



GOVERNMENT OF BERMUDA

Ministry of Health

**Health Insurance Department**

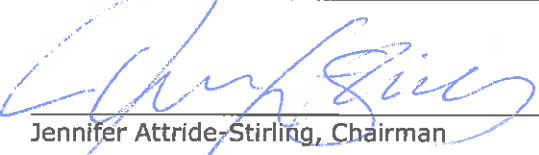
# Health Insurance Committee Meeting Minutes

<b>Meeting Date:</b>	24 <sup>th</sup> May 2018	<b>Time:</b>	2:00pm – 3:00pm
<b>Location:</b>	Health Insurance Department Board Room	<b>Note Taker:</b>	Laquita Burrows
<b>Attendees:</b>	PS Jennifer Attride-Stirling (Chairman), Laquita Burrows, Dr. Cheryl Peek-Ball, Tawanna Wedderburn, Dr. Louise White, Dr. Michael Ashton, Eleanor Furtado, Roxanne Eve		
<b>Apologies:</b>	Stephen Gift, PS Wayne Carey, Shivon Washington		
<b>Topics</b>	<b>Highlights</b>		
<b>1. Opening</b>	<b>1.1</b> The Chairman called the meeting to order at 2:03pm.		
<b>2. Minutes</b>	<b>2.1</b> 26 <sup>th</sup> April 2018 minutes were approved as circulated and signed. <b>2.2</b> Action Items were reviewed and updated per below.		
<b>3. Financial / Governance</b>	<p><b>3.1 Subsidy / HIP / FCF Review</b> – With a total FY2017-2018 Subsidy budget of \$80.88M, the year ended with \$123.71M in claims incurred (\$42.83M over budget) and \$114.16M of claims approved for payment (\$33.28M over budget). The January/February 2018 claim package from MWI was larger than anticipated and is being reviewed for accuracy. The MRF is in deficit of \$1.44M due to the underfunding of the dialysis allocation. The MRF loss ratio is currently 105%. HID is awaiting final kidney related claim amounts from GEHI and other payors, consequently the MRF deficit will increase. At fiscal year end the combined loss ratio for HIP was 83% with FutureCare ending at 87%.</p> <p><b>3.2 Funds’ Performance – Quarter ended March 2018</b> – There were no big changes in the Funds’ performance for the current quarter end. The Financial Assistance (FA) cohort of policyholders continues to be the super users with claims versus premiums received resulting in a deficit; the FC75+ group is assisted by the Subsidy component with HIP in deficit much more. The year-end weighted average gross loss ratios for HIP and FC had HIP with the largest loss of 1.53 and FC holding its own at 0.99. Both HIP and FC lose on supplemental benefits with the weighted average loss ratios at 1.33 and 1.89 respectively. Headcount for HIP is decreasing with FC increasing, possibly as a result of the ageing population and the additions/deletions from the FA cohort. Total MRF premiums collected for the 2017-2018 fiscal year were \$50.70M.</p> <p><b>3.3 Cash Flow Projections for HIP &amp; FutureCare</b> – Fiscal year 2017/18 was good overall ending with positive cash flows as a result of reduced claims due to dialysis moving to MRF and an increase in the prescribed allocation.</p> <p><b>3.4 Audit of HID Funds 2015-16</b> – The audit of the Health Insurance Fund, The FutureCare Fund and the Mutual Re-insurance Fund commenced on Friday 11<sup>th</sup> May 2018. Expected completion date of field work is Friday 29<sup>th</sup> June 2018. All requests for information/documentation to date have been met. HID has not been advised of any issues relating to the audit, or any documents being outstanding that would impede the progress of the audit. HID has not been advised that the original completion date of 29<sup>th</sup> June will not be achieved. The HID staff is committed to ensuring a smooth audit. Updates will be provided to the HIC at the June meeting.</p> <p><b>3.5 Enhanced Care Program Pilot Funds</b> – The HIC was reminded of MRF underfunding for kidney-related claims. HID requested the HIC give approval for HID to use a portion</p>		

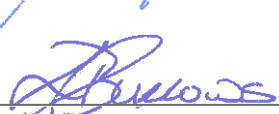
of ECP Funds to assist in paying claims which currently cannot be covered by MRF funding. For fiscal 2017/2018, BHB billed the dialysis claims against both MRF and the Subsidy Fund (if the patient was deemed to qualify for Subsidy). This was historical practice, however, 2017/2018 Legislation does not support billing dialysis claims to the Subsidy Fund. As of 4<sup>th</sup> May 2018, HID has projected they will owe BHB \$8,578,331 for dialysis claims billed to Subsidy for 2017/2018. HID is also projecting a shortfall in MRF of \$722,547 to cover the remaining 2017/2018 projected MRF claims for dialysis, anti-rejection drugs, and kidney transplants from all Providers. As of 31<sup>st</sup> May 2018, the projected accumulated amount in the ECP Fund is \$8,731,605. Since commencing the Pilot in February 2017, \$672,539 has been used at 31<sup>st</sup> March 2018. The HID Finance Team has projected that \$2,568,540 will be required from the ECP Funds to run the Pilot until 31<sup>st</sup> March 2019. This will leave an excess of \$6,163,065 that could be re-directed to assist HID with paying the kidney-related claims debt. HID, in consultation with the Ministry Comptroller, proposed a plan to reimburse BHB the amounts owing using a portion of the ECP Funds as an initial lump sum payment. It will take a number of years for HID to repay the debt owing to BHB. HID was directed by the HIC to extend the ECP budget to 30<sup>th</sup> June 2019 to allow for any delay in premium setting. Further discussions considered putting a cap on ECP funds to be used but this was not unanimously supported. Following discussion, the HIC majority supported utilizing a portion of the ECP budget for the BHB reimbursement plan. HID will prepare a Cabinet Memo seeking approval.

<b>4. Plan Design</b>	<b>4.1 None</b>
<b>5. Appeals / Policy Decisions</b>	<b>5.1 Provider / policyholder appeals – None</b> <b>5.2 Policy Decisions – None</b>
<b>6. Any Other Business</b>	<b>6.1 Any Other Business – None</b> <b>Meeting adjourned at 3:30pm. Next HIC meeting scheduled for June 28<sup>th</sup> 2018 at 2:00pm.</b>

Action Items	Person Responsible	Target Date
1. HID to prepare a memo to the Ministry of Health seeking assistance to reimburse Bermuda Cancer and Health for radiation claims incurred by HIP & FC policyholders prior to 25 <sup>th</sup> September 2017	HID Director	ASAP
2. HID Finance Team to re-work ECP budget to 30 <sup>th</sup> June 2019	HID Director	30 <sup>th</sup> June 2018
3. Prepare Cabinet Memo seeking approval to use ECP funds	HID Director	ASAP
4. Chair to provide data on BHB Patient Centred Medical Home	Chair	ASAP

Signed:   
 Jennifer Attridge-Stirling, Chairman

28 June 2018  
 Date

Signed:   
 Laquita Burrows, HID Director

28 June 2018  
 Date