



**DC Health Benefit Exchange Authority
Executive Board Meeting Minutes DRAFT
Thursday, June 6, 2013
4:30-6:30p
441 North 4th Street NW Washington, DC 20001**

Members Present:

Dr. Henry Aaron, Muhammad Akhter, David Berns, Kate Sullivan Hare, Dr. Leighton Ku, Diane Lewis, Dr., Kevin Lucia, Khalid Pitts, Wayne Turnage

Members Absent:

Dr. Saul Levin, William White

I. Opening Comments

The meeting was called to order at 4:35pm by Dr. Akhter who welcomed members and the public by announcing the news that the Exchange's legislative package had passed the Council earlier this week. He thanked stakeholders, community partners, and Executive Director Kofman and her team for their work on the legislation. He then reviewed the agenda.

II. Approval of Minutes

The minutes from the meeting of May 28, 2013 were unanimously approved.

III. Executive Director's Report

Bill Passing: Emergency legislation passed the Council June 4, 2013 enabling us to move forward, but permanent legislation must still pass. Executive Director Mila Kofman also emphasized the interest by Council Members in learning more about our outreach and education efforts so they know that residents are learning about this new opportunity for health insurance.

Supplemental funding from the Federal Government: The Exchange still hasn't received the supplemental grant funding that was applied for in early March.

Rate Submission: The four carriers who intend to participate in the Exchange have filed their rates with DISB and those rates are being analyzed.

Request for Proposals:

- Call Center - 5 applications received in response to the RFP are being reviewed and are in the final stages of review. We should have more information next week. The contract will exceed one million dollars so in addition to Board approval, it will require approval by the Council.
- Communication and Marketing: This RFP was posted May 31, 2013 and the closing date is June 24, 2013. The goal is to have a vendor by early July. That means we will need to get it to the Board for consideration quickly as it will also exceed one million dollars and will also need to go to the Council for approval.

In-Person Assister Program: The Exchange hosted a successful pre-proposal conference June 5, 2013. Over 150 groups participated either in person or by phone. Participants gave significant positive feedback and kudos to Ms. Purvee Kempf on our staff for her excellent work on this important program.

Business Organization Outreach: We are continuing to reach out to certain business organizations, including the DC Chamber of Commerce, the DC Restaurant Association, and the DC Hispanic Chamber of Commerce about how we can partner to do outreach to small businesses in our community and educate larger businesses with part-time workers. Originally we thought these groups would join the In-Person Assistor program, but the federal rules preclude it.

Restaurant Association: Thanks go to Board Member Mr. Khalid Pitts for organizing an opportunity for Ms. Kofman to join the executive board of the DC Restaurant Association on June 3, 2013 to talk about the Exchange. It was a very successful meeting with attendees that included small and large restaurant employers. The attendees raised important issues to consider.

Chairman Akhter acknowledged that Board Members Mr. Khalid Pitts and Mr. Kevin Lucia had both joined the meeting since the original roll call was taken.

IV. Issues for Consideration

a. Marketing and Consumer Outreach Executive Board Working Committee – Kate Sullivan Hare, Chair

Ms. Sullivan Hare introduced Ms. Alison Betty and Mr. Sean Hawks from the communications firm of GMMB. Ms. Betty and Mr. Hawkes addressed the focus group research with D.C. residents and small business owners they had undertaken

regarding awareness, perceptions, motivations, and barriers to use of a Health Benefit Exchange.

Ms. Betty began the presentation by explaining how they used research from existing data and reports in DC and as well as on the Exchanges, keeping the District's uniqueness in mind.

Mr. Hawks continued by describing the overall findings. These included:

- Once the Exchange was described to individuals across all demographics there was interest and eagerness to at least explore it, despite initial hesitance.
- Popular elements included no longer being denied coverage because of preexisting conditions, financial help to pay for coverage, side by side comparisons of plans, and ability to receive help (i.e. call center).
- Small business owners favored the ability to define contributions and offer their employees choices
- The idea of tax credits was appealing and popular but it was a confusing and difficult concept to comprehend. This was also evident from work done in other states.

Mr. Hawks then presented concerns expressed by the groups keeping in mind that they are not necessarily barriers to progress. These included:

- Strong concern with DC government being involved in this process of running the Exchange
- There was the perception that insurance brokers being so involved will give biased information
- Lower income individuals were less comfortable going online and are more likely to use a telephone or in person.

Mr. Hawks continued with the Customer Assistance findings. These included:

- Call Center concept was popular overall, in particular the idea of being able to pick up the phone and talk to a real person
- Customer assistance being localized and available 24/7
- Small business owners and young uninsured individuals are the ones who will go online to use the resources.

Ms. Betty concluded with the introduction of the recommended Exchange name, tag line, and logo from the focus group results. The best-tested name was "DC Health Link". Ms. Betty emphasized that it was rare to have a situation when one name tested so well over others. The name resonated with small business owners and uninsured individuals. People liked having DC in the name, which represented pride in the city. In addition, the word "health" was well liked with the focus on what that means to healthy families and individuals in the District. Participants said the purpose of the Exchange is to link individuals to coverage, thus having an Exchange that is a resource and connection to find the plan that fits them.

The Tag line recommended was “Get the Facts, Get Covered”. About a dozen tag lines were tested. Other tag lines that worked well include “Find the plan that’s right for you”, “Find the health plan that fits”, and “Search. Compare. Select.” These are possibilities to be used in the future.

Best testing logo included the words DC Health Link, “D” and “Health Link” in blue and “C” in red. Participants liked the colors selected which seemed to represent patriotism and the District with the “D” and “C” linking. Too much red was considered alarming. Participants did not respond well to three stars in the logo, which reminded them of being affiliated with the DC government.

Ms. Sullivan Hare reiterated that the logo tested well with individuals and small business and rarely does one name have such large popularity. She also stated that the Executive Board Working Committee on Marketing and Outreach had received this same presentation and unanimously voted to support the DC Health Link name as presented and to use the tagline “Get the Facts, Get Covered.” Ms. Sullivan Hare then described that the next step will be to conduct a telephone survey of District residents, 800 consumers and additional individuals who are uninsured later this month. The Executive Board Working Committee on Marketing and Outreach reviewed the survey instrument this week and provided feedback. The survey will be administered in English and Spanish. The purpose of the survey is to test the motivators and barriers to using the Exchange, measure awareness about the Exchange, outreach opportunities, and to test descriptions of the Exchange and willingness to use the Exchange to find coverage. This will be useful to the marketing firm in the future. Also the committee will be moving into the next phase to see what people want as far costumer assistance.

Discussion:

Ms. Sullivan Hare anticipates that some outreach will begin in September. Ms. Kofman added that the marketing firm will not begin until later this summer and there will be no significant media campaign until the contact center is ready. A vigorous communications and outreach plan that involves community based events working with community organizers and faith-based organizations, business groups and brokers will take place.

There are events that will start this summer as well. There will be multiple events in which Board members may be asked to make presentations and provide general information about the Affordable Care Act and information on what the Exchange has to offer. If the name and logo are approved they will appear on any literature provided at these outreach events.

Mr. Richard Sorian of the Exchange staff affirmed that the name “Health Link” is not being used elsewhere except by the Nevada Exchange. Maryland’s exchange is being called “Maryland Health Connector”. It was intentional to go with a different name than Maryland or Virginia to help prevent confusion among consumers. There was further inquiry about this effecting federal outreach. Ms. Kofman replied federal

based exchanges will focus on media markets where they can reach those who are uninsured in those states in which various vendors are assisting those endeavors. The Exchange communicates on a regular basis with Health and Human Services (HHS) including their outreach and press people, and coordinating what we do so there is no overlap with Maryland. There is less concern with Virginia. In addition, the federal government is working closely with athletic leagues such as the NFL and the NBA to assist with outreach in which we will benefit from this partnership.

Dr. Aaron inquired if the federal government is waiting until September to begin outreach. Mr. Sorian responded yes, that for purposes of radio and public advertising it is important to reach the consumer at the right time. They need to be able to reach the Contact Center for help (and it won't open until late August) and they need to know that enrollment is imminent. Doing it too soon isn't effective.

Chairman Akhter welcomed Board Member Wayne Turnage who arrived during the previous discussion.

b. Quality Working Group – Kate Sullivan Hare, Chair

Ms. Sullivan Hare explained that the Quality Working Group reached consensus recommendations which are presented on page 6 of their report (which is included in the Board Member materials and available to the public on the HBX website). Those who participated in developing these recommendations included representatives of health plans, consumer advocates, representatives of small businesses, and providers. The recommendations were broken down by year. In addition, the Working Group recommends that there should be a new or existing advisory group to continue to provide input for the development of quality measures. The committee believed it would be beneficial to use such an advisory group on an as needed basis. They would meet quarterly or, at some point, annually. The federal government is developing many of these standards in which we would integrate these recommendations into our work. Annual breakdown of recommendations are as follows:

2014: Ideally, the Exchange would like issuers to continue what they are currently doing – that is to collect existing quality improvement plans (QIP) of health care plans. It is important that Exchange specify requirements for standardized QIPs to be submitted in 2015. Due to overlapping jurisdictions, it is important to coordinate the efforts with Maryland and Virginia in order to not create different reports or formats for each jurisdiction. In addition, ongoing public comments for QIPs will be available on the Exchange website. Also during 2014, the Exchange will work with issuers on the format for off-the-shelf quality measures which include existing quality measures such as Consumer Assessment of Health Plan Providers and Systems (CAHPS) National Committee of Quality Insurance (NCQA) or other accreditation entities. The Exchange should work with the health plans to see which of these quality measures will be publically reported to consumers and how they are

reported on the website. In addition, the Exchange should provide technical support to the health plan on a continuous basis.

2015: Ongoing coordination with public and private payers and stakeholders to update the quality measures that would be submitted in 2016. These would start to reflect the District and Public Health priorities which include plans around tobacco cessation, HIV/AIDS prevention and care, health disparities, accident and violence prevention, and perinatal health care. For quality reporting for 2015, the Quality Working Group continues to recommend that the Exchange use readily available measures as are used for 2014. This would be the time in which the Exchange would develop DC quality specific reporting in conjunction with appropriate stakeholders. There is a list of about 9 factors that should be taken into consideration which include taking existing systems already being used, unique concerns of District residents, folding in what we already know is being done in surrounding jurisdictions, and identifying gaps that exist, the burden on plans, and cost of reporting these measures.

2016: Continue implementing data collection to support these quality measures and for the DC Exchange population and continuing to respond to federal guidance and requirements.

Finally, in developing these recommendations, the Quality Working Group received were presentations by staff from National Commission for Quality Assurance (NCQA), expert consultants, and from each of the health plans, Aetna, Kaiser, and CareFirst, and United on what is being collected and done now.

Discussion:

There was a discussion about whether there is any information on comparing different healthcare providers and comparing performance in the District with other jurisdictions. It was explained that that was one reason the Working Group recommended waiting on guidance as it comes down. We do not have this information yet, keeping in mind that they will be relying heavily on the National Quality Forum, NCQA and other accrediting bodies. However it does not have to happen entirely from the federal government. For instance, purchaser and payers and consumer groups have been working to develop standards with the provider community. Debra Curtis from the Exchange staff stated that there is federal guidance on how to move forward with this which is referenced in the resolution. The intent of this is to make sure we take information from the federal government guidelines to match. Dr. Ku commented that there has been information on the basis criteria that NCQA has been using for comparative information on insurance plans across states. Strong national standards will make it easier to compare. Ms. Sullivan Hare continued that in the out years, a benefit of having a unified market will be the ability to evaluate how plans are serving the District. The quality framework being set up now can leave a lasting legacy for the District.

c. Financial Sustainability Working Group, Leighton Ku, Chair

Dr. Ku explained that under federal and District law, the Exchange has to be self-sustaining by 2015. DC law requires the Exchange to report to the Mayor by the end of this year how it will achieve that. The Financial Sustainability Working Group, which included consumers, advocates, business experts, brokers, and insurers, came together with unanimous consensus recommendations on the topic.

Come 2015, the expectation is that the budget needed to support the Exchange will be about \$20-25 million. The Exchange would like to begin to raise revenue before 2015 in order to build up some reserves. The recommendation consists of two parts. The first would be to investigate the current revenues available in terms of health insurance and taxes that already exist. There is an existing 2% premium tax levied on insurers in the District and a 0.3% Department of Insurance, Securities and Banking assessment. There is potential to use some of those revenues to sustain some or all cost of the Exchange. We expect more people to be insured because of the Exchange for which premium growth had not been anticipated before. Yet there are already expectations for these funds and using these funds is not necessarily within the jurisdiction of the Exchange. The next recommendation is to explore other sources of revenues that are reasonable. The group recommends a broad based health insurance assessment which would include individuals, small group and large group insurance, and Medicaid Managed Care Organizations (MCOs) – though it would exclude some things for which there are already federal prohibitions. No assessments are permitted that relate to Medicare or Federal Health Employees Benefits. Therefore this would be based on policies purchased through the Exchange. We estimate that would be an assessment of 0.7-0.8% based on the expected cost of Exchange operations. Issues regarding feasibility and what is possible include considering assessments or taxes on reinsurance or stop loss premiums. It was estimated that including such premiums would only reduce the rate by 0.01%.

Discussion:

Financial self-sustainability would start January of 2015. This would be a part of the District's budget for fiscal year 2015 which will be formulated this October and presented to City council in February. To be financial self-sustaining, the Exchange may be able use existing funds, not necessarily entirely from new revenues and there is no particular guidance from the federal government yet. There needs to be further planning for all the details.

Ms. Kofman stated that the challenge is that there is some uncertainty with our federal funding in terms of using already allocated 2013 federal funding, and we are still waiting for some clarity on that issue. Our enabling legislation gives the Exchange the authority to do assessments, though there is some ambiguity around the language. The Exchange will be identifying these issues in the report presented to the Mayor and Council at the end of this year to get some clarity. Mr. Berns

suggests having a meeting early on with Mayor's budget officer to discuss expectations for budget for 2015 in which Dr. Akhter strongly agreed.

Mr. Turnage stated if Medicaid MCO premiums are taxed to help support the Exchange, the tax should probably be limited to the premium on their commercial business, because to do otherwise would be taxing the District's funds.

Ms. Kofman responded that the recommendations are crafted in a way that gives us the responsibility to explore and figure the details of the assessments. The Exchange staff will be working closely with Mr. Turnage's team to fully understand the implications

V. Public Comment

None

VI. Votes

1) A motion to approve the presented brand for logo, tag line, "Get the Facts, Get Covered", and name, "DC Health Link" for the Exchange was made and seconded. It was unanimously approved.

2) A motion to approve the Quality Resolution was made and seconded. It was unanimously approved.

3) A motion to approve the Financial Sustainability Resolution was made and seconded. It was unanimously approved.

Board Member Dr. Aaron left the meeting

VII. Implementation Update

Ms. Bonnie Norton of the Exchange staff reported on advisory committee updates.

Planned Management Advisory Committee: The Committee continues to provide feedback on implementation and operational decisions affecting health plans, SHOP and the individual market, specifically enrollment and payment timeline issues. In regards to IT integration with the carriers, this will allow us to receive plan information from carriers and trade back and forth the enrollment and payment information with the carrier. Recently a carrier IT integration manual was released on how the Exchange will communicate with the carriers through the IT system.

Consumer Outreach Advisory Committee: There were provider recommendations for the In-Person Assister Program and the Committee is now focusing on the Certified Application Counselor (CAC) program funded by the federal government. CACs are essentially unpaid Assisters.

In addition, the various notices that the Exchange will provide to individuals, small employers and employees pertaining to enrollment, eligibility, and payments are being developed. The notices will be sent through the IT system. We are drafting notices and testing them with a variety of audiences including those not familiar with the Exchange.

Lastly, there is the development of training of current District employees who will be performing Exchange functions around eligibility and appeals. We are working with a variety of vendors to develop and implement the training before October 1. The notices will be in English and Spanish and the Spanish translation will be tested with native speakers

Ms. Purvee Kempf of the Exchange staff provided some updates.

Producer Advisory Committee: The Committee is discussing and will be providing input regarding the role of brokers in the Exchange. Also, the Committee is developing recommendations for the training of brokers and requirements for consumer protection when entering the Exchange marketplace. The development of an IT portal specific to brokers and clients will continue to be discussed with the Committee. The Committee will also continue analyzing steps that can be taken to make sure there is no steerage in the Exchange marketplace to assure that enrollees have access to all plan choices.

In-Person Assister program: The request for applications was released May 24, and applications are due June 24. On June 5, we held a pre proposal conference that was attended by about 150 people and organizations interested in applying for the grant. A variety of organizations were present in person and by telephone, including faith based and community based organization. The Exchange will continue to do outreach to ensure that we cover our target population.

Discussion:

In response to a question, Ms. Kempf noted that the Exchange is not looking at broker compensation issues because it is not the intent of the Exchange to interfere in the financial relationship between brokers and health plans.

Ms. Kofman recognized Ms. Kempf for her leadership with the In-Person Assisters program. Ms. Kempf added that if people are receiving questions about the program, questions and answers from the pre-conference will be posted on the HBX website. Ms. Kempf also added that the RFA was an open call for applications and there was no requirement for partnering between organizations. The types of applications in size and scope will determine the number of organizations that will be chosen.

Mr. Berns recognized the work of the Exchange staff and Dr. Akhter had additional thanks for Mr. Berns, Mr. Turnage, and Commissioner White for the collaboration of their staff.

VIII. Adjournment

The meeting adjourned at 6:29 pm.