



Health Benefit Exchange Authority Executive Board Meeting

Final Minutes for Wednesday, October 8, 2014

Date: Wednesday, October 8, 2014
Time: 5:30 PM
Location: 1100 15th St. NW, Suite 800
Call- in Number: 1-877-668-4493; access code: 737 110 095

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

Members Absent: Dr. Joxel Garcia, Chester McPherson, Khalid Pitts, Wayne Turnage

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

Chair Diane Lewis called the meeting to order at 5:33 pm. A roll call of members present to confirmed that there was a quorum with five voting members present (Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia)

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

Ms. Lewis presented the draft agenda and asked if there were any changes proposed. No changes were proposed. The draft agenda was unanimously approved by a recorded vote of members present. Voting yes were: Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia.

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

The minutes from the September 18th meeting were unanimously approved by a roll call vote. Voting in favor were: Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia.

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

1. **NEW STAFF:** Ms. Kofman introduced new staff that have joined the HBX team.

- **Melanie Williamson:** Melanie is the newest member of the HBX legal team. She previously worked for Council's Health Committee.
- **Rob Shriver:** Rob is the new Director for Business, Policy and Marketplace Operations. As a political appointee in the Obama Administration, Rob has been instrumental in getting OPM's multi-state program up and running. His recent experience successfully implementing and operationalizing complex ACA-related programs, his management and leadership qualities, and

his solid relationships with sister agencies and health plans makes him a perfect fit for HBX and our future successes.

- **Annie White:** Annie joins HBX as the new Contracting Officer. She did a short stint at HBX earlier in the year when we needed some additional contracting support and she has been willing to join us full time. She has years of procurement expertise and is a welcome addition.
- **Shayla Hamlin:** Shayla joins HBX as Ms. Kofman's Special Assistant. She is a graduate student in the GW Master's program and until recently was doing IT PMO work.

2. **OFFICE MOVE:** The office is moving to its permanent location. The move will start Thursday, October 9 at 4 pm and will occur over the course of the long weekend. Staff will be working remotely, or in other DC Government locations, on Friday, October 10th. The new address is 1225 Eye Street, NW, Suite 400. So, when you plan to join us for our November Executive Board Meeting, remember it will be at a new location. As with this building, our floor and office suite will be accessible by fob only, except on those days when public meetings of the Board are held.
3. **CONTACT CENTER RELOCATION:** This move is proceeding as highlighted at our last meeting. The Contact Center will relocate over the weekend of October 25th and start business at the new location – 955 L'Enfant Plaza – on Monday, October 27th.
4. **RENEWAL NOTICES:** DC Health Link renewal notices have been sent to the printer and people will begin receiving them soon. If individuals are receiving APTC, it is very important that they review the information on these notices as we will renew people based on the most current income information we have. If income has gone up or down, it will impact what level of APTC for which the consumer is eligible. Ms. Kofman's public service announcement for the day was for enrollees to read the notices, contact HBX with the updates to their information, and help HBX help the enrollee be properly enrolled for 2015.

Dr. Ku stated that the policy for last year's open enrollment was to have a default of 85% for those persons eligible for APTC. That default has less risk to the consumer of having to return any overpaid tax credits. He wondered if HBX had data on how many people changed from the default APTC. Ms. Kofman said no, but she would ask the team if that data could be extracted. She said that if a consumer calls now with income changes, that information is adjusted in real time. She said she would also ask the team if they could find out how many APTC people had changed income.

5. **ENROLLMENT UPDATE:** As of October 7th:
Total covered lives: 60,771
 Individual Market: 15,110
 Medicaid: 31,175
 SHOP: 14,486

V. Finance Committee Report, Henry Aaron, Executive Board Finance Committee Chair

The Committee met on October 2, 2014. Dr. Aaron reported that:

- No cost extensions have been awarded by CMS for all three HBX remaining grants which means that HBX can continue to draw down those funds into 2014 as we work to complete the IT build for DC Health Link.

- The Finance Committee clarified the HBX policy on grant modifications so that the Finance Committee will maintain the authority to sign off on grant modifications. We don't do many grants through HBX, the main example has been our DC Health Link Assister program. We are currently reviewing our ability to extend that program into 2015 in order to help accommodate the Medicaid renewals that will happen in 2015. Some people will no longer be eligible for Medicaid and will need help with advanced premium tax credits and private coverage through DC Health Link.
- FY 2016 Budget: The Committee reviewed the process for developing FY16 Budget which is due to the Mayor by mid-December. The process will be as follows: the Executive Director will develop a budget, will seek input and review from the Finance Committee, and will seek input from stakeholders including the Standing Advisory Board. The Finance Committee will review final proposed budget before it is sent for full Board approval. To meet city deadlines, final approval is necessary at the December 10th Executive Board Meeting.
- Current monthly spending: The Committee reviewed monthly expenditures by HBX. No expenditures were out of the ordinary.

VI. Research and Data Analysis Committee Report, Leighton Ku, Executive Board Research and Data Analysis Committee Chair

- **INTERNAL SURVEYS:** Dr. Ku reported that the Committee is in process on an internal survey of people with Medicaid coverage who were determined eligible for Medicaid coverage through DC Health Link. The purpose is to learn about their previous insurance status.
This survey builds on an earlier internal survey the Committee completed on those obtaining private health insurance coverage through DC Health Link.
Once the Committee has the findings from both surveys, the members of the Committee and HBX staff will analyze them and determine if enough responses have been received for the findings to be statistically valid. Even if that is not the case, these short, internal surveys, which are conducted via email, are low cost.
- **PROFESSIONAL SURVEY:** Dr. Ku stated the Committee is continuing the process to obtain a vendor to complete an external survey – probably after this next open enrollment period -- so HBX can survey new and existing customers. The Committee is thinking of using the vendor that Access Health Connecticut used.

VII. Insurance Market Committee Report, Kevin Lucia, Insurance Market Committee Chair

Mr. Lucia reported that the Executive Board Insurance Market Committee met to receive final rate reports from Mercer. These reports contain confidential plan information and therefore the meeting was not a public meeting. The Committee will post public versions of the reports on the HBX webpage; public versions do not have confidential information.

The Committee also discussed reviewing the HBX's current certification and decertification policies for qualified health plans. 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 will review the process. It is very important for the Committee and Board to have input from the insurance companies who do business through HBX. It is also critical for the Committee and Board to have input from our customers and consumer and patient advocates. The Insurance Committee will have a series of meetings. The first public meeting is scheduled for Thursday, October 16, 2014 from 10am to noon. Staff will post this information with meeting location and call-in information on the HBX webpage. The first meeting will include a detailed walk-through of Federal and District law and HBX's responsibilities as a state-based marketplace. The Committee encourages stakeholders to attend and provide input.

Mr. Lucia noted that small group plan offerings for 2015 decreased to 196 from well over 200 in 2014. Individual market offerings decreased by three, to 31. He noted that the Board had previously adopted the meaningful difference standard.

VIII. Marketing and Consumer Outreach Committee Report, Kate Sullivan Hare, Marketing and Consumer Outreach Committee Chair

Ms. Kofman delivered the report on behalf of Ms. Sullivan Hare, who was suffering from a cold.

- The report concerns the DC Health Link Assister Program's strategic plans for the second Open Enrollment Period and the remainder of 2015 to ensure in-person assistance options for the District's uninsured and hard-to-reach consumers.
 - As the Board recalls, for last year's open enrollment HBX had 33 organizations that were provided grants to be DC Health Link assisters. There were more than 170 assisters trained and on the ground helping people enroll.
 - After open enrollment, we reduced the number of grant organizations from 33 to 14.
 - Now, with the federal government having extended the time period of open enrollment for the 2015 season through February 15, 2015, we needed to look at extending their grants with us so that they can continue to perform this vital service.
 - 8 of the 14 Assister grantee organizations have enough funding with their current grant agreement, and simply need no-cost extensions to extend their grant agreement from December 2014 through the second open enrollment period, or have already received cost extensions through earlier Board actions.
 - HBX staff recommended that 6 top-performing Assister grantee organizations – Community of Hope, Mary's Center, Unity Health Care, Whitman-Walker Health, Capital City Area Health Education Center, and La Clinica del Pueblo – receive cost extensions to extend their current grant agreements from December 2014 until September 2015, when our ability to use federal grant funding for assisters ends. This will allow the DC Health Benefit Exchange Authority to continue our partnership with these 6 grantee organizations with multiple service sites throughout DC.
 - Under this recommendation, approximately 18 certified Assistors, which is approximately 2-3 FTEs per organization, including several multilingual Assistors, will be available to provide in-person assistance to District consumers after the close of the second Open Enrollment Period until September 2015. These Assistors would help consumers who transition from Medicaid to private health insurance. In 2015 people with Medicaid coverage will be renewed throughout the year. HBX expects some consumers will no longer qualify for Medicaid coverage. People

losing Medicaid coverage will be able to get help with enrollment into private health insurance coverage through DC Health Link from the Assisters.

- From 33 grantees when the Marketplace launched in 2013 to 6 grantees following the second open enrollment period in 2015 as federal funding comes to a close, the District's in-person assistance strategy is a sensible scaled-down approach to ensure appropriate Assister service to DC consumers' uninsured and hard-to-reach populations, and Ms. Sullivan Hare supports the staff recommendation.
- Per the policy explained by Henry Aaron, Chair of the Finance Committee, about HBX grant modification policy, the Finance Committee will review, and hopefully approve, the grant extensions to finalize the process.

Ms. Sullivan Hare highlighted that the assister organizations which are health centers are highly effective. She wanted to focus on finding the uninsured and those eligible for APTC.

IX. Discussion Items

- 2015 Small Business Conversion Process, *Hannah Turner, HBX Staff*

Ms. Turner reported that beginning in 2015, all non-grandfathered small business health plans must be offered through DC Health Link. For 2015 Plan Year (PY) renewals for small businesses currently offering coverage directly through the carrier, the small employer can renew either (a) directly into DC Health Link by creating a new employer application, or by (b) renewing into DC Health Link through the normal carrier renewal process.

During the 2015 PY for groups renewing into DC Health Link via their carrier:

- Employers will be converted onto DC Health Link (within one month of effective date)
- Employee enrollments will be processed through the normal carrier processes
- Carriers report data to DC Health Link

For 2016 PY renewals:

- All small businesses renew directly through DC Health Link
- Groups who renewed via carrier in 2015 will renew using account created in 2015 PY directly through DC Health Link

For the 2015 PY, groups that choose to renew into DC Health Link via carrier, the small employer must offer coverage to full-time employees working at least 30 hours per week. The DC Health Link employer account must be created by the carrier within one month of the coverage effective date. Specific account creation instructions will be provided. Employee enrollments will continue through normal carrier process

Carrier reporting to DC Health Link will include data for CMS-required reporting and operational reporting.

For the 2016 plan year, all non-grandfathered small businesses will renew directly in DC Health Link. Groups that renewed through carrier in 2015, will renew through existing DC Health Link employer account (already created by the carrier during 2015 PY). Two sources of communication about 2016 renewal will go out: a carrier communication about DC Health Link renewal process and options; and a DC Health Link renewal communication to employers and brokers.

Ms. Kofman reported that the process outlined above was a collaborative one. HBX staff started to work with the broker and small employer communities after open enrollment for 2014 ended. She reported that lots of tweaks in the SHOP functionalities came from DC Health Link customers. Mr. Lucia commented that the transition plan looked good, and that it helped both small employers and brokers. He stated that employee choice was an important concept and the transition plan allowed more time to educate employers about employee choice.

Dr. Ku asked if we knew how many grandfathered plans remain; we do not. He also wondered if we knew they are not being actively marketed. Ms. Kofman noted that was a market conduct issue for the Department of Insurance, Securities and Banking (DISB). She indicated the staff would work with DISB to see if more concrete information about grandfathered plans could be gleaned.

- Standard Plans Advisory Working Group, *Leighton Ku, Chair*

Dr. Ku presented the Final Report of the Standard Plans Advisory Working Group. The working group had met seven times since late August and was recommending standard plans at all four metal levels for the 2016 plan year. He noted that the working group had active participation and in fact, “homework” had been assigned for research between meetings. He believed that somehow featuring the standard plans would enable meaningful comparison among plans. The working group had endeavored to design plans that were reasonably balanced and cost-effective, and at the same time similar to plans that are purchased today. The working group had technical assistance from carriers’ actuaries, and he thanked working group member Lydia Mitts for her work using the federal actuarial value (A/V) calculator.

He stated the working group had reviewed standard plans from a number of states, and settled on the Covered California plans as a place to start. A lot of work had been done on the Covered CA standard plans, and they seemed to be within the capabilities of DC Health Link carriers. Also, Mary Beth Senkewicz, HBX staff, and Howard Liebers, DISB staff, had researched and presented helpful information on DC Health Link’s most popular plans. The working group started with the Covered CA plans, reviewed information pertinent to DC Health Link plans, made adjustments and ran the federal A/V calculator.

The platinum plan recommended for DC had specific changes from the Covered CA plan, changing specialty drugs to a copay versus coinsurance and reducing the maximum out-of-pocket (MOOP) ceiling, resulting in an A/V that was 1.5 points higher. The gold plan had a zero deductible. Dr. Aaron said it seemed to him to be more in keeping with the concept of insurance to impose a modest deductible. He asked if public comment could be solicited on this issue.

Dr. Ku stated that the working group’s intent was to present the report at this meeting, solicit public comment, and have the Board vote on the recommendations at the November meeting.

Ms. Sullivan Hare wanted to know the reasoning behind allowing the carriers to offer benefits in addition to the essential health benefits. Dr. Ku responded that the working group identified chiropractic, abortion and acupuncture as benefits nearly universally offered by the carriers. The working group did not want to take away benefits that have been fairly common. Dr. Ku noted it was subject to HBX and DISB staff review.

Dr. Ku noted that the recommendations applied to in-network benefits only; carriers are free to set out-of-network benefits, when they exist. Dr. Ku also stated that the recommendation applied to individual plans. The working group did not have enough time to consider whether small group standard plans should be different, or why. He noted that the Board is free to vote to have any standard benefit plan apply to both SHOP and individual coverage.

Dr. Ku noted that labeling – what to call the standard plans – needs to be determined. Some working group members suggested the use of focus groups. Whatever nomenclature is used, Ms. Kofman said that a sorting filter could be worked into the website.

Dr. Ku noted that the Final Report also included a recommendation for the maximum separate deductible to be allowed for QHPs that embed the pediatric dental EHB.

- Media Contract, *Mila Kofman, Executive Director*

Ms. Kofman reported on the proposed contract with Weber Shandwick for Media and Public Relations Services. The goal of the 2nd Open Enrollment Period (OEP) is to enroll new consumers, reinforce the DC Health Link brand, renew consumers in health plans, and reinvigorate enrollment efforts. In order to ensure success, details about the Exchange, the Affordable Care Act, and the available insurance options needs to be promoted by a well-designed 2nd OEP public relations and communications effort. This effort will be designed in such a way to educate District residents and businesses about their rights and responsibilities under the health care law, the new coverage options available to them, the trained expert assistance available to them, and the ways in which they can enroll in a plan of their choice.

To achieve second enrollment campaign goals, HBX will work with Weber Shandwick to execute a robust public relations and marketing campaign. Weber Shandwick will provide public relations and earned media support services inclusive of strategic media planning and issues communications, education and outreach support; social media account management; and the design and production of publications and collateral. Securing Weber Shandwick services will ensure a consistent approach throughout the 2nd Open Enrollment Period marketing efforts and will provide continuity between 1st OEP and 2nd OEP branding.

The total cost for services is \$198,712.00.

X. Public Comment

There was no public comment.

XI. Votes

It was moved a seconded to approve the media contract with Weber Shandwick. The motion was unanimously approved by a roll call vote. Voting in favor were: Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia.

XII. Closing Remarks and Move to Executive Session (litigation)

Pursuant to DC Code Section 2-575(b) (4) and Sec. 3171.11, the Board will move to a closed session to discuss litigation at 7:17 p.m.