



**DC Health Benefit  
Exchange Authority**

**Health Benefit Exchange Authority Executive Board Meeting  
MINUTES**

**Date:** November 10, 2021  
**Time:** 5:30 PM  
**Location:** Via Web Ex/By Video or Conference Call Only  
**Call- in Number:** 1-650-479-3208; Access code: 180 604 0392; Password: exchange  
**Join via Video:** [Join meeting](#)

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

A roll call confirmed a quorum with five (5) voting members present (Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Richards).

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

It was moved and seconded to approve the agenda. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Richards, and Ms. Watkins voting yes.

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

It was moved and seconded to approve the July 14, 2021 minutes. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Richards, and Ms. Watkins voting yes.

**IV. Discussion Items**

- a. Standard Plan Working Group Report on Social Justice Recommendation Related to Standard Plans– *Dania Palanker, Chair, Standard Plans Working Group*

Standard Plans Working Group (SPWG) received the recommendations of the Social Justice and Health Disparities Working Group. The recommendation required the SPWG to develop for consideration a Value-Based Insurance Design to support adherence for patients with chronic conditions, and the first condition listed was diabetes.

The working group started very broadly, using a CMS-developed “scenario” for Type 2 diabetes. That scenario was developed for use regarding SBCs (summary of benefits and coverage), and included all annual claims for a well-maintained Type 2 diabetic. Starting very broadly, with all the services, prescription drugs, and supplies listed in the scenario, the working group systematically went through various iterations of possible services, prescription drugs, and supplies being provided at zero cost-sharing and the effect on the actuarial value (AV) of the plans.

It was apparent that the CMS scenario, while theoretically listing everything a well-maintained Type 2 diabetic used, was very broad and did cover some comorbidities. The Social Justice Working Group report was clear that the condition itself was to be considered, not comorbidities.

The \$0 cost share applies only to services for a person with a primary diagnosis of type 2 diabetes. As we worked through the process, there were a lot of emails/information exchanged about the prescription drugs used by diabetics. The working group determined that, as it has in the past, it would not mandate coverage of specific drugs, which is beyond the scope of the working group. We have never gotten into dictating drugs on formularies.

On the operational side, it was noted that Rx claims do not come with a diagnosis code on them, so insofar as there would be a waiver of cost-sharing, it would apply to all enrollees. On the medical side, they can do it as medical claims come with a diagnosis code (DX).

The working group was always cognizant of the Social Justice Working Group recommendation, which was to promote adherence to the primary care physician’s direction. Treatment and trying to control the condition are imperative for a diabetic to avoid complications and comorbidities. It is important to have continuity of care, so the PCP is the appropriate person for this management. And, nutrition counseling is important for this population.

The working group reached conditional consensus on the following list of services, medications, and supplies at \$0 cost-sharing:

\*PCP visits, dilated retinal exam (1x per year), diabetic foot exam (1x per year), and nutritional counseling visits (unlimited) with a primary diagnosis of Type 2 diabetes are provided with no cost-sharing.

\*\*For a person with a primary diagnosis of Type 2 diabetes, the following lab services are provided with no cost-sharing:

- Lipid panel test (1x per year)
- Hemoglobin A1C (2x per year)
- Microalbumin urine test or nephrology visit (1x per year)
- Basic metabolic panel (1x per year)
- Liver function test (1x per year)

\*\*\* A select list of diabetes supplies and medications within the diabetic agents drug class, as defined by the carrier, are provided with no cost-sharing. A carrier is not required to change the drugs that are on the carrier’s formulary.

The consensus was conditional because the addition of an annual foot exam at the last meeting of the working group would require one last pass through the AV calculator to ensure that the results were still within the allowable AV ranges. The working group also knows that once the draft AV calculator for PY 2023 comes out, the group will need to reconvene for its regular consideration regarding the results of the plans and the draft calculator.

I am happy to report that the addition of the foot exam had no effect on the AV of the plans.

As per the recommendation of the Social Justice Working Group which was adopted by the Board, standard plans will be extended to SHOP starting PY 2023.

The working group discussed miscellaneous issues that are set forth in our Report:

- Low value services - .04% effect on the AV; not clear it would change behavior
- Bronze HSA plan – IRS guidance restricts what can be included at \$0 cost-sharing
- Pediatric mental health – we looked at it but not enough time
- Section 1332 waiver – a member suggests HBX look into it for funding
- Discrimination – raised as a potential issue, but we do not have a problem

That concludes my report, Madame chair. I am happy to answer any questions.

Dr. Aaron asked if the recommendation was unanimous. Ms. Palanker said the working group reached consensus and no member dissented.

Dr. Ku thanked Ms. Palanker and the working group for their efforts. He wanted some clarification on the details. He understood why the working group is not specifying drugs. He had looked through all the materials, and he said that there are certain common high cost drugs that do not appear to be included. His hope is that it can be clearer to consumers what medications and services that are subject to \$0 cost-sharing.

Dr. Aaron asked if that decision was determined by the insurer. Ms. Palanker responded that it was up to the insurer which drugs are in the diabetic class for preferred generic and preferred brand tiers. In response to Dr. Aaron asking why the working group landed there, Ms. Palanker said it was a combination of the AV and reaching consensus. Dr. Aaron said that he did not understand the AV side. Dr. Ku said that the newer drugs you see advertised on television are super expensive and could definitely alter the AV. He was fine with where the working group landed after going through the analysis, and we could look at it again after a year or so. He was concerned about consumer knowledge of the drugs covered at the \$0 cost-sharing. Dr. Aaron understood and agreed. Ms. Watkins also agreed that the carriers are in control of their formularies, and from a cost perspective, it is easy to bring the generics in. She also thought that from a transparency perspective, and a consumer understanding perspective, it is important for the consumer to understand what is in at \$0 cost-sharing when picking a plan.

Purvee Kempf (Deputy Executive Director) noted that we have a Plan Match tool, and consumers are able to input drugs and see what the cost-sharing is for that drug. The tool was updated last

year when we added insulin and supplies at \$0 cost-sharing into the standard plans in the individual market.

Ms. Kofman said HBX staff could work with the health plans to figure out a way to best present the information. It might be as simple as creating a tab on DC Health Link that you can open if you are a diabetic and find, in one place, what the special coverage at \$0 cost-sharing is available. Ms. Watkins liked the idea; she said it was hard to separate health equity from Health literacy and that anything that created more transparency for the consumer is a good goal.

Dr. Ku said the amendment he will propose would provide that there will be a routine method by which the information would be made available to consumers. He did not see a problem with adding it to the Resolution. He agreed that staff should consult with the carriers to figure out how to best do it. He proposed the following language to be added, after November 8, 2021: "The plans shall at least annually post the names of the specific medications, including insulin products, which have no cost-sharing, to be made available on the HBX website or their company websites." He said it is flexible how to accomplish the goal. Board members agreed that the addition to the current Resolution as an amendment was a good idea.

Mr. Pitts joined the meeting during the above discussion.

*b. FY2023 HBX Proposed Budget – Mila Kofman, Executive Director*

Ms. Kofman walked through the [staff-proposed budget](#) for FY2023.

With respect to the DC Health Link Contact Center, Dr. Ku asked if people could still call this call center inquiring about Medicaid. Ms. Kofman said that our call center presently helps people with the Medicaid application, but once the application is complete, those customers get handed off to DHS since we don't have access to DHS' system. The new call center that Medicaid is establishing will eventually be able to help customers with other issues such as TANFF and SNAP.

With respect to the Massachusetts partnership, Dr. Aaron asked if there were any issues regarding the fee Massachusetts paid to us for the work. Ms. Kofman said no, Massachusetts is happy with the arrangement, and in fact, our fee is less than what they used to pay a private vendor. Dr. Aaron asked if the six FTEs devoted to Massachusetts was an accurate representation of the time HBX devotes to that work. Ms. Kofman said it was. Originally, we had people doing both Massachusetts and DC work, but we learned it was easier to devote FTEs full time to the Massachusetts work. Occasionally other people are pulled in to do some work, and that is billed to Massachusetts.

With respect to actuarial services and the current contract being in its last six months, Dr. Aaron asked if we will need to re-compete the new contract. Ms. Kofman said yes.

With respect to the IT budget, asked about the increase of approximately \$800,000, of which \$200,000 is identified for software. Ms. Kofman said personnel services had increased (increased

compensation for FTEs), as well as OCTO and Microsoft licenses. Dr. Ku said he was not surprised by the numbers; software licenses can fluctuate. Mr. Richards said that we should plan for attrition next year with respect to technology employees. The pandemic has increased opportunities for IT employees as employers realize their need to engage in newer, better technologies. Demand for IT personnel is higher than supply, so salaries are increasing.

Mr. Pitts asked about employee trends in IT, noting that the proposed budget was for 34 FTEs. Ms. Kofman said that number increased by two from the prior year. She did note more attrition this year, and also noted that one position in particular has remained vacant since spring, despite multiple postings on various sites and active recruitment.

- c. Certified Business Enterprise (CBE) IT Consulting Services for Data Net Systems Corp. Modification – *Mila Kofman, Executive Director*

The CBE vendor DataNet Systems Corp. is under an existing contract to provide IT services to HBX. DataNet Systems Corp. performs IT development and supplemental staffing services for HBX. The current option year one for the period October 1, 2021 through September 30, 2022, has a contract ceiling of \$800,000 which was approved by the Executive Board in July 2021. HBX staff requests an increase of the current not to exceed (NTE) amount of \$800,000 by \$2,200,000 to an NTE amount of \$3 million for OY2. This increase is to provide technology staff support for the MIPO EDI team and testing for IVL development, and staffing support for the plan management team.

When the Finance Committee approved the request, we had expected to amend our existing contract. However, we are planning to use the DC Supply Schedule instead. Ms. Lewis asked if it had to go to Council. Ms. Kofman said no, the DC Supply Schedule contract has already been approved by the Council.

## V. **Public Comment**

No public comment was proffered.

## VI. **Vote**

- a. Resolution – Standard Plan Social Justice Recommendation

It was moved and seconded to approve the Resolution – Standard Plan Social Justice Recommendation as amended. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Pitts, Mr. Richards, and Ms. Watkins voting yes.

- b. FY2023 HBX Proposed Budget

It was moved and seconded to approve the FY2023 HBX Proposed Budget. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Pitts, Mr. Richards, and Ms. Watkins voting yes.

c. Data Net Systems Corp.

It was moved and seconded to approve the CBE Data Net Systems Corp. The motion passed unanimously, with Dr. Aaron, Dr. Ku, Ms. Lewis, Ms. Mossi, Mr. Pitts, Mr. Richards, and Ms. Watkins voting yes.

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

**NEW SENIOR LEADERSHIP MEMBERS:**

Kenneth Wallington has joined HBX as its Contracting Officer following Annie’s retirement. Most recently, Ken was a Senior Contracting Officer with the Office of Contracting and Procurement (OCP). Ken has a bachelor’s degree from American University in Washington, DC and a Master’s of Science in Business Management with a focus in Contract and Procurement Management from the University of Maryland University College.

Desiree Townes joins HBX as the new Chief Operating Officer starting November 15. Desiree has over a decade of experience in District government. She served in various roles at the DC Department of Corrections, including as the HR Officer leading the HR department and overseeing recruitment, labor relations, and employee relations. She was the Chief of Staff and Associate Director at the DC Department of General Services overseeing the day-to-day operations in the Office of the Director. Desiree has a JD from University of Pittsburgh School of Law, and a BA in Legal Studies from University of Pittsburgh.

**AMERICAN RESCUE PLAN**

<b>MONTHLY LOWER PREMIUMS (APTC)</b>	<b>APTC Nov 2020 (1-year ago)</b>	<b>February 2021 (Immediately Prior to ARP)</b>	<b>APTC July 2021</b>	<b>APTC Nov 2021 (Current)</b>
Number of People Receiving APTC	1,281	1,241	2,154	2,508
Total Monthly Amount In APTC Received	\$474,030	\$455,333	\$1,032,124	\$1,375,227
<b>AVERAGE AMOUNT PER PERSON</b>	<b>\$370</b>	<b>\$367</b>	<b>\$479</b>	<b>\$548</b>
<b>PERCENT OF ENROLLEES WITH APTC</b>	<b>8%</b>	<b>8%</b>	<b>13%</b>	<b>16%</b>

Although average lower premium (APTC) has increased tremendously, digging deeper tells us more about ARP's impact.

Expanded APTC has especially helped older Americans. In DC who provided income information and qualified for lower premiums, for people 55 and older with incomes over 400% FPL, average monthly premium went from \$920 to \$407. The American Rescue Plan expansion to the ACA cut premiums by more than half.

NASHP reports that over one million (1,040,015) 55 year-olds and older are currently enrolled in coverage through 15 SBMs. According to NASHP, the majority of SBMs increased enrollment of this population when compared to 2020.

## **OPEN ENROLLMENT**

Open enrollment started November 1 and ends January 31, 2022. Note that Healthcare.gov extended their federal open enrollment and this year it is from November 1 to January 15.

DC Health Link call center is open extended hours: Monday - Friday 8am-8pm, Saturday 10am-5pm (November 6, 2021 through December 11, 2021). We are also extending hours on Dec 13 and 15 until 9 pm.

Individual Market: There are 27 plans in 2022, two more than in 2021. Six plans have lower premiums in 2022.

SHOP: There are 156 plans in 2022. Thirty-six small group plans have lower premiums in 2022 compared to 2021.

Our largest renewal month for SHOP customers is December. We have more than 1,000 employers that renew December 1, with more than 20,000 covered lives. We also have more than 600 employers renewing coverage January 1 with more than 17,000 covered lives.

DISB approved final rates for plan year 2022 on October 7, 2021. The press release with final rates is on the DISB website at <https://disb.dc.gov/release/district-announces-2022-health-insurance-rates>. Thank you again to Commissioner Woods for holding a hearing and considering our analysis and policy recommendations for lower premiums.

Congressional Open Enrollment is November 8 to December 13.

**Window Shopping:** We opened window shopping on October 15 for consumers to see prices and coverage options for 2022 before the start of open enrollment. Between October 15 and October 28, 1,856 people “window shopped.”

**Kick-Off OE:** We decided not to do an in-person kick-off this year. Mayor Bowser issued a press release announcing our open enrollment and also tweeted. In addition, we are focusing on social media and paid media.

**VIRTUAL ONE TOUCH ENROLLMENT EVENTS:** Our one-touch open enrollment events at Carlos Rosario have been among our most successful at reaching target populations and getting people enrolled. Our communications, business, and IT teams developed virtual one-touch events, to replace our traditional in-person one-touch open enrollment events. These one-touch virtual events are Thursday evenings and Saturday mornings. We are doing these in partnership with the GWHCC, Carlos Rosario, sister agencies, brokers and assisters.

**Assister's Academy Training:** On October 3 and 14, HBX held a successful two-day training in preparation for Open Enrollment with the four Assisters organizations. All the Assisters either joined the virtual training or will watch the recording.

**Outreach to Existing Customers:**

1. On October 27, we sent an email to all individual market customers highlighting Plan Match tool, dates of OE, and where to find expert help.
2. Special outreach to residents who had unemployment insurance and qualified for premiums as low as \$2/month:

We also plan targeted outreach (including emails, phone calls, coordination with Medicaid) for populations who are at risk of losing coverage including lack of IRS consent; young adults aging off parents' plans; and newly eligible for Medicaid. HBX is working with the Economic Security Administration for a smooth transition.

**EOM/COUNCIL**

**MMB'S FY21 Supplemental Budget Emergency COVID Relief Funding for Employers and Residents in Arrears:** Mayor Bowser proposed and the Council approved \$15 million in relief for residents and small businesses in arrears for health insurance through DC Health Link. HBX determined eligibility and paid approximately \$13.4 million for past-due health insurance premiums in FY21. This helped 1,761 residents with individual market coverage and 4,042 people covered by 408 District employers to keep their health insurance.

**FEDERAL**

President Biden released a framework for a Build Back Better Act that includes expanded APTC through 2025 (currently set to expire at the end of 2022 unless the extension is passed), special low premiums for laid off workers with premiums as low as \$2/month (note that in the House draft this is only for 2022); and a \$10 billion reinsurance fund for 2023 to 2025 for states. State allocations will be based on a specified formula related to reinsurance program claims data.

**American Rescue Plan Grant:** In mid-October, we submitted a revised grant application under the State Exchange Modernization Grant provided under the American Rescue Plan to conform to the final awarded dollar amount of \$1.1 million.

**OPERATIONS**



**COVID-19 Vaccination Policy for Contracts, Purchase Orders (POs) and Grants:** After the last Board meeting and additional input from Board members and information from our vendors, HBX finalized our COVID-19 vaccination policy for contracts and grants. It is effective November 1, 2021.

**HBX Remote Work Pilot:** HBX has implemented the Remote Work Pilot program approved by the Board in September.

## **SOCIAL JUSTICE**

### **Social Justice Speaker Series update**

Our recent speakers included Michael Steele -- former Lt. Governor of Maryland and former Chair of the RNC. To celebrate National Hispanic Heritage Month, we had Raul “Danny” Vargas -- Secretary of the Virginia State Advisory Committee to the U.S. Commission on Civil Rights. And to celebrate National American Indian Heritage Month, we had Kevin Gover -- the director of the National Museum of the American Indian and the Smithsonian’s Under Secretary for Museums and Culture.

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

The Finance Committee met on October 14 and November 5, 2021 with all three Committee Members in attendance.

### **PROCUREMENTS:**

The finance committee reviewed and approved for board consideration staffing services for up to \$2.2 million with the CBE DataNet Systems Corp.

### **INVESTMENT UPDATE:**

HBX has a \$22.6MM T-Bill in the operating reserve maturing late November. We will move it to a 2-month T-bill. In addition, we received our regular update of investments.

### **PROPOSED FY23 BUDGET:**

Finance committee reviewed and approved the staff proposed FY2023 HBX Budget, including the back to normal assessment of .9%.

### **UPDATES:**

Staff reported on the COLA increase for FY21 that was authorized towards the end of FY21.

### **FINANCIAL REVIEW:**

The Finance Committee reviewed the monthly budget and spending report at each meeting and found nothing of concern.

## **IX. Closing Remarks and Move to Executive Session, Diane Lewis, Chair**

Pursuant to DC Code Section 2-575(b)(10) and 3171.11, the Executive Board will go into Executive Session to discuss personnel.

The public portion of the meeting closed at 6:55 p.m.