



**DC Health Benefit  
Exchange Authority**

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

**Date:** February 10, 2021  
**Time:** 5:30 PM  
**Location:** Via Web Ex/By Video or Conference Call Only  
**Call- in Number:** 1-650-479-3208; access code: 180 604 0392  
**Join via Video:** [Join Meeting](#)

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

**Members Absent:** LaQuandra Nesbitt, Wayne Turnage, Laura Zeilinger

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

A roll call of members confirmed there was a quorum with seven (7) voting members present (Dr. Aaron, Ms. Lewis, Dr. Ku, Ms. Mossi, Mr. Richards, Mr. Pitts, and Ms. Watkins).

Ms. Lewis welcomed the newest board member, Ramon Richards. Mr. Richards is senior vice-president of integrated technology solutions at Fannie Mae where he provides technology leadership and software engineering support across the organization.

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

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

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

It was moved and seconded to approve the minutes of November 18, 2020 and December 9, 2020. The motion carried unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Richards, Mr. Pitts, and Ms. Watkins voting yes.

#### **IV. Executive Board Business**

- a. Discussion and vote on Executive Board Committee Assignments – *Diane Lewis, Chair*

With the addition of Gabriela Mossi and Ramon Richards, it is time to update the Executive Board Committee Assignments. In addition, we are taking this opportunity to update the names of the committees themselves. The proposed edited committee assignments have been posted on the HBX website.

- Ramon Richards will join the Operations Committee and take Henry Aaron’s place on the IT Committee.
- Khalid Pitts will join the Insurance Market Committee.
- Gabriela Mossi will replace Leighton Ku on the Marketing and Consumer Outreach Committee.

It was moved and seconded to approve the Committee assignments as set forth above. The motion carried unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Richards, Mr. Pitts, and Ms. Watkins voting yes.

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

The Finance Committee met virtually on December 3, 2020, and January 7 and February 4, 2021. All three board members – Ms. Lewis, Ms. Watkins and myself were in attendance on December 3 and January 7, but Ms. Lewis had to miss February 4.

**CAFR AUDIT:** Each year, we participate in the city’s “Comprehensive Annual Financial Report.” That audit was completed in January of 2021 and we learned that HBX received an unqualified opinion, in other words, a clean audit. Our briefing by the auditors had to be delayed and we will receive that in March. Given that it is a clean audit, we do not expect to have to report back on that front and did not want to hold this news another month. The audit report is posted on our HBX website at [www.hbx.dc.gov](http://www.hbx.dc.gov).

**SALESFORCE LICENSES:** We reviewed the Salesforce license procurement before the Board this evening and approved it moving forward. Ms. Kofman will review that in detail later in this meeting.

**INVESTMENT UPDATE:** At this time, we have only one remaining investment in Treasury Bills. All other Treasuries were converted to money market funds when they matured because the value has not been there on Treasury Bills. Our last segment of reserves in a Treasury bill is maturing at the end of February. We are reviewing advice provided by the District’s Department of Treasury Investment Advisor, but unless anything changes before the end of February, HBX will reinvest all our reserves into six-month Treasury Bills which provide a bit better rate than the money market funds.

**FY 20 BUDGET:** Final 2020 budget numbers were presented by the Chief Financial Officer.

**CONTACT CENTER SPACE:** Staff continues to work with DGS to sublease our Contact Center space as we plan to maintain our contact center in its virtual status.

**FEMA UPDATE:** HBX staff continues to collaborate with HSEMA (the DC Homeland Security & Emergency Management Agency) on FEMA submissions to get FEMA reimbursement for HBX COVID-19 expenditures, but there is no update at this time on the likelihood of getting reimbursed.

**CMS GRANT OPPORTUNITY:** Staff reported that HBX is working with DISB on a CMS grant opportunity for DISB in which we would work together on examining policies and practices that can be implemented to expand access to providers and health systems for all policy holders in the District. Funding from the grant will support a consultant who will research and propose new benefit design review tools and procedures to eliminate discrimination. The grant application was submitted on February 2 and we should hear back by April 1.

**FINANCIAL REVIEW:** The Finance Committee reviewed the monthly budget and spending reports, IT development reports, purchase order reports, and contracts report and found nothing of concern.

VI. **Social Justice & Health Disparities Working Group Report**, *Diane Lewis, Chair*

Ms. Lewis reported that the Board created the Social Justice & Health Disparities Working Group last September as an outcome of the East of the River report we sent to the Council's Health Committee Chairman Vince Gray.

As a reminder, the charge we gave the working group is to focus on:

1. Expanding access to providers and health systems for communities of color in the District,
2. Eliminating health outcome disparities for communities of color in the District, and to
3. Ensuring equitable treatment for patients of color in health care settings and in the delivery of health care services in the District.

The working group had its first two meetings over the last two weeks. I am serving as the chair. Ms. Woods and Ms. Watkins are serving on the working group with me, along with a broad range of stakeholders that include all four DC Health Link carriers, DC hospitals, community health centers, physicians, brokers, advocates, and health policy experts.

We have broadly talked about topics in the three focus areas and plan to begin to deep dive into particular issues and prioritize areas where the group believes HBX can have an impact. Importantly, we are not trying to supplant work already done by others in this arena. We are trying to focus on steps that can be addressed under HBX's authority and those that are relevant to the individual and small group markets that are covered through DC Health Link. The goal is

to come to consensus around issues over the next few months and present them to the Board for consideration.

## VII. Discussion Items

### a. Standard Plan Offerings for 2022 – *Dania Palanker, Chair, Standard Plans Working Group*

The standard plan working group meets every year after the proposed Actuarial Value Calculator (AVC) comes out. The AVC is the tool used to determine the actuarial value (AV) of a plan. Ms. Palanker stated that no changes to the federal AVC were proposed in the 2022 draft AVC (usually there are adjustment made to account for medical inflation). Therefore, the AV of the 2021 standard plans remains the same for standard plans 2022.

Ms. Palanker noted that there is one issue on which the group does recommend a change: CareFirst BlueCross BlueShield (CareFirst) had decided to provide preferred brand insulin and diabetes supplies at \$0 cost-sharing in its 2021 plans. This benefit is not allowed under the current standard plans structure because preferred brand drugs must have cost-sharing. The effect on AV is *de minimus* so we could adopt this into standard plans without changing other aspects of the plans.

The working group reviewed the CareFirst policy and discussed whether to include it in standard plans for 2022. As part of the review, the group checked with Kaiser, the other carrier in the individual market, and Kaiser stated that it could and would implement the policy if it was part of the standard plans. Ms. Palanker shared that the working group members agreed that the policy furthered a desirable public good by making diabetes supplies and preferred brand insulin available to its customers at \$0 cost-sharing.

This policy has been enacted for certain plans by the Maryland exchange, for its semi-standardized plans. The proposed standard plan grids will incorporate this change, and the change is possible at every plan level including the Healthcare Savings Account (HSA) compatible high-deductible plans. Ms. Palanker noted that the only services that HSAs can provide pre-deductible are preventive services, but the IRS recently expanded allowed preventive services for HSA plans to include certain drugs that treat certain chronic conditions, including insulin and some diabetes supplies.

Ms. Palanker explained that this policy in the standard plans grids uses an asterisk for the Rx row noting:

“\*Diabetes supplies, as defined by the carrier, and preferred brand insulin are provided with no cost-sharing.”

She explained that the language was chosen because carriers use different definitions for supplies, and carriers are concerned about being locked into something their systems are not set up to provide. The primary concern is interpretation of IRS preventive services guidance on

high-deductible health plans. Carriers prefer flexibility so they can work out coverage to ensure compliance with HSA plan rules.

Ms. Palanker said there was some discussion of adding additional benefits to the standard plans to make standard plans more equitable, but there was not enough time. Carriers also noted that HBX has another working group that is looking at social justice and health disparities so maybe this is a topic that group should consider as well.

Dr. Ku had a question about the insulin change. He stated that there are many forms of insulin, and traditionally the cheapest is straight insulin. Straight insulin has the problem of working immediately when it is injected. Other more expensive versions of insulin have extended duration, so that a patient is less likely to have a hypoglycemic problem soon after injection. Dr. Ku asked in deciding which insulin to make free, if carriers essentially take out the extended release insulins as they are more expensive, or are carriers still choosing insulins that are considered therapeutically beneficial but just lowered the price.

Ms. Palanker answered that she does not know which brands of insulin will have \$0 cost-sharing; it is based on the two carriers' formularies so it is the preferred brands that will be provided at \$0 cost-sharing. The standard plans working group does not have details about designing the formularies, which is left to carriers. She noted that any preferred insulin would already be a lower cost than any of the non-preferred brands.

Dr. Ku added that the specification is what matters, not necessarily the brands. He shared his concern that cost-sharing for a specific type of insulin may create incentives for people to move towards less effective drugs, and could be counter-productive, so it is worth knowing more about how carriers are choosing which insulins for \$0 cost-sharing. Ms. Palanker said we could ask carriers to share their formularies with us to address this concern. Dr. Ku said that it would be nice to have some reassurance of how carriers chose the insulins for \$0 cost-sharing before approving the policy. Dr. Aaron added that even if there is no intention to change the formulary, the policy could be a step in the wrong direction if a medically inferior drug's cost advantage is increased. Ms. Palanker said she will reach out to the carriers to address Dr. Ku's concern.

Ms. Kofman further clarified that at the recent meeting of the social justice committee, a CareFirst representative explained its approach to diabetes, highlighting its effort to address health disparities. Because diabetes is prevalent in Black and Brown communities, CareFirst wanted to remove the financial barriers. CareFirst is going to study whether removing the financial barrier by making certain supplies free to people would result in better health outcomes. Ms. Lewis stated we can try to get some additional information based on Dr. Ku's question.

Ms. Lewis stated that the voting for this policy will be subject to Ms. Palanker's report back regarding the formulary in deciding how carriers are choosing insulin for no cost-sharing. Ms. Kofman raised the issue of timing and stated that if we decide not to vote at this meeting, we should schedule another meeting so carriers can submit the plans for approval before Commissioner Woods in a timely manner.

Dr. Ku said he is comfortable with moving forward with voting on the policy subject to carriers' responses regarding the formulary question. If their responses suggest additional problem, then the Board should modify the resolution at that time.

- b. Salesforce Licenses Renewal, Carahsoft Technology, Inc --*Mila Kofman, Executive Director*

Salesforce software licenses require annual renewal. The Finance Committee has already reviewed the staff request and approved it moving forward to the full Board for consideration. Ms. Kofman stated that the request is to fund the renewal of Salesforce license for the 12-month period starting from February 28, 2021 through February 27, 2022. The total amount for renewal is \$391,000. A portion of that amount will be reimbursed by DHCF and the Massachusetts Health Connector.

Mr. Richards asked if we ever look at multi-year contracts. Ms. Kofman said we have looked at multi-year contracts; however, it is a bit more complicated in the District because any contract longer than 12 months has to go through Council for approval. For Salesforce, we have learned that we benefit from discounts when additional city agencies use Salesforce. Other ways we have kept our cost lower is that we have some unrestricted and some restricted licenses. Mr. Richards said the agreement looked reasonable.

#### **VIII. Public Comment**

No public comment was proffered.

#### **IX. Votes**

- a. Resolution -- Standard Plan Offerings 2022

It was moved and seconded to approve the Resolution -- Standard Plan Offerings 2022 as set forth above. The motion carried unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Mr. Pitts, Mr. Richards and Ms. Watkins voting yes.

- b. Salesforce Licenses Renewal, Carahsoft Technology, Inc.

It was moved and seconded to approve the Salesforce Licenses Renewal, Carahsoft Technology, Inc. as set forth above. The motion carried unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Mr. Pitts, Mr. Richards and Ms. Watkins voting yes.

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

**BIDEN ADMINISTRATION**

The Department of Justice filed notice with the Supreme Court asking the Court not to strike down the Affordable Care Act (ACA), a reversal of the federal position. The Court does not need to do anything but it is helpful to have the DOJ position.

**FEDERAL LEGISLATION**

President Biden has announced a \$1.9 trillion American Rescue Plan – COVID-19 Relief package -- that includes two key provisions related to the affordability of health insurance:

- Lowering from 9.86% of income to an 8.5% cap on premiums and getting rid of the 400% Federal Poverty Level (FPL) limit on who qualifies for APTC. This change means that no one would pay more than 8.5% of their income on health insurance premiums. And, people at and below 400% of federal poverty level would pay substantially less than they do now. Based on the bill language, we estimate approximately \$36 million in savings for District residents who get individual health insurance through DCHL. The current bill would have the expanded relief for tax year 2021 and 2022. We are advocating with other state-based marketplaces for this change to become permanent.
- **COBRA Subsidy:** Provides a time-limited COBRA subsidy for those who lost their jobs because of the pandemic and are eligible for COBRA.

**UPCOMING HEARING:** Council hearings are virtual. The Health Committee will hold our performance oversight hearing on Friday, February 12. The Health Committee will hold our Budget Hearing on April 30. As usual, our Board Chair, Diane Lewis will also testify at the HBX Budget hearing.

**OPEN ENROLLMENT**

**OPEN ENROLLMENT CLOSED:** Open enrollment closed on January 31, 2021, with higher plan selections and higher paid rates than last year. We closed without an extension because our COVID-19 SEP allows people to enroll after open enrollment.

**COVID SEP:** As a reminder, our COVID-19 SEP allows residents to choose their start date of coverage – either the first day of the month they apply or the first of the next month. Thanks to the Board adopting a COVID-19 SEP, last year, 4,099 District residents enrolled using COVID-19 special enrollment. Reminder: the Board adopted the COVID-19 special enrollment in 2020 and then expanded it to automatically extend and be tied to the District Public Health Emergency as declared by the Mayor. Your policy helps ensure that DCHealthLink.com remains open to all residents who need coverage during this pandemic.

**BIDEN ADMINISTRATION WHITE HOUSE EXECUTIVE ORDER:** Healthcare.gov will now have a new special enrollment for COVID-19 from February 15 to May 15 (90 days). The Biden Administration also announced a \$50 million media campaign to help educate the public about the new opportunity to enroll in health insurance. This announcement is great news for us because healthcare.gov continues to be the primary way new customers who enroll with us find out about DC Health Link.

## **OUTREACH EVENTS**

All outreach was virtual. Note that our Finance Committee authorized spending for paid media and paid outreach radio ads, newspaper, and digital to help amplify DC Department of Health's (DOH) outreach on the COVID-19 vaccine with a specific focus on communities of color. We are already engaged in working closely with DOH staff as well as faith-based communities to amplify outreach opportunities for communities of color to get vaccinated. Some highlights:

- WJLA MLK Day Special Sponsorship: We sponsored an MLK Day Special that ran four times and is online. As part of the sponsorship, WJLA featured DC Health Link throughout the program, interviewed Board Chair Diane Lewis about the importance of coverage, and promoted our open enrollment period.
- Virtual Town Hall: Focus on the Facts: COVID-19, Vaccines and Communities of Color: HBX co-hosted a virtual town hall with Kaiser Permanente on January 26th that had more than 1,300 attendees. The purpose of this event was to bust myths about the COVID-19 vaccine recognizing the difficulty because people's fears are rooted in the fact that there is a long history of racism, inferior treatment, discrimination and mistreatment of Black and brown people in the healthcare system. The Town Hall featured Deputy Mayor Wayne Turnage who talked about his participation in a clinical trial and his firsthand experience with the vaccine. The District's DOH Director LaQuandra Nesbitt provided data-driven information about the city's experience. The video can be viewed here: <https://vimeo.com/505386759/82277d74da>

**CONGRESSIONAL OPEN ENROLLMENT:** We closed our Congressional Open Enrollment (November 9 to December 14).

**SHOP RENEWALS:** We had our heaviest small group renewals months in December and January, when we renewed almost 40,000 employees and dependents (about 1,700 employers) who get coverage through the small group market.

## **IT UPDATES**

**1095A FORMS:** On January 31, HBX generated 16,697 Form 1095As sent by mail and available on-line – for residents covered through the individual marketplace in 2020.



**Update on Pay Now Feature:** When a customer enrolls in health insurance, to start coverage they must pay their first month’s bill. The feature integrates the DC Health Link enrollment system with Kaiser Permanente’s payment system to allow the customer to make their first month’s payment immediately. Previously, customers needed to wait to receive their first bills from Kaiser Permanente in the mail to make their payment. We developed this feature to increase the number of customers who make their first payment and effectuate their coverage. The average effectuation rate for Kaiser is up 11% comparing November, December, and January effectuations to the prior year:

<b>11/2019</b>	80%	<b>11/2020</b>	93%
<b>12/2019</b>	82%	<b>12/2020</b>	95%
<b>1/2020</b>	85%	<b>1/2021</b>	92%
<b>Average</b>	<b>82%</b>	<b>Average</b>	<b>93%</b>

### **HBX INTERNAL SOCIAL JUSTICE WORK**

**Background for new board members and reminder for other board members:** In the summer of 2020, the Executive Director working with the leadership team created an HBX-wide internal social justice initiative. We finalized our value statement and our goals. The leadership team also developed a 12-month strategic plan that includes examining current spending that is not-CBE spending and increasing spending by 25% with women and minority-owned businesses. The plan also includes reviewing existing and new policies and procedures through the lens of social justice. We shared the strategic plan with the Board’s Operations Committee. Additionally, HBX hired social justice consultants to provide trainings, workshops, and counseling. We have been holding monthly trainings for managers and staff on micro-aggressions, bias, LGBTQI awareness, age awareness, building an inclusive team, and fostering an inclusive workplace. We have also established a Social Justice Advisory Committee with HBX Managers and Staff that is staffed by our social justice consultants. We will continue to provide periodic updates.

### **FEDERAL UPDATES**

#### **EXECUTIVE ORDERS:**

**Executive Order on ACA and Medicaid:** On January 28, President Biden issued an Executive Order (EO) on health care with provisions impacting the ACA and Medicaid. For the ACA: It creates a new special enrollment for COVID-19 for healthcare.gov from February 15-May /15 (90 days). The EO also commits \$50 million for marketing this new enrollment opportunity (this is up from \$10 million for the entire previous year in the Trump Administration). The EO also calls on agencies to review, revise, or rescind regulations that negatively impact coverage; and

revokes two previous EOs that promoted junk health plans like AHPs and Short-Term Limited Duration Plans.

**Executive Order on Public Charge:** On February 2, President Biden issued an Executive Order on immigration that calls for immediate review of agency actions on Public Charge. Advocates expect Public Charge regulations to be rescinded by federal agencies. We expect a reversal of the Trump Administration's public charge rule.

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

Ms. Kofman noted here that Ms. Mossi was unable to unmute WebEx during the voting section but sent her email voting yes for both resolutions.

The meeting adjourned at 6:31 p.m.