



**DC Health Benefit
Exchange Authority**

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

Date: Wednesday, November 14, 2018
Time: 5:30 PM
Location: 1225 Eye Street NW, 4th Floor, Board Conference Room
Call- in Number: 1-650-479-3208; access code: 736 345 671

Members Present: Henry Aaron, Nathaniel Beers, Leighton Ku, Diane Lewis

Members Absent: Kate Sullivan Hare, LaQuandra Nesbitt, Khalid Pitts, Stephen Taylor, Wayne Turnage, Tamara Watkins, 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 carried 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 minutes of October 17, 2018. The motion carried unanimously, with Dr. Aaron, Dr. Beers, Dr. Ku and Ms. Lewis voting yes.

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

OPEN ENROLLMENT: Open enrollment for 2019 plans is in process. It runs through January 31, 2019. Our call center is open extended hours of 8 am to 8 pm Monday-Friday and 10 am-5 pm on Saturdays.

OPEN ENROLLMENT KICKOFF PRESS CONFERENCE WITH MAYOR BOWSER ON NOVEMBER 1: Speakers included: a DC Health Link customer, CM Brandon Todd (who presented a Council Resolution he introduced in support of DC Health Link open enrollment),

and Mayor Bowser who highlighted the importance of the ACA in the District and getting all eligible people enrolled.

DC HEALTH LINK COMMUNITY ENROLLMENT DAY, Saturday November 10, Anacostia Library from 11 am- 3 pm. News Channel 4 covered event. Thank you to Commissioner Taylor for attending for the Board. Jackie Reyes (director of Latino Affairs office) spoke for the Mayor.

A slide show with highlights from the events was played.

UPDATE ON Open Enrollment and 2019:

- **AUTO RENEWALS:** sent to carriers auto-renewals for 15,427 people; 312 existing customers shopped and renewed.
- **OPEN ENROLLMENT EMAILS SENT TO CUSTOMERS:**
 - Early plan shopping: Sent email to 11,684 people on 10/26, letting customers know they could look at 2019 plans in Plan Match
 - 43% opened
 - 23% clicked through
 - Welcome to open enrollment: Sent to 12,103 customers on 11/1 with OE video and a link to Plan Match
 - 36% opened
 - 13% clicked through
 - Get help paying for coverage: Sent to 12,086 customers on 11/6
 - 34% opened
 - 8% clicked through
- **RENEWAL FOR APTC:** We conduct an annual redetermination for eligibility for APTC/CSR.
 - Confirmed eligible for APTC: 740 (86%)
 - Newly eligible for Medicaid: 55 (6%)
 - 31 due to meeting five year bar
 - 24 due to change in FPL (were just over the line for Medicaid in 2018) or income
 - Moved to full pay (no APTC): 66 (8%)
 - 54 due to failure to provide consent to check IRS
 - 12 due to income changes
- **SPECIAL OUTREACH:** Targeted outreach (including emails, telephone calls, coordination with other agencies) for populations who are at risk of losing coverage:
 - 54 renewed without APTC due to lack of IRS consent. Federal law prohibits renewal of APTC unless a person has consented to authorizing HBX to check IRS data to verify income.
 - 18 people: young adults aging off parents' plans. Federal law allows young adults to stay on their parents' plans until the end of the year that they turn 26. HBX outreach includes offering enrollment support if they are staying in the individual market.

REMINDER: CONGRESSIONAL OPEN ENROLLMENT: Nov 12 – Dec 10, 2018.

DC COUNCIL LEGISLATION LIMITING AHPS AND STLD HEALTH PLANS IN THE DISTRICT: Chairman Gray held a Health Committee hearing November 7th on *Bill 22-1001, the Health Insurance Marketplace Improvement Act of 2018*. This is his legislation to limit short term limited duration plans to less than three months and to regulate Association Health Plans (AHPs). As you know, HBX and DISB worked on a joint bill on these areas for the Mayor. Mayor Bowser transmitted the permanent, emergency, and temporary versions of these bills to Council shortly after Chairman Gray's bill was introduced. At the hearing, Chairman Gray made clear that he is incorporating the HBX/DISB language into his legislation and moving it instead. That change is important because our legislation provides stronger consumer protections and was carefully drafted to withstand ERISA challenges on the AHP front. Commissioner Taylor and Ms. Kofman testified at the hearing. In addition, there were numerous proponents of the bill, one opponent representing an AHP coalition, and a group of Professional Employer Organizations (PEOs). PEOs opposed being included in the legislation arguing that the bill would prevent them from continuing to offer large group health insurance to small businesses in the District. Chairman Gray agreed to remove the PEO language from the bill so the bill can move forward quickly and to address separately the PEO issue next year in Council. DISB and HBX agreed to the outlined path forward. CM Gray moved the emergency and temporary (Mayor's bill without reference to PEOs) at the Legislative meeting of the Council on Nov 13. Those bills passed Council last evening.

Dr. Ku asked if there were any other states that were moving AHP legislation. Ms. Kofman relied that MD had already passed an AHP and STLD law in the legislative session just ended. Other states already have laws on the books, including NY and MA. Other states are planning for the next legislative session. CA took action and prohibited STLD plans entirely.

Dr. Aaron asked about the religious exemption. Ms. Kofman said that the Trump Administration had recently finalized two rules, one a religious exemption and the other a moral objection, to employers providing contraceptive coverage in their group health plans. We are reviewing the rules to see if there is an operational impact and what steps might be necessary.

Additionally, Ms. Kofman reported that the Administration had released a proposed Program Integrity Rule, which applies to state-based exchanges. The draft rule requires that two separate invoices be sent for plans with abortion coverage. Staff is reviewing that rule as well for proposed comment.

IMPLEMENTATION UPDATE ON THE DISTRICT'S INDIVIDUAL

RESPONSIBILITY REQUIREMENT: In compliance with the individual responsibility requirement enacted as a part of the Budget Support Act, HBX worked with OCFO to compile federal individual responsibility requirement regulations in effect on December 15, 2017 and relevant federal guidance. OCFO forwarded the information to the Mayor on November 1, 2018

as required by the BSA for publication in the District Register. We will update you as this implementation continues to move forward.

NEW RULES FROM THE FEDERAL GOVERNMENT:

- **Religious and Moral Exemptions and Accommodations:** Ms. Kofman said she had addressed these two rules earlier in response to questions and reiterated that staff is reviewing them.
- **Program Integrity Proposed Rule:** CMS issued a proposal to change standards for state-based marketplaces (November 7, 2018). We are analyzing the proposal and discussing it with other state-based marketplaces. Ms. Kofman noted that one new requirement was for carriers to send two separate bills regarding policies that cover abortion.
- **1332 Waiver – Guidance (sent you via email earlier the following information):** The HHS Guidance, “[State Relief and Empowerment Waivers](#)” (October 24, 2018), revises the 2015 interpretation of the ACA Waiver section 1332. Our preliminary review is that the proposed regulation exceeds the authority of the Administration and would allow state waivers that would not otherwise qualify, including allowing people to switch to junk coverage and the state can still be counted as having the same number of insureds with comprehensive coverage. We have commissioned OliverWyman to do a study for us on the potential impact if other states get these new waivers that result in people with significant health conditions moving to the District for superior coverage under the ACA rules, thus driving up claims in our risk pool.
- **Health Reimbursement Arrangements Proposed Rule (sent you via email earlier the following information):** The Tri- Department (HHS, DOL, Treasury) issued a proposed rule on new Health Reimbursement Arrangements (HRAs).
- **CMS FAQ on Defrayal of State Benefit Mandates (sent you via email earlier the following information):** CMS posted on its webpage (Oct 23) new information on state benefit mandates.
- **Gender/Transgender protections (sent you via email earlier the following information):** The Administration has not taken public action. According to press reports, there is an internal HHS memo (leaked to the press) stating the Administration’s intent to redefine the term “gender”/ “sex,” which would lead to fewer protections under federal law for transgender people if implemented.

We are monitoring the above three items closely.

HBX PR AWARDS: On October 23rd, the DC Health Benefit Exchange Authority (DCHBX) won awards in a national health care communications competition, PR News. DCHBX won in the Community Relations and Event Marketing categories at PR News’ Healthcare

Communications Awards, a competition that recognizes the top health care communications initiatives from across the country. DCHBX was also awarded honorable mention in two additional categories, WOW award for out-of-the-box PR and outreach campaign and the cause-related marketing award.

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

IT UPDATE: Ms. Kofman noted that the IT Committee had just met and asked Dr. Ku to give an update. Dr. Ku said the Committee had been briefed on what has been accomplished with respect to system upgrades in the past year, and what is planned for 2019 through 2021. He noted a lot has been accomplished, and that a lot more is to come.

V. Finance Committee Report, Henry Aaron, Chair

The Finance Committee held its regular meeting with HBX Staff on November 8th. Ms. Lewis, Ms. Watkins and myself all participated. We also had individual briefings on the FY 20 staff proposed budget, and met on additional year end close out matters.

FY 20 PROPOSED BUDGET: As noted above, because of scheduling complications, each Finance Committee member received an individual briefing on the staff proposed FY 20 Budget. Once those were concluded, it moved forward to the Standing Advisory Board for its input and then to outside stakeholders. Now, we have the proposed budget before us at today's meeting and Ms. Kofman will review it later this evening.

ASSESSMENT UPDATE: Staff updated us that we still have approximately \$2 million outstanding in assessment collections. In previous years, we have had much lower uncollected amounts of less than \$7,000 last year and less than \$41,000 the previous year. The vast majority of the outstanding amount is from one carrier and additional outreach is being done to that company. Note that we fund our budget to tie closely to the projected assessment collection so if most of these funds are not received, it does have a budgetary impact.

FINANCIAL REVIEW: We reviewed the FY 18 budget which is not fully closed out. We are hopeful the books will be closed next month and we can provide a final update.

In addition, we reviewed the FY 19 budget and spending report. Just over a month into the new fiscal year, there was not much to view. Staff did present us with some revisions to the monthly budget tracker and supporting documents that we reviewed.

IT DEVELOPMENT FINANCE COMMITTEE MTG: Now that the IT Committee has met to review the proposed IT development schedule the Finance Committee will also be meeting next week to review IT development recommendations for FY 19-21. We will update you on the outcome next month.

VI. Discussion Item

- a. Demonstration of New DC Health Link Features – *Sarah Bagge, HBX Staff*

Ms. Bagge noted that HBX has rolled out two new features for its Plan Match tool. She presented on the changes. Board members provided valuable feedback on several aspects of the features. (Presentation available [here](#) at 33:20 of recording.)

- b. FY 20 Proposed Budget – *Mila Kofman, Executive Director*

Ms. Kofman [presented](#) on the proposed FY 20 budget.

Board members had some questions about the details of the partnership with the Massachusetts Health Connector. The takeaway is we bill for our staff time, and also collect an administrative fee. Also, we benefit from any development work because we cost-share with Massachusetts but get the full benefit of the IT enhancements that are developed.

VII. Public Comment

No public comment was proffered.

VIII. Vote

- a. FY 20 Proposed Budget

It was moved and seconded to approve the FY 20 Proposed Budget. The motion passed unanimously, with Dr. Aaron, Dr. Beers, Dr. Ku and Ms. Lewis voting yes.

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

The meeting was adjourned at 7:05 p.m.