



MARCH 2017

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- Robelyn Abadie
- Jeff Albright
- Katie Brittain, PT, DPT
- Diane Davidson
- Rachel Durel, DDS
- William L. Ferguson, PhD
- John F. Fraiche, MD
- Lisa Gardner
- Lauren Gleason
- Arnold M. Goldberg
- Anthony M. Grieco, MD, MBA
- Faye Grimsley, PhD, CIH
- Korey Harvey
- Linda P. Hawkins
- Hedy S. Hebert
- Marlon D. Henderson, DDS
- The Honorable Mike Huval
- Randal Johnson
- Jesse Lambert, PsyD
- Eva Lamendola, OD
- Jesse McCormick
- Jennifer McMahon
- Rachel Moore, MD
- Barbara Morvant
- Andrew Muhl
- B. Ronnell Nolan, HIA, CHRS
- John Overton
- Daniel Paquin
- Ed Parker
- Katie Parnell
- Clay Pinson
- Theresa Ray
- Dr. Anthony Recasner
- Debra Rushing
- James C. "Butch" Sonnier, BS, DC
- Chris Vidrine
- Bryan Wagner
- The Honorable Rick Ward, III
- LaCosta Wix
- Thomas N. Wright



FROM THE EXECUTIVE DIRECTOR

Dear Readers,

I am delighted by the boost in active membership of the Louisiana Health Care Commission. There is strength in numbers! The success of the commission is, in no small part, thanks to the dedicated efforts of our members who share their time and expertise and actively monitor the rapidly changing landscape of health care reform and health insurance systems in Louisiana.

As we move forward towards the conclusion of our two-year study period on June 30, 2017, our challenge is to continue to identify the most cost effective and efficient solutions for the delivery of health care in Louisiana and make recommendations to Commissioner Donelon for concrete action. I am confident we will do this as we continue to educate and encourage discussion of all stakeholders in the debate of the provisions of health care for all Louisiana citizens.

Our next LHCC meeting will be held on May 5. Save the date! In addition, don't forget to check out the link on our web site to offer [public comment and participation](#) that provides us with an opportunity to make recommendations to the commission. We value your input!

Thank you for your continued support and collaboration and I look forward to seeing you all at our next meeting!

Crystal M. Campbell

LHCC Executive Director



The LHCC Tackles Hot Button Issues on Health Care Reform

Julie Freeman

An issue obviously generating attention and discussion is the repeal and replacement of the Affordable Care Act.

On March 6, 2017, President Trump re-avowed his commitment to reform health care and issued an executive order directing his administration to take action to repeal and replace the Affordable Care Act a/k/a Obamacare. The new legislation by House Republicans, designated the American Health Care Act (AHCA) is crafted in its overall approach to repeal 2016 ACA mandates, standards for health plan actuarial values in 2020 and premium and cost sharing subsidies in 2020, according to a comparison of the ACA and AHCA by the Kaiser Family Foundation's [comparison report](#).

On March 10, The Energy & Commerce and Ways & Means Committee passed its parts of the AHCA that went before the Congressional Budget Committee, slated to the House for a final vote.

As resistance for the new GOP healthcare bill began to mount, Republican leaders made the call to cancel the vote and kill the bill that landed on the House Floor to upend Obamacare.

Moving forward with the current healthcare law intact, we examine the Affordable Care Act and its cost to the Louisiana Marketplace.



At the commission's [November](#) meeting, Dr. SreyRam Kuy, Chief Medical Officer of the Louisiana Department of Health & Hospitals reported that while 331,000 new adults had signed up for ACA Medicaid expansion since July 1, there was a real challenge in getting Medicaid recipients serviced by healthcare specialists.

“Prior to ACA expansion, Louisiana had one of the lowest reimbursement rates in the country for Medicaid providers but now doctors are paying to take care of an indigent population with the overhead of private insurance, subsidizing an unaffordable patient population,” she said.

Dr. Stephanie Mills, President and CEO of the Franciscan Health and Wellness of Franciscan Missionaries of Our Lady Health System also presented on the cost effectiveness of preventative health. She reported that as a result of the ACA, FMOLHS was tasked with developing a new business model to formulate other skills and competencies in order to care for communities, reduce risks and costs to improve the quality of health care.



“Since the program’s implementation, FMOLHS has achieved over \$20 million in savings within five years, going into the sixth year with flat premium rates for open enrollment, but there is a significant increase in costs for the self-insured and fully funded plans for employers and the actual workforce,” Dr. Mills said.

At the conclusion of the commission’s November meeting Commissioner Donelon reported a 33 percent actual average rate increase in the individual market and a 25 percent rate increase on the national average. In the small group market, he reported the average proposed rate increase at six to nine percent in contrast to the last three years at three to six percent.

During a panel discussion at the Louisiana Department of Insurance’s 2016 Annual Health Conference, insurer representatives from Louisiana voiced concerns about future participation on the exchanges as well as exceptions made for individuals to sign up for health insurance outside of Open Enrollment, making it possible for those who become sick to sign up for coverage, take advantage of services, and then drop coverage or stop paying premiums.



Other insurer representatives reported colossal financial losses incurred on exchange plans and gave varying viewpoints on what the repeal/replacement of the Affordable Care Act would constitute for Louisiana at the LHCC’s [February](#) meeting.

“From 2014-2015, Louisiana lost \$200 million dollars on individual products and BCBS yielded \$200 million dollars less in premiums and paid out in claims in the new individual marketplace in 2015,” says Mike Bertaut, Healthcare Economist and Exchange Coordinator for Blue Cross and Blue Shield of Louisiana.

“In 2014 nine percent of BCBS’s members were in Louisiana and by 2015, \$60 million dollars was lost on the individual market,” he added.

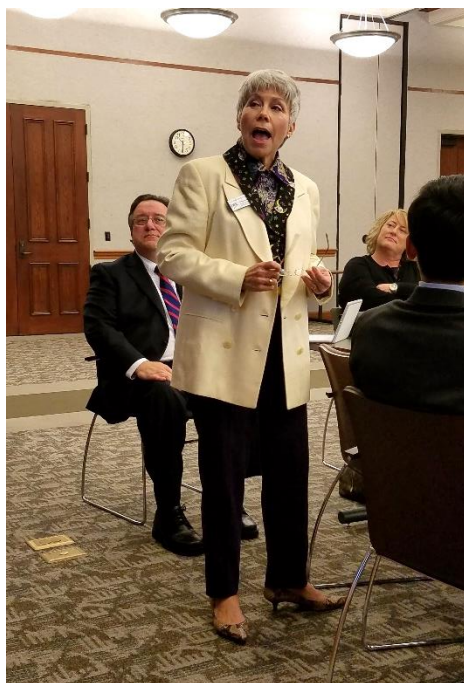
According to Mr. Bertaut, the individual risk pool is out of balance and only 40 percent of insureds who purchase health insurance pay premiums to maintain twelve consecutive months of coverage resulting in a volatile population.

But he doesn't support repealing Obamacare in its entirety. "Repealing Obamacare in whole would be disruptive. Guaranteed issue should be maintained; elimination of the individual mandate would drive up costs; elimination of the employer mandate would result in more people seeking individual coverage or Medicaid, and while reinsurance programs were designed to assist with costs, these programs did not materialize," he stated.

Senior Legislative Aide to Senator Bill Cassidy, Pranay Udutha, had an alternative view in support of restoring power back to the states from Washington.

"Respect states' rights and give them options to choose from and include states in the repeal and replacement process," he said.

The [proposal](#) by Senator Cassidy repeals Title 1 of the ACA, while retaining important consumer protections, allowing states to choose from three options.



LHCC member Linda Hawkins, representing The League of Women Voters of Louisiana and United States supports the improvement of the Affordable Care Act but not repeal, with an adequate alternative plan in place. "The League's health care policy position for both the United States and Louisiana are not based on the ability of the patient to pay for services but for a basic level of quality care at an affordable cost. It opposes a strictly private market-based financing model solely administered by the private sector and supports a combination of private and public or federal, state and healthcare resources, based on the urgency of the medical condition, patient life expectancy, expected outcome of treatment, cost of procedure, duration of care, quality of life and wishes of the patient/family," she said.

The [impact](#) of the ACA repeal would result in a number of economic and budget losses, including at the loss of at least 37,000 jobs, she cited—according to the Milken Institute School of Health and Center on Budget & Policy Priorities.

For other insurance carriers, such massive losses were simply unsustainable to remain in Louisiana exchange plans.

In April 2016, United Healthcare announced it would withdraw from most ACA exchanges in 2017, including Louisiana, and expected to lose \$650 million on exchange plans in 2016.

Following United's retreat from the exchange, four remaining carriers remained in the Louisiana exchange—not all offering plans in many parishes of the state—including Blue Cross Blue Shield of Louisiana, HMO Louisiana, Vantage Health Plan and Humana.

Louisiana's elected commissioner of insurance since 2006, Jim Donelon, joined other commissioners and governors nationwide and addressed members of Congress in [Letters on January 13, 2017](#) regarding future Congressional actions to benefit health care reform in the United States.

As the LHCC continues to monitor federal healthcare reform, we look ahead to addressing its ongoing challenges that lie ahead in LHCC's next scheduled meeting on May 5, 2017.

Upcoming LHCC Meetings

May 5, 2017
August 18, 2017
November 17, 2017

All meetings are held at the
LA Department of Insurance
Poydras Hearing Room
1702 N. Third Street
Baton Rouge, LA 70802
at 9:00am

LHCC Welcomes Its Newest Members...



Lacosta Wix
Director of Regulatory Affairs/
Associate General Counsel
United Healthcare



Dr. Anthony Recasner
Chief Executive Officer
The Agenda for Children



Randal Johnson
President, LA Independent
Pharmacies Association



Katie Brittain, PT, DPT
Louisiana Physical
Therapy Association

Board Member Spotlight



LINDA P. HAWKINS
Healthcare Program Chair
League of Women Voters of Louisiana

Family Background:

- A Tampa, Florida native, who moved to New Orleans and currently resides in Abita Springs with her husband, Jay

Education:

- Graduate of F.T. Nicholls High School in New Orleans
- Graduated with a Bachelor of Arts Degree in Political Science with an emphasis in public administration from San Francisco State University
- Completed public administration graduate courses at Georgia State University

Employment Background:

- Active in government, business and community in private and public organizations
- Since the 1970's, Linda has worked in the healthcare industry including the federal sector with leadership positions in multiple Veterans Affairs Medical Centers nationwide, including their international programs in Canada and Europe until her retirement in 1999.
- She administered the VA's Foreign Medical Program that contracted for health care services for veteran patients living in foreign countries.
- Nationally, she co-developed a new product line for geriatric patients leading to the center's first telemedicine system.

- As a VA national consultant she analyzed and audited medical facilities' Ambulatory and Primary Care programs for access, efficiency and quality focusing on business, fiduciary and organizational operations similar to today's Affordable Care Act.
- She participated as a team member and leader in joint venture relationships between VA Medical Centers and the Department of Defense, public universities, private health care organizations and private insurance companies during the 1980's when VA medical centers began billing insurance companies for veterans with health insurance.
- Among her career experiences, she was responsible for the organizational development, management and supervision in acute and long term care settings and environments with multi-million dollar budgets.

From Linda:

I am passionate about advocating, educating and supporting consumers/patients and other stakeholders, industry representatives and legislators for an equitable, basic level of healthcare for all which I believe is critical to life itself.

My hobbies include creative fabric design/sewing, guitar playing and "old time" classic movie viewing of silent and foreign films alike.

I enjoy volunteering for a number of community civic activities, including non-profit boards and councils within and outside of my direct community.

My motivation and participation in the Louisiana Health Care Commission is fostered by my interest and involvement in the healthcare arena since the late 1960's, observing and participating in the health care evolution at the local, state and federal levels as a consumer/patient in my work. I have grown to appreciate the scope, challenges and importance of improving the healthcare delivery system. The LHCC has given me the opportunity to gain a deeper knowledge and understanding of the health care industry and also gain a perspective from industry stakeholders in Louisiana. I share my experiences and education to inform others about the breadth and scope of the issues faced by consumers in the overall healthcare delivery systems operating in Louisiana.

"When ill, we no longer trust our bodies and...we no longer trust life."

-Mordacci & Sobel, 1999



SAVE THE DATE

Louisiana Department of Insurance
2017 Annual Health Care Conference
September 28, 2017

Location to be announced at a later date