

HIAA Committee on Consumer and Professional Relations Report of the ALIMDA Representative

The Consumer and Professional Relations Committee met in Washington, D.C. on June 9, 1988.

- I. The minutes of the February 5, 1988 meeting were accepted as submitted.
- II. Report of Activities at the Federal Level

Recent legislative activity revolves around the expansion of Medicare benefits, but failed to provide long term care under the program so eloquently championed by Senator Pepper. The latter issue will undoubtedly be considered at a later date. Its current defeat was primarily due to a technicality based on circumventing the House Ways and Means Committee.

A catastrophic long term care legislative proposal by Senator Mitchell will be the subject of hearings commencing June 17, 1988.

Senator Waxman's concern with confidentiality in testing has given way to some concessions to the insurance industry. In the setting of federal standards in such matters he considers the issues to be related more to public health than to civil rights.

Some adjustment and elimination of cost sharing will become effective January 1, 1989, 1990 and 1991. There will be elimination of duplication of coverage by supplemental insurance plans as a result of the adjustment. Premiums may remain at the same level to accommodate anticipated rising costs.

Senator Kennedy's bill mandating insurance by small employers is currently in subcommittee and lacking sufficient votes to bring it out.

HIAA's attempts to repeal the Federal HMO Act may not succeed this year. Some amendments to the Act propose that experience rating rather than community rating be employed for HMOs.

To hold down increased costs of health care Physician Payment Reform is currently pending and may receive a considerable boost when the joint AMA and Harvard Study results become available in July.

HIAA testified before the Subcommittee on Labor-Management Relations, Committee on Education and Labor of the U.S. House of Representatives regarding minimum health benefits for all Americans. HIAA proposed the expansion of Medicaid to all those below the federal poverty level, and suggested that insurance be allowed to offer more affordable coverage, including prototype plans with less expensive benefit packages for small business.

It was also recommended that a non-profit organization be established to reinsure uninsurable employer groups.

- III. Review of HIAA Issues Management Priorities for 1988-89

The Committee approved the topic of cost containment and recommended that it include managed care through preferred provider arrangements, utilization review and the quality of health care and gave it Level I priority. Medicare Reform was lowered to Level II. Tax Treatment of Blue Cross/Blue Shield was lowered to Level III. Group Coordination of Benefits provisions was raised to Level III.

Criteria for Prioritizing Issues Management Topics

Level I: Issues that require an urgent commitment of funds and/or staff. These issues require immediate, top priority action because of the potential impact on the volume and profitability of the health insurance business.

Level II: Issues that require a major commitment of funds and/or staff.

Level III: Issues which require high level staff and committee/task force effort.

Level IV: Issues which require monitoring by staff.

- IV. Presentation by the Executive Director of the HHS Secretary's Commission on Nursing

The Executive Director, Lillian K. Gibbons, R.N., Dr. P.H., briefly stated the issues confronting the Commission on Nursing:

- (1) Identify success and problems of registered nurse recruitment and retention throughout the health care industry.
- (2) Identify the factors associated with these situations.
- (3) Develop a multi-year action plan to relieve problems of recruitment and retention encompassing a private/public commitment for implementation.

Dr. Gibbons indicated that as much as 40% of the nurses' time may be involved in non-professional activities. It would appear that a re-evaluation of nursing job activities could contribute to an alleviation of the existing shortage of nurses, as would an upward adjustment of salaries. Some modifications of insured benefit plans to include coverage of health care providers below the R.N. or L.P.N. level may well make more professional nurses available for other tasks without impacting the quality of care rendered to the insured.

- V. Report of the Health Care Management Committee

After careful consideration the Consumer and Professional Relations Committee endorsed the Health Care Management's Committee requests to:

1. Continue support of a New Jersey pilot project for the uninsured involving expanding Medicaid eligibility, creating an uninsurable risk pool, allowing small employers newly offering basic benefit plans under the project to be exempt from mandated benefits, and to permit the state to subsidize small employer coverage.
2. To continue involvement in New York pilot projects for the uninsured and under-insured.
3. To oppose New Jersey guidelines for hospital pre-admission certification programs, and to offer constructive amendments to make them acceptable to the insurance industry.
4. To oppose retroactive implementation of the Pennsylvania data regulations and to propose specific language protecting the confidentiality of patients, employers and payors.
5. (a) To support Florida legislation to continue the Hospital Cost Containment Board to 1992.
 (b) To support the Washington State Hospital Commission in its attempts at strengthening and enlarging its authority.
6. To assure that private sector rates are not increased to include recovery of government payment shortfalls in all states with hospital prospective payment systems.

VI. Report of the Medical Relations Committee

The Committee approved a recommendation for a \$4,000 contribution to the American College of Cardiology's "Bethesda Conference" scheduled for October 3-4, 1988.

Progress was reported for the HIAA's Medical Practice Assessment project, Survey on Emerging and New Technologies, and Organ Transplants. The Committee will review the report of the Physician Payment Review Commission.

Representatives from HIAA, Blue Cross and the American Medical Association met to discuss development of draft guidelines for 3rd party payor claims review and appeals processes as well as the development of uniform pre-admission certification review guidelines.

VII. Report of the Claim Procedures and Form Committee

The Committee received approval to forward to the Board revisions of HIAA's Standard Forms. No physician claim form is included in recognition that a suitable HCFA-1500 is under active development. The Committee therefore recommends that the revised HIAA Standard Forms Program be issued without a new physician claim form.

VIII. Report of the State Council Advisory Committee

The March 1988 seminar was well attended and well received. The 1989 seminar will again be held in Chicago. The program is in its planning phase, details to be reported at a later date.

IX. Report of the Dental Relations Committee

The Consumer and Professional Relations Committee approved a request for the acceptance of a protocol to establish a process by which a Universal Coding and Nomenclature (UCAN) for Dental Procedures can be established and maintained, and for the sharing of legal costs with the Delta Dental Plans Association to determine whether or not the American Dental Association has any legitimate proprietary interests in the ADA Codes and Nomenclatures.

X. Report of the Allied Health Services Committee

The Committee was informed that accreditation standards for Home Health Services have been established by the joint Commission on Accreditation of Health Care Organizations.

The Committee will review the proposal and provide a reaction to the private/public financing under consideration by the Department of Health and Human Services' Task Force on Technology Dependent Children.

XI. Unfinished Business

None

XII. New Business

None

XIII. Next Meeting

September 15, 1988 in Washington, D.C.

Robert Katz, M.D.