



**DC Health Benefit
Exchange Authority**

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

Date: Monday, May 11, 2015
Time: 5:30 PM
Location: 1225 Eye Street NW, 4th Floor, Board Conference Room
Call-in Number 1: 1-877-668-4493; access code: 739 674 611
Call-in Number 2: (after executive session of approximately 45 minutes)
1-877-668-4493; access code : 737 488 305

Members Present: Henry Aaron, Kate Sullivan Hare, Nancy Hicks, Diane Lewis, Kevin Lucia, Khalid Pitts (via telephone), Laura Zeilinger

Members Absent: Leighton Ku, Chester McPherson, LaQuandra Nesbitt, Wayne Turnage,

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

Chair Diane Lewis called the meeting to order at 3:09 pm. A roll call of members present confirmed that there was a quorum with four voting members present (Ms. Hicks, Ms. Lewis, Mr. Lucia and Mr. Pitts).

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

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

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

It was moved and seconded to approve the April 13, 2015 minutes. The motion passed unanimously, with Ms. Hicks, Ms. Lewis, Mr. Lucia and Mr. Pitts voting yes.

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

BUDGET OVERSIGHT HEARING: Ms. Kofman that the agency's budget oversight hearing before the Committee on Health and Human Services on April 28, 2015 went well. Once again, DC Health Link customers testified on HBX' behalf. HBX staff had followed up with Council Member Yvette Alexander on her outstanding questions. Ms. Kofman understands that the Committee will be reviewing the budgets and reporting to the Committee of the Whole.

SMART AUDIT: The CMS SMART audit is in process. Written submissions required by CMS have been made, and the city-wide audit conducted by KPMG fulfills the financial audit requirements. HBX has retained Bert Smith to conduct the eligibility and program portion of the requirements, as the previous HHS eligibility audit did not fulfill those requirements. Bert Smith should be done by the end of the month.

DATA MINING: Ms. Kofman reported that staff was reviewing how HBX collects and analyzes data, in an effort to improve information we can disseminate. While she did not provide updated enrollment numbers, she did report that since open enrollment closed, 1,392 SEPs were granted and those people enrolled in private coverage. HBX is unable to segregate the different types of SEPs.

EHB BENCHMARK PLAN: Ms. Kofman reported that very recently HBX had learned that CMS had asked the states to identify a benchmark plan for 2017 by June 30, 2015. The last time a benchmark plan was chosen, DISB led the city's efforts on selecting a benchmark. Ms. Kofman stated that HBX would work with DISB on the new benchmark, but she was asking that it be reviewed by the Standing Advisory Board since it already had a meeting scheduled for May 21, 2015. She thinks it is important to have a transparent and engaged process.

Dr. Aaron entered the meeting.

WEBSITE: Ms. Kofman reported that progress was being made to create a better user experience on DC Health Link. The doctor directory had been loaded and is available for customers to use. An individual cost calculator would be loaded soon. She stated that user feedback has contributed to the efforts to improve the customer experience. Significant user testing will be conducted before any launch.

Ms. Sullivan Hare entered the meeting.

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

Dr. Aaron reported that the Finance Committee met for its regular monthly meeting on Wednesday, May 6th.

CONTRACT APPROVALS: At the May 6 meeting, the Committee reviewed pending contract approvals. These contracts included:

- Five contract modifications for existing Certified Business Enterprise Contracts that provide our IT consultants.
 - Analytica, LLC
 - Data Net Systems, Inc.
 - FWG Solutions, Inc.
 - Obverse, Inc.
 - The Pittman Group, Inc
- A new contract with eSystems, Inc to conduct technical work for us
- Two separate contracts with Accenture for IT needs
- A Cloud Computing Environment
- HCL America – Document Imaging Services Contract

The Committee had a thorough discussion with HBX staff about these contracts and approved each of them. We recommend that the full Board approve each of these contracts.

FINANCIAL REVIEW: We were presented with the monthly HBX expenditures by HBX Staff and noted that expenditures are as expected.

VI. Working Group Update, Employer Size 51-100 Advisory Working Group Update – *Kevin Lucia, Chair*

Mr. Lucia reported that he chaired the 51-100 working group with co-chair, Margaret Flickinger, a broker.

The working group met on twice – on March 18 and March 26. The working group had participation by carriers, consumer groups, brokers, employers, and an interested member of the public. The issues discussed by the working group included understanding the characteristics of the 51-100 market, considering the federal transitional policy for expanding to the small group market from 50 to 100, and discussing holding off on expanding the small group market from 50 to 100 for two year years.

The issues discussed were, to some extent, overtaken by events. On April 28, DISB issued a bulletin adopting the federal transition policy for 51-100 employer groups in the District. New bipartisan federal legislation has been introduced in both the House and Senate that would amend the ACA to eliminate the mandatory expansion of the small group market size to 100 in 2016 and instead allow states to decide whether to expand the small group market up to 100. The Administration may hold off expanding the small group market from 50 to 100 as it has for other ACA provisions.

In light of this uncertainty and DISB actions, Mr. Lucia proposed that the working group remain open to discuss the 51-100 issues further as more information develops. In the meantime, Mr. Lucia has asked HBX staff to perform data research into the characteristics of the 51-100 cohort in the District. While the working group received anecdotal information and individual experiences, Mr. Lucia would like to gather supportable market-wide evidence with respect to the 51-100 cohort.

Mr. Lucia reiterated that the working group should remain “on call” until additional information is available. He stated that he would report back to the Executive Board when there is more to report.

VII. Public Comment

No public comment was proffered.

VIII. Closing Remarks and Move to Executive Session

Pursuant to DC Code Sections 2-575(b)(2),(4) and (10) and Section 3171.11, it was moved and seconded to move to a closed session to discuss contracting and litigation. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia, Ms. Lewis and Mr. Pitts voting yes.

The Board moved to closed session at 6:00 p.m.

IX. Reconvene Public Session, Diane Lewis, Chair

The Board reconvened into public session at 7:05 p.m.

X. Votes

- a) Contract Modifications through the end of the fiscal year for Existing Certified Business Enterprise Contracts

Analytica, LLC - \$1,600,000
Data Net Systems, Inc. - \$1,500,000
FWG Solutions, Inc. - \$1,600,000
Obverse, Inc. - \$4,900,000
The Pittman Group, Inc. - \$5,000,000

It was moved and seconded to approve modifications to the existing CBE vendors in the above amounts. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia, Ms. Lewis and Mr. Pitts voting yes.

- b) eSystems, Inc. \$745,000

It was moved and seconded to approve a contract with eSystems, Inc. in the above amount. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia, Ms. Lewis and Mr. Pitts voting yes.

- c) Accenture – Deployment Planning - \$250,000

It was moved and seconded to approve a contract with Accenture in the above amount. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia, Ms. Lewis and Mr. Pitts voting yes.

- d) Accenture – Performance Testing and DynaTrace - \$1,100,000

It was moved and seconded to approve another contract with Accenture in the above amount. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia, Ms. Lewis and Mr. Pitts voting yes.

- e) TBD – Cloud Computing Environment – not to exceed \$298,000/annually

Ms. Kofman stated that a solicitation was posted on March 10, 2015 and proposals were presently under review. However, procurement timing requires that the amount be approved by the Board at this time.

It was moved and seconded to approve an amount stated above for Cloud Computing in the above amount. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia, Ms. Lewis and Mr. Pitts voting yes.

f) HCL America – Document Imaging Services contract renewal - \$880,000

It was moved and seconded to approved to exercise an option year with HCL in the above amount. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Mr. Lucia, Ms. Lewis and Mr. Pitts voting yes.

Purvee Kempf, General Counsel and Chief Policy Advisor, reminded the Board that all contract in excess of \$1 million goes to Council for approval.

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

The meeting was adjourned at 7:14 p.m.