

DRAFT

**DC Health Benefit Exchange Authority
Executive Board Meeting Minutes
Monday, April 8, 2013
11:00 am – 1:00 pm
441 North Capitol Street, NW, Suite 820N
Washington, DC 20001**

Members Present:

Dr. Mohammad Akhter (Chair), Dr. Henry Aaron, Kevin Lucia, Kate Sullivan Hare, Diane Lewis

Members Present Via Phone:

Dr. Leighton Ku

Members Absent:

Khalid Pitts, Wayne Turnage, Bill White, David Berns, Dr. Saul Levin

I. Opening Comments

The meeting was called to order by Dr. Akhter. He welcomed the members and public and reviewed the agenda.

II. Approval of Minutes

The minutes of the April 4, 2013 were approved unanimously by voice vote as circulated.

III. Report from the Executive Director

Executive Director, Mila Kofman, provided the Board with a brief update report covering the following:

- The Mayor's supplemental budget request includes our request of \$26.5 million which provides us the authority to spend these monies.
- Ms. Kofman attended an ANC Chairs meeting with the Mayor and received positive feedback.
- Draft carrier manual needs to be issued soon, and staff will be sharing the draft with the Board this afternoon for review. The manual will then be posted for the public for input.
- The next Board meeting is scheduled for April 18th from 11am-1pm to wrap up some outstanding issues including whether to require qualified health plans to offer a platinum plan, and issues from the dental plan policy working group

Discussion: Kevin Lucia clarified with Executive Director Kofman that the approach to the carrier manual is similar to Maryland in that we'll have one standard contract with carriers and the details will be in the carrier manual.

- **Public comment period on the legislative package, tobacco rating policy and the report to the federal government on the merged market . –**
 - Claire McAndrew from Families USA

- Submitted written comments on tobacco rating, 1.5 to 1 surcharge
- High priority for her organization is to oppose tobacco rating
- Tobacco rating is a barrier to accessing smoking cessation programs
- A surcharge on tobacco users would be felt disproportionately in the African American community by a factor of 3 to 1
- Individuals with mental illness have a higher smoking rate than those without
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IV. Voting Items

- **Resolution on minimum contribution and participation rates:** Presented by Insurance Market Working Committee Chair Kevin Lucia. Mr. Lucia presented the resolution and noted that it had been held over from last week due to the complexity of the issue, but that the committee used the time well to come to language that works.

	Yes	No
Dr. Henry Aaron	X	
Dr. Mohammad Akhter	X	
Kate Sullivan Hare	X	
Dr. Leighton Ku	X	
Diane Lewis	X	
Kevin Lucia	X	

The resolution was adopted unanimously.

- **Resolution on tobacco rating:** Presented by Insurance Market Working Committee Chair Kevin Lucia. He read the resolution to prohibit tobacco use as a rating factor.

Kate Sullivan Hare offered an amendment to move to a level of 1.2 to 1 rating in 2015, but to only apply it to individuals in the Exchange with income levels above 400% of the federal poverty level and to permit small businesses to choose whether to adopt tobacco rating in their plans for their workers.

She highlighted that this approach was a compromise on many levels. It is far less than the 1.5 ratio allowed by the federal law, it protects people with lower incomes, but it would serve as an important deterrent.

There was no second to the motion to move the amendment and so it was not brought forth for consideration.

Leighton Ku offered a resolution highlighting that while tobacco cessation is the ultimate goal, the fact is that many people don't know that their private health plans even offer smoking cessation as a benefit. His resolution would increase awareness by requiring qualified health

plans to regularly publish a notice to enrollees and health care providers concerning the availability of smoking cessation programs at no cost.

Board members discussed this amendment, concurring in its sentiment, but concern as to whether it was being offered at the appropriate time given that the underlying amendment was on tobacco rating not tobacco cessation treatment. After discussion, it was agreed that the amendment would be withdrawn and referred to an appropriate committee for consideration and brought back at the next Executive Board Meeting.

Dr. Akhter brought the original resolution to prohibit tobacco rating up for a vote by the Board:

	Yes	No
Dr. Henry Aaron	X	
Dr. Mohammad Akhter	X	
Kate Sullivan Hare		X
Dr. Leighton Ku	X	
Diane Lewis	X	
Kevin Lucia	X	

The resolution was adopted by a vote of 5-1.

- **Executive Director Kofman report on the merged market:** This is a follow-up to an initial report provided last week. Ms. Kofman reported on the approach to the merged market that we are taking. She is recommending that for federal reporting purposes we do not have a merged individual and small group market risk pool, but for city rating purposes, it is merged. The federal government is aware of and has signed off on this arrangement. Ms. Kofman advised that she believes this issue doesn't require a Board vote, but she wanted to make sure the Board understood how we are proceeding.

Board members discussed that this was a procedural change and not a substantive one and Executive Director Kofman confirmed that. Henry Aaron noted that he didn't think there needed to be a vote given this explanation and the rest of the Board agreed.

V. Legislative package

Executive Director Kofman reviewed two small changes in the draft language that had already been reviewed by Board Members. One was a technical change and the other was to address a question raised by Board members Leighton Ku and Kate Sullivan Hare at the previous meeting. She also explained that we will still receive technical changes from the Mayor's office and so we will have some wording changes to conform with the way legislation is written in DC, but that none of those changes would be substantive.

The Board unanimously approved the legislative package.

VI. Closing Remarks and Adjournment

The meeting adjourned at 12:05 pm.