



Health Benefit Exchange Authority Executive Board Meeting
DRAFT MINUTES

Date: Wednesday, July 12, 2017
Time: 5:30 PM
Location: 1225 Eye Street, NW, 4th Floor, Board Conference Room
Call- in Number: 1-650-479-3208; access code: 735 605 019

Members Present: Kate Sullivan Hare (via telephone), Diane Lewis, LaQuandra Nesbitt, Khalid Pitts (via telephone), Wayne Turnage (via telephone), Tamara Watkins (via telephone)

Members Absent: Henry Aaron, Nathaniel Beers, Leighton Ku, Stephen Taylor, Laura Zeilinger

I. Welcome, Opening Remarks and Roll Call, Diane Lewis, Chair

A roll call of members confirmed that there was a quorum with four voting members present (Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins).

II. Approval of Agenda, Diane Lewis, Chair

Ms. Lewis requested to add an item, an announcement of the date for Board Officer Elections. It was moved and seconded to approve the amended draft agenda. The motion passed unanimously, with Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins voting yes.

III. Approval of Minutes, Diane Lewis, Chair

It was moved and seconded to approve the June 14, 2017 minutes. The motion passed unanimously, with Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins voting yes.

Ms. Lewis noted that on June 14th, the Executive Session was not adjourned. The Board is hereby notified that the meeting is considered adjourned as of the conclusion of that executive session on June 14.

IV. **Executive Board Officer Election Date**, *Diane Lewis, Chair*

Ms. Lewis asked Purvee Kempf, General Counsel/Chief Policy Advisor, to provide details to the Board. Ms. Kempf related that Pursuant to the Board's Bylaws, the Annual Executive Board Officer Elections are to be held in the third quarter of the year for the three positions of:

- Chair
- Vice-Chair
- Secretary/Treasurer

A majority of board members must agree on a date. Based on the scheduled board meetings and the notice requirements, staff recommends the board elections be held at the regularly scheduled September meeting of the Executive Board, September 13, 2017.

If accepted, we will take nominations on September 13th. Voting and non-voting HBX board members may make such nominations.

A nomination must be accepted or rejected by the nominee at the September 13th meeting, either orally or in writing published through another Board member physically present at the meeting where the vote is to occur.

It was moved and seconded to hold the Board Officer Elections at the next regularly-scheduled Board meeting on September 13, 2017. The motion passed unanimously, with Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins voting yes.

V. **Executive Director Report**, *Mila Kofman, Executive Director*

ACA UPDATE: The Senate timeline for repealing the ACA has shifted. The Better Care Reconciliation Act (BCRA) was supposed to have been voted on by the Fourth of July recess. Due to insufficient votes, republicans continue to amend BCRA. The CBO Report on the BCRA estimates 22 million people would lose coverage by 2026 (it was 23 million in the House bill). According to news reports, several amendments to BCRA have been sent to CBO to score. Those amendments have not been made public; however, it is anticipated that the new draft of the bill will be unveiled tomorrow. The Cruz amendment might be part of the package. Both the Blue Cross Blue Shield Association and America's Health Insurance Plans have written strong letters denouncing the amendment, which would allow for the sale of ACA- nonconforming virtually unregulated

Further, BCRA contains "small business risk sharing pools", a.k.a. association health plans. This provision would destabilize small group markets everywhere and if enacted could destroy job based coverage for millions who work for small businesses. The National Association of

Insurance Commissioners (NAIC) and the American Academy of Actuaries have weighed in on this issue, pointing out the flaws in the approach.

The Congressional Budget Office (CBO) is expected to release a score of the amended BCRA next week.

DC COUNCIL ACA HEARING: Health Committee hearing on “The Proposed Replacement of The Affordable Care Act and Its Impact on District of Columbia Residents” was scheduled for July 12, but will be rescheduled.

HBX ACA WORKING GROUP: As reported at our last meeting, we have formed an ACA Advisory Working Group. The Working Group is chaired by Board Member Leighton Ku (who had to miss this evening’s meeting because he’s teaching a summer class). Jodi Kwarciany, of DC Fiscal Policy Institute, is Vice Chair. We broadly promoted it and have 16 or 17 members that includes carriers, business partners, consumer advocates, DC Hospital Association, a broker and others. The plan is to start meeting as soon as next week, schedules permitting.

FINAL CONTRACT FOR AWS CLOUD SECURITY WORK: At the last board meeting you approved up to \$1.3 million/year for a vendor for Cloud security work. At that time were still in final stages of best and final offers from vendors. The final price is lower than you approved. The award is for a base year and 4 option years, as needed, in the following amounts: Base year: \$854,400.00 and four Option years at \$854,400.00. The company selected is called Software Information Resource, Inc. It is an SBE here in the District.

INSURANCE REGULATORY TRUST FUND BUREAU AUDIT: The preliminary draft report of audit was released at the Trust Fund Bureau meeting. There were no findings. We have yet to receive the report directly for comment. Once the report is finalized, we will provide to the Board.

MASSACHUSETTE UPDATE: The project is on track for launch next month.

SUMMIT FOR OE5: As we prepare for open enrollment for 2018 (OE5), we will be holding our annual Strategic Planning Summit, to discuss outreach strategies and how to reach the remaining uninsured in the District. This will be scheduled for later this month or August depending on availability of participants.

HISPANIC LEADERSHIP ADVISORY COMMITTEE: We have revitalized a Hispanic leadership advisory committee to provide us with input. The first meeting was in late June. Leaders from diverse areas of the community (e.g. health, education) attended and provided feedback and ideas on how to strengthen our ties to the Latino community. As a reminder, the Latino community tends to have a higher uninsured rate than other groups. Our partnership will help us address this issue.

SBMs IN TOWN: The State-based Marketplace directors will in DC on July 18-19 for a conference that we'll be attending with them.

APTC TERMINATIONS: After a significant review, we will be terminating APTC for 75 policyholders. The reason for termination of APTC is HBX could not verify income because the policyholder did not provide required information. The initial group was over 400, which we were able to pare back with concerted efforts to do so.

ENROLLMENT DATA: Enrollment data is available [here](#).

AUGUST BOARD MEETING: Ms. Kofman stated that August is a difficult time to schedule a Board meeting, and the August meeting has been canceled the last few years. The Board agreed that the August meeting will be canceled. Ms. Sullivan Hare noted that there may be a lot of movement on health care in the first two weeks of August, and Board members should stay close to their email in case HBX staff needs advice.

VI. Finance Committee Report, Diane Lewis, on behalf of Henry Aaron, Committee Chair

The Finance Committee met Thursday, June 29th. The Committee met early to accommodate Dr. Aaron's schedule as he is not available in July. All committee members – Dr. Aaron, Ms. Watkins, and I -- participated by telephone with HBX staff.

MASSACHUSETTS PROJECT UPDATE: Committee members reviewed the Massachusetts budget update and learned that the project remains on track.

FINANCIAL REVIEWS: The Committee reviewed both the monthly budget report and the monthly expenditures report and noted nothing out of the ordinary.

PROCUREMENTS: The Executive Director provided an update on the vendor selected for cloud security work and the amount awarded.

The Committee was updated that there are pending procurements all of which are on the agenda for this evening so I will keep my report short.

CONTACT CENTER: The Committee approved taking this to the Board for a vote. Ms. Kofman will provide the details shortly.

ASSISTERS/NAVIGATOR GRANTS: The Committee approved these grant awards for the upcoming open enrollment period.

METRO BUS ADVERTISING: This funding is for open enrollment and for SHOP in FY 2018. The funding was first approved by the Executive Board's Consumer Outreach

and Marketing Committee before it came to the Finance Committee. The Committee approved taking this to the Board for a vote.

BUSINESS PARTNERSHIPS: HBX staff presented a total of \$300,000 in funding for the three business partnerships – DC Chamber of Commerce, Greater Washington Hispanic Chamber of Commerce and the Restaurant Association Metropolitan Washington. The Committee approved a total of \$300,000 in funding for these groups. Those details will be provided by our Executive Director later in this meeting.

VII. Discussion Items

- a. Recommendation on two new SEPS –*Claire McAndrew, Vice Chair, HBX Standing Advisory Board*

The Standing Advisory Board met to consider recommendations from HBX staff regarding two proposed SHOP-specific Exceptional Circumstance Special Enrollment Periods (SEPs). HBX staff presented these two proposals to us on June 29 and the Standing Advisory Board voted to move them forward to the HBX Executive Board. According to staff, both of these SEPs address situations that only rarely occur, but they are real problems that need solutions.

The two SEPs are:

SHOP SEP regarding employee error when selecting a DC-metro only plan: SHOP employees who live outside DC metro sometimes inadvertently enroll in a DC-Metro area only network plan.

We have many SHOP employers with out of state employees and obviously many Congressional staff as well. The website clearly notes it is a DC Metro area only plan, but as we know, people are most driven by price and they sometimes ignore that additional information and sign up for a DC area plan when they live in another state. This means their health insurance coverage is basically worthless to them. They need to be able to switch to a nationwide network plan. If HBX finds this mistake early in the enrollment, it can be corrected through existing mechanisms, but often an employee won't try to access coverage for several months. In those cases, we don't have a straightforward way to address their dilemma. Obviously, no one intentionally signs up for health insurance they can't use. This narrow SHOP Specific SEP would allow HBX to address this serious problem for the few people who experience it each year by enabling people in this situation to switch to a plan with a nationwide network.

SHOP SEP for SHOP employees harmed by an error, misrepresentation, misconduct or inaction on the part of a SHOP employer that has not appointed a broker: There is an existing SEP to protect employees who are harmed by a broker error.

However, if an employer does not use a broker and makes an error affecting employees, there is no existing SEP for HBX to permit resolution of that error.

As an example, an employer tells an employee that she has 60 days to add a new baby, but in reality it is 30 days. Right now, HBX does not have a mechanism to permit that employee to enroll her baby. Clearly, that does not make sense. This SEP would permit HBX to correct problems caused by employers acting without brokers – just like an existing SEP permits HBX to correct broker errors. Over 90% of our employers use brokers so this is a small universe of people – there are slightly over 400 employers who don't use brokers right now.

In sum, these are two narrow SHOP specific SEPs that were brought to the Standing Advisory Board by HBX staff to resolve real problems that have been experienced by DC Health Link customers.

Ms. Sullivan Hare raised the question whether there should be some sort of restriction on changing metal levels in a SEP situation to preclude adverse selection. She also asked about people missing the COBRA deadline, perhaps intentionally. Ms. McAndrew said no other changes to law are contemplated and all the normal rules apply. Ms. Kofman reiterated that in no way is the COBRA law and rules being affected. She added that the SEP is a remedy for employer mistake, just as there is for broker mistake, or an HBX mistake. She also said HBX requires more than attestation in these situations. Last, Ms. Kofman said HBX has seen no evidence of adverse selection that Ms. Sullivan Hare alluded to, but if we do see evidence, staff would come back to the Board.

b. Call Center Award

Ms. Kofman said HBX is in its last year of the Contact Center contract. An RFP was issued in the spring and received a handful of responses. The Review Committee consisted of HBX, DHCF and DHS staff. That review results in a recommendation to choose Maximus, the current vendor. DHCF has obtained the necessary approvals from CMS, except DHCF is waiting for approval of the contract itself. No problems are anticipated since the vendor is the same, and the RFP contained many of the provisions that end up in the contract. The contract is for one base year and four option years. The contract is over \$1 million and will require Council approval.

The contract is structured to be based on three different levels of call volume. The highest possible annual cost is as follows:

SHOP calls and full pay customers - \$2,039,572
Assisted QHP (APTC and CSR) and MAGI Medicaid customers -
\$1,922,467
Non-MAGI and Alliance customers - \$ 3,025,202

Base year total: \$6,987,241.00

Option year one highest possible total: \$6,531,261.00

Option year two highest possible total: \$6,740,627.00

Option year three highest possible total: \$6,727,599.00

Option year four highest possible total: \$6,870,557.00

Ms. Kofman noted that the Finance Committee has approved the contract. She also noted that the cost-allocation formula is subject to approval by CMS.

c. Navigator and Assister Program Funding for Fiscal Year 2018

Ms. Kofman stated that the FY 18 budget includes \$650,000 for navigators and assisters. She would like Board approval to renew our current navigators and assisters for 2018. The breakdown is below.

Navigator Grantees:

Whitman-Walker Health

Proposed Grant Funding: \$110,000

DC Primary Care Association

Proposed Grant Funding: \$60,000

Assister Grantees:

Community of Hope

Proposed Grant Funding: \$85,000

La Clinica del Pueblo

Proposed Grant Funding: \$85,000

Mary's Center

Proposed Grant Funding: \$85,000

Whitman-Walker Health

Proposed Grant Funding: \$65,000

Unity Health Care

Proposed Grant Funding: \$ 70,000

Leadership Council for Healthy Communities

Proposed Grant Funding: \$90,000

These grantees would continue to perform enrollment and outreach work. Ms. Kofman noted that the Finance Committee has approved the grantees in the above amounts.

Dr. Nesbitt asked about performance standards. Ms. Kofman acknowledged that HBX staff had forgotten to send that information out to Board members. Dr. Nesbitt said she was particularly interested in these grants because these entities are also funded by other District agencies for potentially similar work. She wondered if these grantees were particularly focused on QHP-eligible people, as opposed to Medicaid or Alliance-eligible people. As much as the agencies could be aligning grants would result in better outcomes for the city. Ms. Lewis thought it was a great idea.

Ms. Kofman thought since we have a “no wrong door” approach, the grantees are not trained to screen out Medicaid or Alliance-eligible people. HBX’s mantra is to get them enrolled. Ms. Kofman thought that the HBX grants probably supplements some of the other grants received from the District. With respect to focus, HBX events staffed by grantees do concentrate on where we are likely to find QHP-eligible people.

Ms. Kofman did want to follow up on the leveraging of other sources of grants that these entities may receive. Dr. Nesbitt thought a robust conversation among all principals would be helpful.

d. Business Partner Grants Proposal FY 2018

Ms. Kofman stated that the FY 18 budget includes \$300,000 for HBX’ business partners. She would like Board approval to renew our current business partners for 2018. The breakdown is below.

DC Chamber of Commerce (DCCC)

Proposed Funding: not to exceed \$115,000

Greater Washington Hispanic Chamber of Commerce (GWHCC)

Proposed Funding: not to exceed \$170,000

Restaurant Association Metropolitan Washington (RAMW)

Proposed Funding: not to exceed \$15,000

Ms. Kofman highlighted that GWHCC does a lot of work for HBX and staffs events targeting the Latino community, and embassies and consulates. DCCC helps with targeting the small business community.

The above proposed funding was approved by the Marketing & Outreach and Finance Committees.

e. Metro Ads Proposal FY 2018

Ms. Kofman stated that the FY 18 budget includes \$384,500 for HBX' business partners. She would like Board approval to renew our current business partners for 2018. The breakdown is below.

Metro Bus Ads (IVL)

Proposed Funding: not to exceed \$115,000

Metro Bus Ads (SHOP)

Proposed Funding: not to exceed \$269,500

The above proposed funding was approved by the Marketing & Outreach and Finance Committees.

VIII. Public Comment

No public comment was proffered.

IX. Votes

- a. Resolution – Exceptional Circumstance SEP for SHOP employees who live outside of the DC-metro area and enroll in DC-Only network plans, as a result of an error, which they are unable to use, and Exceptional Circumstance SEP for SHOP employees harmed by an error, misrepresentation, misconduct or inaction on the part of a SHOP employer that has not appointed a broker.

It was moved and seconded to approve the Resolution, “To define additional “exceptional circumstances” permitting a SEP for SHOP employees who reside outside of the DC-Metro area but enroll in a QHP with a DC-only network and a SEP for SHOP employees whose employer does not have a broker.” The motion passed unanimously, with Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins voting yes.

- b. Call Center Award

It was moved and seconded to approve the Contact Center contract as outlined above by Ms. Kofman. The motion passed unanimously, with Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins voting yes.

- c. Navigator and Assister Program Funding for Fiscal Year 2018

It was moved and seconded to approve Navigator and Assister Program Funding for Fiscal Year 2018 as outlined above by Ms. Kofman. The motion passed unanimously, with Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins voting yes.

d. Business Partner Grants Proposal FY 2018

It was moved and seconded to approve Business Partner Grants Proposal FY 2018 as outlined above by Ms. Kofman. The motion passed unanimously, with Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins voting yes.

e. Metro Ads Proposal FY 2018

It was moved and seconded to approve Metro Ads Proposal FY 2018 as outlined above by Ms. Kofman. The motion passed unanimously, with Ms. Sullivan Hare, Ms. Lewis, Mr. Pitts and Ms. Watkins voting yes.

X. **Closing Remarks and Adjournment**, *Diane Lewis, Chair*

Ms. Lewis reminded the Board that the August Board meeting has been canceled, and the next regularly-scheduled Board meeting is September 13, 2017.

The meeting was adjourned at 6:43 p.m.