



**Health Benefit Exchange Authority Executive Board Meeting**  
**DRAFT MINUTES**

**Date:** Wednesday, March 8, 2017  
**Time:** 5:30 PM  
**Location:** 1225 Eye Street, NW, 4<sup>th</sup> Floor, Board Conference Room  
**Call- in Number:** 1-650-479-3208; access code: 730 667 161

**Members Present:** Henry Aaron, Nathaniel Beers, Kate Sullivan Hare, Leighton Ku, Khalid Pitts, Tamara Watkins

**Members Absent:** Diane Lewis, LaQuandra Nesbit, Stephen Taylor, Wayne Turnage, Laura Zeilinger

**I. Welcome, Opening Remarks and Roll Call, Henry Aaron, Vice-Chair**

Vice-Chair Henry Aaron called the meeting to order at 5:32 pm. He noted that he is chairing the meeting because Chair Diane Lewis and Executive Director Mila Kofman were still at the D.C. Council for the annual Performance Oversight hearing before the Health Committee. He then recognized a new HBX voting board member, Dr. Nathaniel Beers. Dr. Beers brings extensive expertise to this board. He is a board certified developmental behavioral and general pediatrician with significant experience in management in health care and the education sectors. He is currently serving as the Executive Vice President for Health Services for Children, or HSC Foundation. Dr. Aaron welcomed Dr. Beers, and said his experience and outlook will be greatly appreciated.

A roll call of members confirmed that there was a quorum with six voting members present (Dr. Aaron, Dr. Beers, Ms. Sullivan Hare, Dr. Ku, Ms. Watkins).

**II. Approval of Agenda, Henry Aaron, Vice-Chair**

It was moved and seconded to approve the draft agenda. The motion passed unanimously, with Dr. Aaron, Dr. Beers, Ms. Sullivan Hare, Dr. Ku and Ms. Watkins voting yes.

**III. Approval of Minutes, Approval of minutes from January 8, 23 and 27 -- *Henry Aaron, Vice-Chair***

It was moved and seconded to approve the February 8, 23 and 27, 2017 minutes. The motion passed unanimously, with Dr. Aaron, Dr. Beers, Ms. Sullivan Hare, Dr. Ku and Ms. Watkins voting yes.

**IV. Executive Board Business, *Henry Aaron, Vice-Chair***

a. Discussion and vote on Executive Board Committee Assignments

Mr. Pitts entered the meeting.

It was moved and seconded to approve the Executive Board Committee [Assignments](#). The motion passed unanimously, with Dr. Aaron, Dr. Beers, Ms. Sullivan Hare, Dr. Ku, Mr. Pitts and Ms. Watkins voting yes.

**V. Executive Director Report, *Debra Curtis, Senior Deputy Director***

**CMS MARKET STABILIZATION PROPOSED RULE:** Published on Feb, 17<sup>th</sup>, this proposed rule lays out steps CMS notes will immediately help stabilize the individual market. We shared a summary prepared by Oliver Wyman with the Board members via email last month. Comments were due March 7. We will share HBX and other SBM comments.

**IT FUNCTIONALITY UPDATES:**

- **PLAN MATCH FOR SHOP:** This project has taken longer because SHOP is more complex than the individual side. We need to know which plans employers are making available to employees, and the amount of the employer contribution. We are planning to release this tool in SHOP in beta form this month.
- **MOBILE APP:** We were the first, or close to the first, SBM to have a mobile app in 2013. Now, we are launching a more robust version of the app for brokers and employers. The initial version of the app was informational. This new version will allow people to enroll in coverage on their mobile device. Since we know the only computer many people have is their smartphone, this new version will be an important improvement for consumers.
- **BROKER QUOTING TOOL:** We are in the final testing phases for a new broker quoting tool. This detailed, robust tool will allow brokers to share several sample plan year models with their clients and enhance the shopping experience. In general the tool will aid brokers greatly in enrolling their clients through DC Health Link. The tool is estimated to be deployed April.

Dr. Ku asked about the market stabilization rule and whether bronze plans being able to move down to an actuarial value (A/V) of 56% applied to HBX. Ms. Curtis noted that in some instances, the provisions of the rule did not apply to SBMs, but in some cases CMS asks whether

certain provisions should be applied to SBMs. In general, we commented in favor of maximum state flexibility in all instances. With respect to bronze the proposed A/V range is 56% - 64% in the Administration's proposed rule.

Dr. Ku asked if a carrier proposed a bronze plan with an A/V of 56%, are we obliged to accept it? Ms. Curtis noted that HBX has authority to act in the best interest of its customers, so she believed we had flexibility to review such a filing. A discussion ensued about certification requirements and how they might relate to any regulation that might become final, and a state's permissible choices with respect to a plan that falls within any federally-approved A/V range.

**ELEANOR HOLMES NORTON ACA TOWN HALL:** On February 23, Congresswoman Norton held a town hall on the Affordable Care Act. Alice Weiss from DHCF and Mila Kofman joined her on the panel to provide an overview of the ACA in the District. A number of HBX staff, assistants, and partners joined the meeting as well. Most of the meeting was dedicated to hearing from constituents about how the ACA has impacted them. It was a very powerful meeting with a line out the door of District residents wanting to tell their story about why the ACA was so important to them. For all of us who participated, it was a powerful reminder of the importance of the work we do here.

#### **1095-A UPDATE ON CORRECTIONS:**

- We have had 23 correction requests from customers. The reasons for correction include updating SSNs, coverage dates and missing enrollment data of a dependent.
- We have issued 395 total corrections and 24 voids based on new data received from issuers, out of a total 19,000+ 1095-As sent.

**PLAN YEAR 2018 CARRIER FILING DEADLINES AND CARRIER MANUAL:** Every year HBX staff works closely with our carrier partners and the Department of Insurance, Securities and Banking (DISB) to update the annual Carrier Manual. A draft of the updated manual is in circulation and will be finalized within the next two weeks. The deadline for plans to submit rate and form filings is May 1. This may change depending on discussions with carriers and the proposed FFM timeline (6/1).

**COUNCIL HEARINGS:** The performance oversight hearing is ongoing at this time so Mila will provide an update at our next board meeting. The next scheduled Council hearing is Budget Oversight scheduled for Friday, April 28 at 11:00 a.m.

#### **OPEN ENROLLMENT:**

- Rob Shriver, Director, Marketplace Innovation Policy & Operations, reported that below is a follow up to last board meeting question about enrollment data – specifically showing paid enrollments by age and metal level. The second chart is change in metal levels for renewing customers who shopped.

2017 IVL: PAID	CATASTROPHIC	BRONZE	SILVER	GOLD	PLATINUM	TOTAL
< 18	2%	30%	29%	22%	17%	100%
18-25	15%	27%	27%	16%	15%	100%
26-34	10%	27%	29%	19%	15%	100%
35-44	0%	29%	31%	20%	20%	100%
45-54	0%	34%	32%	17%	17%	100%
55-64	0%	38%	36%	14%	13%	100%
65+	0%	25%	43%	13%	19%	100%
<b>TOTAL</b>	<b>5%</b>	<b>30%</b>	<b>31%</b>	<b>18%</b>	<b>16%</b>	<b>100%</b>

HIGHER LEVEL COVERAGE		
FROM	TO	TOTAL
Catastrophic	Anything else	135
Bronze	Silver/Gold/Platinum	205
Silver	Gold/Platinum	197
Gold	Platinum	87
Platinum	Cannot Upgrade	0
<b>TOTAL</b>		<b>624</b>

LOWER LEVEL COVERAGE		
FROM	TO	TOTAL
Catastrophic	Cannot Downgrade	0
Bronze	Catastrophic	48
Silver	Bronze/Catastrophic	589
Gold	Silver/Bronze/Catastrophic	376
Platinum	Anything Else	192
<b>TOTAL</b>		<b>1,205</b>

Dr. Aaron said that from this information alone one could infer that the average level of coverage declined, but it did not take into account what attrition was and the number of new entrants. He asked if we know in fact that coverage was deeper or shallower? Mr. Shriver said he did not, but he believed that we have all the data elements necessary to figure it out, and he would report back.

A protracted discussion ensued about what might be happening on the SHOP side in this area. Mr. Shriver said it was more complicated than on the individual side, where everyone renews at the same time. On the SHOP side, employers are renewing every month, and one needs to track if the employer chose different options for the employees, and then what the employees chose. Mr. Pitts described his own experience in transferring into SHOP. Mr. Shriver stated that we currently have someone who is working on trying to track this data.

Additional effectuated [data](#) was also reported.

Dr. Ku said we used to have a higher percentage of people with APTC, about 12%. Do we know why it has declined to about 4%? Mr. Shriver did not, but said it could be that people lose APTC when they do not reconcile their taxes, and he knows that sometimes people on APTC become qualified for Medicaid. Ms. Curtis also noted that HBX is the entire market for individuals, whereas other states have outside markets where people not eligible for APTC can purchase coverage, which affects the percentage within the marketplace.

## **VI. Finance Committee Report, Henry Aaron, Chair**

Dr. Aaron reported that the Finance Committee met Monday, March 6th. All committee members – Ms. Lewis, Ms. Watkins and himself participated by telephone with HBX staff.

**REVIEW OF NEW FINANCIAL REPORTING DOCUMENT:** HBX staff presented the relatively new monthly financial report format that compares HBX spending to its budget – outside of the regular District government reporting system. This new format is designed to provide the Finance Committee, and HBX staff, with a better tracking mechanism to measure monthly spending against the HBX budget and is a valuable addition. At this meeting, we recognized that there is still some more tweaking to perfect the report and HBX staff is working to do that in advance of our next meeting.

**ACTUARIAL SERVICES PROCUREMENT UPDATE:** HBX utilizes an outside actuarial firm to conduct independent review of health insurance rate filings each year and provide input into DISB. HBX is rebidding that contract now. We should expect to have that contract before us at the April Board Meeting.

**FINANCIAL REVIEW:** We also reviewed the FY 17 expenditures to date and noted nothing out of the ordinary.

## **VII. Discussion Item, Demonstration – COBRA Administration, Hannah Turner, HBX Staff**

Mr. Shriver reminded the Board members that COBRA administration has, up to now, been a manual process and specifically cited the concerns of a customer who came to a recent board meeting to highlight his frustrations with the COBRA process. Ms. Turner demonstrated new functionalities that allow employers and/or brokers to administer COBRA enrollment far more

efficiently on a self-service basis. The demonstration is available by accessing the Audio Recording of the March 8, 2017 meeting on this [page](#) at 38:32 of the recording.

**VIII. Public Comment**

No public comment was proffered.

**IX. Closing Remarks and Adjourn, *Henry Aaron, Vice-Chair***

The meeting was adjourned at 6:24 p.m.