



**DC Health Benefit
Exchange Authority**

Health Benefit Exchange Authority Executive Board Meeting

FINAL MINUTES

Date: Monday, February 9, 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: 730 236 726
Call –in Number 2: After Executive Session, the Executive Board will reconvene for additional Executive Board Business, the call in line will be: 1-877-668-4493; access code 733 900 683

Members Present: Henry Aaron, Kate Sullivan Hare, Nancy Hicks, Leighton Ku, Kevin Lucia, Diane Lewis, Khalid Pitts, Laura Zeilinger, LaQuandra Nesbitt

Members Absent: Chester McPherson, Wayne Turnage

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

Chair Diane Lewis called the meeting to order at 5:45 pm. A roll call of members present confirmed that there was a quorum with seven voting members present (Dr. Aaron, Ms. Sullivan Hare (by phone at the beginning), Ms. Hicks, Dr. Ku, Ms. Lewis, Mr. Lucia, Mr. Pitts). Ms. Lewis welcomed new Board nonvoting members Laura Zeilinger, Acting Director, Department of Human Services, and LaQuandra Nesbitt, Acting Director, Department of Health.

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

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

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

The minutes from the January 30, 2015 meeting were unanimously approved, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Dr. Ku, Ms. Lewis, Mr. Lucia, and Mr. Pitts voting yes.

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

- a. **1. WELCOME TO NEW BOARD MEMBERS:** Ms. Kofman added her words of welcome to the two new Board Members: Laura Zeilinger of DHS and LaQuandra Nesbitt of DOH.

- b. **1095-A UPDATE:** Ms. Kofman reported that all 1095-As have been mailed. At the last executive board meeting, she reported that HBX had updated the DC Health Link website with a “tax information” button on the front page where people can get information about the new 1095-A IRS reporting requirements. At that time, she also said HBX was working on updating the DC Health Link website to enable consumers to download their 1095s if they prefer an online version of the form. That update is now complete. Ms. Kofman circulated a document for the board’s information that explains how consumers can download these documents from the DC Health Link website. The contact center is also trained to assist anyone who needs help with this process.

Kate Sullivan Hare entered the meeting.

One point of clarification that is always important to make: People who obtain coverage through DC Health Link through their **employers** will not receive 1095-As from HBX. HBX has heard from some small business employees and Congressional staff who are confused about this issue.

- c. **UPDATE ON ENROLLMENT EVENTS THIS PAST WEEKEND:** Ms. Kofman reported that a Marathon Relay was conducted by HBX from 9:00 a.m. Saturday until 2:00 p.m. Sunday. Several dignitaries helped launch the relay. Mr. Pitts, Board member, hosted an event at his business, Cork Market. The group was at Ben’s Chili Bowl on Saturday night. Attendees included Board member Wayne Turnage and Valerie Jarrett from the Obama administration.

Ms. Sullivan hare asked if there were final numbers on enrollment that occurred over the weekend. Ms. Kofman replied no.

On faith-based Sunday, administration officials Kevin Counihan and Jeanne Lambrew attended at a church enrollment event in Ward 8.

- d. **VALENTINES DAY:** Ms. Kofman reported that Linda Wharton-Boyd, HBX staff, has arranged for HBX to work with at least one major florist for Valentine’s Day and DC Health Link brochures will be included in Valentine’s Day flower deliveries – very similar to the pizza box campaign on Super Bowl Sunday.
- e. **FINAL WEEK:** HBX will be conducting several events this week and weekend leading to the close of open enrollment. There will be a one-touch event at Carlos Rosario and there will be church enrollment events. The mantra is “Don’t Delay, Enroll Today. Avoid any last minute issues. Don’t Delay, Enroll Today”
- f. **UPCOMING HEARING:** The HBX Performance Oversight hearing is upcoming on Wednesday, February 25th at 11 am before the Health and Human Services Committee in the Council. Ms. Kofman reported that she and Ms. Lewis will provide testimony.

ENROLLMENT UPDATE: Ms. Kofman reported on enrollment:

October 1, 2013 – February 8, 2015 cumulative history:

1,000,000+	Total website visits
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80,578	Total number of people who came through DC Health Link	
44,457	Medicaid eligible	
19,473	Individuals who selected a plan. Includes:	
	15,247	2014
	5,111	2015 (includes 1,422 active renewals and 3,690 new customers)
15,763	Total covered lives SHOP. Includes:	
	13,733	Congressional
	2,113	non-Congressional

Dr. Ku was trying to gauge the growth as compared to last year's open enrollment period, which was longer. Ms. Kofman stated that DC Health Link continued to grow steadily. She also noted that DCHL continued to receive new customers in 2014 after open enrollment ended due to people having life events and qualifying for a special enrollment (SEP). Also, last year the heaviest enrollment activity occurred in the last week of open enrollment, so she was pleased with where we are at now. Final data on new customers for 2015 should be available about one week after open enrollment ends.

Ms. Hicks asked if there was any possibility that open enrollment would be extended. Ms. Kofman stated that according to our federal partners, February 15 is the deadline. A person must have selected a health plan by the deadline. However, if anyone has a technical issue and cannot select a health plan, HBX staff would reach out to every single customer and get them enrolled. HBX staff can see in the system when someone has a technical issue.

Mr. Lucia suggested that staff check in with the Standing Advisory Board on whether any new SEPs were in order. Ms. Kofman stated a SAB meeting was scheduled in the next several days.

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

Dr. Aaron reported that the Finance Committee met last week.

CURRENT MONTHLY SPENDING: The Committee reviewed monthly expenditures by HBX. Nothing was out of the ordinary.

CONTRACT APPROVALS: The Finance Committee voted in support one contract for IBM Curam Technical Consultants to go to the Full Board. We'll discuss this contract in executive session tonight and then return to public session for a vote so there will be more discussion on this topic later.

CITY-WIDE AUDIT: The Committee was updated by HBX Staff regarding the annual City-Wide Audit which HBX is subject to even though HBX is independent. KPMG auditors have completed their field work. They have been asking follow up questions through today, which have been answered by HBX staff. The audit should be wrapped up any day now. KPMG will then provide HBX with a final report.

VI. Discussion Items

a. Standard Plans Working Group Update on a Revised Bronze Standard Plan – *Leighton Ku, Chair*
Dr. Ku reported that standard plans at the four metal level tiers had been approved by the Board previously. However, the federal actuarial value (A/V) calculator changed, resulting generally in a 1%-2% increase in the A/V of the plans, but increasing the bronze standard plan by far more, such that the approved standard bronze plan was out of compliance. The Standard Plans Working Group had met, discussed sample A/V calculations, and was making the following recommendation: add a separate \$250 drug deductible, and increasing the maximum out-of-pocket (MOOP) to the limit, \$6,850. These changes result in a 61.3% A/V.

Dr. Ku asked about the deductibles regarding individual coverage versus family coverage. Family deductibles are double individual deductibles.

b. Recommended Updates to Qualified Health Plan Certification Requirements – *Kevin Lucia, Chair, Executive Board Insurance Market Committee*

Mr. Lucia reported that the Insurance Market Working Committee had been working on reviewing the certification standards for PY 2016. The Committee focused on four areas: network adequacy, rate review, nondiscrimination, and quality. The Committee met six times, and at the last meeting, open to the public, the Committee reviewed all the recommendations in depth and invited public comment. Mr. Lucia noted that he had explained the recommendations in depth at the last Board meeting, and they were up for adoption by the Board later in the meeting.

VII. Public Comment

Kevin Wrege, representing AHIP and Aetna Health Insurance Company, had questions for clarification. With respect to the mention in the recommendations of an enhanced rate review process pursuant to HBX's legal authority, his clients question the necessity of having a second layer of rate review by HBX. His clients believe that the authority to approve rates lay with DISB alone. His clients want to know what to expect regarding an enhanced rate review process.

Purvee Kempf, HBX staff, noted for the Board members that all comments were posted to the HBX website. The recommendation is to continue with the process that occurred over the last two years. She noted that working in collaboration with DISB and stakeholders, it would be explored to see if there is anything further and feasible in a public transparent process. Mr. Lucia added that anything that might happen with an enhanced process would be done in collaboration with DISB and transparently to determine what is best for the District. At this point there is no further recommendation, but if the issue does move forward, it will be done openly.

Mr. Wrege asked what happens if the HBX consulting actuary and DISB cannot come to an agreement on rates, what happens then? Mr. Lucia replied that DISB will approve rates as it always has done. The consulting actuary reports will be submitted to DISB for its consideration.

Mr. Wrege asked in that case, will it not affect the certification process?

Ms. Kofman stated that we can only know what we do from experience and cannot speculate. What we do know is that in fact, every rate approved by DISB was connected to a plan that was certified. No QHP was denied

recertification or decertified. She noted there are any number of reasons why a QHP might not be certified. Mr. Wrege asked whether a rate disagreement between DISB and HBX could be a sole reason for non-certification. Ms. Kofman stated again that she could not predict the future.

Dr. Aaron said collaboration is a mode of operation, not a final conclusion. At this point all HBX can say that it is determined to maintain good relations with DISB, and we anticipate that things will work out as they have in the last two years. Mr. Wrege noted that negotiations with carriers had been mentioned; is that part of the process? Mr. Lucia stated that the only recommendation is to continue with the process HBX has used for the last two years; if there will be a change in that process or an enhanced process, it will come back through his committee or some other Board structure for a full debate.

VIII. VOTES

a. Revised Bronze Standard Plan

It was moved and seconded to approve the revised standard bronze plan. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Dr. Ku, Ms. Lewis, Mr. Lucia, and Mr. Pitts voting yes.

b. Updates to Qualified Health Plan Certification Requirements

It was moved and seconded to approve the revised standard bronze plan. The motion passed unanimously, with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Dr. Ku, Ms. Lewis, Mr. Lucia, and Mr. Pitts voting yes.

IX. Closing Remarks and Move to Executive Session

Pursuant to DC Codes Sections 2-575(b)(2) and (4) and Section 3171.11, it was moved that the Board will move to a closed session to discuss contracting. The motion passed unanimously with Dr. Aaron, Ms. Sullivan Hare, Ms. Hicks, Dr. Ku, Ms. Lewis, and Mr. Lucia voting yes. The Board moved into closed session at 6:24 p.m.

X. Reconvene Public Session

The meeting reconvened into public session at 7:06 p.m.

XI. Vote

a. IBM Contract for IT Consulting Services

Ms. Kofman stated that a contract with IBM/Curam for technical support is requested in the amount of \$885,560.00. The contract rates are based on the GSA Supply Schedule, with discounts. Ms. Kofman had previously approved, under her authority, a short-term purchase order in the amount of \$93,920, which means that this vendor could be paid up to, and not to exceed, \$979,504.00. The contract is anticipated to be cost-allocated subject to the availability of local funds match and approval by CMS.

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

XII. Closing Remarks and Adjourn

The meeting was adjourned at 7:15 p.m.