

Meeting Minutes

November 28, 2012

5:30pm – 8:30pm

899 North Capitol St., NE

Washington, DC 20002

Members Present:

Dr. Mohammad Akhter (Chair), Dr. Henry Aaron, David Berns, Kate Sullivan Hare, Dr. Leighton Ku, Dr. Saul Levin, Diane Lewis, Kevin Lucia, William White, Khalid Pitts, Wayne Turnage

Opening and General Updates:

- The meeting was called to order by Dr. Akhter and attendance was taken by roll-call.
- Dr. Akhter welcomed everyone in attendance and gave a brief overview of the agenda items.

I. Approval of Minutes

- The Board reviewed the prepared minutes from the November 14, 2012 Executive Board Meeting.
- Motion was made and seconded to approve the minutes. The minutes were unanimously approved by the Board.

II. Letter from CCIIO

- Chairman Akhter read a letter forwarded to the Health Benefit Exchange from the Director of CCIIO (Center for Consumer Information and Insurance Oversight), Gary Cohen. The letter stated:
 1. It is essential that the District develop a sustainable health exchange model that will ensure a reliable insurance market for its residents and small businesses.
 2. CCIIO recognizes the Exchange's work and efforts to develop an exchange that works best for the District's insurance market and that their approach is a result of extensive engagement of stakeholders early and often in the development process which is a testament to how committed the District is to implementing and running an exchange to increase access to health insurance for its residents and small businesses.
 3. The Exchange has made significant progress over the last year focusing on shaping a marketplace that enables consumer-focused shopping and ensuring the reliability of the marketplace through financial solvency.
 4. CCIIO's letter concluded with its restatement of their support and assistance in the Exchange's efforts as they move forward.

III. Executive Director's Report

- Sandra Robinson gave updates on the major activities of HBX:
 1. Financial
 - a) Continuing to work with staff of DHCF and the Office of Budget and Planning to establish a budget in the financial management system for HBX. Budget should

be in place by Monday, December 3, 2012. Simultaneously working to develop the FY2014 budget which must be completed by December 17, 2012.

2. Human Resources

- a) Completed the first round of interviews for the Executive Director. Finalists slated to be interviewed beginning December 3, 2012.
- b) Anticipating the budget being loaded, HBX will proceed with recruitment efforts for key positions to include:
 - (1) HR Director
 - (2) IT Director
- c) Addressed the issue of Liability Insurance for Board Members. Consulted with the Office of Risk Management and the Office of the Attorney General. Recommendations were made to purchase additional coverage for staff with specific functions such as handling money. HBX is working with the Dept. of Insurance to identify possible carriers and get quotes for those policies.

3. Permanent Location

- a) DGS confirmed that HBX will be temporarily moving to the 7th floor of 441 4th St., NW on December 28th for approximately 7 months while their permanent space at 810 First St., NE is being renovated.

4. Stakeholder Engagement

- a) A number of meetings are being scheduled to meet with stakeholder groups that have reached out to HBX desiring to hear more about the work the Exchange is doing.

5. Legislative Report

- a) Reminder, a Legislative Report is due to the Council. The Board's feedback is required by Monday, December 3, 2012.

6. Additional Information

- a) Three new proposed rules to implement provisions of the ACA have been published in the Federal Register on Monday, November 26, 2012 regarding:
 - (1) Guaranteed availability of coverage. Comments are due back December 26, 2012.
 - (2) Policies and Standards for Coverage of essential health benefits. Comments are due back December 26, 2012.
 - (3) Expanding employment-based wellness programs to promote health and control healthcare spending while ensuring that individuals are protected from underwriting practices that could otherwise reduce their benefits based on health status. Comments are due back January 25, 2012 to the Department of Labor.

7. Floor open to questions from the board
 - a) Dr. Aaron – Does the District self-insure or contract with an insurance company? What form was the assurance given that the Board will be covered by the District’s insurance?
 - (1) Ms. Robinson – the District has a self-insured program. Information was given orally. HBX is awaiting a written opinion from the Office of Risk Management.
 - b) Kevin Lucia – What are the critical staffing positions that will be posted ?
 - (1) Ms. Robinson – Chief Information Officer, Director of Finance, Director of Administration, and Director of Policy and Procedures. In addition, a Human Resources and Procurement Manager will be put in place to help facilitate HBX operations.
 - c) Dr. Ku – How long will the positions be open?
 - (1) Ms. Robinson – That has not been determined.

IV. Board Working Committee Summary Reports

- Kate Sullivan-Hare - *Marketing and Consumer Outreach*
 1. Board Action Item – Adoption of the Navigator Program Recommendations
 - a) Ms. Sullivan-Hare gave a brief overview of the Navigator Recommendations that were presented at the previous Board meeting and answered questions from the Board to ensure members have a clear and thorough understanding of the recommendations. A brief summary of the clarifications included:
 - (1) For the first recommendation, no specific Navigator functions were ruled out. The ACA outlines 5 functions that these Navigator recommendations are based on. Additional input was obtained from stakeholders and included in the Navigator Report previously published by the Crider Group. Navigator functions will not go beyond the scope of eligibility and enrollment.
 - (2) Navigators will be required to complete training through the vendor who is selected to operate the program.
 - (a) Dr. Akhter would like to amend the fourth recommendation to include an assessment be implemented to ensure the competency of the Navigators.
 2. Motion made and seconded to adopt the Navigator Recommendations. The Navigator Recommendations were unanimously approved by the Board.
- Dr. Leighton Ku - *IT Infrastructure and Eligibility*
 1. No update at this time.
- Diane Lewis - *Business and Operations*

1. Update on Legislative Report – Report on Legislative Study is before the Board. Committee is asking for comments from the Board how to proceed on the Report.
 2. Details on the ongoing Executive Director search will be discussed during the Executive Session.
- Kevin Lucia - *Insurance Market*:
 1. No update at this time.

V. SHOP Employer Selection Recommendation

- Brendan Rose, *DISB*
 1. The Insurance Subcommittee – based on stakeholder feedback, staff analysis, and the work of other state-based exchanges – recommends that the DC HBX allow for both the Affordable Care Act mandated employee selection method in addition to the employer choice method adopted by Maryland that allows for an employer to select one carrier or insurance holding company system and make all available QHPs, regardless of metal tier, available to their employees.
 - a) The Insurance Subcommittee asked stakeholders to comment on the proposed employer contribution method, referred to as the Employer Reference Plan Contribution Model, and received a very low amount of individual and stakeholder group feedback and no small business owners at all.
 - b) The Insurance Subcommittee urges the Board to allow for additional stakeholder comment on both the recommended plan selection method and contribution methods presented in this report in anticipation of a final determination being made in December 2012.
 - c) The committee proposed to convene focus groups or working groups over the course of the next 2-3 weeks to engage stakeholders and receive additional feedback.
 2. Floor opened to questions and comments from the Board
 - a) Members of the Board weighed in on the proposed recommendation. Some of the concerns raised included:
 - (1) If an employer selection model is adopted, an employer could choose a carrier for personal reasons versus the employee having a choice.
 - (a) It was clarified that the employer model is in addition to the ACA mandated employee model.
 - (2) It is not conducive to adopt both an employee and employer model. An employer wants to know the definite cost of their contribution. This option may propose too many variations in addition to other concerns.
 - b) The Board made a decision to allow the Insurance Subcommittee to conduct more research and stakeholder engagement.
 3. Floor opened for public comment

- a) Public comments were received from the following individuals:
- (1) Claire McAndrew, *Families USA and Standing Advisory Board Member*
 - (a) Stated that it is critical to never use choice as a euphemism for shifting costs to employees.
 - (b) Suggested Board should use the California model.
 - (c) Asked for a joint decision based on employees' out-of-pocket costs as well.
 - (2) Hannah Turner, *Keller Benefit Services*
 - (a) Based on feedback from her clients who are small business owners, she feels that an employer model selection would be best.
 - (b) Commented that employers want to offer benefits for employee retention.
 - (c) Added that employers want to be engaged in assisting their employees, but with an employee selection model they would be overwhelmed with inquiries from employees who don't understand all of the different plans that would be available on the Exchange.
 - (3) Laurie Kuiper, *Kaiser Permanente*
 - (a) Submitted comments on several occasions that support the employee choice only model. Ms. Piper feels that this option is in the best interest of the employee.
 - (b) Stated that a Mercer study shows that if you offer both, it puts upward pressure on premiums.
 - (i) Wayne Turnage asked what caused the higher premiums. Ms. Piper stated that she believed it was due to additional administrative costs.
 - (4) Tonya Kinlow, *Carefirst Blue Cross Blue Shield*
 - (a) Supports recommendations from HRIC and suggests that both models should be adopted.

VI. HBX Advisory Boards

- Bonnie Norton, *Health Care Reform & Innovation Administration*, presented a recommended Advisory Committee structure that will advise the Executive Board, Authority staff, and each other.
 1. The Board is transitioning from the HRIC subcommittees that currently advise the Board to Advisory Committees. The current HRIC subcommittees are Communications,

Exchange Operations, Insurance, IT, Eligibility, and Medicaid Expansions. The proposed Advisory Committees are:

- a) Plan Management – this committee would focus and provide advice on QHP and Dental Plan requirements, certification processes, and QHP enrollment. Members should include representatives from all of the major carriers in DC including dental carriers and consumer advocates who have a role and an interest on issues related to Plan Management and QHP’s.
 - (1) The HRIC Subcommittee that currently handles these issues is the Insurance Subcommittee.
 - b) Consumer Assistance and Outreach – this committee would work on issues related to the Navigator Program, the In-person Consumer Assistance Program, as well as consumer outreach efforts. Membership would be broad and would include consumer advocates, community organizations, and consumers.
 - (1) The HRIC Subcommittee that currently handles these issues is the Exchange Operations Subcommittee.
 - c) Producers (Brokers & Agents) – this committee would advise on all aspects of producer engagement in the Exchange marketplace including compensation and appointment. Membership would include producers, small business owners, consumers, and consumer advocates.
 - (1) The HRIC Subcommittee that currently handles these issues is the Insurance Subcommittee as well as the Exchange Operations Subcommittee.
2. Floor opened to questions from the Board. Inquiries and comments from the Board included:
- a) Question: Will District residency be required?
Response: No, residency is only required of the Standing Advisory Board. It is up to the Board to impose a residency restriction.
 - b) Comment: Plan Management membership should also include producers, small businesses, and employee benefit professionals.
 - c) Question: Would the Advisory Committees offer recommendations or advice or consensus on opinions?
Response: The proposal is that they would offer advice and not formal recommendations.
 - d) Comment: Since there is no requirement on residency, it was suggested to have a more broad approach on membership to consider people outside of the local area.
 - e) Comment: Advisory Committees are in place to advise Exchange Staff as well and not just the Board.

- f) Question: Were any other Advisory Committees considered but were ruled out?
Response: A SHOP Advisory Committee was considered, but the HRIC didn't want to fully segregate that from Plan Management.
- g) Comment: A concern was brought up in regards to addressing IT issues that will arise once the Exchange is up and running and that those matters should be addressed by one of the Advisory Committees. It was noted that the Standing Advisory Board will provide the input on IT related matters and consumer experience.
- h) Question: Can a person serve on more on more than one Advisory Committee?
Response: Yes, a provision will be included in the resolution to address this matter.
3. Dr. Akhter extended an invitation for recommendations to be submitted for Advisory Committee membership to Bonnie Norton via email.

VII. Executive Session

- Motion was made and seconded to go into Executive Session to discuss the Executive Director search.
- Board resumed meeting at 8:28 pm. No additional matters were discussed.

VIII. Adjournment

- The meeting adjourned at 8:30pm.

IX. Next Steps

- Next Board Meeting is Wednesday, December 12, 2012 in room 407 at 899 N. Capitol Street NE at 5:30.