Health Benefit Exchange Authority Executive Board Meeting[i]

MINUTES

Date:	May 28, 2025
Time:	5:02 PM
Location:	Via Zoom/By Video or Conference Call Only
Meeting Link:	https://dchealthlink.zoom.us/meeting/register/A5bPGf3tSrWL071U5-vTGA

Members Present: Henry Aaron, Leighton Ku, Diane Lewis, Gabriela Mossi, Khalid Pitts, Tamara Watkins, Dr. Ayanna Bennett, Rachel Pierre, Wayne Turnage

Members Absent: Karima Woods

Welcome, Opening Remarks, and Roll Call

Diane Lewis, Chair

A roll call confirmed a quorum with 5 voting members present – Henry Aaron, Tamara Watkins, Leighton Ku, Gabriela Mossi, Diane Lewis.

Today is Wednesday 28, 2025, time is 5:02 PM. Noting that the executive board meeting is meeting virtually only.

Approval of Agenda and Minutes

Diane Lewis, Chair

Ms. Lewis asked if there any changes to the agenda. It was moved and seconded to approve the Draft Agenda. The motion passed with Henry Aaron, Tamara Watkins, Gabriela Mosse, Leighton Ku, and Diane Lewis voting yes.

The Chair noted that the Board could now vote by acclimation under the amendments to the Open Meetings Act. All Board members present approved, voting by acclimation.

Executive Board Business

Discussion Items

Basic Health Plan – *Mila Kofman, Executive Director*

DC Medicaid eligibility is changing to bring Medicaid eligibility to the Affordable Care Act (ACA) levels. Under the ACA states were encouraged to expand Medicaid beyond traditional populations, including childless adults up to 138% FPL. In the early years, DC went beyond the ACA expansion and included childless adults up to 215% FPL. DC is changing these eligibility rules to be in line with the ACA at 138% FPL. Both childless adults and caregivers will be eligible for Medicaid up to 138% FPL.

DC is planning to set up a basic health plan (BHP), an option under section 1331 of the ACA that looks like private health insurance under the ACA but does not have the same premiums or out of pocket (OOP) costs that private health insurance traditionally has, for example, copayments and coinsurance and deductibles, which impose OOP costs on members. The BHP offers states a way to design ACA coverage without the same levels of cost sharing as ACA private coverage.

Purvee Kempf noted that Executive Board members Tamara Watkins and Rachel Pierre had joined the meeting, and that the DC Medicaid Director, Melisa Byrd also joined.

Mr. Ku raised the question, this is still a proposal by the Mayor and would need to be approved in the budget and also by CMS, correct?

Ms. Kofman responded yes, that is correct. This is in the budget proposal. The details of the approvals DC would need from CMS are not known.

In February of this year, Deputy Mayor Turnage testified on the Medicaid program. Ms. Kofman stated that she can send his testimony to the Board.

Based on his testimony there would need to be extra dollars to maintain the program as it currently is. Ms. Kofman focused on how HBX can set up a program that is financially sustainable and has continuity of care and coverage for the impacted population. One option would be to help people enroll in private coverage. The BHP coverage would serve consumers with lower incomes.

Ms. Kofman stated that HBX would like all current Medicaid MCOs to participate in the BHP and would like all of them to keep the population they currently have to minimize the risk of losing people, and to make the transition as easy as possible for impacted individuals. To implement the BHP, HBX would need federal approval. The federal government would pay 95% of the federal premium tax credit that these individuals would have been eligible for otherwise. States that have a BHP today are OR, MN and NY (expanded in NY) and they use Medicaid MCOs with their reimbursement rates. That is how BHP coverage can have low or no premiums in addition no cost sharing or very low cost-sharing. The goal is to eliminate barriers to getting coverage and starting coverage.

Dr. Ayanna Bennett asked, can you clarify how people would stay covered? Would that help with people in transition with changing incomes?

Ms. Kofman stated that HBX would have to work through eligibility requirements, including those set by federal regulation. On the private side, HBX checks eligibility when consumers sign up. Also check certain things to make sure they are still eligible during the year. HBX also checks eligibility at renewal. The system currently talks to the Medicaid system. Today, someone who applies in DC Health Link (DCHL) who is eligible for Medicaid would get into Medicaid. The plan is for all three programs to talk to each other, DCHL, Medicaid and BHP. If someone has a changed income, that information would flow to the three programs to get the people to the right program based on eligibility.

Dr Bennett asked, does it work the other way?

Ms. Kofman stated that yes, if someone applies for Medicaid, if they look like they are eligible for private coverage with lower premiums, then Medicaid system sends us their information.

Back to the BHP, the federal government would pay 95% of the federal premium tax credit. None of that can be used for administrative costs, so 100% of the funds coming in would go to coverage. DCHL is funded by an assessment on health carriers, so operational costs and IT changes would be covered just like DCHL.

Ideally all MCOs would participate, including those who are not currently participating in the Medicaid program as there are currently licensed MCOs who are not participating in the program. BHP would welcome all of them. This would be different than the Medicaid program, including request for proposals. HBX would use the current process for DCHL where all licensed entities are welcome.

HBX would like current enrollees to stay with their MCO and during the next open enrollment (OE) and people could make other elections, the same as currently happens during their next OE. That will help with continuity of coverage and continuity of care.

Historically HBX has relied on working groups and this is no different. HBX plans to set up an advisory committee with lots of different stakeholders and voices including consumer advocates, providers, carriers, and to get feedback from various stakeholders. It will be modeled on how we structured the HC4CC Advisory Council. In addition, HBX had technical groups to work on technical issues. HBX would establish a separate group for MCOs. We want to ensure we are building out our technical system in a way that works for MCOs to participate. We will also want another group with MCOs that is technical but not IT.

If this proposal is approved for FY2026, as of Oct 1, 2025, we want to make sure the BHP is there when the eligibility changes. We are working very quickly on all of these paths with MCOs, other stakeholders, feedback from community, working with federal government, to get this set up.

Mr. Ku asked, can you outline any change to the benefits for people moving to the BHP?

Ms. Kofman described that BHP eligibility, as applied under federal law, is 138-200% FPL for the BHP for childless adults and caregivers. People above 200% FPL would be eligible to move into a qualified health plan (QHP).

BHP will be an ACA plan. These are really great plans with hospitals, specialists, primary care, labs, imaging, everything that is in good health insurance under ACA. But this is different from Medicaid. For example, adult vision is not a benefit under an ACA plans. People can buy separate dental plans. ACA plans do not have non-emergency transportation. The BHP would need to comply with DC mandated benefits like fertility benefits.

Ms. Kempf announced that another board member Khalid Pitts joined.

Dr. Bennett commented that non-emergency transportation costs will be a real change for people. Any thoughts on education for people who are impacted?

Ms. Kofman stated that this is on the radar, so that changes in benefits are communicated to impacted individuals.

Dr. Bennett stated, let me know if DC Health might help with that.

Ms. Kofman replied, thank you for that.

IT Contracts: IdeaCrew and NFP Health – *Mila Kofman, Executive Director*

Both contract decisions have gone to the Finance Committee, which approved both.

First is IdeaCrew. HBX is asking the board to increase the current approved contract ceiling on this vender for this year and for option years. This is to allow for an IT build for the BHP. This includes eligibility and some other increases in costs. IdeaCrew also supports the MA project which has some additional costs. HBX is asking to increase the currently approved ceiling from $8.5 million to $12 million. For option years:

2026 $8.9 million to $13.5 million
2027: $9.3 to $14 million
2028 $9.8 to $14.5 million
2029: $10.3 million to 15 million.

All of these would have to go to DC Council because it exceeds $1 million in a 12 month period.

Mr. Pitts stated, you have to go to Council. How does this impact outyear budgets? We would have to cover an additional $4 million for this year.

Ms. Kofman stated that some of this would be covered by the MA project. Other costs would be covered under the IT budget. She stated that HBX does not think they would not have to raise the assessment from 2025 to 2026.

Ms. Kofman announced that Deputy Mayor Turnage has joined.

NFP currently does premium aggregation for SHOP, and HBX would like to use them for the BHP to do enrollment and payments. They provide services to other states, and they are well integrated into the system. They would also be responsible for the reconciliation and reporting that is required to the federal government.

This would be a new contract. HBX has issued a letter contract to them in the amount not to exceed $100,000. They have already started this work under the letter contract.
This contract would support development and initial implementation of the required systems in the Base Year, with operations and maintenance costs in the option years. HBX requests approval to increase the base year contract from $100,000 to $314,000 and $200,000 annually for operations and maintenance in the option years along with any development of additional services as needed.

Base Year (5/5/2025-9/30/2025):	$314,000
Option Year One (10/1/2025 – 9/30/2026):	$200,000
Option Year Two (10/1/2026 – 9/30/2027):	$200,000
Option Year Three (10/1/2027 – 9/30/2028):	$200,000
Option Year Four (10/1/2028 – 9/30/2029):	$200,000

Full board approval is needed but this would not have to go to Council because the total is under $1 million.

Ms. Watkins asked, are these approvals contingent on the Mayor's budget approval?

Ms. Kofman replied that these are not contingent. HBX wants to get work going now so that there is not a gap in coverage for the impacted population.

Mr. Ku asked for a better sense of the timeline.

Ms. Kofman stated that BHP will need to be operational on October 1.

Ms. Kofman invited Mr. Turnage to add anything.

Deputy Mayor Turnage stated, I want to thank HBX for helping DCHF in these matters. City revenues are about flat, and costs of Medicaid and the Alliance are increasing. The only way to slow costs are to limit eligibility or scale back on benefits. The Mayor has decided to scale back the top levels of Medicaid eligibility. It is helpful that the Exchange is looking at helping those impacted by these changes. We don't expect it to be perfect. Often in these situations people will go without coverage, we hope those numbers will be at a minimum.

We hope to set up a nexus with the exchange to put something in place to keep people covered.

Ms. Lewis stated, thank you and we look forward to working with you again, Mr. Deputy Mayor.

Mr. Aaron stated, thank you for your work for the District.

Public Comment

Diane Lewis, Chair

Hearing none. We are prepared to vote. You have heard the presentation by Ms, Kofman on the two contracts. She described how the District has changed voting requirements so people can just indicate yes or no and there is no need for a roll call vote.

Vote

Certified Business Enterprise (CBE) IT Consulting Services Contract for IdeaCrew
NFP Health. Voting on both contracts together.

All Board members present approved, voting by acclimation.

Mr. Aaron asked, suppose someone votes against the majority and wants to have their position go into the record, is that still allowed?

Ms. Lewis stated, yes, I think that is still allowed. Brian?

HBX General Counsel Brian Flowers responded, yes, that is not only allowed but required.

Ms. Kofman announced a move into Executive Session.

Move to Executive Session

Diane Lewis, Chair

Chair Lewis moved to go into Closed Session pursuant to DC Official Code Sections 5-275(b)(2) and (4), and 31-3171.11 to discuss matters related to contracting, and legal advice.

The motion was approved unanimously with all member present being recorded as voting yes, Henry Aaron, Leighton Ku, Diane Lewis, Gabriela Mossi, Khalid Pitts, and Tamara Watkins.

Resumption of Public Session

Diane Lewis, Chair

Closing Remarks and Adjourn

Diane Lewis, Chair

This meeting was adjourned as of 6:23 PM on Wednesday May 28, 2025. The next meeting is scheduled for June 17th, 2025 at 5:30 PM if there is a change to this date and time it will be announced in compliance with the Open Meetings Act.

[i]This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at opengovoffice@dc.gov.