



**HB09-1293 Oversight and Advisory Board
Hospital Provider Fee
November 17, 2009
Meeting Minutes**

PRESENT	ABSENT	GUESTS
Bruce Alexander – Chair	Chris Underwood	Marc Staublely – PCG - phone
Mimi Roberson – Vice-Chair	Janet Pogar	Garret Abremsom – PCG phone
Phil Kalin		
Jeremiah Bartley		
James Shmerling		
Randy Safady		
Flora Russel		
Ann King		
Menda Warne – Phone		
Thomas Henton - Phone		
Robert Omer - Phone		
Jennifer Weaver – Staff		
Nancy Dolson – Staff		
Jeff Orford – Staff		
Matt Haynes - Staff		

AGENDA	PRESENTERS	TIME
Welcome & Opening Remarks Review and Approve Minutes from 10/20/09 Meeting	Bruce Alexander	3:00 pm – 3:05 pm
Updates Psych Hospital data/model update	Nancy Dolson Safety Net Programs, HCPF	3:05 pm – 3:35 pm
Public Comment	Public	3:35 pm – 3:50 pm
Cost-Shift Work Group Scope, Composition, Timeframe	Matt Haynes and Jeff Orford Safety Net Programs, HCPF	3:50 pm – 4:30 pm
Additional Public Comment	Public	4:30 pm – 4:40 pm
Schedule additional OAB meeting to review and approve Annual Report (tentative – Jan. 12, 2010) Additional Discussion	Board Members	4:40 pm – 4:45 pm
Tentative agenda for next meeting	Board Members	4:45 pm – 5:00 pm
Adjournment	Bruce Alexander	5:00 pm

The minutes from the October 20, 2009 meetings were approved per one change to the guests.

Presentations:

- **Nancy Dolson** started by giving the board an update on where the Department stood with CMS regarding the submission of the model
 - CMS gave a couple of areas of concern that they will want more information on
 - fee split between commercial and non commercial
 - tier payments for rural and metro Denver
 - demonstrate that are under the 5.5% net patient revenue limit
 - want a list of the excluded facilities
 - Agreed to send some correspondence with other states to review

- **Nancy Dolson** reviewed the draft work plan
 - The board requested that the work plan was brought to every meeting

- **Nancy Dolson** started a discussion on the Model update
 - Showed the changes that the Department has made to the recommended model and the different scenarios
 - Free Standing Psychiatric Hospitals Pay (A)
 - Question was raised if geriatric psychiatric hospitals are going to be included? Clarified that it would be those that are recommended by CMS
 - A comment was given on the net/gain loss that in this model it is a lower total overall income coming into the program
 - Free Standing Psychiatric Hospitals Pay (B)
 - Questions about the NICU payment were clarified
 - Pointed out that it was important to look at the individual psychiatric hospitals
 - Psych Supplemental Payment (no psych assessment) no fee

Opened for public comment

- **Sally Schafer** – Colorado Western Psychiatric
 - Lost 1.8 million alone last year and if were to have the fee would have to close.
 - Recommend that they were not included in the fee.

- **Kevin Phillips** – Haven Behavioral
 - Has ability to add more beds but on hold until fee is figured out
 - Agrees with Sally Schafer and feels that their facilities could not bear the fee
 - Supports the Department to leave out Psychiatric Hospitals

- **David Morris** – Highlands Memorial
 - Comes from a facility that has 86 beds and it is such a small margin this will make it even harder to operate
 - Probably will put some out of business and cause the patients to flow into the ER's which is what we are trying not to have happen
- **Elaine Crukovic** - Cedar Springs
 - They are ready to accept those patients from Fort Logan when it closes but if the fee is charged to the Psychiatric Hospitals they will not be able to accept the new patients

Closed public comment

- The topic if the Psychiatric Hospitals should be included in the fee was revisited and discussed and the board agreed to leave it as it is without them. If need be they will revisit the issue for next year's model.
- Comment was also made that wanted to keep our options open in case CMS did not like the supplemental payments.
- **Jeff Orford** and **Matt Haynes** started a Cost-Shift Workgroup presentation
 - Asked if it is ever possible to quantify the measure of cost-shifting?
 - Other data points to be collected?
 - Outpatient care
 - rate increases can change
 - Was discussed that the Board needs to manage the group and let them know exactly what we want them to do – can we give them 5 reasonable measuring criteria?
 - Concern was given over the disconnect between insurance premium increases and what the hospital actually gets
 - The board agreed that the workgroup will be convened in March 2010

Opened for public comment

- Elisabeth Arnelas – Colorado Center of Law and Policy
 - Completely agrees that the legislator was in support of the cost-shift issue and need to come up with what the OAB will do in response to it. What happens to cost has an impact on charges and is concerned that the hospitals would shift it on to consumers.
 - Driving utilization in the area of cost
 - Feels the Board needs to have a broader conversation on how they look at cost-shifting
 - Also hopes that the cost-shift work group has more then just hospitals making up the composition of the group

- Bob Semro – Colorado Community Health Initiative
 - Feels that cost-shifting was the core issue when the bill was put in place and feels that this fee will be caught in the black box of cost shifting
- Tom Nash – CHA
 - The legislation was worded pretty specifically in regards to cost-shifting
 - Does not know if we know the size of the problem yet
 - Cost-shifting is not done just to insurance companies some do not have the ability to cost-shift
- Gretchen Hammer – Colorado Coalition to the Uninsured
 - Feels that if you are using the word for word definition you are missing the expansion piece
 - Would like to keep in mind the expansion population as well

Closed public comment

- The board continued the discussion and felt they should start measuring the three big components and then going forward they can see what else might needed to be added
- The group felt that they should start with CHA's model of cost-shifting first and then go from there
- Over time they will need to look at the issue of insurance and payers

Additional topics

- In December the Department will give the first draft of the proposed annual report
- Need to schedule an additional meeting in January to get the final changes and approval of the annual report from the board will be either January 5th or 12th and each member will check for availability

The meeting was adjourned at 5:00 pm.

The next meeting is scheduled for Tuesday, December 15, 2009, from 3:00 pm – 5:00 pm. It will be held at 1552 Grant Street – 4th Floor conference room, Denver, CO 80203.

"The mission of the Department of Health Care Policy & Financing is to improve access to cost-effective, quality health care services for Coloradans."