



**DC Health Benefit
Exchange Authority**

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

Date: Wednesday, December 6, 2017
Time: 5:30 PM
Location: 1225 Eye Street NW, 4th Floor, Board Conference Room
Call- in Number: 1-650-479-3208; access code: 852 150 686

Members Present: Henry Aaron, Leighton Ku, Nathaniel Beers (via telephone), Stephen Taylor (by telephone), Wayne Turnage (by telephone), Tamara Watkins (by telephone)

Members Absent: Kate Sullivan Hare, Diane Lewis, LaQuandra Nesbitt, Laura Zeilinger

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

A roll call of members confirmed that there was a quorum with four voting members present (Dr. Aaron, Dr. Beers, Dr. Ku, and 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, Dr. Ku, and Ms. Watkins voting yes.

III. Approval of Minutes, Henry Aaron, Vice-Chair

It was moved and seconded to approve the November 8 and 14, 2017 minutes. The motion passed unanimously, with Dr. Aaron, Dr. Beers, Dr. Ku, and Ms. Watkins voting yes.

IV. Executive Director Report, Mila Kofman, Executive Director

OPEN ENROLLMENT UPDATE: deadline reminder: Dec 15 for coverage to start:

January 1. January 15th for 2/1 coverage. January 31 (end of open enrollment) for March 1 coverage. After January 31, people cannot sign up for coverage unless s/he has a SEP.

The Mayor and Councilmembers are helping us through social media, newsletters, canvassing and ward activities. We plan to issue a press advisory on Monday, December 18th to remind DC residents that DC Health Link is open for their business and that open enrollment ends January 31, 2018.

Activities: We have continued to see higher website usage in comparison to last year. November 13, 2017 was our busiest day online and at the call center since 2013.

Open enrollment call center hours: 8 a.m. to 8 p.m. Monday through Friday and 10 a.m.-5 p.m. on Saturdays. On December 15th call center will be open until 9 p.m.

Open enrollment data is available [here](#).

FEDERAL UPDATES:

TAX BILL: Senate passed a tax bill that includes repeal of the individual mandate. The House tax bill did not include a similar provision. The House and Senate are now working to resolve differences between the two bills.

Senator Susan Collins received a commitment from Majority Leader McConnell to support and hold a vote on the Alexander/Murray and Collins/Nelson bills – both of which Sen. Collins sees as offsetting the impact of the individual mandate repeal.

Alexander/Murray: The bill would fund Cost Sharing Reduction (CSR) Payments for two years (overturning Trump’s decision to halt those payments to carriers); would provide greater flexibility to states that want to pursue ACA waivers; and would reinstate funding for federal marketing and outreach efforts through 2019.

Collins/Nelson: The bill provides new federal funding for states for reinsurance or invisible high risk pools to subsidize high claims. The bill provides funding for two years at \$2.25 billion per year. However, in her colloquy on the Senate floor last week, Sen. Collins indicated \$5 billion per year in funding would be necessary.

It is unclear if either of these bills can pass the House. In the colloquy, McConnell noted that ideally both of these bills would be enacted prior to passage of the Conference Report on the Tax Bill or by the end of the calendar year.

CBO analysis indicates that these bills do not fully offset the impact of repealing the individual mandate.

HHS NOTICE OF BENEFIT AND PAYMENT PARAMETERS FOR 2019: On November 27, 2017, HBX submitted [comments](#) to the Notice of Proposed Rulemaking for the Benefit and Payment Parameters for 2019 to CMS. Other State-based Marketplaces that commented include: Washington, Nevada, Minnesota, Massachusetts, Vermont, California and Colorado, New York and Rhode Island.

INTERIM FINAL RULE – RELIGIOUS AND MORAL EXEMPTION

The Trump Administration issued a new rule on EHBs and the provision of contraception. HBX did submit comments, sharing our concerns about making the rule final before an opportunity for public comment.

MASSACHUSETTE UPDATE: There are 256 MA groups for 1/1 coverage. We are working with the Connector to transition groups into the new platform.

STANDARD PLANS WORKING GROUP

The Standard Plans Working Group need to reconvene and update the standard plans for the 2019 plan year. Dr. Ku wants to transition to a new chair for this working group. Ms. Kofman noted that the group needs to start work in January.

V. Finance Committee Report, Henry Aaron, Chair

The Finance Committee met Friday, December 1st. Committee members Ms. Lewis, Ms. Watkins and Dr. Aaron participated by telephone with HBX staff.

CONTRACT APPROVAL: In advance of our meeting, staff circulated to Committee members via email a contract approval for the option years for a printing vendor – Immediate Mailing Services. The base year was previously approved by the Committee and HBX Board, but option years were not approved at that time because we approved the funding prior to the selection of the vendor. The vendor worked well with HBX in the base year and so staff is asking us to approve the four option years at up to \$250,000 per option year. The Committee approved this procurement. You will hear more from our Executive Director on this when we get to this discussion item on the agenda.

FINANCE COMMITTEE REPORTS: HBX staff presented FY 18 Finance Committee report documents and we discussed if the format works well for reporting to the Finance Committee for both HBX and Massachusetts Connector Project budget reports. We agreed we would move forward with the reporting as outlined by staff. In addition, HBX CFO Kara Onorato alerted us that we would have complete FY 17 budget reports to review at the January meeting.

FINANCIAL REVIEWS: The Committee was provided the monthly numbers for FY 18 to date – which is very early in the year so there is not a lot to review. Everything looked in order. There is an important note for everyone though: staff confirmed that all federal grant dollars were expended prior to the conclusion of FY 17. So, FY 18 will be our first year entirely on our assessment funds without the cushion of those federal grants for ongoing development work. We have prepared for this day and are ready, but it is worth noting.

FINANCIAL RESERVES: As Board Members will recall, we have a board approved reserves policy that includes a recommended level of operational reserves equivalent to six-nine months

of the previous year's Council-approved budget. Presently, our operational reserves stand at \$14.5 million, which is below that standard. Staff presented the Committee with an estimated overview of the HBX fund balance at the conclusion of FY 17. They will have final numbers when the Finance Committee meets in January. As part of the presentation, staff made a preliminary recommendation on further funding the operational and capital reserves. This presentation was informational only and intended to provide time for Finance Committee members to prepare for making a formal recommendation at our January meeting so that the full board can vote on further funding our reserves at the January 10, 2018 meeting. So that is just a preview of an agenda item for our January Board meeting.

IT OVERVIEW: HBX staff provided a similar detailed briefing regarding ongoing IT development needs that was provided to the IT Committee as well. I will not go into any detail because Dr. Ku is providing a report on this item from the IT Committee next.

VI. IT Committee Report, *Leighton Ku, Chair*

The IT committee met on November 30.

HBX staff presented an overview of the status of the HBX's IT program. Staff reviewed the 18-month IT roadmap that ran from March 2016 through September 2017.

Staff highlighted cost savings the HBX achieved during this timeframe by moving its key systems into the cloud, hiring employees to take over work previously performed by consultants, and moving to a new cloud security vendor after a competitive procurement.

They also talked through some of the customer-facing improvements that had been deployed, such as new decision-support tools, password creation and reset improvements, and translations of parts of the website into six languages.

Staff members also reviewed some of the work they have done to automate manual processes, including notice generation, COBRA administration, and sending enrollment transactions to the health insurance carriers.

There are a few projects on the 18-month roadmap that are not yet finished. Those are all currently scheduled to be completed by the end of this calendar year.

There are also new projects that were approved last year to begin in 2018. The staff is looking at those to see if any priorities have changed and will report back if that is the case.

Going forward, the plan is to have two standing IT committee meetings per year, with other ad hoc meetings to be scheduled as needed.

VII. Executive Director Report Continued, *Mila Kofman, Executive Director*

CHIP REAUTHORIZATION UPDATE: Ms. Kofman asked Mr. Turnage to update the Board. Mr. Turnage reported that CHIP has still not been reauthorized. There had been hope

that CHIP language would be included in the continuing resolution to keep the government open, but it did not appear in the resolution. Another continuing resolution is anticipated, again with the hope that CHIP reauthorization language will be included. Potential language is being worked out behind the scenes.

As to the District, if reauthorization language is not passed by the end of December, Mr. Turnage will need to confer with City officials to try to come up with the January shortfall with District funds. He does believe that reauthorization will be approved ultimately.

Dr. Aaron asked if any thought was given to scaling back the program due to the funds shortfall. Mr. Turnage responded that the District is prohibited from doing so due to ACA language.

Mr. Turnage noted that some states are beginning to send out termination notices due to lack of funding.

**VIII. Discussion Item, Printing & Mailing Service Contract (Immediate Mailing Services),
*Mila Kofman, Executive Director***

Ms. Kofman reported that the Finance Committee has approved the request.

Previously, the Board had approved a contract with a vendor to be named later for printing and mailing services, for up to \$250,000 for the year. Through a solicitation, HBX procured a vendor who has been fulfilling our requirements. The year is up, and staff is requesting Board approval for exercising option years under the contract, not to exceed \$250,000 for 2018 (first option year) and an additional three option years.

Dr. Aaron said he assumed that the vendor did a good job. However, if staff decided not to approve further option years, would staff come back to the Board for approval to rebid the contract. Ms. Kofman said yes, HBX would do another solicitation and the matter would go back to the Finance Committee and the full Board for approval.

IX. Public Comment

No public comment was proffered.

X. Vote

a. Printing & Mailing Service Contract

It was moved and seconded to approve the Printing & Mailing Service Contract. The motion passed unanimously, with Dr. Aaron, Dr. Beers, Dr. Ku, and Ms. Watkins voting yes.

XI. Closing Remarks and Move to Executive Session, *Henry Aaron, Vice- Chair*

Pursuant to DC Codes Section 2-575(b)(4) and 3171.11 the Board will move to closed session obtain legal advice.