Health Benefit Exchange Authority Executive Board Meeting

DRAFT MINUTES

Date: Wednesday, January 13, 2016
Time: 5:30 PM
Location: 1225 Eye Street NW, 4th Floor, Board Conference Room
Call- in Number: 1-877-668-4493; access code: 734 680 347

Members Present: Henry Aaron, Kate Sullivan Hare, Nancy Hicks, Diane Lewis (via telephone), Kevin Lucia (via telephone), LaQuandra Nesbitt (via telephone), Khalid Pitts (via telephone)
Members Absent: Leighton Ku, Stephen Taylor, Wayne Turnage, Laura Zeilinger

I. **Welcome, Opening Remarks and Roll Call,** *Henry Aaron, Vice-Chair*

Vice Chair Henry Aaron called the meeting to order at 5:35 pm and explained he was chairing the meeting as Board Chair Diane Lewis had to participate by phone. A roll call of members present confirmed that there was a quorum with five voting members present (Dr. Aaron, Ms. Sullivan Hare, Ms. Lewis, Mr. Lucia and Mr. Pitts).

II. Approval of Agenda, *Henry Aaron, Vice-Chair*

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

III. Approval of Minutes, *Henry Aaron, ,Vice-Chair*

It was moved and seconded to approve the December 9, 2015 minutes. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Lewis, Mr. Lucia and Mr. Pitts voting yes.

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

Ms. Kofman started with follow-ups from the last Board meeting.

ACTIVE RENEWALS

Board members had asked if staff had performed any analysis to understand what is inspiring active purchasers to come back online and search for new plans. Staff did a quick email survey of active shoppers why they came back on line and whether they used our new Consumers' Checkbook DC Health Link Plan Match Tool.

Ms. Hicks entered the meeting.

Staff received 128 responses on the Active Renewal / Plan Match survey. That is an 8% response rate, a little lower than normally. A lot of people didn't know we had Plan Match, but ¾ found it helpful when they found it and used it. Results are as follows:

1. Which factor most influenced your decision to make a change to your DC Health Link coverage during this year's Open Enrollment?

	COUNT	PERCENT
My old plan was no longer available.	31	24%
I wanted a lower premium.	25	20%
My premium increase was too high.	24	19%
I wanted a lower deductible.	11	9%
I wanted a plan that included my current doctors.	6	5%
I shifted from a plan that just covered me to one that covered me and my dependents.	0	0%
I shifted from a plan that covered me and my dependents to one that just covered me.	0	0%
I didn't like my old insurance company.	4	3%
I qualified for higher APTC/premium reductions in 2016 so had new choices.	1	1%
I qualified for lower APTC/premium reductions in 2016 and needed to switch.	0	0%
Other	26	20%
Total	128	100%

The largest percentage of respondents, 39%, cited premium issues as a reason for active shopping.

The next set of questions was about the Plan Match tool. Results are as follows:

2. Were you aware of DC Health Link's new "Shop Anonymously" feature called Plan Match, that allows you to estimate a plan's yearly out-of-pocket costs without logging in?

	COUNT	PERCENT
Yes	38	30%
No	90	70%

Total	128	100%

Ms. Kofman said the above results told her that since 70% of active shoppers did not know about the Plan Match tool, staff needed to take a look at the website and see how the tool is displayed, when people see it, and somehow make it more prominent.

The next questions are as follows:

3. Did you use this new feature?			
		COUNT	PERCENT
Yes		30	23%
No		98	77%
Total		128	100%

4. Did this new feature help you in choosing a health plan?		
	COUNT	PERCENT
Yes	23	77%
No	7	23%
Total	30	100%

5. What was most useful about this new feature?		
	COUNT	PERCENT
It let me see annual estimates of out-of-pocket costs comparing plans side-by-side.	12	52%
It let me compare plans side-by-side with total out of pocket estimates and see if my doctors participated.	11	48%

Dr. Aaron asked if there was any indication that the responses were random across all enrollees. If yes, 100 reasonably representatives responses are quite useful. Ms. Kofman replied no, these were raw numbers and they have not been adjusted or weighted.

AETNA OUTREACH UPDATE

Ms. Kofman reported that the special outreach effort to Aetna customers in the individual market was continuing. The HBX goal is to get every former Aetna customer who needs coverage enrolled in a plan. Staff has reached out to the 441 former Aetna individual members. As of January 12, 2016, 298 people (68%) had enrolled themselves in a plan through DC Health Link. There are 79 people (18%) who no longer need

coverage. The remaining 64 people (15%) still have not selected a plan. We are targeting those 64 people to help them enroll in a plan. We also have brokers on call to assist these customers.

OUTREACH TO THOSE LOSING APTC

HBX also has an outreach campaign to customers have lost APTC for 2016. It is not too late to regain it, but action is necessary. There are 207 of these individuals. They are losing APTC either because they failed to file their taxes ("failure to reconcile") or they failed to give HBX permission to ping the IRS to verify their information. The total number of those people is 207, broken down as follows:

Losing APTC Outreach						
Status	**24-Dec**	**30-Dec**	**6-Jan**	**8-Jan**	**12-Jan**	**%**
APTC being restored after updates	49	66	75	75	98	47%
Now Medicaid eligible	3	4	4	4	5	2%
No longer wants APTC	5	6	6	7	8	4%
No longer enrolled	6	8	11	11	13	6%
Refused to update	0	1	1	1	1	0%
Consumer calling back to update	0	12	14	14	23	11%
Outreach attempted, no response	98	108	94	93	59	29%
Total					207	

Ms. Kofman is most concerned about the 59 people we have not been able to reach. Outreach attempts have been multiple, and these individuals are now receiving daily calls. She is especially concerned because many of these people have not been required to file taxes in the past. So filing taxes would be a new requirement for them, and experience has shown that with any new requirement, it takes time for people to understand it and act accordingly. For example, a significant portion of the population is still unaware of the mandatory health insurance requirement. The IRS has zero funds for outreach and education on this topic. Another complication is the fact that under federal law, HBX is precluded from telling people why they are losing APTC. We are only allowed to tell people that they are losing APTC for one of several reasons. Ms. Kofman welcomed any suggestions for more outreach strategies, and said she would be contacting other states for their ideas as well.

Ms. Sullivan Hare said her company was reaching out to customers who had started to file a return but had not finished. Also, CMS had reached out to the company and had indicated it was considering a SEP to cover these individuals. As long as the people auto-renewed or renewed at full price, they may get an SEP to kick in after they filed taxes.

Ms. Hicks asked if most of these individuals had email addresses. Rob Shriver, HBX Director for Marketplace, Innovation, Policy & Operations, said that generally, most of DC Health Link customers had email addresses. Ms. Kofman noted that this particular population tended to be more transient. Also, she noted that the outreach was paper notices, telephone calls and emails. Ms. Hicks thought we were talking about a very difficult-to-reach population. Ms. Hicks suggested teaming with the carriers to perform outreach as well. Ms. Kofman said she would bring the idea to the carriers.

Dr. Aaron asked if the IRS could be persuaded to try to call these individuals. Ms. Sullivan Hare noted that the IRS does not telephone taxpayers. All notices are sent by mail.

Ms. Sullivan Hare noted that some people might be in the unhappy position that they have to pay back APTC. Ms. Kofman noted that was a possibility.

Dr. Aaron asked if we can advise them to consult professionals for advice. Ms. Kofman said we can refer them to such professionals and she believed we did, but she would need to consult the script. It will be added if it is not done already.

APTC ELIGIBLE BUT HAVE NOT ENROLLED

Another category is individuals who are newly-qualified for APTC. We have 234 of these individuals who have not yet enrolled. HBX is launching an outreach strategy to these people to see if they need help choosing a health plan.

Dr. Aaron asked if we routinely tell people when they get APTC that they will need to file a tax return. Ms. Kofman stated that notices that go out contain such information, although she was unsure if it was "routine." The 1095-A form that goes out does contain specific information about filing a tax return.

IMPORTANT DATES

Ms. Kofman noted that January 31 was the open enrollment deadline. An application must be filed by January 15 for coverage that starts February 1. After February 15, the state date is March 1.

Dr. Aaron asked if we knew what percentage of our enrollees came in through a SEP. Ms. Kofman said we do have that information and she would get it for the Board. She noted that we do have a significant number of people coming in through a SEP, and it varies each month.

UPCOMING OUTREACH EVENTS

Ms. Kofman noted that this week was Latino outreach enrollment week. Earlier in the day, HBX hosted a leadership panel discussion with leaders from the local Latino community. The discussion was robust, looking at what we need to do in the next two weeks to spur enrollment, and what needs to be done to enrollment in effect, since the Latino community has historically had a higher uninsured rate than the general population. Ms. Kofman thanked Linda-Wharton-Boyd, HBX Communications and Civic Engagement Manager, and her entire

team for putting the event together. Ms. Kofman noted that Jeanne Lambrew of the White House spoke to the group and was very energizing. People from the Mayor's office also attended the event.

HBX also attended the News4 Health and Fitness Expo at the convention center over the weekend. The booth got a lot of traffic and great exposure.

Upcoming events include stops at barbershops and laundromats. Door-to-door canvassing will also occur with Councilmember and White House staff volunteers.

PROCUREMENT

Ms. Kofman noted that in the near future, staff will be coming to the Board for additional IT procurements since federal grants were extended. IT development and enhancement work will continue. Solicitations will be posted on the Office of Contracting and Procurement website and will be available on the HBX website as well.

ASSESSMENT REGULATION

The proposed assessment regulation was posted in the DC Register December18. There will be a 30 day comment period followed by a 30 day period of Council review.

UPCOMING HEARINGS

A Performance Hearing has been scheduled for February 17, 2016. The Budget Hearing has been scheduled for April 13, 2016.

PERSONNEL

Ms. Kofman introduced Kara Onorato, the new Chief Financial Officer, and Regina Pradier, Ms. Kofman's new Executive/Special Assistant. The Board members welcomed the new team members.

ENROLLMENT DATA

HISTORICAL DCHL CUSTOMERS SERVED	
PROGRAM	**LIVES**
QHP	31,188
SHOP	25,657
Medicaid	144,329
TOTAL	**201,174**

**** Totals as of January 11th, 2016 and include QHP***

2016 QHP	TOTAL
Active Renewals	2,594

Passive Renewals	14,108
New Customers	3,831
TOTAL	20,533

Ms. Kofman said she had been looking at the DC Health Link population by age. The risk pool has gotten even younger than it was as the categories of <18, 18-25 and 26-34 grew by 10%. The older age groups have not grown by as much.

Ms. Sullivan Hare wondered how much of the <18 population was child-only coverage versus dependent coverage, and also of the 18-25 population, how many were individual policies versus dependent coverage. Staff will search for that data.

Ms. Kofman reported the following on standard plans:

STANDARD PLANS	YES	NO	TOTAL
Active Renewals	41%	59%	100%
New Customers	37%	63%	100%
TOTAL	40%	60%	100%

Ms. Sullivan Hare complimented the work of the Standard Plans Working Group.

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

Dr. Aaron reported that the Finance Committee met on January 7 for its regular monthly meeting.

FY 2016 IT OVERVIEW: Ms. Kofman and Suzanne Peck (Chief Information Officer) provided the Finance Committee with a budget impact overview related to IT developmental work in 2016. HBX has three exchange grants that received no cost extensions. These extensions allow HBX to continue IT development work. The assumption is that grants will be expended for IT development work in 2016.

The Board should expect, as Ms. Kofman highlighted in her executive director report already, that we will have new procurement requests coming before the Executive Board to move forward with this work.

Ms. Kofman and Ms. Peck provided a general overview and more details will come prior to votes on funding this pending work.

AUDIT UPDATE: Ms. Kofman provided an update on the ongoing CAFR audit – HBX is subject to like other city entities. HBX continues to provide requested information. The City deadline for the complete audit is February 1. Staff will report back when information from auditors is available. There is no detail/feedback to report at this time.

Ms. Kofman also reported that the Insurance Regulatory Trust Fund Board will start its audit, with the entrance meeting scheduled for Jan 25.

FINANCIAL REVIEW: The Committee reviewed FY 16 expenditures and noted that expenditures are as expected. Ms. Kofman informed the Committee that a new CFO would be starting with HBX on January 11th, 2016.

CONSUMER SURVEY CONTRACT APPROVAL: The Committee reviewed the consumer contract proposal summary that is before the board this evening and voted via email to approve it and move it forward for the full board tonight.

VI. **Discussion Items,** Consumer Survey Contract – *Mila Kofman, Executive Director*

Introduction: Ms. Kofman asked Debbie Curtis, HBX Senior Deputy Director for Policy & Programs, to present. Ms. Curtis reminded the Board that the HBX is seeking to conduct a professional survey of DC Health Link customers in four categories: 1) Qualified Health Plan Enrollees (individual market); 2) Medicaid eligible; 3) QHP Non-enrollees (individual market); and 4) SHOP Employers. HBX has conducted internal email surveys in these same categories, but the goal with this contract is to conduct statistically valid surveys that provide an accurate and quantifiable picture of the service we are providing to these populations and that will help HBX learn how to improve service to its customers. The funding for this work will come from the Department of Insurance, Securities and Banking (DISB) which has federal funds from the Centers for Medicare & Medicaid Services that can be used for this purpose. In order to use these funds, the survey must be completed by this summer. The contract is to be awarded with option years. This arrangement does not lock HBX into additional surveys, but it provides the vehicle that can be used to continue this work in future years if the Board deems it valuable. The vendor selected for this work through a competitive process is the Center for the Study of Services (CSS), also known as Consumers' CHECKBOOK.

Period of Performance: The Period of Performance shall consist of one (1) year from the date of award with four (4) option year periods.

Cost: Costs shall not exceed the following in the base year and option years as described below.

Base Year:	$145,000
Option Year 1:	$130,000
Option Year 2:	$130,000
Option Year 3:	$133,000
Option Year 4:	$136,000

Total potential cost of base plus four option years: $674,000.

Dr. Aaron and other board members entered into a conversation about whether approval of the contract for the base year would also mean approval of the four option years. Purvee Kempf, General Counsel, explained that yes, that is how our procurement rules work and the Board would have approved the option years at the amounts set forth above for each year. After further discussion, the Board modified the motion to vote on this contract clarifying that this vote approved the base year spending. For option years, the Board amended the motion and voted that the staff shall consult with the Executive Board Research Committee before exercising each option year and take each option year to the Finance Committee for approval prior to executing the option.

Ms. Hicks asked if HBX would be able to work very closely with CSS on the design of the survey and the questions asked. Ms. Curtis said yes. The RFP had been developed through the Research and Data Analysis Committee. HBX staff can involve the Marketing and Consumer Outreach Committee as well as the Research and Data Analysis Committee in the introductory meeting with CSS.

VII. **Public Comment**

No public comment was proffered.

VIII. **Votes**

a. Consumer Survey Contract

It was moved and seconded to approve the CSS contract as described below.

Base Year:	$145,000 (funded by DISB)
Option Year 1:	$130,000 (funded by HBX)
Option Year 2:	$130,000 (funded by HBX)
Option Year 3:	$133,000 (funded by HBX)
Option Year 4:	$136,000 (funded by HBX)

The Board discussed the option years, the amounts approved in each year, further involvement of the two Board Committees referenced above, and HBX procurement policies and procedures. The motion was amended to clarify that before exercising any option year, HBX staff will consult with the Research and Data Analysis Committee on substance and obtain the approval of the Finance Committee.

The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia and Mr. Pitts voting yes.

IX. **Closing Remarks and Move to Executive Session,** *Henry Aaron, Vice-Chair*

Pursuant to DC Codes Sections 31-3171.11and 2-575(b)(4)and (10), it was moved and seconded for the Board to move to a closed session to discuss personnel. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia and Mr. Pitts voting yes.

The public meeting was adjourned at 6:47 pm.