



Health Benefit Exchange Authority Executive Board Meeting

MINUTES

Date: April 11, 2018
Time: 5:30 PM
Location: 1225 Eye Street NW, 4th Floor, Board Conference Room
Call- in Number: 1-650-479-3208; access code: 738 523 997

Members Present: Henry Aaron, Nathaniel Beers, Leighton Ku, Diane Lewis, LaQuandra Nesbitt (via telephone), Stephen Taylor (via telephone), Tamara Watkins (by telephone)

Members Absent: Kate Sullivan Hare, Khalid Pitts, Wayne Turnage, 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 (Dr. Aaron, Dr. Beers, Dr. Ku and Ms. Lewis).

II. Approval of Agenda, *Diane Lewis, Chair*

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

III. Approval of Minutes, *Diane Lewis, Chair*

It was moved and seconded to approve the March 14, 2018 minutes. The motion passed unanimously, with Dr. Aaron, Dr. Beers, Dr. Ku and Ms. Lewis voting yes.

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

Ms. Watkins joined the meeting during Ms. Kofman's report.

BUDGET SUPPORT ACT:

- **HBX independent procurement authority:** Our independent procurement authority expires at the end of this fiscal year. This authority has been critical to our success. I'm pleased to report that the Mayor's Budget Support Act includes a renewal for another five years. This has to be approved by the Council. In our budget briefings, I will remind Councilmembers of why our procurement authority is important.
- **Individual Responsibility Requirement:** The Mayor's budget also includes the ACA Working Group's recommendation that the District enact its own individual responsibility requirement. This is important because Congress repealed the federal requirement starting 2019. Actuaries estimated a 7.2% increase in claims cost absent a requirement to be insured. This also has to be approved by the Council.

BUDGET HEARING: Our annual Budget Hearing is scheduled for Thursday, April 19th, 2018 at 10 am. As always, Ms. Lewis as the Board Chair will provide testimony in addition to my testimony. As in the past I will be using PowerPoint slides and will provide Board members with an updated version of the slides you saw in the fall.

IT BROKER WORKING GROUP: The Broker-IT working group (chaired by Janet Trautwein with NAHU and Vice-Chaired by Lee Bethel who also chairs the Producer Advisory Committee) met initially on March 29, 2018, and then subsequently on April 5th. The first two meetings were heavily focused on demos of various functionality including the broker quoting tool. These demos have initiated great discussions on possible enhancements for brokers. The working group will identify top five enhancements to recommend for us for IT development.

1095A UPDATE: Corrections are ongoing. As of this time, we have completed 19 consumer-initiated corrections and 182 carrier-initiated corrections.

ACA CONGRESSIONAL UPDATE: While there were efforts to include a market stabilization package in the Omnibus bill passed by Congress last month, in the end those efforts were unsuccessful. Nothing was included in that package and Congressional sources have indicated that there will be little opportunity for additional action by Congress this year.

SHORT-TERM, LIMITED DURATION PROPOSED REGULATIONS: The Federal Government issued tri-agency (HHS, DOL, and Treasury/IRS) proposed regulations on February 21, 2018. Comments are due April 23. We will submit comments. To help us understand what the impact may be here in the District, we asked our outside actuaries, Oliver Wyman, to analyze the potential impact. Once finalized, I will share the analysis. The preliminary analysis shows:

- If there is no individual responsibility requirement: claims cost would increase by as much as 21.4% and as many as 6,100 people (out of 17,017) would become uninsured;
- If there is an individual responsibility requirement: claims cost would increase by as much as 3.1% and as many as 900 people would become uninsured.

We will be asking the Standing Advisory Board to review this issue and make recommendations to the Executive Board.

FEDERAL GUIDANCE: OMB cleared the *ACA Notice of Benefit and Payment Parameters* on Friday April 6 and it was published on Monday April 9. We are reviewing the notice. Based on a preliminary review, it looks like states will have the flexibility as we had last year with extended open enrollment.

POWER UP DC SMALL BUSINESS CONFERENCE: HBX will host a “Power UP DC 2018 Conference – “Movin’ Your Business Forward: Start, Grow and Prosper”. The summit will be held Tuesday, May 1, 2018 at the Fairmont hotel downtown. This will be our third annual POWER UP DC event.

CMS RELEASED FINAL NATIONAL OPEN ENROLLMENT NUMBERS FOR THE 2018 OPEN ENROLLMENT PERIOD: The full report can be viewed here: <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2018-Fact-sheets-items/2018-04-03.html>

Highlights:

- Approximately 11.8 million consumers selected or were automatically re-enrolled in an Exchange plan in the 50 states, plus the District (compared to 12.2 million last year).
- Among consumers using HealthCare.gov, the average premium before application of the tax credit was \$621 during the 2018 OEP and \$476 during the 2017 OEP.
- Average value of APTC premium subsidies grew to \$550 this year, up from \$383 last year.
- Consumers receiving APTC paid an average premium of \$89 down from \$106 monthly premium last year.

ENROLLMENT DATA: available [here](#).

Dr. Ku asked about brokers and other jurisdictions, how healthcare.gov is not supporting SHOP anymore and people are being directed to brokers, how is it all working out? Ms. Kofman said that generally, brokers that do business with us also do business in Maryland and Virginia. Purportedly, healthcare.gov has never been user-friendly on the individual side. Feedback we receive is that healthcare.gov is difficult for brokers to use effectively for their clients. At least from the brokers on our working group, DC Health Link is their top choice for a website regarding helpfulness. There is not much feedback on SHOP as it was never fully built on the federal platform.

V. **Finance Committee Report**, *Henry Aaron, Chair*

Dr. Aaron reported that the Finance Committee met on Monday, April 9th. Committee members Ms. Lewis, Ms. Watkins and himself participated by telephone with HBX staff.

PROCUREMENT APPROVAL: HBX staff requested a procurement for the annual license for our casework management software, Salesforce. HBX shares this software with DHCF as Medicaid and HBX caseworkers use the software to process and track cases. DHCF will take over this contract in the future. DHCF will enter into an MOU with HBX to reimburse us for its portion of the cost. Some licenses are solely HBX, some are solely DHCF, and those used by our contact center are cost-allocated between HBX and DHCF at the 74% DHCF/26% HBX Medicaid cost allocation agreement in effect for 2018. The Committee approved this license renewal and Ms. Kofman will discuss it further later in the meeting.

CAPITAL RESERVE ACCOUNT INVESTMENT ALTERNATIVES: Last month I reported that we would be reporting back on our Capital Reserve investment alternatives. Research on this issue is taking more time than expected to gather all of the needed information from various divisions within the Office of the Chief Financial Officer. We hope to have more information by the May Board Meeting.

FY 18 FINANCE REVIEW: The Committee reviewed spending against the budget to date in FY 18 and noted nothing appears out of the ordinary.

VI. Discussion Items

- a. Salesforce License Renewal, Carahsoft Technology, Inc. – *Mila Kofman, Executive Director*

Ms. Kofman reported that Sales Force is the software we use to track customer issues. The licenses are up for renewal. The request, approved by the Finance Committee, is for \$723,172.15. HBX portion is approximately \$196,000 and the DHCF portion is approximately \$528,000. HBX will purchase all the licenses and have an MOU with DHCF for reimbursement. It is hoped that by next year, DHCF will be in charge of the renewals.

VII. Public Comment

No public comment was proffered.

VIII. Vote

- a. Salesforce License Renewal, Carahsoft Technology, Inc.

It was moved and seconded to approve the Salesforce License Renewal, Carahsoft Technology, Inc. The motion passed unanimously, with Dr. Aaron, Dr. Beers, Dr. Ku, Ms. Lewis and Ms. Watkins voting yes.

IX. Closing Remarks and Adjourn, *Diane Lewis, Chair*

The meeting was adjourned at 5:56 p.m.