

LOUISIANA HEALTH CARE COMMISSION

**Louisiana Department of Insurance
Commissioner of Insurance James J. Donelon**



Report to the Legislature

January 1, 2011 - December 31, 2011

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Louisiana Health Care Commission

James J. Donelon, Commissioner of Insurance
LOUISIANA DEPARTMENT OF INSURANCE

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I. History of the Louisiana Health Care Commission

The Louisiana Health Care Commission was created in 1992 (La. R.S. 22:2161). The Louisiana Health Care Commission (LHCC) is a fifty (50) member multi-disciplined advisory board which undertakes comprehensive review of complex health care issues facing Louisiana. The commission examines certain health policy developed by the Department of Insurance as well as other issues addressing reform of the health care and health insurance systems in Louisiana, in order to make access to quality health care more affordable and available for its citizenry. Through public meetings and forums the commission receives testimony, reports, and informational presentations from regional and national experts about the availability and affordability of health care and health insurance coverage in the state. The commission openly solicits, encourages and receives public comment at all meetings. The commission coordinates its efforts with other study commissions, state agencies and executive initiatives.

II. Membership of the Louisiana Health Care Commission

The Louisiana Health Care Commission is composed of a great variety of health care experts and stakeholders, including health care payors, providers, employer organizations and community leaders. Members are also nominated from the governing boards of Louisiana's colleges and universities, the Senate and House Insurance Committees, as well as at-large appointments designated by the Commissioner of Insurance.

Since its inception in 1992, the commission has grown to include fifty (50) members. During the 1995 Regular Session of the Louisiana Legislature, Act 594 revised and re-enacted the authorizing legislation to expand the commission to thirty-nine (39) members and extend its work until June 30, 1999. During the 1997 Regular Session of the Louisiana Legislature, Act 869 increased the size of the commission to forty-four (44) members. During the 1999 Regular Session of the Louisiana Legislature, Act 446 was passed, which further increased the number of commission members and transferred the Louisiana Health Care Commission to the Department of Insurance by La. R.S. 36:686 (B).

During the 2004 Regular Session of the Louisiana Legislature, Act 495 amended La. R.S. 22:9 removing one dissolved organization and adding six new organizations to the commission, expanding the membership to fifty (50) members.

The members of the Louisiana Health Care Commission as of December 31, 2011, were as follows:

Ms. Rhonda R. Bagby

Humana Health Benefit Plan of Louisiana, Inc.

Coletta C. Barrett, RN, MHA, FAHA

Louisiana Hospital Association

Ms. Leah Barron

Louisiana Health Plan

Robert E. Barsley, D.D.S., JD

Louisiana Dental Association

Ms. Doreen Brasseaux

Louisiana State University System

Mr. Scott Broussard

Louisiana Nursing Home Association

Roderick C. Campbell, MBA/HCM

Louisiana Primary Care Association

Ms. Dawn Cantrell

Blue Cross and Blue Shield of Louisiana

John Steven Caraway, D.C.

Chiropractic Association of Louisiana

Mr. Allen Cassidy

Louisiana Independent Pharmacies Association

Ms. Julie Cherry

Louisiana AFL-CIO

Denise Danna, DNS, RN, NEA-BC, FACHE

Louisiana State Nurses Association

Ms. Diane Davidson

Louisiana Business Group on Health

Karen B. DeSalvo, MD, MPH, MSc

At-Large Appointee

Michael S. Ellis, M.D.

Louisiana State Medical Society

Ms. Kerry Everitt

AARP Louisiana

Thomas C. Fain, Ph.D., M.P.

Louisiana Psychological Association

William L. Ferguson, Ph.D., CLU, CPCU, ARM

University of Louisiana System-

University of Louisiana at Lafayette

Ms. Emma Fontenot

Louisiana Department of Insurance

Donna Fraiche, Esq.

At-Large Appointee

Chairperson of the LHCC

Holley Galland, M.D.

Louisiana Council on Human Relations

Ms. Leah Guerry

Louisiana Association for Justice (formerly

Louisiana Trial Lawyers' Association)

Ms. Linda P. Hawkins

League of Women Voters of Louisiana

Paul A. Hildreth, PT, DPT, MPH

Louisiana Physical Therapy Association

Ms. Bridgette R. Jamison

Louisiana Association of Business and Industry

The Honorable Chuck Kleckley

House Committee on Insurance

Anil Kukreja, Ph.D.

Louisiana Association of Independent Colleges and

Universities

Eva Lamendola, O.D.

Optometry Association of Louisiana

Ms. Janie Ward Martin

Louisiana Maternal and Child Health Coalition

Ms. Donna M. Mayeux

At-Large Appointee

Hugh V. McKnight, Sr., D.D.S.

National Dental Association

Mr. John D. Monlezun, Sr.

National Federation of Independent Business

The Honorable Jean-Paul “J.P.” Morrell
Senate Committee on Insurance

Mr. Ron J. Nezat
At-Large Appointee

B. Ronnell Nolan, HIA
Louisiana Association of Health Underwriters

Ms. Phyllis Perron
Louisiana Insurers’ Conference

Mr. Bobby G. Savoie
AARP Louisiana, a volunteer representative

Sherry Soileau, RHU, CLTC
NAIFA Louisiana (formerly Louisiana Association
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Carol Steckel, MPH
Louisiana Department of Health and Hospitals

Laura E. Trunk, M.D.
Louisiana Association of Health Plans

Ms. Shelia Williams
National Association for the Advancement of
Colored People

Mr. Mayur Yermaneni
eQHealth Solutions

STAFF:

Ms. Alison Ferguson, Executive Director
Ms. Karen Krumholt, Insurance Compliance Examiner
Ms. Vanessa Vince, Insurance Compliance Examiner

III. Meetings

The Louisiana Health Care Commission conducted three meetings during the calendar year, January 1, 2011 – December 31, 2011. The commission was unable to attain a quorum at the October 28, 2011, meeting held in New Orleans. Throughout the year, the commission heard from various experts on health care issues that are of importance to the state of Louisiana. The commission also closely monitored the introduction and the ensuing passage of the federal health care reform legislation.

The Executive Committee for the Health Care Commission consists of the Chair, Vice-Chair and three commission members representing health care providers, insurers and consumers. The mission of the LHCC Executive Committee is to plan the agenda for LHCC meetings, schedule any emergency meetings necessary between regular meetings and to propose subcommittee assignments. The LHCC Executive Committee held three meetings during calendar year, January 1 – December 31, 2011.

LHCC Meeting – January 14, 2011

The January 14th meeting of the Louisiana Health Care Commission featured presentations focusing on the possible impact that the implementation of federal health care reform could have on Louisiana's health care delivery system. Ms. Carol Steckel, Executive Director of Health Care Reform of the Louisiana Department of Health and Hospitals, discussed the implementation of federal health care reform in regards to health insurance, Medicaid and Medicare, and how Louisiana's population will be impacted. Ms. Carol Fowler-Guidry, an attorney with the Louisiana Department of Insurance, reported on the new federal medical loss ratio requirements that are impacting the state's insurance markets. She also discussed the development of a request from the state of Louisiana for a waiver of the medical loss ratio requirements due to the impact that the new regulations would have on Louisiana's health insurance market. The Louisiana waiver application will be submitted to the U.S. Department of Health and Human Services by Commissioner of Insurance Jim Donelon.

LHCC Meeting – April 1, 2011

At the April 1, 2011, meeting of the LHCC, the commission heard from a panel of representatives regarding the proposed implementation of the Coordinated Care Network program (CCN) for Louisiana's Medicaid program. Secretary Bruce Greenstein of the Department of Health and Hospitals discussed the pre-paid and shared saving models of the CCN program, and the projected levels of enrollment. He also discussed the improved health care outcomes that other states have achieved through implementation of similar programs. Mr. Gil Dupre of the Louisiana Association of Health Plans commented on the possible implementation of the CCN program from the health plan's perspective. Mr. John Matessino spoke to the topic on behalf of the Louisiana Hospital Association and discussed the positive economic impact that Louisiana's hospital system has on the state. Dr. Steven Spedale of MedicineLouisiana commented on the possible impact that the CCN program may have on a private practice physician, including the possible administrative, financial and patient care issues as it pertains to the CCN program.

LHCC Meeting – August 26, 2011

On August 26, 2011, Ms. Emma Fontenot, Deputy Commissioner of the Office of Health for the Louisiana Department of Insurance, reported on the topic of Federal Health Care Reform implementation. She also discussed several new legislative acts that were passed during the 2011 Legislative Session, including Acts 144, 350, 360 and 382. Ms. Fontenot stated that the United States Department of Health and Human Services (HHS) has determined that Louisiana does not have an effective health insurance rate review program. In response to this determination, Ms. Fontenot reported that the Louisiana Department of Insurance will request that legislation be filed during the 2012 Regular Session, to revise the current rate approval process for health insurance product in order to bring Louisiana into compliance with the new federal requirements.

Ms. Madeline McAndrew, Medicaid Coordinated Care Program Deputy Director of the Department of Health and Hospitals, updated the commission on the status of the CCN program. She discussed the event timelines for several different aspects of the program including enrollee outreach, education contractors and the compliance tracking system. Ms. Carol Steckel, Executive Director of Healthcare Reform of the Louisiana Department of Health and Hospitals, reported on the federal Health Insurance Exchange. She discussed the regulations and complexity of the health care benefit exchanges.

LHCC Meeting – October 28, 2011

On October 28, 2011, the LHCC convened and was unable to obtain a quorum. No action was taken at this meeting. The meeting attendees heard several reports on the New Orleans health care system and the development of new medical facilities in the city.

Ms. Doreen Brasseaux, Assistant Vice President, Public Policy, LSU Systems Office of Health Affairs and Medical Education, and Mr. Thomas Rish, Architect with the Office of Facility Planning, Division of Administration, briefed the commission on the proposed University Medical Center in New Orleans including the building plan and the design of the hospital and surrounding buildings.

Ms. Liz Failla, Project Legacy Engineer/Coordinator, Southeast Louisiana Veterans Health Care System, presented the plan details for the new Veterans Administration (VA) Hospital in New Orleans. Ms. Bonita Robertson, Special Counsel with the BioDistrict New Orleans, discussed the work of the New Orleans BioDistrict. Mr. Aaron Miscenich, President of the New Orleans BioInnovation Center, reported on the work that the BioInnovation Center has been undertaking. The BioInnovation Center was created via legislation in 2002 and is part of a statewide network that includes partnerships with LSU Health Sciences Center, Tulane University and all New Orleans based universities.

A. Other Action Taken

The LHCC Health Care Cost Containment Subcommittee was proposed as a subcommittee by the LHCC Executive Committee. The LHCC formally enacted the recommendation for the Cost Containment Subcommittee in 2010. The subcommittee's focus was to examine and discuss health care strategies that have been successful in reducing health care costs.

The LHCC Health Care Cost Containment Subcommittee met on 12 occasions during the year. Some of the topics discussed by the subcommittee members included physician and other health care provider shortages, medical imaging costs and possible health risks, and health insurance fraud and transparency. The LHCC Health Care Cost Containment Subcommittee members will present a report of its findings to the LHCC membership in 2012.

During the August 26, 2011, LHCC meeting, a motion was made and approved by the full commission to create two additional subcommittees: Access to Care Brochure Subcommittee and Health Care Outcomes in Children Subcommittee.

The LHCC Access to Care Brochure Subcommittee met four times during the 2011 reporting period. The subcommittee agreed to create regional brochures for the uninsured population throughout the state that will list local health care resources. The initial brochure for the greater Baton Rouge area will be available in early 2012 for distribution throughout the community. The subcommittee members also agreed to post an electronic copy of the brochure on the Department of Insurance Website so that individuals could access and print additional copies of the brochure. The subcommittee agreed that additional brochures will be created for various regions throughout the state.

IV. Department of Insurance Annual Health Care Conference

The Louisiana Department of Insurance held its Annual Health Care Conference on April 26, 2011, in Baton Rouge. There were approximately 600 conference attendees. Local and national speakers addressed health care issues of interest to Louisiana consumers, employers and providers. Conference topics included a discussion of the passage and implementation of federal health care reform and the impact on the delivery of health care, the private insurance market and the regulation of insurance products. Commissioner Donelon addressed the conference participants and the Secretary of the Louisiana Department of Health and Hospitals also gave an overview of upcoming health care reform proposals at a state level. Conference participants were also briefed on the possible changes to the health insurance producer profession in light of the passage of federal health care reform, and the inner workings and possible structure of the proposed federal health insurance exchange.

V. Looking Ahead

The Louisiana Health Care Commission will continue to study, monitor and make recommendations related to the availability and affordability of health care and health care coverage to the Commissioner of Insurance.

The Louisiana Health Care Commission will continue to study the issue of the uninsured and underinsured in order to make recommendations as to mechanisms to further expand coverage options.

The Louisiana Health Care Commission will continue to monitor all federal and state legislation and make recommendations accordingly.

The Louisiana Health Care Commission will continue to monitor the implementation of federal health care reform as policies develop at both a state and national level.

The Louisiana Health Care Commission will coordinate and host the Department of Insurance Annual Health Care Conference scheduled for April 10, 2012, in Baton Rouge.

CONCLUSION

We trust that this report is both informative and enlightening to our state legislators. The Louisiana Health Care Commission remains committed to addressing the many health policy issues that play a part in ensuring that Louisiana citizens have access to affordable, quality health care. The commission will continue to educate and encourage discussion of all stakeholders in the debate of the provision of health care for all Louisiana citizens.

The commission looks forward to playing a role in the search for more effective and efficient solutions for the delivery of health care in Louisiana.



A handwritten signature in black ink, reading "Donna D. Fraiche". The signature is written in a cursive style with a large initial "D".

Donna D. Fraiche, Chair
Louisiana Health Care Commission

A handwritten signature in black ink, reading "Alison J. Ferguson". The signature is written in a cursive style with a large initial "A".

Alison J. Ferguson, Executive Director
Louisiana Health Care Commission

For more information about the Department of Insurance and the Louisiana Health Care Commission, you may access the Department of Insurance Web site at <http://www.lidi.la.gov>. A list of Louisiana Health Care Commission members and meeting dates are available on the Web site.

Appendix 1

The members of the Louisiana Health Care Commission as of December 31, 2011, were as follows:

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