.5-3 hrs</p>	<p>A) Presentation and panel discussion involving people involved with Massachusetts Plan, the Montana Contractors Association Trust regarding its portability factor, State Auditor's Office, and insurer representatives</p> <p>B) Briefing paper</p>
<p><b>**Light meal**</b> ~1.5 - 2 hrs</p>	<p>A) Presentation regarding Massachusetts Plan, State Auditor's Office, and insurer representatives. No panel discussion.</p> <p>B) Briefing paper</p>
<p><b>**Snack**</b></p>	<p>Briefing paper (B)</p>
<p><b>**Fasting**</b></p>	<p>no action</p>
<p><b>Study area (4)</b></p>	<p><b>Examine similar reforms enacted in other states, including the cost of the reforms to the states and to consumers, any improvements in affordability or availability, and barriers to enactment, along with solutions to those barriers.</b></p>

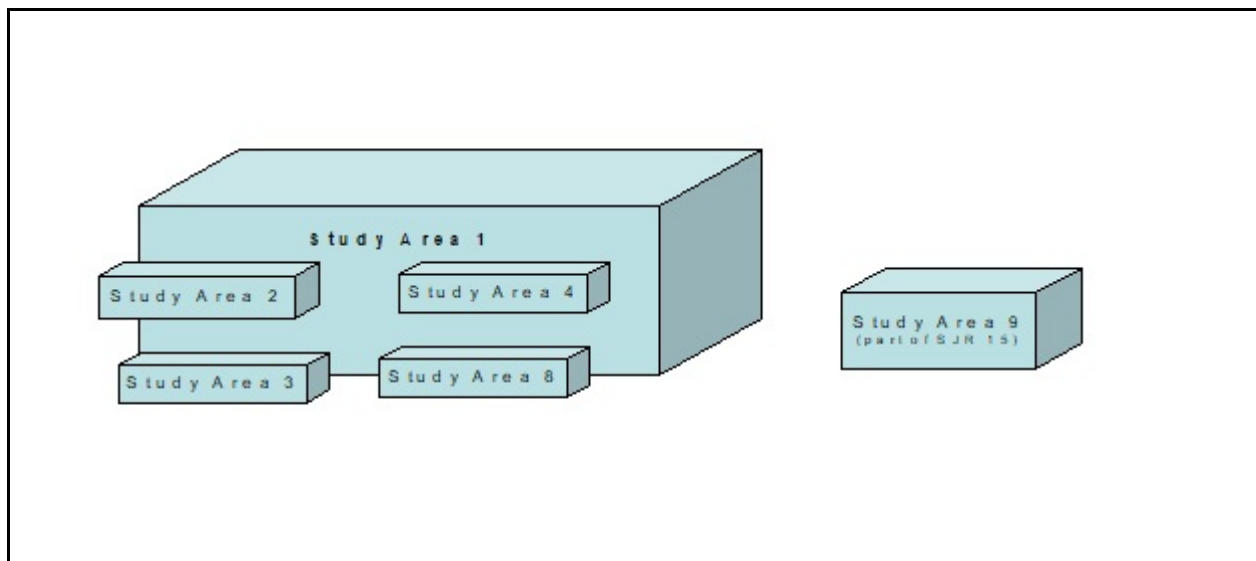
<p><b>**Full meal**</b> Hour per state Total ~ 4-6 hrs.</p>	<p>A) Choose 4 to 6 states with different approaches (e.g. Massachusetts, Maine, Vermont, Indiana, Hawaii, and New York) and calculate cost of reforms for states and consumers, etc., for each. Prepare as a briefing paper.</p> <p>B) Include presentations by representatives in each state either in person or by teleconference. Incorporate with study area (3) and, if chosen the "Full meal" of study area (1).</p>
<p><b>**Light meal**</b> Hour per state Total ~ 3 hrs.</p>	<p>A) Choose 3 states with different approaches and calculate the cost of reforms for states and consumers, etc., for each. Prepare as a briefing paper.</p> <p>B) Include presentations by representatives in each state by teleconference.</p>
<p><b>**Snack**</b> Hour per state Total ~ 2 hrs.</p>	<p>A) Choose 2 states with different approaches and calculate the cost of reforms for states and consumers, etc., for each. Prepare as a briefing paper.</p>
<p><b>**Fasting**</b></p>	<p>no action</p>
<p><b>Study area (5)</b></p>	<p><b>Study advantages and disadvantages of mandating private universal coverage.</b></p>
<p><b>**Full meal**</b> If part of (1), (3) or (4) extra 0.5 hr. Requires MA &amp; HI to be part of (1), (3) or (4). If not part of (1), (3) or (4), then 1 hr each</p>	<p>A) Incorporate with Study Areas (1), (3) and (4) as they pertain to Massachusetts (individual coverage) and Hawaii (employer mandate)</p> <p>B) Presentations by representatives of each (in person or by teleconference)</p> <p>C) Briefing paper</p>
<p><b>**Light meal**</b> If part of study areas (1), (3) or (4) add 0.5 hr. Requires MA &amp; HI to be part of (1), (3) or (4).</p>	<p>A and C above.</p>
<p><b>**Snack**</b></p>	<p>C (briefing paper)</p>
<p><b>**Fasting**</b></p>	<p>no action</p>
<p><b>Study area (6)</b></p>	<p><b>Address whether and, if so, how to incorporate existing state-related insurance programs (e.g. Insure Montana and MCHA) into reforms.</b></p>

<b>**Full meal**</b> If done separately from study area (1), ~1.5 hrs ea for (A) & (B). 2.5 hrs if both	A) Panel discussion involving State Auditor's Office and insurer representatives. B) Panel discussion of briefing paper detailing state law changes that would be necessary, based on different scenarios of change. C) Briefing paper
<b>**Light meal**</b> ~ 1.5 hrs	B) Panel discussion on briefing paper (State Auditor's Office and insurer representatives talking only about state laws that need to change) C) Briefing paper
<b>**Snack**</b>	C) Briefing paper
<b>**Fasting**</b>	no action
<b>Study area (7)</b>	<b>Address whether to include public employee health benefit programs in a reform proposal.</b>
<b>**Full meal**</b> ~2.5-3 hrs	A) Panel discussion by State Auditor's Office, state, county, municipal, university system, and schools health benefits officials regarding impacts of any proposed changes. B) Briefing paper detailing state law changes that would be necessary.
<b>**Light meal**</b> ~ 2 hrs	A) Presentations by state, county, municipal, university system, and schools health benefits officials regarding proposed changes. (No panel) B) Briefing paper detailing state law changes that would be necessary.
<b>**Snack**</b>	B) Briefing paper
<b>**Fasting**</b>	no action
<b>Study area (8)</b>	<b>Address whether to maximize the use of federal funds and ensure broader coverage through existing publicly funded health care programs, including Medicaid and the Children's Health Insurance Program, and, if so, what types of changes might be needed.</b>
<b>**Full meal**</b>	A) Incorporate this with Study Area (1). B) Obtain financial estimates of the cost of expanding existing publicly funded health care programs. (Request LFD's help) C) Review various federal waivers to determine how federal money can be maximized. (Request LFD's help) D) Review what types of changes are necessary in existing law for expansion. Presentation by DPHHS. E) Briefing paper on the A through D.
<b>**Light meal**</b>	A, B, D and E (omitting C)
<b>**Snack**</b>	Briefing paper on issues A, B, D.
<b>**Fasting**</b>	no action

<b>Study area (9)</b>	<b>Examine how health care providers handle uncompensated care and provide an estimate of the uncompensated costs.</b>
<b>**Full meal**</b> ~ 2 hrs for panel discussion	A) Staff contact major health care providers to determine how they handle uncompensated care and obtain estimate of their costs. B) Request information from Attorney General on the Department of Justice study of hospitals' uncompensated care. C) List other states' options for dealing with uncompensated care (e.g. creating an uncompensated care pool by taxing providers who do not handle uncompensated care) D) Panel discussion by providers on menu of state options E) Briefing paper
<b>**Light meal**</b>	B, C and E
<b>**Snack**</b>	Briefing paper on C
<b>**Fasting**</b>	no action
<b>Study area (10)</b>	<b>Examine opportunities for coordination with the federal government and tribes regarding health care services and programs.</b>
<b>**Full meal**</b> ~ 2 hrs for panel discussion	A) Panel discussion on interconnections between Indian Health Service, Medicaid, private providers on or near reservations. Include discussion of uncompensated care, contract services, community health centers. B) Compile a literature review regarding options that might be employed to treat health care problems before they become critical, particularly on or near reservations or involving urban Indians. C) Briefing paper on the subjects in A and B.
<b>**Light meal**</b> ~ 2 hrs for panel discussion	Panel discussion only (A).
<b>**Snack**</b>	Literature review only (B)
<b>**Fasting**</b>	no action
<b>Study area (11)</b>	<b>Examine other issues related to access to health care, including access in rural areas.</b>
<b>**Full meal**</b> 30 minutes for each presentation	A) Compile data on health care facilities by location. B) Survey larger hospitals to determine: the severity of the case load by geographic area and transport factors, including distance, availability, and types of transport services. C) PA briefing paper on health information technology in rural areas. D) Provide information on medical-related bankruptcies and the interconnection between patient debt and delayed access to care. E) Presentations on one or more of the above issues
<b>**Light meal**</b>	Three of A, B, C, or D in the form of a briefing paper.

<b>**Snack**</b>	One of A, B, C, or D in the form of a briefing paper..
<b>**Fasting**</b>	no action
<b>Study area (12)</b>	<b>Examine opportunities for coordinating workforce planning and medical education funding.</b>
<b>**Full meal**</b>	A) Review medically related education programs available in Montana. B) Review health care work force shortage areas. C) Panel discussion by university system on measures that successfully coordinate workforce planning and medical education funding and barriers to coordination.
<b>**Light meal**</b>	Choose two from A, B, or C.
<b>**Snack**</b>	Choose one from A, B, or C.
<b>**Fasting**</b>	no action

Some Study Areas overlap. For example:



**Staff Time for Various Study Areas and Options**

<b>Study Area</b>	<b>Full Meal Option</b>	<b>Light Meal Option</b>	<b>Snack Option</b>
Study Area 1	Additional 50 hrs	same	same
Study Area 2	Briefing paper = 50 hrs	same	same
Study Area 3	Briefing paper = 40 hrs	same	same



Study Area 4	50 hrs from Study Area 1 plus 30 hrs per state for additional information = 50+120 or 50+ 180 hrs	50 hrs from Study Area 1 plus 30 hrs per state for additional info: 50 + 90= 140 hrs	50 hrs from Study Area 1 plus 30 hrs per state for additional info: 50 + 60= 110 hrs
Study Area 5	From Study Area 1 plus 20 hrs for more detail on mandates for briefing paper.	same	same
Study Area 6	40 hrs for briefing paper on laws needing change	same	same
Study Area 7	40 hrs for briefing paper on laws needing change	same	same
Study Area 8	40 hrs staff time plus 40 hrs LFD staff time	same	same
Study Area 9	50-80 hrs for A 10 hrs to compile B 40 hrs for C Briefing paper = A+B+C	B= 10 hrs C = 40 hrs Briefing paper = B+C	Briefing paper on C = 40 hrs.
Study Area 10	Subjects in A = 40 hrs B - Literature review = 30 hrs Briefing paper = A+B	Background work for A subjects = 10 hrs	Literature review (B) = 30 hrs. (more staff work than "light meal" but less work for EAIC)
Study Area 11	A - being done for SJR 15. Additional 10 hrs B - 60 hrs (may be less if MHA helps) C - part of SJR 15 - additional 10 hrs D) 60 hrs. Information does not seem readily available.	Depending on which of three is chosen: A - 10 hrs B - 60 hrs C - 10 hrs D - 60 hrs	Depending on which one is chosen: A - 10 hrs B - 60 hrs C - 10 hrs D - 60 hrs
Study Area 12	A - 30 hrs B - 25 hrs C - 5 hrs	Two from A, B, or C	One of A, B, or C

1 Interim FTE = 16 months = 2720 hrs. EAIC timeline = 11 or 12 months, depending on vote.

No more than 0.30 FTE for this particular study = approximately 800 hours.

Full Meal Option = ~740 hours

September 5, 2007