



GOVERNMENT OF BERMUDA

Ministry of Health

Health Insurance Department

Health Insurance Committee Meeting Minutes


Meeting Date:	24 th January 2019	Time:	2:00pm – 3:30pm
Location:	Health Insurance Department Board Room	Note Taker:	Roxanne Eve
Attendees:	PS Jennifer Attride-Stirling (Chairman), Dr. Richard Braithwaite, Dr. Louise White, Dr. Cheryl Peek-Ball, Shivon Washington, Pandora Glasford, Holly Diatelevi, Eleanor Furtado, Jaime Cook, Howard Cimring		
Apologies:	Laquita Burrows, Stephen Gift, Dr. Michael Ashton		
Topics	Highlights		
1. Opening	1.1 The Chair called the meeting to order at 2:05pm.		
2. Minutes	2.1 22 nd November 2018 minutes were approved as circulated and signed. 2.2 Action Items were reviewed and updated per below.		
3. Financial / Governance	3.1 HIC Actuarial Review for Fiscal 2019 / 2020 (Howard Cimring, Morneau Shepell) – The Chair welcomed the Actuary. The Actuary provided an overview of the plan financials, premium considerations and changes under the SHB/MRF, premium recommendations, and costing of proposed changes to benefits for the upcoming fiscal year. The estimated combined loss ratio for HIF and FutureCare for fiscal period 2018/2019 is 103%, primarily supported through the funding provided by the Government and MRF transfers. Fiscal 2015/16 saw a deficit of \$3.27M; however the financial position has improved with an estimated surplus of \$1.95M at the end of 2018/19. Over fiscal 2017/18 premiums totalled \$40.8M with claims paid of \$58.6M. Transfers to HID from the MRF totalled \$23.2M with HID paying \$7.5M in premiums to the MRF resulting in net funding to the plans of \$15.7M. Due to the delay in annual changes which took effect July 1, 2018, FutureCare was underfunded by approximately \$1M. A spike in claims over 2017/18 and 2018/19 resulted in a \$1.3M variance in the plans. Long Term Care claims were up \$2.4M under FutureCare and \$1.5M under HIP due to a change in the hospital billing. Recommendations to carefully look at eligibility needs under the PHC benefit were discussed as costs are escalating at a high rate, now expected to exceed the expected plateau of \$5M. Discussions highlighted the positives of the benefit and the potential decrease in hospitalizations as a result of the benefit being introduced. MWI claims declined approximately \$1.4M for HIP due to ineligible claims. A BHB fee schedule change effective November 1 st 2018 resulted in the plans experiencing an unforeseen additional \$600,000 impact. FutureCare is the driver of the increase in PHC claims, with pharmacy claims averaging a rise of 5% per year. It was discussed how a pharmacy benefit for HIP could possibly help in reducing hospitalizations as people will have access to necessary medications to control health conditions. This would require a premium increase to adequately sustain. Consideration of possible coverage under MRF was discussed. Overseas claims for 2018/19 are estimated to be \$6M, showing a pattern of trending up. There is currently an MRF liability of approximately \$9.7M for the subsidy component of dialysis claims, with a provision for HID to reimburse BHB for claims incurred during the period June 1, 2017 to March 31, 2018. FutureCare headcount has shown consistent growth estimated to end 2018/19 at 4,191 policyholders versus 3,798 in 2015/16. HIP headcount has shown little fluctuation, expected to end 2018/19 with 3,270 policyholders versus 3,207 at the end of 2015/16. It was noted that pending final		

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	<p>conclusions regarding SPR provisions and MRF premiums, a subsequent review of the FutureCare and HIP positions may be required. The Chair thanked the consultant actuary who exited the meeting, and the meeting continued.</p> <p>3.2 Subsidy / HIP / FutureCare / MRF Review – BHB subsidy claims incurred for November 2018 totalled \$74 million with claims approved for payment at \$69.1 million. Estimates projected year-end balances at \$111 million, versus \$108 million budgeted for the subsidy grant. There are known delays with claims from BHB. The HIF administrative expense ratio was 5% at November 2018 with the fund expense ratio at 90% and the combined loss ratio at 87%, which remains consistent throughout the year. While the MRF is currently in a deficit, the fund is projected to end the year positively at \$1.1 million with the administrative expense ratio at 5%, the expense ratio at 92% and the loss ratio at 92%.</p> <p>3.3 Cash Flow Projections for HIF – Due to time restraints, the report on Cash Flow Projections was not presented. The Committee was asked to review the report, and if there were any questions, contact the Fund Accountant.</p>		
4. Plan Design	4.1 None		
5. Appeals / Policy Decisions	<p>5.1 Provider / Policyholder appeals – None</p> <p>5.2 Policy Decisions – None</p>		
6. Any Other Business	<p>6.1 Any Other Business - None</p> <p>Meeting adjourned at 3:24pm. Next HIC meeting scheduled for February 28th, 2019 at 2:00pm.</p>		
Action Items		Person Responsible	Target Date
1. None			

Signed: 
 Jennifer Attride-Stirling, Chairman

28 Feb 2019
 Date

Signed: 
 Laquita Burrows, HID Director

28 February 2019
 Date