



**Health Benefit Exchange Authority Executive Board Meeting**

**DRAFT MINUTES**

**Date:** Wednesday, December 10, 2014  
**Time:** 5:30 PM  
**Location:** 1225 Eye Street, NW, 4<sup>th</sup> Floor, Board Conference Room  
**Call-in Number 1:** 1-877-668-4493; access code: 739 271 245  
**Call-in Number 2:** When the Committee reconvenes after Executive Session, this phone number should be used: 1-877-668-4493; access code: 733 455 196

**Members Present:** Dr. Henry Aaron (by telephone), Deborah Carroll (by telephone), Kate Sullivan Hare (by telephone), Dr. Leighton Ku, Kevin Lucia (by telephone), Diane Lewis, Khalid Pitts (by telephone), Wayne Turnage (by telephone)

**Members Absent:** Dr. Joxel Garcia, Chester McPherson

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

Chair Diane Lewis called the meeting to order at 5:36 pm. A roll call of members present to confirmed that there was a quorum with six voting members present (Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia, Mr. Pitts)

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

The proposed agenda was unanimously approved by roll call vote. Voting in favor were Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia, and Mr. Pitts.

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

The minutes from the November 12, 2014 meeting was unanimously approved by roll call vote. Voting in favor were Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia, and Mr. Pitts.

Additionally, Ms. Lewis stated that one of the board members has a conflict every Wednesday next year. We need to select a new day of the week for Board Meetings. Ms. Sullivan Hare asked whether the regular monthly meeting could be during business hours. Ms. Lewis stated that they have been scheduled outside of regular business hours in order to accommodate public participation. Dr. Ku said it would be difficult for him to move from the evening meeting. Ms. Lewis said she would email with everyone to find a day and time for the regular monthly meetings. Mr. Lucia asked to consider one day per month in person for all exchange business, including committee meetings.

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

A. **FOLLOW UP FROM THE LAST BOARD MTG:** At our last board meeting, we had a discussion about whether other states defaulted to a different APTC level than 100%. This was asked because we default to 85% and permit the enrollee to move up or down their percentage. The Center on Budget and Policy Priorities did a survey of state exchanges and based on their survey, we are the only state to use a different default than 100%.

#### B. OPEN ENROLLMENT DATA:

DATE	December 9th
Accounts Created	6,252
Applications (Total)	2,742
Applications (People)	3,593
Plan Selections	1,362
Covered Lives	1,688
12/1 Start	275
1/1 Start	1,413
Website Visitors	37,768
Website Visits	69,823

#### C. TOTAL ENROLLMENT

1. Total Covered Lives Through Dec 9th: 67,633
  - a. Individual Market: 17,345
  - b. Medicaid: 35,094
  - c. SHOP: 15,194
  
2. December 15, 2014 is the last day to obtain coverage for January 1, 2015 for most enrollees (certain SEPs can go to Dec 31). Shortly after that date, we will do a data release with 1/1 enrollment information. After that release, we will update our website weekly during open enrollment. Once open enrollment is concluded, we will do another data release summarizing activity during the entire 2015 open enrollment period.

Dr. Ku asked if people who are renewing but changing plans, does that result in double-counting? Ms. Kofman said she would make sure we are not. These numbers reflect people who have made a health

plan selection, not paid status. The data has been scrubbed to eliminate those with more than one account, etc. Also, these numbers reflect QHPs, and does not include dental plans.

**D. RENEWAL NOTICES:** As previously discussed, we sent a renewal letter in October alerting enrollees of their right to change plans for 2015 and to update any income or family information that would impact their APTC eligibility. Just this week, a post card hit enrollees' homes reinforcing the message – in an easy-to-read format that is much more accessible than a multi-page notice - that reminds them if they are happy with their existing coverage, they'll be renewed into it for 2015 and they need do nothing. Or, it tells them to reach out with any changes.

**E. CONGRESSIONAL OPEN ENROLLMENT:** Congress concluded its open enrollment period on Monday, December 8<sup>th</sup>.

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

Dr. Aaron reported that the Finance Committee held its regularly scheduled meeting on December 3. He reported on key updates as follows:

**FY 16 STAFF PROPOSED BUDGET:** The Committee spent most of the meeting reviewing and discussing the staff proposed FY 16 budget that is before our Board this evening for a vote. Ms. Kofman will be presenting on that later. The summary point, from the Finance Committee perspective, is that the staff has compiled an FY 16 budget that is very cognizant of the fact that the full HBX budget will be funded by an assessment on the health insurance industry. It is a lean budget that includes only the must-haves to maintain the operation of DC Health Link. The Finance Committee voted to support the staff proposed budget and our commitment, as a board, must be to work closely with the Health Benefit Exchange Authority Staff to ensure that this budget moves through the Mayoral and Council budget process. There is no room for reductions. This is really the budget needed for us to continue operations.

**NOVEMBER SPENDING:** The Committee reviewed November spending which is grant-based. There are some funds left on our Level 2 grant, and we're spending on both Level 1 grants as well. As a reminder, staff was able to extend all three grants into 2015 and those funds are financing the ongoing implementation of DC Health Link in 2015.

**GRANT REQUESTS:** HBX has pending at CMS both a supplemental grant request for HBX's last level one grant and a new grant request for the final November solicitation opportunity from the federal government. Negotiations on those requests are ongoing with CMS and we should know before our January Board meeting whether we obtained additional funding for our ongoing implementation needs in 2015.

**CONTRACTS:** The Committee also approved two contracts to move forward to the Full Board – and both are pending before the Executive Board this evening for the full Board's consideration.

**Web-based Security Training Software:** The Committee approved a three-year contract with Inspired eLearning (at substantial savings due to the three-year term), for the purchase of web-based security training software that HBX needs to comply with federal security rules. The total cost of this purchase

is \$50,000, but as it is a multi-year contract, it must go to the Council for approval and also requires full board support. Again, had we done this on a yearly basis, it would have cost an additional \$25,000.

**Independent Verification & Validation Contract:** The Committee also approved continuing HBX's relationship with our IV&V vendor Accenture to continue to perform IV&V services which are required as a condition of the federal grant funding. This will be discussed further in executive session and we will return to public session to vote on this contract after that session.

## **VI. Insurance Market Committee Report, *Kevin Lucia, Chair***

Mr. Lucia reported that in early spring of 2013 the Executive Board established a stakeholder working group to advise the Board on the initial certification process. The Board adopted the consensus recommendations, which HBX has been using to date.

Now with two years of experience, the Insurance Committee is in the process of reviewing these certification requirements in preparation for plan year 2016 certifications. I reported at the last meeting about the first two public meetings that had taken place as a part of a series of public meetings of the Insurance Committee. In those meetings the Committee reviewed all the health plan certification requirements and decided to focus on four plan certification requirements for further review and possible action. Those four areas are: Network Adequacy, Review of Rates, Discrimination, and Quality of Health Plans.

A third meeting took place Thursday, November 20<sup>th</sup>. The Committee heard from numerous presenters from local and national organizations and experts that shared information on higher standards or processes implemented in other states on these priority areas. The Committee asked staff to work with our partners at the Department of Insurance, Securities and Banking (DISB) who help implement many of these HBX certification requirements, and carriers to determine capacity and operational feasibility of different ideas presented.

The Committee's next public meeting is Wednesday, December 17, 2014. We aim to discuss specific thoughts and recommendations and seek input from stakeholders and consumers. Materials in preparation for the meeting will be posted with the agenda early next week on the HBX website under the Insurance Market Committee meeting post.

As a reminder, all of our meetings are publically announced and posted on the HBX website. The agenda and background materials are also posted, including a chart with all of the certification requirements and implementation efforts on each of them.

It is important that the District's exchange is taking the time now to reevaluate the certification processes and we encourage all consumers, stakeholders, health plans, and consumer groups to participate.

## **VII. Research Committee Report, *Leighton Ku, Chair***

Dr. Ku reported that the committee had a few quick updates. The Committee had conducted three brief email surveys. The first was to people with individual QHPs, one to those determined eligible for Medicaid and one for those who completed applications but did not choose a plan. The surveys asked a few basic questions and the results are in the process of being analyzed. In addition, the Committee has been pursuing discussions on the possible option of a professional survey.

## **VIII. Action Items**

### **A. FY 2016 Proposed Budget -- *Mila Kofman, Executive Director***

Ms. Kofman stated that the FY16 budget was organized by function (program) areas. The intent is to make it easier to understand what HBX does. The slide deck also identifies which activities are ACA-required. She also noted that HBX tries to leverage existing DC government agencies as much as possible, and it is reflected in the proposal. Third, HBX is trying to transition from the use of consultants to the hiring of full-time employees. The proposed budget is \$32,513,185.

Slide 2 reflects the program areas: Agency Management; Agency Financial Operations; Marketplace Innovation, Policy and Operation; Consumer Education and Outreach; and IT. She noted that the proposed budget has 73 FTEs; presently HBX has approval for 54 FTEs. The purpose of increasing FTE's is to save costs; even with fringe, FTEs are far more cost-effective than consultants.

Slides 3 and 4 give visuals on program spending. Slide 5 gives a visual on FTEs by program area.

The remainder of the slides reflect each program area's details (available [here](#)).

Dr. Ku asked about the expansion of SHOP and only adding one FTE. Ms. Kofman said that as automated functionality grows, staff time can be reassigned to SHOP. One additional FTE and freed-up staff time should work.

Dr. Ku asked about IT and how it is unknown whether HBX will be at only operations and maintenance in 2016. Ms. Kofman stated it was not an option; the build has to be completed in 2015.

Ms. Sullivan Hare asked about data and reporting, and the additional two FTEs. Is there a possibility those new hires could assist with Board research projects priorities? Ms. Kofman stated that the priority is to complete all reporting requirements, and then research and data staff could assist with research. It is unknown whether the federal government will impose any new or significant reporting requirements, which could be a factor in staff time allotment.

### **B. Inspired eLearning Contract-- *Mila Kofman, Executive Director***

The three-year contract with Inspired eLearning is for web-based Security Training Software that is needed by HBX staff to comply with federal security rules. The total cost of this purchase is \$50,000, but as it is a multi-year contract, it must go to the Council for approval and also requires full board support. Had HBX done this on a yearly basis, it would have cost an additional \$25,000.

## **IX. Public Comment**

No public comment was proffered.

**X. Votes**

**A. HBX FY 2016 Proposed Budget**

It was moved and seconded to approve the proposed HBX FY 2016 Budget. The motion passed unanimously. Voting in favor were Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia, Mr. Pitts.

**B. Inspired eLearning Contract for \$50,000 for three (3) years**

It was moved and seconded to approve the proposed Inspired eLearning contract for \$50,000 for three years. The motion passed unanimously. Voting in favor were Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia, Mr. Pitts.

**XI. Closing Remarks and Move to Executive Session**

It was moved and seconded that the Board move to a closed session to discuss contracting pursuant to DC Code Sections 2-575(b)(2) and 3171.11. Upon a unanimous roll call vote of the members present, the meeting went into closed executive session.

**XII. Reconvene Public Session**

Vote:

**Independent Verification and Validation Contract**

The Finance Committee has approved continuing our relationship with our IV&V vendor Accenture to continue to perform our IV&V services which are required as a condition of the federal grant funding.

The proposal is to award a contract to Accenture Federal Services LLC, based on Accenture GSA Federal Supply Schedule in the amount of **\$825,728.90** for the period December 1, 2014 thru September 30, 2015, with four (4) one-year option periods.

It was moved and seconded to approve the proposed contract with Accenture Federal Services LLC. The motion passed unanimously. Voting in favor were Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia, Mr. Pitts.

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

The meeting was adjourned at 7:30 p.m.