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**Health Benefit Exchange Authority Executive Board Meeting**

**MINUTES**

**Date:** November 18, 2020

**Time:** 5:33 PM

**Location:** Via Web Ex/By Video or Conference Call Only

**Call- in Number:** 1-650-479-3208; access code: 731 476 505

**Join via Video:** <https://dcnet.webex.com/webappng/sites/dcnet/meeting/download/bdbaec4771cf46b9a288486db44de6ef?siteurl=dcnet&MTID=mc575d82c7e94ea693aa18d6a1e646828>

Members Present: Henry Aaron, Leighton Ku, Diane Lewis, Gabriela Mossi, Khalid Pitts, Tamara Watkins, Karima Woods

Members Absent: LaQuandra Nesbitt, Wayne Turnage, Laura Zeilinger

1. **Welcome, Opening Remarks and Roll Call**, *Diane Lewis, Chair*

A roll call of members confirmed there was a quorum with four voting members Dr. Aaron, Dr. Ku, Ms. Lewis, and Mr. Pitts, present at the beginning of the meeting. Note that Ms. Watkins and Ms. Mossi joined later in the meeting. Ms. Lewis started the meeting by welcoming the newest board member, Gabriela Mossi.

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

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

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

It was moved and seconded to approve the minutes of the September 23rd, 2020 meeting. The motion carried unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, and Mr. Pitts voting yes.

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

**WELCOME NEW BOARD MEMBER**: Ms. Kofman welcomed Gabriela Mossi, the newest member to join the executive board.

**OPEN ENROLLMENT:** Open enrollment runs from November 1st to January 31st. DC Health Link call center has extended hours during open enrollment, operating Monday to Friday from 8am to 8pm and Saturday from 10am to 5pm.

**COVID SEP:** We still have COVID Special Enrollment Period (SEP) available. When individuals need coverage immediately, they should use the COVID SEP and not wait until January 1st when coverage would start through regular open enrollment.

**QUALIFIED HEALTH PLANS (QHP):**

* **Individual Market:** There are 25 plans in 2021, from Kaiser Permanente, CareFirst, Blue Cross Blue Shield, just like in 2020. Fifteen of the 25 plans have lower premiums than in 2020; thanks for the work Commissioner Woods did with the insurers.
* **SHOP Market:** There are 163 plans in the Small Business market for 2021, currently we have 156. We have 135 renewing plans, and 52 of those will have lower rates than in 2020. We have 28 new products being offered.

**KICK OFF ACTIVITIES:** Mayor Bowser issued a press release announcing our open enrollment, available at <https://mayor.dc.gov/release/mayor-bowser-encourages-dc-residents-get-covered-during-2021-open-enrollment-period>.

We also hosted a virtual pre-recorded open enrollment video event with local elected officials, customers, stakeholders, board members with many of the activities we would typically have at our in-person kick-off event. The event was schedule for 11 am on Saturday, November 7. Shortly after we started the event online, networks began announcing the winner of the Presidential election. So viewership after the announcement declined, but we are using it as an opportunity to add additional video clips to the main video, and enhance the original video.

**VIRTUAL ONE TOUCH ENROLLMENT EVENTS:** This year we are not doing any in-person events; all of our events are virtual. For our one-touch event, we did a soft launch, and people signed up ahead of time for appointments. We made sure that we had brokers, assisters and navigators available as well as our own team members present. As in the past years, we partnered with the Department of Human Services (DHS), so Laura Zeilinger’s team was available to answer Medicaid-related questions. The soft launch went really well. We host these events in partnership with the Greater Washington Hispanic Chamber of Commerce, and Carlos Rosario International Charter School.

**SHOP:**  December is our largest renewal month for small business customers.  We had more than 1,100 employers that renewed, covering 21,000 people. We also have more than 600 employers renewing coverage for January 1st with more than 17,000 covered lives.

**CONGRESSIONAL OPEN ENROLLMENT:** We are in the middle of Congressional Open Enrollment, which runs from November 9th to December 14th. Again, we are not doing any in-person health fairs; everything is virtual with one-on-one online scheduled appointments.

**PRE- OPEN ENROLLMENT:** All of the assister training was done virtually and has been completed. We had some first-time assisters along with some renewing assisters.

* **Window Shopping:** We had a successful window shopping period fromOctober 15th to October 31st. I was invited to one of Mayor Bowser’s COVID-19 press conferences before the window shopping started, and as a result, we had more earned media. We really appreciate the fact that the mayor prioritized open enrollment during one of her press conferences.
* **CCIIO Open Enrollment Readiness Review:** We successfully completed our CCIIO Open Enrollment Readiness Review. This review is done annually by CMS.
* **Email Outreach to Customers:** In preparation for open enrollment, we sent outreach emails to our customers about window shopping and open enrollment. In our emails to our customers, we got more than 40% open rate. These emails are a great way of educating customers.
* **Auto Renewals**: We auto-renewed 16,518 people, an increase compared to the 15,102 people from last year.
* **APTC Renewals**:  We conducted the annual redetermination for eligibility. Out of the 1,212 people who received APTC this year, we reconfirmed eligibility for 954 people. The ones for which we could not reconfirm eligibility was because they qualified for Medicaid due to income change or they met the five-year bar. Other people for whom we did not reconfirm eligibility was either because they did not provide us consent to check the IRS data or some other issues were outstanding. We are continuing to work through those individuals to reconfirm as many people as possible.

**IT UPDATES**: We have deployed many updates to the DC HealthLink.com system to improve usability and the customer experience.

* **Pay Now Feature:** We partnered with Kaiser Permanente to pilot a feature that enables customers to make binder payments directly on Kaiser Permanente’s payment site upon completion of plan selection on DC Health Link’s website by just clicking one button. Previously, a customer had to wait for the carrier invoice before they could make a payment. If the feature works well, and we anticipate that it will, we will also begin discussions with CareFirst BlueCross BlueShield to implement the same feature. We are hoping with the new features, that we will have an even higher effectuation rate, meaning customers who have paid their first month’s premium.

**OTHER UPDATES**

**UPDATE ON SHOP REFUNDS:** Earlier this year, we started an effort to find former employer customers to whom we owe refunds. We started this year with over $462,000 in refunds that we owed because of overpayment of premiums. Due to the effort of our team, we got the number down to just slightly under $130,000. It is hard to find former employers because these are employers who may be out of business, or who may have moved out of the District so it is an effort to find them and get their current information needed to process refunds. We are pleased with the progress and will continue our efforts.

**UPDATE ON GROUPS IN ARREARS:** As of October, out of the more than 5,100 employers, there are 844 (16%) groups in arrears. We have noticed by looking at when payments are made, that many employers pay premiums, but are just late in paying them. We are seeing that 60 days is the common overdue timeline. The total amount owed is $8.6 million, which is about 3% of premium, unpaid monthly. We expected to see worse numbers given that so many employers have had to close. We are not terminating anyone’s coverage for non-payment of premiums and residents and employers will have at least a year to pay back old premiums. We do not charge interest or late fees for late payment.Again, thanks to Commissioner Woods for the emergency order she issued to protect district residents during this pandemic.

**HBX EXECUTIVE BOARD WORKING GROUP ON SOCIAL JUSTICE & HEALTH DISPARITIES:** As a reminder, this is the working group that the Board established at the September meeting, and is chaired by Ms. Lewis. The working group membership also includes Ms. Watkins and Commissioner Woods. At the staff level, we are doing a lot of work with Ms. Lewis and we are still in the planning stages. We have talked to some additional potential participants, including our four health plans, who have agreed to be on the working group. Other members of the working group will include health providers, consumer and patient advocates, small business customers, brokers, community health centers and other interested parties including experts in the health parity area. Currently we are looking for an outside expert to staff the working group. By the next Board meeting, we will provide an update on what the working group has been doing.

**FOLLOW-UP ON EAST OF THE RIVER REPORT:** The Health Committee Chair, Chairman Gray, asked us to work with health plans to figure out ways that health plans could expand access to care East of the river. We worked with health plans and submitted our report with the health plans to Chairman Gray. There were follow-ups in the report that we wanted to conduct. We have updates from one of the carriers about what they have been doing since the report has been submitted.

* **UnitedHealthcare update**: UnitedHealthcare is partnering with local communities in nine locations to deploy an initiative called STOP COVID. STOP stands for Safety, Testing, Overall Partnership.  The STOP COVID initiative focuses on communities that are disproportionately impacted by COVID-19. Locally, they are planning this initiative in Ward 7. They plan to locate a COVID testing site there and will also offer flu vaccines and HIV testing.  This site will be open to anyone who seeks testing or vaccine and is not limited to UnitedHealthcare members.  They are also providing care packages of food items as well as a safety kit that will include masks.  They are partnering with Mary’s Center (one of our Assister organizations) to refer anyone who needs medical services for follow up.  They will also be working closely with one of the DC Health Link Assister groups, the Leadership Council for Healthy Communities (LCHC).  We are working with both Mary’s Center and LCHC to maximize enrollment opportunities. Note that this program is still in the planning stages so nothing is final, and certain District offices need to give approval for this initiative to move forward. Right now, UnitedHealthcare is looking at starting in December. As more information becomes available, we will provide updates. As we learn more from other health plans, we will also provide those updates.

**HBX OFFICE OPERATIONS**:

**HBX STAFF DETAILED TO BOARD OF ELECTIONS:** Before the last election, the city was looking for District government employees to staff polling locations. We had four of our employees who volunteered for the detail to assist with the election.

**COUNCIL LEGISLATION:**

**HBX PROCUREMENT AUTHORITY TESTIMONY & LEGISLATION**: Councilmember Robert White, Chair of Committee on Facilities and Procurement, held a hearing on October 29 on our permanent procurement authority legislation (B23-0571). I testified on behalf of HBX. We were the only government witness; other witnesses were all public witnesses, and all were in support of our permanent procurement authority. Our current procurement authority has a sunset provision so it expires in a couple of years. The legislation would eliminate the sunset provision. We will keep you updated on how that legislation progresses. This hearing was the second on the bill.

**FEDERAL UPDATES:**

**Interim Final Rule with Comment on Coverage of COVID-19 Vaccine:**The three federal departments, the Departments of Health and Human Services, the Department of Treasury, and the Department of Labor, issued an Interim Final Rule with an opportunity for comment on coverage related to COVID-19 vaccine. We are reviewing the rule and if necessary, we will submit comments.

**PROPOSED RULE REQUIRING REGULATIONS TO SUNSET:** HHS issued a proposed rule on November 4, 2020 to sunset all HHS regulations after 10 years unless HHS acted. We are reviewing the proposed rule and will comment if appropriate. The proposed rule would create a huge burden for us to reassess the need for all of HHS’ regulations instead of devoting resources to fighting COVID-19.

**FEDERAL COURT:**

**ACA at the Supreme Court:** On November 10, the Supreme Court heard oral arguments in California v. Texas. This case was brought by the Texas Attorney General (and other Republican Attorneys General) seeking to invalidate the entire Affordable Care Act (ACA).  The ACA is defended by many Democratic Attorneys General, including our own Attorney General, Karl Racine. In lower courts, we submitted affidavits in support of preserving all of the ACA provisions.

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

The Finance Committee met twice virtually, on October 8th and on November 5th. Ms. Lewis, Ms. Watkins, and myself (Dr. Aaron) were in attendance.

**FY 21 BUDGET APPROVALS:** The Finance Committee approved authorizations for new spending:

1. **COVID-19 SPENDING:** HBX staff presented an estimate of $650,000 for work related to COVID-19 beginning this fiscal year. It is still unclear whether the federal government will reimburse these expenses, but HBX is tracking the expenditures and is working with the appropriate local agencies so we can submit request for reimbursement if funding becomes available. That fund could be through FEMA or sources not yet specified. In either event, these expenses are necessary. These expenditures include:

* **Masks:** The purchase of 50,000 DC Health Link masks for distribution to our customers, contact tracers, DC Health Link Assisters and our partners for distribution across the District as well as for participation in the national “Get Covered” campaign with other state-based marketplaces on December 10th.
* **RAMW Grant Increase:** An $81,000 increase in our grant with our business partner the Restaurant Association Metropolitan Washington (RAMW). As the restaurant industry is one of the industries hardest hit by COVID-19, RAMW is taking on extra responsibilities with us to conduct outreach and get restaurant workers covered at this critical time.
* **IT Development:** Funds for ongoing IT development work needed to modify the system to address changes based on COVID-19. For example, if the emergency period is extended, we would need to modify our software.

1. **IT SURGE FOR OPEN ENROLLMENT:** HBX asked for authority to spend up to $500,000 on IT surge needs related to open enrollment.
2. **IT DEVELOPMENT:** As a reminder, back in FY 19, the Finance Committee approved a four-year IT development plan that provided $2 million for FY 20 and $3 million each in FY 21, 22 and 23 for ongoing IT development needs. These funds are in our unassigned fund balance and dedicated to these important IT needs. In addition, HBX staff noted that due to COVID-19 needs, some development work in FY 20 was not completed. That resulted in approximately $1,064,000 left over from the IT development budget in FY 20. We have had similar carryovers in previous years, and it is our understanding that the full amount allocated to this will be spent over the four-year period.

**CALL CENTER COSTS:** Our call center is a cost-allocated expense, meaning that we share its cost with DHCF. Every couple of years, CMS requires updated analysis of what the cost allocation should be. As I reported in July, we learned that the cost allocation for FY 21 was likely to change from 26% HBX/74% DHCF to 52% HBX/48% DHCF. That change was approved by the federal government. So, HBX is facing significantly higher costs for the call center than anticipated in the FY 21 budget. HBX will manage these increased costs by trying to find efficiencies within the FY 21 budget and through utilizing funds from the unassigned fund balance if necessary. There are more changes coming for the call center for our FY 22 Budget, which Ms. Kofman will talk more about later in the meeting.

**FY 22 BUDGET:** Our November Finance Committee meeting was dedicated to the review of the staff-proposed FY 22 budget which is before the Executive Board for a vote this evening. The Finance Committee supports the proposed FY 22 budget being presented tonight.

**ASSESSMENT UPDATE:** FY 20 Assessment payments were due August 17th. At this point, HBX has collected $30,790,396 million with only $27,879 outstanding from six companies. We are continuing to work with DISB on these collections, but note that we have a collection rate of 99.9% (total billings have been adjusted for appeals and refunds).

**INSURANCE REGULATORY TRUST FUND BUREAU MEETING:** Each year, staff present the HBX budget at the Insurance Regulatory Trust Fund Bureau meeting. That meeting took place on October 28th and went smoothly.

**FINANCIAL REVIEW:** HBX staff informed us that we will review the close out of the FY 20 budget at our January Finance Committee meeting – which is the first meeting after the books have closed on FY 20. With regard to FY 21, the Finance Committee reviewed the monthly budget and spending reports, the IT development reports and the purchase order reports and found nothing of concern.

1. **Marketing Committee Report**, *Khalid Pitts, Chair*

Mr. Pitts and Dr. Ku presented an overview of the findings from the survey conducted in early October by ENGINE Insights. We had three objectives in conducting the survey: to inform our education outreach and enrollment efforts; to heighten our media awareness to support our marketing outreach work; and to better inform our residents about HBX’s support for them during the pandemic along with the actions taken to help increase access to insurance. More information is available at [DC Health Link Press Release](https://dchealthlink.com/node/3480) and [ENGINE Insights Survey](https://hbx.dc.gov/sites/default/files/dc/sites/hbx/release_content/attachments/D.C.%20Healthcare%202020%20Survey%20--%20Executive%20Summary%20Report%20%28FINAL%29.pdf).

Mr. Pitts walked through some of the notable findings from the survey. In general, District residents are more worried about the virus than the rest of the country. They are afraid of losing their health insurance and their jobs, and about family members contracting the virus. Residents are worried about three big factors: health, finance, and food security. Many residents noted that mental wellness, personal finance issues and food security were important to them. Overall, Generation X was significantly more inclined than Generation Z to express concern about catching the virus themselves. Dr. Anthony Fauci was cited the most credible source for COVID-19 related news, and locally, Mayor Bowser and the Director of the Department of Health, Dr. Nesbitt were also seen as credible, about the same credibility as residents’ own physicians. COVID-19 concerns were higher among African Americans and White residents, compared to Hispanic residents, which is interesting because the survey shows that job loss disproportionately affected the Hispanic community with them showing two times job loss, and greater concern over health coverage loss compared to their African American and White counterparts.

Dr. Ku continued to share some additional details from the [ENGINE Insights Survey](https://hbx.dc.gov/sites/default/files/dc/sites/hbx/release_content/attachments/D.C.%20Healthcare%202020%20Survey%20--%20Executive%20Summary%20Report%20%28FINAL%29.pdf). He noted that overall, the survey was consistent in other survey findings that virtually all District residents have health insurance, and there were a majority of people that did express some concerns about the possibility that they might lose their health insurance, and that they recognize the importance of health insurance. Most residents like the insurance that they have and are aware of the insurance they have but concerned that their coverage is at risk, highlighting the importance of efforts of protecting insurance coverage, both in court and in the legislature.

1. **Discussion Items**
   1. **FY 22 HBX Proposed Budget** – *Mila Kofman, Executive Director*

Ms. Kofman walked the Board members through the staff-proposed FY 22 [budget](https://hbx.dc.gov/sites/default/files/dc/sites/hbx/event_content/attachments/DRAFT%20FY22%20Budget%20Presentation%2011.12.2020%20standing%20advisory%20board.pdf).

Mr. Pitts stated his concern that we have taken money out of health literacy, particularly when Congress is changing and when we have not in the past done an active campaign. He referenced the ENGINE Insights survey that underlined the need for understanding the access to quality health care. He added that we should be investing more in health literacy and marketing. Secondly, he asked as we try to find savings with the call center becoming remote, is HBX looking to invest the money back into areas where cuts were made?

Ms. Kofman stated that even with the new administration coming in, our focus is going to be on making those changes to DC Health Link website. The money for IT would not be coming out of the consumer education and outreach bucket; it would be in the IT budget. If we do realize the $700,000 from the call center rent, we want to make sure we do not raise the assessment from 0.9%. We are not going to know what the assessment will look like until Spring when the report comes out on 2020 aggregate premiums market wide. There is a risk that our assumptions are incorrect and a lot less would be generated with a 0.9% assessment. Ms. Kofman stated that we cannot commit to using any savings until we know what the assessment actually looks like. If our assumptions are correct, we certainly want to see where the cuts are; the health literacy campaign was not one of the major cuts made. So we will be looking at all of the HBX divisions and see where major cuts need to be restored.

Mr. Pitts stated that there seems to be a reduction of about 5.2% in the budget for consumer education and outreach, and asked if that is higher or lower than for professional development. Ms. Kofman answered that the reduction in consumer education is $156,000 and that is in some of the areas that were not reflected as reduction because they had cost increases that were fixed, such as rent.

Dr. Ku said that in the coming year, we are going to be spending a lot of money on COVID-19, such as prevention activities and vaccines. Ms. Kofman added that the Finance Committee approved a separate spending amount for us for FY20 and FY21 that is COVID-specific spending that we did not budget for. So some of what we are doing on outreach and education is actually not being funded out of consumer education and outreach, and is being funded separately from the COVID-specific spending approved by the Finance Committee. Additional focused outreach will be done in FY21 related to vaccination within the FY21 budget. We also are in discussion with our health plans to figure out how we can leverage resources in a more fruitful way so as to not duplicate information and to reach the right target audience. We are also in the initial stages of talking to the CDC thinking through how we can be of value locally. There are going to be city-wide efforts led by Dr. Nesbitt for COVID-19 vaccine and we want to make sure whatever we do will be aligned with the city’s effort.

* 1. **Consider Reappointments to the Standing Advisory Board from the Executive Board Operations Committee** – *Diane Lewis, Chair*

Three Standing Advisory Board (SAB) members have terms that expire in November 2020. The three board members are Chris Gardner, Claire McAndrew, and Dave Chandrasekaran. As chair of the Executive Board Operations Committee, Ms. Lewis presented a resolution to reappoint these three members of the SAB. The Executive Board Operations Committee approved these re-appointments. It is the recommendation of the Executive Board Operations Committee that all three members to reappointed.

1. **Public Comment**

No public comment was proffered.

1. **Votes**
   1. **FY 22 HBX Proposed Budget**

It was moved and seconded to approve the FY 22 Proposed Budget. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Pitts, and Ms. Watkins voting yes. Note that Ms. Gabriela Mossi was unable to vote via voice on this item due to technical issues with her WebEx connection, but provided her vote in support of the budget via email.

* 1. **Resolution – Reappointments to the Standing Advisory Board**

It was moved and seconded to approve the Resolution – Reappointments to the Standing Advisory Board. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, and Ms. Watkins voting yes.

1. **Closing Remarks and Move to Executive Session**, *Diane Lewis, Chair*

Before closing, Dr. Ku asked when there is a technical issue but a member would like to vote, what can be done. Purvee Kempf, General Counsel and Chief Policy Advisor, said the member may vote in chat or email to let us know and we can record in real time.

Pursuant to DC Code Section 2-575(b)(10) and 3171.11 the Board moved to closed session to discuss personnel. The public meeting adjourned at 7:01 p.m**.**