



**DC Health Benefit
Exchange Authority**

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

Date: May 12, 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, Khalid Pitts, Ramon Richards, Tamara Watkins
Members Absent: Leighton Ku, Gabriela Mossi, LaQuandra Nesbitt, Wayne Turnage, Karima Woods, Laura Zeilinger

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

A roll call confirmed a quorum with four (4) voting members present (Dr. Aaron, Ms. Lewis, Mr. Pitts, Mr. Richards).

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

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

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

It was moved and seconded to approve the March 24, 2021 minutes. The motion passed unanimously, with Dr. Aaron, Ms. Lewis, Mr. Pitts, and Mr. Richards voting yes.

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

Ms. Watkins entered the meeting.

AMERICAN RESCUE PLAN IMPLEMENTATION

COVID relief law: Three key provisions that we have implemented: 1) Lower premiums for people at all income levels; 2) Premiums as low as \$2/month with no deductibles and lower out

of pocket costs for people who received unemployment insurance in 2021; and 3) 100% COBRA subsidy for laid-off workers.

Changes to DCHEALTHLINK.COM: As a reminder, on March 29th, we deployed the new benefits under the new COVID relief law for new and existing DC Health Link customers. And we automatically lowered premiums for existing customers whose income information we had. The May invoices reflect lower premiums. We have recently deployed another feature that allows people to lower their premiums even more, by applying the APTC amount they had since January 2021, instead of waiting until they file their taxes to get the credit for the earlier months before COVID relief law was passed. Using this new tool, we were able to automatically lower premiums even more for people whose income information we already had. June invoices will reflect even lower premiums as a result of this tool. We also updated our Plan Match tool so that new and existing customers can check – in less than a minute, anonymously-- whether they can get lower premiums. Later in May we plan to deploy an expanded tool with the unemployment insurance question. The enhanced tool will help instantly tell a resident if they can get premiums as low as \$2/month.

System Open Enrollment Status: We are in open enrollment for the American Rescue Plan. Also, COVID-19 SEP is still in effect and residents can have immediate start dates for coverage.

Health Plans: We have been working very closely with Kaiser Permanente and CareFirst BlueCross BlueShield on implementation, outreach, and issues like not resetting accumulators when customers change plans. The great news is that both Kaiser Permanente and CareFirst BlueCross BlueShield are not resetting accumulators. In other words, if a customer switches plans but stays with the same insurer, the customer will get credit for claims they had this year – toward deductible and for protection for out-of-pocket costs. In other great news, CareFirst BlueCross BlueShield sent information to all their individual marketplace enrollees and brokers about the opportunity to get lower premiums. They worked closely with HBX staff on the letter. Within hours we had a large number of people provide the information. We are working with Kaiser Permanente on this also.

On the group side, we continue to work closely with our health plans on a strategy for COBRA subsidy for our SHOP customers. We also have had discussions with Treasury officials about mini-COBRA.

Operations and Outreach:

- We updated our call center scripts, completed trainings, updated FAQs on our webpage, and continue to review and update information on DCHealthLink.com.
- We conducted extensive email outreach to existing customers focusing on how to lower premiums and have sent several email reminders.
- We sent a follow-up email to customers whose premiums we lowered automatically. That email had an open rate of 72.19%, which is the third highest email open rate to date.
- We are leveraging our Contact Center to call and inform former enrollees of the new benefits and lower premiums under the American Rescue Plan.

- We sent an email to consumers who received premium reductions in 2020 regarding IRS guidance on the American Rescue Plan provision that provides tax relief and waives the APTC reconciliation requirement for Tax Year 2020.
- We are coordinating with the Department of Employment Services (DOES) that administers unemployment insurance in the District to educate recipients on availability of private health insurance coverage for as little as \$2/month. DOES inserted information about the new benefit in their newsletter.

In addition, we plan to follow up with new customers who recently enrolled in coverage but did not apply for lower premiums. We will also survey new full-pay customers in May to gain insight into why they did not try to get lower premiums.

Outreach: DC Health Link hosted its 7th Annual POWERUP DC – a virtual small business summit – on Tuesday, May 4. This year’s theme was “Small Business Small Business. Big Impact: Recovering and Recalibrating for Success in a NEW ERA.” HBX Board Member Khalid Pitts kicked off the event and DISB Commissioner Karima Woods closed it out for us. In addition, we launched an education and outreach campaign to our customers and stakeholders about the impact of the American Rescue Plan, holding six separate briefings for stakeholders, and are in the process of creating marketing materials for paid media.

STANDING ADVISORY BOARD: The Standing Advisory Board met to discuss whether to recommend extending the COVID-19 SEP through the end of open enrollment. Other state-based marketplaces, e.g. CA, extended theirs through the end of 2021. All members except for one voted to extend. Because this is not a consensus recommendation, it will go to the Board’s Insurance Committee for further deliberations. Remember that the COVID-19 SEP is currently tied to DC’s Public Health Emergency, which is due to expire May 20 unless extended by the Mayor (and authority to extend is provided by Council).

2022 HEALTH PLAN RATE AND FORM FILINGS: Carriers must file forms and rates with DISB by May 17, 2021 for individual and small group policies for 2022. When DISB holds a public hearing later in the summer, HBX will be testifying, advocating for the lowest possible rates for our customers.

UPCOMING COUNCIL HEARING: The Health Committee will hold our annual Budget Hearing on June 4. As usual, our Board Chair, Diane Lewis will also testify at the HBX Budget hearing.

BUDGET CHANGES FOR PROPOSED FY22 BUDGET: With input from the Finance Committee we updated our proposed budget for FY22 to reflect one more year of cost sharing the cost of the DC Health Link contact center with Medicaid. Our initial budget that you approved in the fall was based on HBX paying 100% of the cost. Now that we are sharing the cost of the contact center an additional year, we were able to restore some proposed funding cuts back to FY21 levels. The revised FY22 budget is still lower than the one we developed in the fall, which is really great news. Also, based on discussions in Finance Committee, we are able to

lower our assessment on health carriers from 0.90% to 0.825% for FY22 budget. The Chair of the Finance Committee will provide additional information in the Finance Committee report.

MASSACHUSETTS PARTNERSHIP: We submitted draft budget to the MA Health Connector for Business for FY22 (\$4.4M). The draft budget is nearly identical to FY21. Their fiscal year starts July 1. Massachusetts is projecting 15% growth in their marketplace for FY22, which is really great news.

BACK TO WORK IN PERSON: Mayor Bowser has announced that managers will start returning to the office in person June 7, and the rest of staff July 12.

HBX INTERNAL SOCIAL JUSTICE WORK: Leadership team members continue to implement their 12-month strategic plans and have successfully completed many of the short term (3 month) actions while making significant progress on the 6-month goals. The HBX speaker series so far included Derrick Johnson, the President of the NAACP in honor of Black History Month; Congresswoman Eleanor Holmes Norton in honor of Women's History Month; and former Congresswoman and former Secretary of Health Human Services Donna Shalala, in honor of Arab American Heritage Month.

We have continued our social justice trainings and the Social Justice Advisory Committee (SJAC) has organized lunch-and-learn sessions. SJAC has also initiated a monthly newsletter and have published three issues.

PERSONNEL UPDATE: Our Interim CIO Alix Pereira is now our CIO.

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

The Finance Committee met virtually on April 15 and May 6. Ms. Lewis and I were in attendance for the April meeting and all three Committee members attended the May 6th meeting.

REVISED FY 22 BUDGET: As Ms. Kofman mentioned in her Executive Director Report, most of our meeting on April 15th focused on a late breaking need to adjust the HBX FY 22 proposed budget that the HBX Executive Board approved November 2020. To get to the punchline first, the request is to reduce the agency's FY 22 budget request by nearly \$1 million (from \$33.8 million to \$32.8 million). Executive Director Kofman was consulting with the Finance Committee in advance of making the adjustment. Upon explanation of the situation, we concurred with her recommendation. The revised budget is now part of the Mayor's budget proposal going to Council. Due to COVID, the budget process has been delayed and the Mayor's budget is not expected to be presented to Council until May 27th.

This adjustment is necessary because HBX staff learned in April that our sister agency, the Department of Health Care Finance (DHCF), was not ready to implement its own call center for Medicaid and other DC social service programs as had been planned for the new fiscal year. Instead, they asked to continue the shared call center for an additional year. By accommodating

this request, we are able to share the expense of the call center and that enables us to reduce the budget. As part of this revision, Ms. Kofman also restored some cuts in the FY 22 budget that were previously approved by the Board for particular areas as these cuts were originally made to offset the increased costs of a solo call center.

The HBX budget hearing is scheduled for Friday, June 4, 2021. HBX staff will circulate the budget slides to Board Members then and will post that testimony on the HBX website as is done each year.

HEALTH INSURANCE ASSESSMENT TO FUND FY 22: The main funding source for HBX is an annual assessment on health insurers doing business in the District. That assessment looks back at the prior year's overall health insurance premiums in the District – so for this year, the assessment is on 2020.

As a reminder, we started out at a 1% assessment rate, and were able to reduce it to .9% in 2018 where it has remained for the past several years. Each year, as part of our budget process, HBX projects the assessment rate needed to support its following fiscal year's budget. When our Board considered the proposed budget in November 2020, HBX staff estimated the need to maintain the .9% assessment rate, especially given the uncertainty of how the pandemic would impact the health insurance industry in 2020.

DISB compiles the data on overall health insurance premiums. We have now received that information from DISB and health insurance premiums actually grew in the District in 2020 by nearly \$400 million. Given this premium growth – combined with the news from DHCF that allows us to reduce our 2022 budget by nearly \$1 million – Ms. Kofman conferred with our CFO Marjorie Edmonds and recommends that we reduce the assessment rate this year to .825%. The Finance Committee concurred in this recommendation, but we want to be very clear in stating that this reduction is possible because of a confluence of unusual events that may not be replicated again. We expect DHCF to convert to its own call center in 2023 which will increase HBX expenses and we do not know what health insurance premiums will be in the future, so it is important to note this rate might need to increase next year.

MA BUDGET UPDATE: Ms. Kofman reported that our continued partnership with Massachusetts is maintaining a steady state of operations. Their fiscal year starts July 1, so we are negotiating their next year's budget and expect it to remain nearly identical to their current budget although Massachusetts is projecting 15% growth in their marketplace for FY 22.

PROCUREMENT UPDATES: The Finance Committee considered and approved three procurement requests.

- **Idea Crew:** Approval of the exercise of the second option year for an IT service vendor, Idea Crew is before the Board this evening. Finance Committee approved the exercise of the second option year. This contract will be for more than \$1 million so it will be

subject to Council approval. Ms. Kofman will go through it in more detail later that his meeting.

- **Contract Modifications:** The Finance Committee also approved two contract modifications that were each for less than \$100,000. As a reminder, our procurement policies permit the Finance Committee to approve modifications up to that level. The two contracts modified were:
 - **A&T Systems:** A&T Systems provides Amazon Web Services (AWS) cloud hosting services for HBX and MA. The billing is based on service usage. HBX Staff reported that to the response to the pandemic and continued development, both HBX and MA usage have been higher than anticipated and are expected to remain high as critical components of the American Rescue Plan and other IT roadmap development projects are initiated. Finance Committee approved an increase to the contract year ceiling of \$90,000 (from \$630,000 to \$720,000). This increase is approved for the current contract year and the remaining two option years.
 - **MW Consulting:** CBE MW Consulting has a labor-hour contract to provide cybersecurity IT consulting services and AWS cloud security services to HBX. HBX staff reported that there has been in an increase in cyber security threats, the increased development noted above has increased needs for security code scans, and these contractors are used to accommodate any temporary staffing shortages. Given these reasons, Finance Committee approved an increase to the contract year ceiling by \$95,000 (from \$253,000 to \$348,000). This increase is approved for the current contract year and the remaining three option years.

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

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

As a reminder, the Board established the Social Justice & Health Disparities Working Group and its charge last September as an outcome of the East of the River Report that HBX sent to Council Health Committee Chairman Vincent Gray.

The working group continues to meet every two weeks. Since our last board meeting, we've heard from each of our DC Health Link Carrier partners: Aetna, CareFirst, Kaiser Permanente, and UnitedHealth Group with regard to their health equity initiatives. CareFirst also presented the broader proposal put forth by the Blue Cross Blue Shield Association. Their multi-year effort will focus on four conditions that particularly impact communities of color starting with maternal health and turning to behavioral health, diabetes and cardiovascular conditions.

Dr. Mark Friedberg from Blue Cross Blue Shield of Massachusetts presented a deep dive into that company's efforts on health equity focusing extensively on the need to improve data

collection. He described their “equity audits” approach where they are auditing patient experience with particular services and reviewing care management enhanced algorithms. Dr. Pamela Riley, Medical Director for Medicaid in the District presented their agency’s work and in particular noted her hope that the work of this working group could create synergy across our communities.

Tonya Kinlow of Children’s National Hospital presented their pediatric health equity priorities for the District which focus on asthma, infant mortality and pediatric mental health access.

Finally, the group heard from Dr. Annetta Arno, the Director of Health Equity with DC Health who shared data on access to health services in the District with a particular focus Medicaid. In addition to continuing to learn from presentations like those I’ve described, with the help of our working group facilitator and expert consultant, Dr. Dora Hughes, we pulled ideas and initiatives that can be addressed under HBX’s authority and are relevant to the individual and small group markets covered through DC Health Link. These draft recommendations are grouped in each of the three main charge categories:

- Expand access to providers and health systems for communities of color in the District;
- Eliminate health outcome disparities for communities of color in the District; and,
- Ensure equitable treatment for patients of color in health care settings and in the delivery of health care services in the District.

We are beginning the deliberations related to these ideas and initiatives working toward the goal of presenting final recommendations to the HBX Board.

VII. Discussion Item

- a. Exercise Option Year for Certified Business Enterprise (CBE) IT Consulting Services for Idea Crew, Inc. – *Mila Kofman, Executive Director*

Ms. Kofman stated the Board’s approval is required to exercise Option Year 2 for Idea Crew not to exceed \$10.8 million. Two million dollars of that money is for MA work. The Finance Committee has approved it. After the Board’s approval, it must go to Council for approval.

VIII. Public Comment

No public comment was proffered.

IX. Vote

- a. Exercise Option Year for Idea Crew, Inc.

It was moved and seconded to approve the option year for Idea Crew, Inc. as outlined above. The motion passed unanimously, with Dr. Aaron, Ms. Lewis, Mr. Pitts, Mr. Richards, and Ms. Watkins voting yes.

X. Presentation

- a. DC Health Link Website Demonstration of Updated Features Implementing the New Financial Help Available Through the American Rescue Plan – *Katie Nicol, Assistant Director (Individual Market), Marketplace Innovation, Policy, and Operations*

Ms. Nichol’s demonstration is available in the Board [materials](#) of May 12, 2021, minutes audio recording, starting at 34.03.

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

The meeting was adjourned at 6:24 p.m.