

**Health Reform Overall Advisory Committee**  
**Friday, January 14, 2011**  
**North Carolina Institute of Medicine, Morrisville**  
**9:00am-12:00pm**  
**Meeting Summary**

**Attendees:**

*Workgroup Members:* Louis Belo, Chris Collins, Jeff Engel, Allen Feezor, Ernie Grant, Alan Hirsch, Rep. Verla Insko, Al Koehler, Tara Larson, Ken Lewis, Ben Money, Barbara Morales Burke, Aaron Nelson, John Price, Adam Searing, Michael Watson

*Steering Committee Members:* Louis Belo, John Dervin, Julia Lerche, Rose Williams

*NCIOM Staff:* Thalia Fuller, Paul Mandsager, Sharon Schiro, Pam Silberman, Rachel Williams

*Other Interested Persons:* Marie Britt, Steve Cline, Sue Cowell, Laura Edwards, Laurie Ellis, Kristin Feneley, John Frank, Deena Fulton, Renee Godwin Batts, Lisa Harrison, Brent Hazelett, Nancy Henley, Jean Holliday, Juli Kim, Kelly Nicholson, Ben Popkin, Lendy Pridgen, Kathy Saunders, Robert Seehausen, Chris Skowronek, Walker Wilson

**Welcome and Introductions**

Both Commissioner Goodwin and Secretary Cansler had unanticipated conflicts with this meeting. Thus, Louis Belo, Chief Deputy Commissioner, North Carolina Department of Insurance, and Michael Watson, Deputy Secretary, North Carolina Department of Health and Human Services, served as co-chairs for this meeting.

**Review of Interim Report Draft**

The workgroup reviewed a draft of the NCIOM interim report Implementation of the Patient Protection and Affordable Care Act. The workgroup focused on discussing overall themes and content of the report. Any grammatical or wording changes should be directed to Pam Silberman.

Selected questions and comments:

- There is no mention of the state option to provide a basic plan for those between 138% and 200% of the federal poverty guidelines (Sec. 1331). Although we have not addressed this option in our workgroups yet, we should put in the report that the option exists.
- We should try to humanize the problems that the uninsured face with the lack of health insurance coverage.

- Community Living Assistance Services and Supports (CLASS) is an opt-out public long-term care insurance program paid for through payroll deductions. This program could save the state money through reduced Medicaid long-term care expenditures.
  - In addition to the costs the state incurs through expanded Medicaid coverage, there will be additional savings to the state. For example, state funding for public programs that provide health services to the uninsured may be reduced if individuals qualify for Medicaid coverage.
  - In addition, people with insurance coverage may benefit through lower insurance premiums due to more efficient and cost-effective care, and less need to shift the costs of the uninsured onto people with insurance coverage.
- Q: Will the essential benefits mandated by the ACA be similar to coverage in the current commercial market? A: The ACA says the essential benefits will be similar to current commercial coverage. However, some of the required services are actually more comprehensive than traditional coverage (i.e., coverage of preventive services with no cost sharing). Essential benefits will include hospitalization, professional services, prescription drugs, rehabilitation, mental health, maternity care, and preventive care.
- The ACA provides subsidies to individuals and small employers to purchase insurance through the health benefit exchange (HBE). Individuals with income no greater than 400% of the federal poverty guideline who are not eligible for public coverage and do not have access to affordable employer-based coverage will receive a subsidy. North Carolina's median income is below 400% of the federal poverty guideline and therefore many individuals and families in North Carolina will be eligible for a subsidy. The report should include some examples of what a family in North Carolina might have to pay after receiving the subsidy.
- One option not mentioned in Section II, Part B, related to the creation of the HBE is who will be in charge of the exchange.
  - The HBE workgroup has not come to any decisions regarding the make up of the exchange board. This information will be put into the report when the workgroup makes a decision on the pros and cons of the recommended approaches.
- The ACA appropriated \$9.5 billion over five years to expand the number of federally qualified health centers (FQHCs) and the number of people served. These potential grant opportunities should be included in the report, as well as other FQHC funding that North Carolina organizations received.
- The report should include a section of overall guiding principles as a directive for the report and for the workgroups going beyond the Health Reform task force. Principles could include providing patient centered care, consumer protection, improved health outcomes and improved population health, transparency, and reduced healthcare costs.
- The report should include information on other cost containment provisions in the ACA, as well as the impact of these provisions on North Carolina. The report should also include the CBO estimate of the impact of the ACA on the federal deficit.

**Public Comment Period**

No further comments were given.