



Health Benefit Exchange Authority Executive Board Meeting

FINAL MINUTES

Date: Wednesday, November 12, 2014
Time: 5:30 PM
Location: 1225 Eye Street, NW, 4th Floor, Board Conference Room
Call- in Number: 1-877-668-4493; access code: 737 029 844

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

Members Absent: Chester McPherson (staff member Philip Barlow was on the telephone), Wayne Turnage, Dr. Joxel Garcia

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

It was moved and seconded to add an executive session to the agenda to discuss contracting and personnel items. The motion passed unanimously. Voting in favor were Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia and Mr. Pitts.

III. Approval of Revised Agenda, Diane Lewis, Chair

It was moved and seconded to approve the revised agenda. The motion passed unanimously. Voting in favor were Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia and Mr. Pitts.

IV. Approval of Minutes, Diane Lewis, Chair

The minutes from the October 22, 2014 meeting was unanimously approved by roll call vote. Voting in favor were Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia and Mr. Pitts.

V. Executive Director Report, Mila Kofman, Executive Director

- a. **HBX MOVE:** Ms. Kofman noted that HBX had moved to new offices – and permanent location - at 1225 Eye Street, NW, Suite 400.
- b. **CONTACT CENTER RELOCATION:** Ms. Kofman was also pleased to report that the Contact Center move, reported at the last board meeting as upcoming, went very smoothly. The Contact Center is up and running at its new location– 955 L’Enfant Plaza – since Monday, October 27th.
- c. **RENEWAL NOTICES:** Initial renewal notices were sent in early October. For people receiving APTC, it is very important that they review the information on these notices as HBX 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 the consumer is eligible for. She encouraged consumers to read the notices, contact HBX with the updates to personal information, and help HBX help the consumer be properly enrolled for 2015. The deadline for responding is Thursday, November 13th.

The Board at the last meeting asked, since the October notice went out, has HBX heard from many enrollees who are updating their information? Ms. Kofman reported that the response rate has been low – we have heard from 125 consumers at the Contact Center with regard to renewals. Some had general questions. The biggest number of callbacks came from APTC recipients who had not given us permission to ping the federal hub to verify their income. Their notices did tell them that they would lose their eligibility for APTC if they did not respond.

- d. **1.3 DEPLOYMENT:** Ms. Kofman reported that on Friday, November 7th HBX deployed a significant IT upgrade to the system. The deployment impacts both individual and SHOP. New features include passive renewal, meaning if customers do not shop and change plans, they will be auto-renewed. Mr. Lucia asked if the customer would know that the benchmark plan has changed, and they may want to reconsider plans. Ms. Kofman responded yes. The first notice contains an estimate of what HBX thinks the consumer’s APTC will be. The second notice will be more accurate, based on the IRS figures and the cost of the second-lowest silver plan.

Ms. Kofman said at the last Board meeting, members had asked what percentage of APTC are most consumers taking? The majority (66%) are taking the default amount which is 85% of the APTC level for which they are eligible. Roughly 25% chose to take a lesser percentage and 9% chose to take more. Dr. Aaron noted it is consistent with tax withholding behavior. Dr. Ku noted that people in other states ask about the 85% default when they find out about it. He noted that people want to be more conservative. Mr. Lucia inquired if other states allowed adjustment from the 100% APTC. Ms. Kofman said she would inquire.

- e. **ENROLLMENT UPDATE:** As of November 11, 2014:
 - i. **Total covered lives:** 63,523

1. Individual Market: 15,523
2. Medicaid: 32,962
3. SHOP: 14,711

- f. **CONGRESSIONAL OPEN ENROLLMENT:** The Congressional open enrollment period is November 10 through December 8, 2014. As HBX does for all customers, we are conducting some in-person assistance on the Hill over the next few weeks and will be participating in both the House and Senate enrollment fairs.
- g. **INDIVIDUAL OPEN ENROLLMENT:** Ms. Kofman noted open enrollment starts Saturday, November 15.

VI. Finance Committee Report, Dr. Henry Aaron, Chair

Dr. Aaron reported that the Finance Committee held its regularly scheduled meeting on November 6th.

- **FY 16 BUDGET STRUCTURE:** The Committee reviewed the updated budget structure that will be used by HBX. It was updated in order to provide a clearer picture of our spending based on required functions of the Affordable Care Act. The Committee believes this restructuring will help provide a transparent picture of HBX spending.
- **FY 16 BUDGET PROCESS:** The Committee discussed the process we will follow to develop the FY 16 Budget for HBX. The Finance Committee will review the staff's proposed budget, we will then schedule a Standing Advisory Board meeting to review the proposed budget with that Board and public attendees. After that input is received, the final recommended budget will be brought forth to the Executive Board at our December 10th meeting where it will be voted on by the full board. This timeline is dictated by the fact that the budget is due to the Mayor's Office of Budget and Planning by December 22nd.
- **CURRENT MONTHLY SPENDING:** The Committee reviewed monthly expenditures by HBX. Nothing unusual was reported.
- **CONTRACT/GRANT APPROVALS:**
 - a. **Assister Grant Extensions:** The Committee approved grant extensions for the six top performing DC Health Link Assister organizations. The extensions will provide 17-18 Assisters who can continue working into September 2015 to help consumers enroll in coverage through DC Health Link. The total cost of this extension for the six organizations is \$711,850.00. Per the procedures outlined at our last Board meeting, Finance Committee approval authorized these extensions and they have been implemented by staff. The six organizations are: **Community of Hope, Mary's Center, Unity Health Care, Whitman-Walker Health, Capital City Area Health Education Center, and La Clinica del Pueblo.**

- b. **Whitman Walker Training Contract Extension:** With the federal government having extended open enrollment through February 15, 2015, the Health Benefit Exchange Authority also had to extend its training contract with Whitman Walker Health – which provides the training for our DC Health Link Assisters. To extend that contract through the open enrollment process in 2015 will cost an additional \$85,000. Per our procurement policies, it is within the purview of the Finance Committee to approve contract extensions below \$100,000. The Committee approved this contract extension and it has been executed.
- c. **Technology Services Contracts:** The Committee also approved the two CBE IT services contracts for FWG Solutions, Inc. and Data Net System Corp that were then approved by the Executive Board at an open meeting on October 22, 2014. These are cost-allocated contracts each for \$1,538,274.00 of which \$1,030,644 is the HBX cost. These contracts have now been sent to Council for approval.
- d. **Families USA Policy Contract Extension:** Families USA has developed HBX training materials and continues to update them for assisters. As the federal government extended open enrollment into 2015, HBX must also extend the Families USA contract so it can continue to perform this function throughout open enrollment and help us prepare for future open enrollment periods based on lessons learned. The extension is through May 31, 2015 at a cost of \$95,000. The Committee approved the extension and instructed staff to move forward with this contract modification.
- e. **Institute for Public Health Innovation Contract Extension:** The Committee hired IPHI to manage our Assister program which includes monitoring for compliance, payment of invoices, evaluating Assisters, etc. As HBX has extended six grantees through September 2015, HBX also needed to extend IPHI's contract to that same time period to continue to perform this important function. The cost of this extension, which was approved by the Finance Committee, is \$85,000 and Committee approval allows the staff to move forward with this contract modification.

VII. 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 of that working group, 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.

The Insurance Committee is having a series of public meetings. The first meeting took place on October 16, 2014. The Committee had a very detailed walk through of each of the many qualified health plan certification requirements, both the federal and District specific requirements. Given the vast number of certification requirements, the Committee will not be able to review all of them in depth. So the Committee

sought public comment on priorities for a deeper review. Based on public input and the review of all the certification requirements, the Committee determined to review the following areas:

1. Network Adequacy
2. Review of Rates
3. Discrimination
4. Quality of Health Plans

The second meeting was on November 4, 2014. At that meeting the Committee discussed the District's implementation of the above four certification requirements. The implementation of these requirements is a joint effort with the District's Department of Insurance, Securities and Banking (DISB) and the Committee appreciates all DISB's prior and continued efforts. Howard Liebers, Health Care Policy Analyst with the DISB reviewed the implementation steps DISB takes and Brendan Rose, Plan Management & Enrollment Program Manager with HBX provided information on any additional steps taken by HBX.

At the next meeting, the Committee plans to hear about the higher standards implemented in other states on these priority areas and will hear from experts in the field. The Committee will then begin developing recommendations for the full Executive Board taking into consideration capacity and feasibility.

All Committee 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.

The recommendations of the Qualified Health Plan Certification Process Working Group, adopted by the full Executive Board, specifically said, "The working group recommends that the HBX Board revisit these standards prior to QHP recertification in the second plan year, since the HBX will have additional data and experience to evaluate whether regulator verifications based on prospective evidence or means of accreditation other than issuer certifications should be required for certain standards."

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

Dr. Ku asked if we had a sense from consumer complaints or other informal sources about network adequacy. For example, he hears from new District residents that they have a hard time finding a primary care physician. Mr. Lucia stated that DISB had not seen any trends via complaints in this area. He also noted that consumers do not generally know that they can complain to insurance departments, so HBX has to figure out other ways to find out from carriers how consumers are experiencing their coverage. Are there data points HBX could collect that would not present an extraordinary burden on carriers to produce? Ms. Kofman added that the Standing Advisory Board (SAB) has a committee researching this issue with secret shopper calls and other means. She hoped the SAB committee would be finalizing the report soon and present to the Board what it uncovered. The Board members further discussed the importance of affordability, and it would be interesting to find out if people left a plan because of affordability, or perhaps, because of a narrow network. Dr. Ku's recollection of the small survey conducted by the HBX statistician was that there were few complaints about choice of providers; most issues were about affordability.

VIII. Discussion Items

- a. Standing Advisory Board Member Appointments – *Diane Lewis, Executive Board Operations Committee Chair*

Ms. Lewis reported that the Executive Board Business Operations unanimously recommended appointment of Laurie Kuiper and Dr. Luis Padilla to vacant terms ending on Nov. 14, 2014. She stated they are now being recommended for a full four-year term.

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

Dr. Ku reported that the Standard Plans Advisory Working Group reconvened after the last Board meeting to reconsider its recommendation regarding the standard Gold plan based on the Board's discussion at its last meeting. The original recommended Gold plan had a relatively high maximum out-of-pocket cap (MOOP) of \$6,250 and a zero deductible. Dr. Aaron had wondered if a modest deductible might result in a decrease of the MOOP. The working group looked at the numbers and discovered that a \$500 deductible that applied only to inpatient services lowered the MOOP to \$3,500. The working group was withdrawing the prior recommendation for the standard Gold plan and recommending a \$500 deductible that applied only to inpatient services with a \$3,500 MOOP. The other recommendations proffered at the last Board meeting remained intact. Dr. Aaron thanked the working group for considering his comments.

IX. Public Comment

No public comment was proffered.

X. Votes

- c. Resolution on Standardized Plans beginning plan year 2016

It was moved and seconded to adopt the resolution **“To adopt recommendations establishing standard qualified health plans at each of the four metal level tiers to promote easier comparison shopping through DC Health Link.”** The motion was approved by roll call vote. Voting in favor were Dr. Ku, Ms. Lewis, Mr. Lucia and Mr. Pitts. Ms. Sullivan Hare voted no.

- d. Resolution on Standardized pediatric dental deductible beginning in 2016

It was moved and seconded to adopt the resolution **“To adopt a recommendation regarding a separate deductible for pediatric dental benefits offered in QHPs.”** The motion was approved unanimously by roll call vote. Voting in favor were Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia and Mr. Pitts.

- e. Resolution on Standing Advisory Board Appointments

It was moved and seconded to adopt the resolution **“To appoint two (2) members to the Standing Advisory Board to fill vacancies.”** The motion was approved unanimously by roll call vote. Voting in favor were Ms. Sullivan Hare, Dr. Ku, Ms. Lewis, Mr. Lucia and Mr. Pitts.

XI. Additional Discussion Item

Open Enrollment Outreach and Education Presentation – *Dr. Linda Wharton Boyd, HBX Staff*

Dr. Wharton-Boyd presented an overview of the Open Enrollment Outreach and Education for the upcoming second open enrollment. The outreach strategies will consist of 1) Special events and in-person education; 2) Earned, paid, social and digital media; and 3) Outreach and enrollment opportunities. Messaging will center around “Shop, Compare, Enroll.”

Target audiences include Wards 4, 5, 7 and 8, which have a concentration of uninsured and hard-to-reach populations. Outreach will focus on four Rs: Reinforce the DC Health Link Brand; Raise awareness about the values of DC Health Link; Renew coverage of health plans; and Reinvigorate enrollment efforts. New this year, there will be six Storefront Enrollment Centers:

- Martin Luther King Jr. Library
- Whitman Walker Health Clinic
- Unity Healthcare Clinic – Galen St SE
- Unity Healthcare Clinic – Minnesota Ave NE
- New Bethel Baptist Church Enrollment Center
- AME Church 2nd Episcopal District

There will also be twelve One-Touch Enrollment Events, which proved popular last year. Special Events such as the Kickoff Event, National Youth Enrollment Day, and Interfaith Weekends also will be held. More details can be found [here](#).

Dr. Ku asked about passive renewal. Ms. Kofman explained that consumers had until Dec. 15 to change their plans. If no change is made, they will be auto-renewed into their existing plan. For those plans that are not being renewed, those consumers will be mapped to the closest plan still available. She noted that employer-sponsored coverage shows that most consumers do not change their plans.

Mr. Lucia asked if the second-lowest silver plan had changed. Ms. Kofman reported that there was a slight percentage drop (1.65%) in price for that plan, and a change of carrier. Mr. Lucia noted that some people might want to switch. Dr. Aaron noted that it meant that premiums did not rise significantly as some people had predicted.

Dr. Ku asked about educational efforts. Ms. Kofman said that HBX has started discussions with business partners about how to educate consumers on the intricacies of how insurance works, such as deductibles and copays. However, the primary focus is to reach the uninsured and get them covered.

XII. Closing Remarks and Move to Executive Session (contracting and personnel issues)

A motion was made to move into closed executive session pursuant to DC Code Sections 2-575(b) (2), (4) and (10) and 31-3171.11 to discuss personnel, legal advice and contracting matters. Upon a unanimous roll call vote

of the members present, the meeting went into closed executive session. Dr. Aaron, Ms. Sullivan Hare, Dr. Ku, Ms. Lewis and Mr. Lucia and voted yes.

Time is: 7:15 p.m.