

**Association of Life Insurance Medical
Directors of America**

94th Annual Business Meeting Minutes

The business meeting of the 94th Annual Meeting of the Association of Life Insurance Medical Directors of America was called to order by President William Herbert at 9:02 a.m. on Monday, October 14, 1985, at The Waldorf-Astoria, New York City, New York.

Dr. Herbert welcomed all the attendees. Dr. Herbert read a list of members from foreign lands, and he indicated ALIMDA's pleasure in having such a large number of representatives from many parts of the world.

The minutes of the 93rd Annual Meeting were approved as published in the Journal of Insurance Medicine.

The minutes of the Executive Council Meeting of April 30, 1985, were approved by the Executive Council and will be published in the Journal of Insurance Medicine.

Dr. Joseph Jurkoic, Secretary, read the minutes of the Executive Council Meeting held on October 12, 1985. These minutes will be published in the Journal of Insurance Medicine.

The minutes of the Executive Council Meeting of April 30, 1985, were approved by the Executive Council and will be published in the Journal of Insurance Medicine.

Secretary Jurkoic then reported for the Credentials Committee. There were 54 applicants for membership to ALIMDA. There were 26 applications for emeritus status, 6 reinstatements, and 37 resignations. Seven deaths were reported in 1985.

The list of proposed new members had been distributed to the member attendees. The Credentials Committee recommended approval of this list of proposed candidates for membership. The list was approved. The new members were asked to stand to be recognized.

The Secretary then read the list of names of those whose deaths had been reported in 1985. Dr. Herbert asked the membership to rise and asked for a moment of silence.

Dr. John C. Robinson presented the report of the Nominating Committee. He presented the following list of names in nomination for elective office in the Association of Life Insurance Medical Directors for 1985-1986: President, Reginald D. Atkinson,

M.D. (already elected); President-Elect, Warren L. Kleinsasser, M.D.; Secretary, Joseph R. Jurkoic, M.D.; Treasurer, John P. Carey, M.D.; Editor of the Transactions, Walter S. Clough, M.D.; for the terms on the Executive Council, Jerzy Gajewski, M.D., Frank T. Mansure, M.D., and John P. Tooman, M.D.; Representatives to the HIAA Committee on Consumer and Professional Relations, Robert Katz, M.D., Alternate, William Guillette, M.D.; Delegate to the AMA House of Delegates, Paul S. Metzger, M.D.; Alternate, Roger H. Butz, M.D.; Board of Insurance Medicine, V. Logan Love, M.D. and W. John Elder, M.D. for a second three-year term, Milan F. Bures, M.D. and Elliott A. Williamson, M.D. for a first three-year term.

There were no nominations from the floor. A motion was made, seconded, and the membership voted approval that the nominations be closed. The Secretary was asked to cast a ballot for each nominee.

Dr. John Carey presented the Treasurer's report and the Auditor's Report. These reports were approved by the membership.

The Business Meeting was recessed to be reconvened on October 16th.

Dr. William Herbert reconvened the Business Meeting and called it to order at 11:30 a.m., Wednesday, October 16, 1985.

Dr. Herbert dispensed with the reading of the Committee reports since they will be published in the Journal of Insurance Medicine.

Dr. Logan Love, Chairman of the Board of Insurance Medicine reported that 10 oral examinations were given in conjunction with the 94th Annual Meeting of ALIMDA, and all 10 members passed. All members present who had passed their oral examinations were asked to stand and be recognized. Dr. Love further reported that the Board had elected the following officers: Ferris J. Siber, M.D., Chairman; Dan L. Scott, M.D., Vice Chairman; Milan F. Bures, M.D., Secretary-Treasurer. Dr. Love further announced that the Triennial Course in Insurance Medicine will be presented during the week of February 14, 1988, at the Wigwam/Phoenix, Arizona.

Dr. William Herbert reviewed his term of office and summarized the notable events during the year. He thanked ALIMDA for having the confidence to have him serve as their President for the past year.

Dr. Herbert thanked Dr. John Robinson and Dr. Joseph Jurkoic for their help during the previous

year. He thanked the Executive Council and the Committees who provided him with help and support and guidance during his tenure as President. He particularly thanked Dr. Frederick E. Lewis of Guardian Life, Chairman of the Program Committee, who worked so hard to make the educational program a reality. Dr. Herbert further thanked members of the Program Committee and noted the work of needs assessment by the Committee to present timely material of benefit to insurance medical directors with an avoidance of duplication of topics.

Dr. Herbert further voiced deep appreciation for the hard work carried out by ALIMDA's volunteer support staff at the registration desk whose work and preparation for the meeting went far beyond what was obvious at the registration site. Dr. Herbert acknowledged the work of Maureen Adams, Ginny Baclawski, Mary Moynihan, Elaine Liberio, and Marie Pilot.

The Red Carpet Associates were also thanked for their help. Thanks were offered to the staff of The Waldorf who were directly involved with the ALIMDA meeting. This included Diane Wilson, Lee Sherman, and Alex Milkjkovic. The help of Ron Siegel and Todd Manning were also acknowledged.

Dr. Herbert thanked his wife, Peg, for all of her support and for the hard work which she contributed to the success of the meeting in general and the spouses' program in particular.

Dr. Herbert introduced the new officers of the Association. Dr. Reginald Atkinson, President; Dr. Warren Kleinsasser, President-Elect; Edward M. Hard, Vice President; Joseph R. Jurkoic, Secretary; John Carey, Treasurer; and Walter Clough, Editor of the Transactions. The officers were asked to stand to be recognized by the membership.

Dr. Herbert then greeted ALIMDA's new President, Reginald D. Atkinson and his wife, Marian, at the podium. At this time he turned over the gavel and Robert's Rules of Order.

Dr. Atkinson thanked Dr. Herbert for a fine year and a superb meeting. He summarized the highlights and particular points in regard to the meeting which made it of superior quality.

Dr. Atkinson then asked Dr. John C. Robinson to come to the podium. At this point Dr. Robinson presented a Paul Revere pewter bowl to Dr. Herbert as a token of ALIMDA's appreciation for his service to ALIMDA.

Dr. Atkinson then discussed the upcoming meeting which will be held at the Westin Hotel in Ottawa, Canada, on September 28 to October 1, 1986. Dr. Atkinson particularly extended an invitation to members of foreign countries who are planning on going to the International Congress in Japan to attend the 95th Meeting in Ottawa.

There was no further business. President Atkinson adjourned the meeting at 11:54 a.m.

Respectfully submitted,

Joseph R. Jurkoic, M.D.
Secretary

**Report of the Representative to the HIAA
Committee on Consumer and
Professional Relations**

*Robert Katz, M.D.
Representative of ALIMDA*

The Consumer and Professional Relations Committee met in West Palm Beach, Florida on January 28, 1986.

I. The minutes of the October 2, 1985 meeting were approved without change.

II. Report of Activities at the Federal Level

The major tasks before Congress in the current session will deal with tax reform, reconciliation and the effects of the Gramm-Rudman Act.

The House version of the tax reform bill considers taxation of Blue Cross/Blue Shield, exempting high risk individuals. It also exempts from taxation employee benefits. Similar measures are still under consideration by the Senate.

HIAA strategy has been successful in preventing taxation of the inside build-up of insurance and in the drafting of non-discrimination rules. New initiatives regarding catastrophic coverage and vouchers for insurance passed both Houses and were sent to Conference Committee shortly before adjournment. The issues for reconciliation include continuation of coverage for widows, divorcees, dependent children, and laid-off workers.

Medicare Coverage

Medicare coverage will be secondary to health insurance for active workers at age 69 and over. Health insurance will be primary in Veteran Administration Hospitals for non-service connected disabilities. To consider long term care, an 18 member task force will be charged to establish non-binding guidelines. Other matters to be considered include the privatization of federal programs, professional liability statutes, cost implications of AIDS, confidentiality and the use of the ELISA tests and health planning (the House has passed a one year extension, the Senate passed a three year authorization). The House favors the continuation of the HMO Certification Program while the Senate leans towards a repeal of the HMO law.

The Rand Corporation has studied impediments

by several states to the formation of PPOs. Upper level staffing of the Department of Health and Human Services is still in progress.

Considerable across the board cuts in federal funding are to be accomplished by March of 1986 affecting Medicare contractors, human wellness programs and similar activities in compliance with the provisions of the Gramm-Rudman Act. There is a rising sentiment to move for its repeal.

III. Review of HIAA Issues Management Priorities for 1985-86

The Committee recommended upgrading issues dealing with State Data Mandates from Level II to Level I, and Data Management and Utilization Review from Level IV to Level II. It must be pointed out that there is a distinct difference between establishing a data base and data management. In view of reluctance by several top companies to submit adequate data for HIAA use, little progress has been made in this area. The sense of the Committee was polled with six members voting for the establishment of a HIAA data base, with two abstentions. Data are currently available from hospitals which are mandated in several states to make them available.

IV. Approval of the Objectives and Priorities of the CPR Division for 1986-87

The Committee received a report from the Task Force on Goals and Objectives for 1986-87 with emphasis on cost containment and equity in the payment for health care services. The task force recommended that the CPR Division allocate staff and resources to the following tasks:

A. Health Care Management Information

1. To promote new and maximize existing data systems at the state level.
2. Recommend further legislation to promote implementation of state systems.
3. Support HIAA initiatives to consolidate industry data.

B. Hospital Prospective Payment Systems

Staff shall promote all payer systems by producing uniform incentives for payers and providers to reduce cost, unnecessary utilization and eliminate cost shifting. The program shall also produce equitable payment for uncompensated care and for

medical education while assuring access to care for the medically indigent.

C. Marketplace Options

The staff shall disseminate information on non-insurer sponsored arrangements and survey and evaluate their results.

D. Equity with Blue Cross on Provision of Coverage

Efforts shall continue to quantify the value of Blue Cross discounts, to support state risk pools and to obtain the same class of payer discount as the Blue Cross.

E. The federal role in health planning deserves continued support in order to preserve State Health Planning and Certificate of Need Programs.

F. Technology Assessment

The staff will solicit voluntary contributions from member companies to support the planning and development of the Council of Health Care Technology. There will be a liaison with the HHS Task Force on Organ Transplants and its working Committees.

G. Hospital Utilization and Quality Assurance Programs

The staff will assist member companies to develop effective quality assurance and utilization review programs, and will oppose proposed legislation or regulations limiting or prohibiting such programs.

H. Medicare Reform

The staff will evaluate Medicare reform issues as they relate to the priority area of Health Care Payment Reform.

V. Board Action Relative to Federal Issues and Request that the Federal Programs Committee and the CPR Committee Review the Positions Relative to a Federal Residual System for Hospital Payment Reform

The Committee voted unanimously to adopt a modification to existing HIAA policy to the effect "that the Association support federal incentives (such as increased match in Medicaid funding) for states to develop prospective payment systems and that the Association support specific legislation on a federal residual

system only after consideration by the President, Chairman of the Board, and Chairmen of the Consumer and Professional Relations and Federal Programs Committees."

VI. Presentation by the National Executive Service Corps (NESC)

The National Executive Service Corps has established a Health Care Consulting Group to assist facilities' Business Developments. They are hoping to get funding from individual carriers (10 at \$10,000 each) to continue the Program.

VII. Report of the Health Care Management Committee

The Committee received an informational report supplemented by a proposed HIAA policy statement on Long Term Care Regulations. It contains general guidelines for individual indemnity or expenses incurred with long term care products. The statement is based on the increasing need for long term care services by our nation's growing aging population. The guidelines are a result of the study by task forces of the National Association of Insurance Commissioners and the Health Insurance Association of America. The task force examined such issues as:

1. The removal of existing regulatory barriers to the development of long term care products.
2. Alternative and innovative funding mechanisms.
3. Actuarial data necessary to determine appropriate pricing.
4. Incentives for the purchase and sale of these products.
5. Development of educational materials for the public and industry.
6. Appropriate regulation of long term care insurance.

VIII. Report of the Medical Relations Committee

The informational report was based on its October 1985 meeting. To support the Institute of Medicine's Council on Health Care Technology contributions of \$100,000 each year for the next three years have been solicited. \$45,000 has been pledged by member companies as of January 1, 1986.

HIAA has nominated Paul S. Entmacher, M.D., Senior Vice-President and Chief Medical Director, Metropolitan Life Insurance Company, to be its representative on the Council on Health Care Technology.

James L. Moorefield, President of HIAA serves on the subcommittee of the HHS Task Force on Organ Transplantation, charged with developing criteria for designated medical centers and the development of criteria for organ transplantation and reimbursements.

HIAA staff has drafted a report entitled "Reimbursement practices of Private and Public Payers for Organ Transplants". A joint ACLI-HIAA Subcommittee on Risk Classification has prepared a background paper on developments to AIDS issues and surveyed companies regarding their underwriting practices and coverage experience with life and medical policies. The HIAA Board of Directors made the following recommendations:

1. The insurance industry does not need or want access to the results of state administered AIDS related tests, and
2. Insurers must be permitted to order their own AIDS related tests and to use results thereby obtained in the underwriting process.

IX. Report of the Dental Relations Committee

The American Dental Association held its annual session in November 1985. Several resolutions of interest to our industry were passed, among them was:

RESOLUTION 76

Calling for continuous promotion of direct reimbursement.

RESOLUTION 99 RC

Capitation Dental Benefit Programs. It contains the following:

Capitation Dental Benefit Programs should be offered only as an alternative to a benefit program which does not restrict the subscriber's opportunity to receive treatment from the dentist of his choice. The scope of services covered in the unrestricted and capitation programs should be equal to participate in the program. There should be no automatic enrollment in Capitation Dental Benefit Programs. Similar to prior years the ADA again called for

disclosure of dental consultants upon request to carriers and that specific individuals be designated as third-party contact persons.

X. Report of the Claim Procedures and Forms Committee

No significant changes can be anticipated on the revised physician claim form HCFA 1500. Many states use modifications of this form in their Medicaid programs.

The Committee has agreed to develop recommendations for a uniform pre-admission/second surgical opinion review form in response to concerns raised recently by providers.

XI. Report of the Allied Health Services Committee

A Task Force has been established to review accreditation standards developed by the Commission of Accreditation of Rehabilitation Facilities.

The Pharmaceutical Relations Subcommittee reported that the Metropolitan Life Insurance Company and the Travelers Insurance Company's suit against the Georgia Insurance Commissioner and the Georgia Attorney General is still pending. The suit is a challenge to prescription drug legislation which would adversely affect the marketing and administration of their prescription drug programs.

Metropolitan and Travelers have filed separate motions for Summary Judgment (December 1985). The Georgia Pharmaceutical Association (GPA) has applied to the court for permission to submit an amicus curiae brief.

XII. Report of the State Council Advisory Committee

The 1986 State Council Seminar is scheduled for March 1986, to be held at the Western Galleria Hotel in Dallas, Texas.

The program includes panels on Competition vs. Regulations, Data, Uncompensated Care, PPO's and HMO's.

The keynote speaker will be David M. Kinzer, past President, Massachusetts Hospital Association and Lecturer, Harvard University Medical School and School of Public Health.

The next meeting of the Consumer and Professional Relations Committee will be held in Washington, D.C. in May 1986.