



**Standing Advisory Board Meeting  
Minutes**

**Date:** Friday, December 13, 2019  
**Time:** 12:00 PM  
**Location:** 1225 “Eye” Street NW, 4<sup>th</sup> Floor, Conference Room 4037, or by Conference Call  
**Call- in Number:** 1-650-479-3208 access code: 735 886 249

**Members Present:** Rebecca Barson, Dave Chandrasekaran, Margarita Dilone (via telephone, entered late), Chris Gardiner (via telephone), Jodi Kwarciany (via telephone), Robert Metz, Dania Palanker (via telephone, entered late), Dock Winston (via telephone)

**Members Absent:** Claire McAndrew

**I. Welcome, Opening Remarks and Roll Call, *Chris Gardiner, Chair***

Mr. Gardiner called the meeting to order at 12:05 p.m. A roll call of members confirmed that there was a quorum of the Standing Advisory Board (SAB) with six members present.

**II. Introduction of New Board Members, *Chris Gardiner, Chair***

SAB members provided a brief summary of their backgrounds, and Mr. Gardiner welcomed the new members.

**III. Approval of Agenda, *Chris Gardiner, Chair***

It was moved and seconded to approve the agenda. The motion passed unanimously by voice vote.

**IV. Approval of Minutes, October 29, 2019 and June 18, 2019 Meetings – *Chris Gardiner, Chair***

It was moved and seconded to approve the minutes of October 29 and June 18, 2019. The motion passed unanimously by voice vote.

V. **Discussion Items**, Consideration of staff proposed special enrollment period opportunities (SEPs) – *HBX Staff*

- a. Time-Limited Individual Responsibility Requirement SEP
- b. Individual Responsibility Requirement SEP Related to Residency

Purvee Kempf, General Counsel & Chief Policy Advisor, reminded the SAB members that the District had passed a local individual responsibility requirement, effective January 1, 2018. She proceeded to discuss the [various SEPs](#) under consideration by the SAB.

Ms. Kempf stated that HBX did have an individual responsibility requirement SEP, but she did not think it was used as widely as it could have been. People will be paying the penalty if they did not have coverage last year, so we expect more recognition of individual responsibility requirement this year. What staff is proposing is once people realize they have to pay a penalty, and now want coverage, they can get a prospective SEP to enroll. The tax penalty is calculated on a monthly basis, so getting coverage will limit the tax penalty to the uncovered months. Ms. Kempf mentioned that HBX is partnering with the Office of Tax and Revenue, and through them with tax preparers, to get the word out. The proposed SEP is limited to this year, and is similar to last year's SEP.

Ms. Kempf moved on to the second proposed SEP related to residency. Since the District has the local individual responsibility requirement, we need to help people who move to the District who do not have coverage and will now be subject to the requirement. This SEP would be a permanent SEP. Mr. Chandrasekaran asked how this differed from another SEP related to moving. Ms. Kempf replied that the federal SEP required that the person moving previously had coverage to qualify for the SEP.

- c. Auto-pay Error SEP

Ms. Kempf stated that HBX tries to track people who are getting terminated for coverage and why. We have learned that a common reason for losing coverage is people who have autopay through a credit card and forget to update their credit card when the old one expires. Some banks automatically roll over to the new card for payment, but others do not. The SEP allows someone who has been on auto pay and was terminated to return to coverage in the same plan. Our review has shown that in many cases, these individuals have been continuously covered for months or years and simply did not update their cards.

Dr. Winston asked about declination due to insufficient funds. Ms. Kempf said this SEP does not apply to the declination due to insufficient situation.

d. Pregnancy SEP

Ms. Kempf stated the proposed SEP would apply to women when their pregnancy is confirmed by a health care practitioner. It would take effect the first of the month the pregnancy is confirmed. Ms. Kempf stated that Maryland recently passed a related law, and we are getting a lot of questions. We don't expect a lot of people to come through this SEP. The upside is that when the baby is born, the baby has coverage.

Ms. Palanker said she did research when Maryland was considering its law. She spoke to several states during that time period, and they all said that the take-up rate for this particular SEP was low and has not had an effect on premiums in those states.

Consideration of a SHOP open enrollment extension for 2020 related to the Individual Responsibility Requirement – *HBX Staff*

Ms. Kempf stated that staff wished to discuss another policy issue. This proposal is being called extended SHOP open enrollment. It is related to the individual responsibility requirement. As noted, people are going to start paying penalties for 2019 in 2020. HBX staff has been brainstorming ways to get people insured. We try to make the case to employers every day about the value of offering health insurance to their employees. We have been using the individual responsibility requirement to raise awareness of employers about potential penalties.

We do have minimum participation and contribution requirements. During most of the year, the employers must pay 50% of the employees' coverage, and two thirds of employees must enroll or specifically waive coverage. There is one time of year those requirements do not apply under federal law, and that is January 1 enrollment. We want to extend that non-application of minimum contribution and participation requirements to the rest of the year. The policy would only apply for one year. After that time, the employer must meet the minimum contribution and participation requirements. Or, the employer could roll over to become a January 1 employer when the requirements do not apply. The policy is aimed at increasing small employer participation in providing offers of coverage to their employees.

Ms. Dilone asked how easy it would be for an employer to roll over to become a January 1 group. Ms. Kempf said we need to work out the operational requirements with the various HBX teams involved, but that we welcome Ms. Dilone's input in effectuating the policy. She agreed.

Mr. Metz indicated that CareFirst supported the various SEPS. He had some concern about the SHOP extension regarding adverse selection, but he said he would not oppose. He just wanted to raise the possibility of a price impact if groups took advantage of the opportunity. Ms. Kempf noted that there is still federal risk adjustment to help smooth out the high cost claims, but she appreciated the possibility.

**VI. Public Comment**

No public comment was proffered.

**VII. VOTES**

- a. Individual Responsibility SEPS
  - i. Time-Limited Individual Responsibility Requirement SEP
  - ii. Individual Responsibility Requirement SEP Related to Residency
- b. Auto-pay Error SEP
- c. Pregnancy SEP
- d. SHOP Open Enrollment extension for 2020

Mr. Gardiner stated that hearing no objection, SAB will vote en bloc for the Special Enrollment Period proposals and the SHOP open enrollment extension. It was moved and seconded to approve the SEP and SHOP proposals set forth above. The motion passed unanimously by voice vote.

**VIII. Closing Remarks and Adjourn, *Chris Gardiner, Chair***

The meeting adjourned at 12:55 p.m.