

# Executive Order

## Commonwealth of Pennsylvania Governor's Office

<b>Subject:</b> Creation of the Commonwealth Health Care Reform Implementation Committee and the Commonwealth Health Care Reform Implementation Advisory Committee	<b>Number:</b> 2010-02 As Amended
 <b>By Direction of: Edward G. Rendell, Governor</b>	<b>DATE:</b> July 20, 2010

WHEREAS, the *Patient Protection and Affordable Care Act* was enacted by the U.S. Congress and signed into law by the President on March 23, 2010 and the *Health Care and Education Reconciliation Act* was enacted by the U.S. Congress and signed into law by the President on March 30, 2010 (hereinafter collectively referred to as the "Act") providing affordable health care coverage for nearly every citizen; and

WHEREAS, more than one million Pennsylvanians do not have access to affordable health care coverage; and

WHEREAS, the commonwealth's adultBasic program waiting list now stands at nearly 400,000 eligible persons and continues to grow; and

WHEREAS, nearly 200,000 Pennsylvanians who are on the adultBasic waiting list suffer from urgent, serious and expensive to treat illnesses; and

WHEREAS, Pennsylvania's small employers suffer extraordinary rate increases and many cannot afford to cover ever increasing premiums for employee coverage; and

WHEREAS, more and more small employers can no longer provide employee health insurance coverage and remain profitable enterprises; and

WHEREAS, the implementation of this Act will increase the numbers of individuals with reliable health insurance coverage, due to both an expansion of the Medical Assistance program and the creation of the health benefit exchange, will curb the trend of steep annual increases in health insurance premiums paid by employers and will provide direct assistance to small companies providing coverage and individuals purchasing their own coverage; and

WHEREAS, the Act provides incentives to further improve affordability of long term care services, and expansion and enhanced quality of home and community based services for older and disabled adults; and

WHEREAS, the Act relies on an expanded partnership between the federal and state governments in the administration of health care coverage and the regulation of health insurance products; and

WHEREAS, the Act authorizes and provides funds to states to create health benefit exchanges that will help citizens and businesses select the best health care coverage for their needs with tools to ensure that price and benefits can easily be compared among insurers; and

WHEREAS, innovations in the creation of the health benefit exchanges can ensure the continuity of coverage for individuals regardless of their employment situation; and

WHEREAS, the Act authorizes the federal government to work with states to create new temporary high-risk pools to help uninsured individuals, who cannot get insurance due to a pre-existing conditions, obtain affordable coverage; and

WHEREAS, the Act immediately ends the imposition of pre-existing condition requirements on children and, in 2014, provides every adult the same protection in addition to standardizing the rate setting for insurance products offered to small employers and individuals and providing other consumer protections, with the intention that states will enforce adherence to these new consumer protections; and

WHEREAS, the Act will produce annual reductions in state expenditures for prescription drug coverage for both Medical Assistance and Pennsylvania's PACE program recipients; and

WHEREAS, coordination among executive agencies regarding the Act's implementation will be needed to ensure Pennsylvanians get immediate and full access to all health care coverage, insurance protections, expanded access to care and federal subsidies to ensure affordability; and

WHEREAS, the commonwealth must develop an efficient and effective set of strategies to implement these reforms with input from experts, providers and citizens.

NOW, THEREFORE, I, Edward G. Rendell, Governor of the Commonwealth of Pennsylvania, by virtue of the authority vested in me by the Constitution of the Commonwealth of Pennsylvania and other laws, do hereby establish the **Commonwealth Health Care Reform Implementation Committee** and the **Commonwealth Health Care Reform Implementation Advisory Committee**; and do hereby delegate to the Insurance Department the authority to establish and administer the commonwealth's High Risk Pool program.

#### **1. Commonwealth Health Care Reform Implementation Committee.**

- a. Composition and Appointment.** The members of the Commonwealth Health Care Reform Implementation Committee shall be appointed by the Governor and shall include the following individuals or their designees:

- (1) Governor's Chief of Staff;
- (2) Secretary of Administration;
- (3) Secretary of Aging;
- (4) Secretary of the Budget;
- (5) Director of the Governor's Budget Office;
- (6) Secretary of Health;
- (7) Executive Director of the Office of Health Care Reform;
- (8) Insurance Commissioner;
- (9) Secretary of Legislative Affairs;
- (10) Secretary of Planning and Policy;
- (11) Secretary of Public Welfare; and
- (12) Deputy Secretary of Public Welfare for Medical Assistance.

**b. Chair.** The Governor shall designate the Chair of the Health Care Reform Implementation Committee.

**c. Responsibilities of the Health Care Reform Implementation Committee.** The Committee shall:

- (1) Design the optimal programmatic model for the commonwealth's High Risk Pool.
- (2) Design the optimal organizational model to support a customer-friendly and efficient health benefit exchange.
- (3) Identify all technology, organization and process improvements necessary to support the implementation of all state obligations under the Act.
- (4) Prepare a strategic plan for the implementation of the Act.
- (5) Identify legislative action necessary to enable full implementation of the Act and draft legislation for discussion with appropriate members of the legislature.
- (6) Create, as needed, inter-agency teams comprised of key staff to assist the Health Care Reform Implementation Committee's decision making process.
- (7) Engage members of the Commonwealth's Health Care Reform Implementation Advisory Committee and seek public input as necessary to accomplish its charge.

## **2. Commonwealth Health Care Reform Implementation Advisory Committee.**

**a. Composition and Appointment.** The members of the Commonwealth Health Care Reform Implementation Advisory Committee shall be appointed by the Governor and shall include, at a minimum, the following members or, in the case of the elected officials, their designees:

- (1) All members of the Health Care Reform Implementation Committee;
- (2) Two members of the Senate of Pennsylvania recommended by the Majority Leader of the Senate of Pennsylvania;
- (3) Two members of the Senate of Pennsylvania recommended by the Minority Leader of the Senate of Pennsylvania;
- (4) Two members of the Pennsylvania House of Representatives recommended by the Majority Leader of the Pennsylvania House of Representatives;
- (5) Two members of the Pennsylvania House of Representatives recommended by the Minority Leader of the Pennsylvania House of Representatives;
- (6) Four individuals representing insurance industry executives, including at least one Medical Assistance managed-care company, one non-profit health insurer and one for-profit health insurer;
- (7) Two hospital representatives recommended by the Hospital & Heathsystem Association of Pennsylvania;
- (8) Four individuals who are medical professionals, including two physicians recommended by the Pennsylvania Medical Society, as well as representatives from the fields of nursing and behavioral health;
- (9) Four individuals representing purchasers of group health insurance from the private sector, including at least one individual representing small businesses that offer insurance and at least one representative from an organized labor organization that offers health insurance;
- (10) One individual representing a regional health initiative;
- (11) One individual representing a statewide budget policy organization;
- (12) One individual representing a statewide health policy organization;
- (13) Four individuals who are experts in the health care policy; and
- (14) At least one health care consumer who lacks health care coverage at the time of appointment.

- b. Chair.** The Governor shall designate the Chair of the Health Care Reform Implementation Advisory Committee.
- c. Responsibilities of the Health Care Reform Implementation Advisory Committee.** The Committee shall:

  - (1) Receive a briefing on the Health Care Reform Implementation Committee's findings, recommendations and actions.
  - (2) Provide feedback to the Health Care Reform Implementation Committee on their findings, recommendations and actions.
  - (3) Identify best practices or models to be reviewed by the Health Care Reform Implementation Committee.
  - (4) Review and provide comments to the strategic plan for the implementation of the Act proposed by the Health Care Reform Implementation Committee.
  - (5) Advise the Health Care Reform Implementation Committee on the following activities:

    - (a) Design of the optimal programmatic model for the commonwealth's High Risk Pool.
    - (b) Design of the optimal organizational model to support a customer friendly and efficient health benefit exchange.
    - (c) Identification of technology, organization and process improvements necessary to support the implementation of all state obligations under the Act.
    - (d) The strategic plan for the implementation of the Act.
    - (e) Legislative action necessary to enable full implementation of the Act and draft legislation for discussion with appropriate members of the legislature.
- d. Meetings.** The Advisory Committee shall establish a meeting schedule, notify the public and hold its meetings in accordance with the Pennsylvania Sunshine Act.
- 3. Terms.** The members of both the Implementation Committee and the Advisory Committee shall serve for four years or until their requirements of this Executive Order have been completed, whichever is later.
- 4. Compensation.** Members of both the Implementation Committee and the Advisory Committee shall receive no compensation for their service, except that such members may be reimbursed for actual travel and related expenses in accordance with the commonwealth's travel and subsistence policy and regulations.

- 5. Support to the Implementation and Advisory Committees.** The Governor's Office will designate executive branch agencies to provide technical, administrative, and staffing support to the Implementation and Advisory Committees.
- 6. Cooperation by State Agencies.** All agencies under the Governor's jurisdiction shall cooperate with and provide assistance and support as needed by the Implementation and the Advisory Committees.
- 7. Effective Date.** This Executive Order shall take effect immediately.