

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	Re: Attendees - Florida Waiver Meeting (partial) (1 page)	06/01/94	P6/b(6)

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Carol Rasco (Meetings, Trips, Events)
OA/Box Number: 5040

FOLDER TITLE:

Meeting: Florida Waiver 6-2-94 10:30-11:15

rw174

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

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P6/b(6)

Kevin

Kevin Thumme

P6/b(6)

① Hyde

11 states not in compliance (told us or we consider not)

Non-compliance str is next: end of June

↳ due to Hyde type amend. on approp. - last wk

↳ may take heat but don't want to tip votes

② FQHC

Let them owe us.

③ Florida waiver

McKay / Fla. tech staff

4 or 5 maj. issues: not exactly an 1115 (doesn't

Shalala has talked to Chiles budget neutrality * encounter data

HHS think all but is settled (Fla. says no)

Spec. Session June 6 or 13

We need to do briefing here:

- OMB
- Interg.
- Raid
- DPC

Ray Call to set up briefing

④ Summary

① FQHC - deputizing legal but will not encourage

② # of delays DPC says needed - many streamlines

③ Distribution → HSA pending signals they're prepared to help if bill probs done away w/

ISSUES
FLORIDA HEALTH SECURITY PROGRAM (FHSP)

Medicaid Demonstration or Private Sector Initiative?

Problem: Florida considers this a private sector initiative, and does not want the level of State and Federal oversight that exists for Medicaid.

Proposed Approach: Impose appropriate Medicaid-type oversight protections for low-income individuals via the terms and conditions of the waiver, while allowing the State to keep the symbolism of a private program if they wish.

Federal Matching of Premiums

Problem: The State is asking for Federal match for the gross cost of the premium, not the net cost after the employer and employee contribution. This would establish a new precedent in that employer-paid premiums have not been matched in the state reform waiver programs already approved. In addition to the Federal cost, this could encourage the State to enroll higher-income beneficiaries at the expense of those with lower incomes.

Proposed Approach: Prefer not to match premiums; it might be possible to match only up to a fixed percentage, with the State at risk beyond that percentage; we could otherwise attempt to limit through development of triggers and other terms and conditions.

Encounter Data

Problem: The State does not want to collect 100% encounter level data for all participants, arguing that hospital data and HEDIS reports are sufficient. Encounter data is critical for civil rights purposes, for ensuring access for the medically needy and other vulnerable populations, for cross-state analyses, and for the overall evaluation of the demonstration.

Proposed Approach: Do not compromise on this requirement.

Budget Neutrality

Problem: The standard method of determining whether the waiver meets the requirement of budget neutrality can not be used because of changes to the Medically Needy program.

Proposed Approach: Work with OMB and the State to establish a way to address this complex issue.

Other Issues

There are a number of other lesser issues that we are working to resolve, including Florida's request for an EPSDT and Boren waiver, a proposed 6 month residency requirement that appears to be unconstitutional, the likelihood that the role of insurance agents in the marketing of health plans may violate the anti-kickback statute, the loss of the Medically Needy program for those not currently in the program, and others.

FLORIDA HEALTH SECURITY (FHS) PROGRAM FACT SHEET

05-24-94

On February 10, Florida's Agency for Health Care Administration (AHCA) requested section 1115 demonstration waivers to permit Federal financial participation for the FHS.

The program will utilize a managed competition model and will provide health insurance for 1.1 million uninsured Floridians with income at or below 250% of the Federal poverty level. Health plans will be offered by Accountable Health Partnerships (AHPs) and administrated by Community Health Purchasing Alliances (CHPAs). Florida plans to implement the program in October, 1994.

ELIGIBILITY

- Any family unit whose gross annual income is at or below 250% of the FPL will be eligible for FHS. All income earned and unearned will be counted when determining eligibility. The value of assets will not be counted.
- Persons eligible for FHS must be U.S. Citizens or legal aliens. They must also be full time residents of Florida.
- Individuals and firms must be uninsured for a period of 12 months prior to joining the CHPA. Floridians receiving veterans' benefits, or publicly-funded health benefits for low income individuals are not subject to the 12 month uninsured limitation.
- Medicaid eligibles, Medicare beneficiaries, undocumented persons, and residents of public institutions such as prisons are ineligible for FHS.
- The Medically Needy program will be eliminated from the traditional Medicaid program. When the FHS program is implemented no new Medically Needy recipients will be accepted and the currently Medically Needy population in the State will have 6 months to obtain other insurance or enroll in FHS. The State estimates that approximately 2,200 Medically Needy recipients will be ineligible for FHS.
- A 50 percent enrollment rate is expected (i.e., only 50% of those eligible for FHS will join).
- Florida has proposed an enrollment cap. The enrollment cap is the maximum number of participants that can be enrolled in the FHS program, while retaining cost neutrality. FHS will reach its enrollment cap of 1,068,558 at the end of the

State fiscal year 1995-96. Once the enrollment cap is reached, the CHPAs will place FHS eligibles on a waiting list.

BASIC BENEFIT STANDARD

- The benefits under the FHS are similar to the benefits offered to Medicaid recipients. It does not provide transportation services, extensive long-term care coverages, some mental health and substance abuse coverages, and some coverages for chronically ill children. The benefits were designed to provide essential coverages to maintain a person's health and to be affordable for small employers.

DELIVERY SYSTEM

- CHPAs must secure the AHPs for FHS enrollees through an RFP process, complete comparison sheets on the AHPs, maintain a data base of members, enroll applicants in AHPs, collect premiums, and distribute premiums to AHPs. The CHPAs are responsible for providing any other administrative functions that might be needed by the FHS participants. There are 11 CHPAs in Florida. They are local, State-chartered, not-for-profit corporations. Membership by small businesses in the CHPAs is voluntary.
- Agents licensed to sell products only through the CHPAs are responsible for the recruitment of FHS members.
- Health care services are delivered through a network of health plans called AHPs. AHPs integrate health care providers and facilities and assume risk in order to provide health care services. An AHP is a health insurer or HMO that has gone through additional quality checks and agrees to provide data regarding the providers and facilities in its network. AHPs are accountable for cost, quality of care, and patient satisfaction.
- The role of the State is limited to financial support and regulatory functions, such as setting standards; monitoring quality; auditing; evaluation; and adjudication of appeals, complaints or grievances.

FINANCING

- FHS will provide premium discounts for participating individuals either directly or through their employers. The individual and/or employer contribution will vary. If a recipient has no income, there will be no contribution. Employer and employee contribution are set at low levels to encourage maximum participation by all eligible Floridians.
- The per member, per month benchmark price is based on the cost of providing the basic benefit package through an HMO participating in the private market.

The FY 93-94 benchmark price is estimated at \$116 per member per month and \$348 for family coverage (family of 4). This price includes the costs of enrollment, eligibility determinations, and other administrative functions that will be performed by CHPAs and their administrators. This benchmark premium was determined through actuarial analysis done through Humana with some add-ons for administrative activities.

- The Federal financial participation rate will remain constant - approximately 55 percent of the benchmark premium.
- If an individual chooses a plan with a premium higher than the benchmark \$116, the individual will be responsible for the part of the premium above \$116. If an individual chooses a plan with a premium lower than the benchmark \$116, the individual contribution will be reduced.
- Savings to finance FHS will come from a series of reforms to the Medicaid program. These reforms include mandatory managed care, modification of reimbursement policies, reallocation of disproportionate share program funds, a phased elimination of the medically needy program, and a phased transfer of funds from other State and local government health care programs.

COST SHARING

- Cost sharing will be greater for FHS participants than for traditional Medicaid enrollees. In addition to premium contributions there are deductible, copayments, and coinsurance requirements.
- There are 2 basic benefit options under the FHS - an HMO plan and a 80/20 coinsurance option which except for certain benefits, particularly those of a preventive or educational nature, require the individual to make a coinsurance payment of 20 percent of the service cost. For the indemnity option there is a maximum out-of-pocket limit of \$2,000 for individuals and \$4,000 for families. For the HMO option there is a maximum-out-of pocket limit of 200% of the annual premium. The cost sharing features of the HMO option should provide incentives for their selection. For example, there are no deductibles in the HMOs.

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**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
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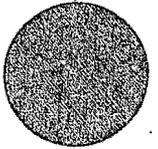


DEPARTMENT OF HEALTH & HUMAN SERVICES

Chief of Staff

Washington, D.C. 20201

JUN 1 REC'D



Florida Waiver Meeting
June 1, 1994

The following are the IHIS attendees at the Florida waiver meeting on Thursday, June 2, 1994 at 10:30 a.m. to be held in Carol Kasco's office.

*David
6/1/94
Mam*

<u>NAME</u>	<u>DATE OF BIRTH</u>	<u>SS NUMBER</u>
Kevin Thurm		
Kathleen Buto		
Judy Feder		
Michael Wald		
John Monahan		
George Schieber		
Kenneth Thorpe		
Kenneth Apfel		

P6/b(6)

(FA)

Also attending:

Nancy-Ann Min sending Robert Allison
 Marcia Hale (sending rep)
 Joan Baggett (sending rep)
 Kathi Way
 Harold Iches (sending rep)



DEPARTMENT OF HEALTH & HUMAN SERVICES

Chief of Staff

Washington D.C. 20201

FACSIMILE

DATE JUN 1 1994

TO: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER):

Carol Rasco
Assistant to the President
for Domestic Policy
Attention: Roslyn Miller
456-2216

FROM: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER):

Kevin Thurm
Chief of Staff
690-6133

RECIPIENT'S FAX NUMBER: () 456-2878

NUMBER OF PAGES TO SEND (INCLUDING COVER SHEET): 2

COMMENTS:

EXECUTIVE OFFICE OF THE PRESIDENT

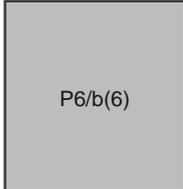
01-Jun-1994 05:05pm

TO: Gwendolyn L. Suggs
FROM: Rosalyn A. Miller
Economic and Domestic Policy
SUBJECT: Appt. request - Thurm, Kevin and others

Date Appointment with
02-Jun-1994 RASCO, CAROL H

Room No. Bldg. Requested by Phone #
2FL/WW WH Rosalyn A. Miller (202)

Comments:

TIME	VISITOR'S LAST, FIRST NAME	BIRTHDATE	SOC. SEC. #
10:30am	Thurm Kevin	 P6/b(6)	- -
10:30am	Buto Kathleen		- -
10:30am	Feder Judy		- -
10:30am	Wald Michael		- -
10:30am	Monahan John		- -

EXECUTIVE OFFICE OF THE PRESIDENT

30-May-1994 07:56am

TO: (See Below)

FROM: Carol H. Rasco
Economic and Domestic Policy

SUBJECT: meeting on Florida waiver

Roz: Please set up with Kevin Thurm's office a meeting before the close of business Thursday of this week for HHS folks to come do a quick briefing for us on Florida's health care waiver. Kevin and I discussed this on Friday night. Once date/time set, please notify Nancy Ann Min of OMB, Marcia Hale, Joan Baggett, Kathi Way and Harold Ickes to attend or send a rep of they wish.
Thanks.

Distribution:

TO: Rosalyn A. Miller

CC: Nancy-Ann E. Min
CC: Dawn M. Friedkin
CC: Joan Baggett
CC: Kathryn J. Way
CC: Janice A. Enright