



GOVERNMENT OF BERMUDA

Ministry of Health

Health Insurance Department

Health Insurance Committee Meeting Minutes

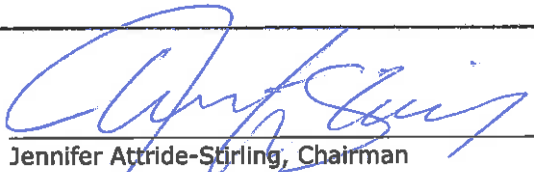
Meeting Date:	25 th January 2018	Time:	2:00pm – 3:30pm
Location:	Health Insurance Department Board Room	Note Taker:	Laquita Burrows
Attendees:	PS Jennifer Attride-Stirling (Chairman), Laquita Burrows, Tawanna Wedderburn, Shivon Washington, Dr. Cheryl Peek-Ball, PS Wayne Carey, Dr. Louise White, Dr. Michael Ashton, Eleanor Furtado, Diana Liacos		
Apologies:	Stephen Gift		
Topics	Highlights		
1. Opening	1.1 The Chairman called the meeting to order at 2:06pm.		
2. Minutes	2.1 November 23 rd , 2017 minutes were approved as circulated and signed. 2.2 Action Items were reviewed and updated per below.		
3. Financial / Governance	<p>3.1 Subsidy / HIP / FCF Review –Up to November 30th, \$80.27M in Subsidy claims were incurred and \$75.37M approved for payment. At the current rate, we can expect total claims incurred would be \$120.4M (\$39.5M over legislated subsidy budget) and total approved claims for the year to be \$113M (\$32.1M over legislated subsidy budget). Because the subsidy legislation now caps the amount payable, the consolidated fund will not be liable for claims in excess of that approved by the legislature. HIP claims incurred to November were \$18.9M with \$16.1M approved for payment. Expenses total \$19.2M and total revenues total \$23.1M, net surplus is \$3.9M. The loss ratio is at 139%, accounting only for \$11.6M premiums vs \$18.9M claims. The difference is offset by the additional revenue sources. Claims incurred for FCF to November were \$24.2M with \$18.5M approved for payment. FCF premiums billed to policyholders for the eight months were \$16.2M resulting in a loss ratio of 114%. Total Prescribed Sum is \$6.1M. FCF net impact is \$3.27M.</p> <p>3.2 Cash Flow Projections for HIP & FutureCare – With amounts owed between the Funds, a \$3M transfer from HIF to FCF will sustain the fund’s cash flow finishing the fiscal year at \$2M. HIF will finish yearend at \$3.9M.</p> <p>3.3 Single Fund with 2 Plans – The Ministry Comptroller advised a Cabinet Memo was prepared recommending consolidation of the Health Insurance Fund and the FutureCare Fund in order to gain operational efficiency in accounting records and audits. Both the Health Insurance Plan (HIP) and the FutureCare plan could continue to be offered to the public in their current form, but administrative and operational efficiencies would be gained. A working group has been established. Meeting with Auditor General February 7th, 2018; proposed go live date April 1st, 2018. Further updates will be provided to HIC.</p> <p>3.4 Update on HID Outsourcing RFP – It has come to HID’s attention that single-source procurement for HID’s administration system and outsourcing vendor may be an option. HID is in the process of finalizing a memo to the Accountant General to request approval to engage in single-source procurement. HID will keep HIC informed of the outcome of the Accountant General’s decision.</p>		
4. Plan Design	4.1 FutureCare Pharmacy Reimbursement Rate for Brand and Generic Medications –		

Street Address – Sofia House, 2nd Floor, 48 Church Street, Hamilton HM 12


Mailing Address – PO Box HM 2160, Hamilton HM JX Bermuda

Phone: (441) 295-9210 Fax: (441) 295-9213 Email: hip@gov.bm Website: www.hip.gov.bm

	<p>HIC was informed that with no consistent drug coding, HID cannot always determine if the reimbursement made to pharmacies is correct. HID routinely receives notification from the pharmacies about under payments (usually months later), and re-adjudication then occurs accordingly. The differences between brand versus generic typically are small resulting in HID researching and re-adjudicating claims for minimal amounts, and at the time of re-adjudication, the participant's benefit can be exhausted. Having one uniform reimbursement rate for generic and brand name medications will not affect the Fund negatively, but it will remove the undue administrative and time burden of re-adjudicating claims and also eliminate participants incurring pharmacy bills for co-pays months after the medication was dispensed. HID recommended that the FutureCare legislated pharmacy benefit be amended to one uniform reimbursement rate. Discussion that consistent coding was needed by way of legislation to really see intended savings to Fund and that policyholders should be educated to request cheapest option be dispensed, possibly having physician state such on prescription. Although reluctant, the HIC unanimously agreed to the legislation change to FutureCare benefit.</p> <p>4.2 Personal Home Care (PHC) Update (D. Liacos) – HID's Clinical Care Manager provided the HIC with the current status, positive impact of the benefit, financial impact to the Funds, projected savings of the PHC benefit to the health system in relation to nursing homes and long term stays at KEMH, administrative challenges and recommended changes to improve efficiency. The HIC agreed that this is an excellent and much needed benefit. Recommended that HID do an operational analysis and redesign to determine if reimbursement schedule is appropriate.</p>	
<p>5. Appeals / Policy Decisions</p>	<p>5.1 Provider / Policyholder Appeals – None</p> <p>5.2 Policy Decisions – None</p>	
<p>6. Any Other Business</p>	<p>6.1 Any Other Business</p> <p>6.1.1 HIC was advised of deep concern with respect to costs associated with HIV drug dispensing. Recent move to vendor administering in-patient drug dispensing discussed. The CMO agreed to follow up with BHB regarding the Strategic Fund procurement pricing.</p> <p>6.1.2 Chairman advised new HIC member Jasmine Desilva appointed per January 24th, 2018 Gazette.</p> <p>Meeting adjourned at 3:28pm. Next HIC meeting scheduled for February 22nd, 2018 at 2:00pm.</p>	
<p>Action Items</p>	<p>Person Responsible</p>	<p>Target Date</p>
<p>1. Provide longer trend from past (2 Years) for HIP and FC headcount</p>	<p>HID Controller</p>	<p>February 2018</p>
<p>2. Continue discussion of covering more of the medical and non-medical costs associated with kidney transplantation.</p>	<p>HID Director</p>	<p>After HID and Nephrologists meet</p>

Signed: 
 Jennifer Attride-Stirling, Chairman

22nd Feb 2018
 Date

Signed: 
 Laquita Burrows, HID Director

22 February 2018
 Date