



**DC Health Benefit
Exchange Authority**

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

Date: September 8, 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; Password: exchange
Join via Video: [Join meeting](#)

Members Present: Henry Aaron, Leighton Ku, Diane Lewis, Gabriela Mossi, Ramon Richards,
Members Absent: LaQuandra Nesbitt, Khalid Pitts, Wayne Turnage, Tamara Watkins Karima Woods, Laura Zeilinger

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

A roll call confirmed a quorum with five (5) voting members present (Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, 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, Dr. Ku, Ms. Lewis, Ms. Mossi, and Mr. Richards voting yes.

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

It was moved and seconded to approve the July 14, 2021 minutes. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, and Mr. Richards voting yes.

IV. Annual Board Officer Elections

- a. Nominations and Votes for Chair, Vice-Chair, Secretary/Treasurer of Executive Board*

In the November board meeting, the executive board will explore whether terms for the Executive Board Officers can be moved to a two-year term instead of a one-year term.

As a reminder, the board voted at the July 14th board meeting to hold Annual Executive Board Officer Elections today, September 8, 2021, consistent with the HBX Executive Board bylaws. The positions that will be voted on today are:

Chair
Vice-Chair
Secretary/Treasurer

I will turn the elections over to Eliza Bangit, General Counsel for HBX.

Ms. Bangit said that the bylaws allow for any HBX voting board member to make nominations, including nominating themselves. Non-voting members are permitted to make nominations of voting board members. In order to be considered for the vote, a person who is nominated must accept the nomination. Once all nominations and declinations for a position are complete, there will be vote for each position. Elections for each officer shall be made by majority vote. Abstentions are not permitted.

Starting with the position of Chair, are there any nominations?

Dr. Aaron nominated Diane Lewis for Chair. Ms. Lewis accepted the nomination.

There were no other nominations. Ms. Bangit said that since abstentions are not permitted and there is only one nominee, this will be recorded as a unanimous vote for Diane Lewis as Chair.

Ms. Bangit asked if there were any nominations for Vice-Chair. Ms. Lewis nominated Henry Aaron. Dr. Aaron accepted the nomination.

There were no other nominations. Ms. Bangit said that since abstentions are not permitted and there is only one nominee, this will be recorded as a unanimous vote for Henry Aaron as Vice-Chair.

Ms. Bangit asked if there were any nominations for Secretary/Treasurer. Dr. Ku nominated Khalid Pitts. Since he is not able to attend the meeting, Ms. Lewis read an email from Mr. Pitts into the record accepting is nomination as Secretary/Treasurer. There were no other nominations. Ms. Bangit said that since abstentions are not permitted and there is only one nominee, this will be recorded as a unanimous vote for Khalid Pitts as Secretary/Treasurer.

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

COUNCIL AND EOM UPDATES

HBX BUDGET: The Council passed the Fiscal Year 2022 budget for DC on August 3rd. This includes HBX's requested budget of \$32,841,979 for FY22.

PUBLIC HEALTH EMERGENCY: The District’s public health emergency expired on July 25. This also means that the DISB order requiring coverage of COVID testing, diagnosis, and treatment without cost sharing and preventing termination of coverage for non-payment also expired. We are updating the DC Health Link coronavirus page with what carriers are currently doing on a voluntary basis.

MAYOR’S FY21 SUPPLEMENTAL BUDGET EMERGENCY COVID RELIEF

FUNDING FOR EMPLOYERS AND RESIDENTS IN ARREARS: As a reminder, Mayor Bowser is providing \$15 million in relief for residents and small businesses in arrears for health insurance through DC Health Link. HBX is working with the Mayor’s team and DC Health Link insurers to implement this relief. The initial relief is scheduled to go out in September.

COORDINATION WITH DOES: Reminder that 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. In June DOES used a new robo call tool that attempted 45,852 calls. In September, DOES is sending out another round of emails.

In July, we deployed a new (enhanced) quick check tool for new customers, so in less than a minute and before a customer creates an account, the customer can see if they likely qualify for lower premiums. This tool is one way we hope to nudge new customers to see if they qualify for lower premiums and if they do, how much in lower premiums. We would like to see new customers who likely qualify for lower premiums provide their income information so they can get APTC. Note that although 13% of our customers now receive APTC, it is less than we had assumed. Comparing data for the new enhanced tool for pre and post go-live, in August, there is a 10.43% increase in customers who used the QuickCheck tool to see if they qualify for lower premiums. Of those, approximately 1 in 2 complete the income application for APTC.

OTHER IT DEPLOYMENTS: We continue to add IT functionality and are now focusing on enhancements and new functionality prior to open enrollment. We briefed the IT committee and Dr. Ku, the Chair of the IT Committee will provide more details during his report.

IMPLEMENTATION OF THE BOARD’S JULY 2021 RESOLUTION ADOPTING RECOMMENDATIONS OF THE BOARD’S SOCIAL JUSTICE AND HEALTH DISPARITIES WORKING GROUP:

HBX convened the Standard Plans Working Group to implement changes to standard plan design to eliminate cost-sharing for conditions that disproportionately affect patients of color in the District. Meetings begin on September 14th and are scheduled for once a week. Note that all health plans have committed staff to serve on the working group. This includes all SHOP insurers who were not previously on the working group. In preparation for the meetings, HBX staff has done extensive work with our actuaries to estimate changes to AV to model zero cost-sharing for Type 2 diabetes. This work includes our actuaries looking at general (not DC specific) claims data for diabetes. We have determined that we may need medical advice on this issue to help figure out if some claims are for diabetes or other conditions. We are exploring ways to access medical

expertise and will also rely on our health plans (e.g. medical directors or other physicians) for substantial assistance. The working group meetings will focus on the materials developed by the actuaries.

We also are working on a work plan identifying all divisions within HBX and their specific responsibilities, as well as a timeline for implementation.

Dr. Ku asked about the standard plans, and the fact that last year we implemented zero cost-sharing for insulin and diabetic supplies. He asked if the new effort by the working group would go beyond that? Ms. Kofman replied yes. Dr. Ku said it could be a very important benefit.

OPEN ENROLLMENT READINESS

Open Enrollment Dates: Open enrollment (OE) starts November 1, 2021 and runs through January 31, 2022. On October 15 we will start window shopping - residents will be able to see prices and policies for 2022 prior to November 1. This has been a very popular feature for residents.

2022 Proposed DC Health Link Health Insurance Rates: Commissioner Woods has scheduled a public rate hearing on proposed rates for Thursday, September 9, 2021. I will testify just like at all rate hearings. As you know, we advocate for the lowest possible premiums every year. Our external actuaries from Oliver Wyman briefed the Insurance Committee on filings and recommended actuarial changes. In addition, the Insurance Committee provided input on HBX staff policy recommendations.

DC Health Link Plan Year 2022 Assister Training: We have scheduled the annual virtual training for new assisters and existing assisters for October 13 and 14.

Open Enrollment Kickoff: Our “*DC Health Link Community Enrollment Kick-off Day*,” is Saturday, November 9, 2021 at 12 noon in person at the MLK Library. We will provide more information once we conclude the planning.

Open Enrollment outreach: To help inform our outreach strategy for 2022, we held our annual strategic planning summit on July 20. Khalid Pitts moderated “OEP Reset: Strategies for Enrollment Success in A New Era” for DC Health Link Assistors, brokers and other partners.

SHOP: To communicate more effectively with existing and potential new customers in the small group market, we are conducting focus group research. We will have results in late September.

FEDERAL UPDATES:

PUBLIC CHARGE: Department of Homeland Security has released an advanced notice of proposed rulemaking to solicit data and information concerning definition of “public charge,” which public benefits should be considered for inadmissibility determination, how the mandatory

statutory factors should be interpreted when determining whether a noncitizen is likely to become a public charge.

In the past, HBX has commented three times. Ms. Kofman noted that Dr. Ku has been an expert witness in legal challenges to the prior Administration's rules. After the Board discussion later at this meeting, HBX will determine if we need to submit comments and the scope of the comments based on the Board's discussion. Comments are due October 22nd.

AMERICAN RESCUE PLAN GRANT: As I reported at the July Board meeting, I am now confirming that we applied for the grant under the State Exchange Modernization Grant provided under the American Rescue Plan. Awards will be issued in September of 2021.

HBX OPERATIONS:

HBX FY23 BUDGET: We are beginning the budget formulation process for FY23 budget. Once internal work is done, the Finance Committee will review and provide input. Then the Standing Advisory Board will provide input. The Executive Board at the November meeting will review the proposed FY23 budget. Once approved, it will be submitted to the budgetary process.

HBX BACK TO IN-OFFICE STATUS:

All employees are back in the office three days a week. They are required to wear masks inside our offices pursuant to the Mayor's Order.

MAYOR'S VACCINE ORDER

On August 10, the Mayor issued a requirement for DC government employees, contractors, interns and grantees to be vaccinated. The Mayor's Order applies to a contractor or grantee that works in DC government facilities or comes into contact with government employees or the public. Full vaccination must be completed by September 19. Medical and religious exemptions apply. Current employees can choose weekly COVID testing in lieu of being vaccinated. New employees must be vaccinated or have an exemption. HBX is following the Mayor's order for HBX employees.

We are considering additional requirements for HBX contractors and grantees. The Board Operations Committee provided us with preliminary input. The additional requirement would be for anyone who is funded by HBX and for volunteers at HBX events. The requirement to be vaccinated would allow for an exemption for medical and religious reasons. However, the option to test in lieu of being vaccinated would not be available. We have reached out to many of our major contractors and all our grantees to solicit feedback.

MISCELLANEOUS

HBX staff also would like to continue our awards pilot program. Board Operations Committee provided staff with input. We are continuing the pilot for another 12 months.

Finally, Board Operations committee reviewed staff proposed pilot for enhanced telework. This requires full board approval and is on the agenda for discussion and vote.

ARP IMPLEMENTATION

MONTHLY LOWER PREMIUMS (APTC)	APTC July 2020 (1-year ago)	February 2021 (Immediately Prior to ARP)	APTC July 2021 (Current)
Customers Receiving APTC	1,237	1,241	2,154
Total Monthly Amount Received	\$468,102	\$455,333	\$1,032,124
AVERAGE AMOUNT PER PERSON	\$378	\$367	\$479
PERCENT OF ENROLLMENT	8%	8%	13%

Although average lower premium (APTC) has increased tremendously, digging deeper tells us more about ARP's impact. For example, pre-ARP, a 51-year-old resident making approximately \$50,000/year (approximately 400% FPL) did not qualify for lower premiums. Now that customer gets \$280 APTC – meaning a \$280 lower monthly premium. So instead of paying more \$530/month for health insurance, now the resident pays \$250/month – less than half. So instead of paying \$6,360 annually, the resident pays \$3,000 for health insurance annually, saving \$3,360 a year.

Dr. Aaron mentioned an op-ed in the Washington Post that said there is no basis in any of the Christian denominations for a religious exemption. He urged that we take a strict view towards any request for religious exemptions. He noted that there are organizations out there who are wholesale writing requests for such exemptions. He does not believe they should be routinely granted.

Dr. Ku asked about our rate of APTC. Do we know how many more people are on APTC now? Ms. Kofman said it is at 13%. Prior to ARP, it was 8%. Dr. Ku thought it was still low. Ms. Kofman agreed that not everyone who was income eligible had applied. She said that we are also waiting for some information from Treasury to assess the full impact of ARP.

VI. Executive Board Finance Committee Report, Henry Aaron, Chair

The Finance Committee met on September 2, 2021 with all three Committee Members in attendance and received reports for August by email.

PROCUREMENTS:

The finance committee reviewed and approved for board consideration the DC Health Link printing and mailing vendor contract with Immediate Mailing Services (IMS) for \$330,000 for FY2022. We discussed weighing in with the federal government to reduce mailing costs where

customers have signed up for electronic notices, which is currently not permitted for specific notices.

ADDITIONAL BUDGET AUTHORITY FOR COVID:

To be prepared for additional financial needs placed on HBX due to the Coronavirus the Finance Committee approved additional budget authority of \$400,000 for IT, that was reviewed and approved by the Executive Board IT Committee.

INVESTMENT UPDATE:

HBX had a \$22.6 million T-Bill in the operating reserve maturing August 26 and it was moved to a 3-month bill. In addition, we received our regular update of investments.

UPDATES:

The cost sharing formula for the contact center has changed for FY2022. The share of costs borne by HBX for FY 2022 will decline from 52% to 41%. This is due to update of the by the cost allocation vendor of types of calls to the contact center.

FINANCIAL REVIEW:

The Finance Committee reviewed the monthly budget and spending report at each meeting and found nothing of concern.

VII. Executive Board IT Committee Report, *Leighton Ku, Chair*

On August 27, the IT Committee received a briefing on the status of HBX IT Development and Operations and Maintenance efforts.

Response to COVID and American Rescue Plan

- 2021 IT development has been primarily focused on modernizing HBX’s enrollment platform in response to the American Rescue Plan Act (ARP). This required the right shifting of some projects.
- This project to modernize HBX’s premium reduction application covers multiple phases and will run through FY’22. HBX applied for a Federal grant made available by ARP to help support this effort.
- The IT team is also working with carriers and the HBX’s small group billing vendor to implement the Mayor’s emergency COVID premium relief program.
- This summer and fall the IT team is focused on enhancements and new functionality to support open enrollment. Major changes include:
 - As part of the American Rescue Plan redesign, they are updating the eligibility page to make it clear to existing customers that they automatically get lower premiums applied to their existing plan and don’t have to shop or reenroll.
 - The team is deploying new functionality/clarification for residents who are enrolling during open enrollment to make it clear which plan year they are enrolling in (this is especially important for people who qualify for special enrollment so their coverage becomes effective before January 1, 2022).

- The team is deploying new functionality for renewals. This includes batch renewals for staff review and actual required annual redeterminations for residents with APTC.
- The team is automating the transmission of those assessed Medicaid directly to DHS. Right now the team manually inputs these applications.

During the IT Committee Briefing we voted to authorize an additional \$400,000 for IT FY 22 budget for extracare work related to HBX's response to COVID. This includes the O&M surges that are needed after an application is deployed to react to bugs.

VIII. Discussion Items

- a. Printing Vendor Contract with Immediate Mailing Services – *Mila Kofman, Executive Director*

This matter was first presented to the Finance Committee, and is now before the Board for approval. It is to extend our printing contract with IMS, who is responsible for mailing all our ACA-required notices for both the individual market and SHOP, 1095s, and premium invoices. The current contract expires September 30. The request is for \$330,000 for one year, which includes \$15,500 for Massachusetts SHOP.

Dr. Ku asked if we had experienced mail difficulties over the past year. He has personally experienced extreme mail difficulties. Ms. Kofman mentioned that Dr. Aaron had asked the same question during the Finance Committee. Despite whatever difficulties the Postal Service may be having, we are legally required to mail the notices. She noted that we also post the to customers' accounts, so they are available electronically.

Ms. Mossi mentioned that many people throw out mail without reading it. She finds the electronic notices in her account useful. She noted, however, that the notices all look the same. She wondered if there was a way to give people a heads-up about what the notice is about. Ms. Kofman appreciated the feedback. She said she would take it back to the team for discussion.

- b. Vaccine Mandate for Contractors and Grantees – *Mila Kofman, Executive Director*

Ms. Kofman noted she teed it up during her report. She noted Dr. Aaron's earlier comments about the religious exemption, and she asked for other feedback. Dr. Ku noted that a certain proportion of the population is vaccine resistant. Out of curiosity, he asked if there were any repercussions from people in implementing the Mayor's order. Ms. Kofman noted that implementation had just begun. Dr. Ku said he presumed that many of our contractors are in the District, but that many are not. Our area has a fairly good rate of vaccination. Contractors in other parts of the country may have more resistance. Ms. Kofman noted that we would be requiring more of our contractors than the Mayor's order in that we would not be giving an option for weekly testing. Our thinking is that if we are

spending our limited funds on you for work for us, we want you to be vaccinated. It would apply to the employees of the vendor who do work for HBX.

c. Comments on Public Charge Advanced Notice of Proposed Rulemaking – *Mila Kofman, Executive Director*

Ms. Kofman said she had received feedback from some Board members that in the past, we have been in defense mode, fighting off what we considered bad public policy decisions of the prior Administration. We are in a new environment, and she wanted to have an agenda item so that the Board can provide feedback on proposed comment letters. In this case it is public charge, and do we build on our prior positions.

Dr. Aaron said we should support all we can rolling back the prior Administration's inexcusable position on this issue. He supports our comments and argue as strongly as we can against such restrictions. I raised that we should put it before the Board because it strengthens your position if the entire Board is behind you. Ms. Lewis agreed. Dr. Ku also supports the Biden Administration's position of rolling back to the old rules. He also discussed that some people want to go further than the old rules in terms of protecting people when they need benefits.

d. Remote Work Pilot – *Holly Whelan, COO*

Ms. Whelan summarized the Remote Work [Pilot](#). Our telework experience during the pandemic shows that our employees did well, and they would like added flexibility. That is the context for the request.

Dr. Ku asked what the District's current policy is? Ms. Kofman said three days a week in the office and two days teleworking is the current standard. Dr. Ku asked what the arrangement would be if a pilot participant needed to come in occasionally. Ms. Kofman said it would be a hoteling situation and work space would be available. There was some discussion about people who may want to work odd hours and how to operationalize that and setting expectations. Ms. Kofman said we could add language to the request form stating that the manager had to approve work hours.

IX. Public Comment

No public comment was proffered.

X. Vote

a. Remote Work Pilot

It was moved and seconded to approve the Remote Work Pilot as outlined above, including adding language to the form about work hours and expectations. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, and Mr. Richards voting yes.

b. Printing Vendor Contract with Immediate Mailing Services

It was moved and seconded to approve the Printing Vendor Contract with Immediate Mailing Services as outlined above. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, and Mr. Richards voting yes.

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

The meeting was adjourned at 6:54 p.m.