



**DC Health Benefit Exchange Authority  
Executive Board Meeting  
Minutes  
Wednesday April 9<sup>th</sup> 2014  
5:30 PM  
1100 15th Street NW, 8th Floor Conference Room**

**Members Present:** Dr. Henry Aaron, Dr. Mohammad Akhter, Dr. Joxel Garcia, Dr. Leighton Ku, Diane Lewis (Chair), Kevin Lucia (via telephone), Chester McPherson, Khalid Pitts, Kate Sullivan Hare

**Members Absent:** David Berns, Wayne Turnage

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

There was a roll call of members present to confirm that there was a quorum. A quorum was met with the following voting members: Dr. Aaron. Dr. Akhter, Dr. Ku, Ms. Lewis, Mr. Lucia.

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

The minutes from the March 20<sup>th</sup> meeting were unanimously approved by a roll call vote of the voting Board members present: Dr. Aaron. Dr. Akhter, Dr. Ku, Ms. Lewis, Mr. Lucia.

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

Ms. Kofman began her report with a NBC news clip that featured the March 31<sup>st</sup> open enrollment deadline efforts, and included Vice President Joe Biden and two DC Health Link Assistants at a DC Health Link One Touch event at Carlos Rosario International Public Charter School.

- *Enrollment Update-* Consumers who have an account or needed any assistance with DC Health Link have until April 15 to complete the enrollment process. As of April 8 there were 41,745 enrollees. This includes 10,187 individual private coverage, 18,535

Medicaid eligible, and 13,023 SHOP; most of whom are Congressional enrollment. The Call Center saw an unprecedented volume on March 31, receiving more than 4,400 phone calls. Currently the call volume remains at about 500 calls per day. The next “One Touch Enrollment Center” is on Saturday, April 12<sup>th</sup> from 9 am to noon at Carlos Rosario International Public Charter School.

- *Personnel changes*- Bonnie Norton will be joining Mathematica after being with the Exchange for over two years. Ms. Norton was a part of the initial team and led efforts to obtain the grant funding the District received. Micah Kidd is a new hire to the Exchange for broker and small business outreach relations. Mr. Kidd was one of the highest performing brokers for DC Health Link.
- *Budget Hearing*: Ms. Kofman will be testifying April 10<sup>th</sup> at the Council Health Committee Budget Hearing.

Board members Kate Sullivan Hare and Chester McPherson joined the meeting

#### **IV. Executive Board Research & Data Analysis Report, Dr. Mohammad Akhter, Chair**

Last week this committee met with Exchange staffer Stephen Haines to discuss priorities focusing on improving enrollment for the next open enrollment season. The committee agreed that both consumers who did and did not enroll through DC Health Link should participate in a survey. Dr. Aaron will follow up with experts on doing the survey and Dr. Ku will draft a statement of issues that should be addressed in the survey. In addition, the committee discussed a need for having an internal policy for dealing with data and sharing it with others, which legal counsel is reviewing. The last topic of discussion for the committee was the short and long term issues for the research project. Mr. Haines will follow up on the type of consumer contact that is available in order to know what type of survey needs to be produced.

#### **V. Executive Board Finance Committee Report, Dr. Henry Aaron, Finance Committee Chair**

The committee met numerous times to review the fiscal year 2015 budget. In 2015 the Exchange needs to be self-supporting. Dr. Aaron stated that the budget was quite lean. Keith Fletcher, Agency Financial Officer, discussed the budget formulation. The fiscal year 2015 budget was reduced to 28.7 million from 66 million in fiscal year 2014 due to loss of federal funding and more complete implementation of our information technology. The committee examined personnel service needs and determined that by reducing consultant staff and increasing FTE staff by 17, the budget was reduced by \$35 million. Non Personnel Services budget reflects fixed costs and some IT system support costs.

#### *Discussion:*

Dr. Ku inquired if there were any unspent federal funds from fiscal year 2014. Mr. Fletcher stated no, the funds need to be obligated by Sept. 30, 2014 and spent by Dec. 30, 2014. There is

no legal authority to use those funds in 2015. Ms. Kofman added that no grant funding can be used for system operations and maintenance (O&M) in fiscal year 2015.

Ms. Sullivan Hare inquired if there are any expected unused funds. Ms. Kofman stated that there are no other funds. There are several IT upgrades that must be done before October 2014 including adding standalone dental to SHOP.

Mr. Lucia inquired if the IT integrated build funds must be spent by the end of this fiscal year? Ms. Kofman responded that the DC Health Link website portal is cost allocated. The Exchange's only IT responsibility in the future is the O&M cost of the system.

Dr. Akhter inquired about staff support at the budget hearing. Ms. Kofman stated that Ms. Lewis, and Exchange team members Mr. Fletcher, Ms. Sandra Robinson, and, Ms. Marybeth Senkewicz will be at the hearing to answer any questions.

Board member Khalid Pitts the joined meeting.

Mr. McPherson inquired about the annual amount spent for contract services. Ms. Kofman responded that the cost includes \$2 million for ESA, \$4 million for O &M, \$4.6 million for the Contact Center, \$1 million for premium aggregation services, and \$3.1 million built in for IT management. Ms. Kofman stated that she does not see these costs changing provided that they are required under the Affordable Care Act. Other funding includes MOU and MOA with other city agencies.

**VI. Discussion Item Assessment Discussion, Mila Kofman, Executive Director & Marybeth Senkewicz, HBX Staff**

Ms. Kofman stated that the formal comment period for financial sustainability ended on March 31<sup>st</sup> and the comments are posted on the Exchange website.

Ms. Senkewicz stated that the formal comments were similar to the informal comments previously received. There was support from Kaiser Permanente and UnitedHealthcare. The excepted benefits organizations such as Aflac, UNUM, Transamerica, Allstate, and Prudential supported AHIP and ACLI who opposed the approach the Exchange is taking. Their arguments include that the assessment is not fair, there is no direct or indirect benefit, and they do not participate in the Exchange. Ms. Senkewicz added that it was gathered from the ACLI letter that there is an intent to sue the Exchange.

*Discussion:*

Ms. Sullivan Hare inquired if any other DC Exchange carriers made formal comments. Ms. Senkewicz stated that they did not submit formal comments. CareFirst testified at the informal hearing with support. Ms. Kofman added that all local plans belong to the local health plan association, which supports the approach.

Ms. Lewis stated that there is no plan to take action at this meeting.

## **VII. Public Comment**

Ms. JoAnn Waiters inquired about when the 30 day review will begin. Ms. Kofman stated that it has not started. The rule has not been formally transmitted to the Council. In addition, the threat of litigation will be taken very seriously. Ms. Kofman suggested that this discussion continue and formal action be taken next week with a public call.

## **VIII. Closing Remarks and Adjourn to Executive Session (personnel)**

A motion was made to move into closed executive session pursuant to DC Code Sections 2-575(b) (10) and 31-3171.11 to discuss personnel matters. Upon a unanimous roll call vote of the members present, the meeting went into closed executive session. Voting in favor were Dr. Aaron, Dr. Akhter, Dr. Ku, Ms. Lewis, Mr. Lucia, Ms. Sullivan Hare, and Mr. Pitts.