



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

**Health Insurance Exchange
Board of Directors Regular Meeting**

State Capitol Building
Room 310, Old Appropriations Room, Hartford, CT

Thursday, April 19, 2012
Meeting Minutes

Members Present: Lieutenant Governor Nancy Wyman, Chair; Secretary Benjamin Barnes, Office of Policy and Management (OPM); Grant Ritter; Bob Tessier; Vicki Veltri, Vice Chair in Jeannette DeJesús' absence, Office of the Healthcare Advocate; Cee Cee Woods; Mary Fox; Anne Melissa Dowling, Connecticut Insurance Department (CID); Mickey Herbert; Bob Scalettar; Commissioner Roderick Bremby, Department of Social Services (DSS)

Members Absent: Jewel Mullen, Department of Public Health (DPH); Michael Devine (present for Executive Session only); Jeannette DeJesús (Vice Chair) Office of Health Reform & Innovation

Other Participants: Tia Cintron, Health Insurance Exchange (HIX); Bob Carey, RL Consulting; Chris Knopf, Mintz & Hoke; Paul Hencoski, KPMG; Roger Albritton, KPMG; Lou Polzella, Department of Social Services (DSS); Michael Kelleher, HIX; Jill Finnerty, HES Advisors; Leo Quigley

The meeting of the Health Insurance Exchange Board of Directors was called to order at 9:03 a.m.

I. Call to Order and Introductions

Lieutenant Governor Nancy Wyman opened the meeting at 9:03 a.m.

Lieutenant Governor Wyman made a motion to amend the meeting's agenda, adding the board mission for discussion. Mary Fox Seconded the motion. **Motion passed unanimously.**

Lieutenant Governor Wyman made a motion to move Executive Session up on the agenda to be the first action item following the public comment period. The motion was seconded by Secretary Barnes. **Motion passed unanimously.** Michael Devine will be joining the Executive Session via teleconference.

II. Public Comment

The following individuals provided a public comment: Deb Polun, Ocean Pellett, Claudia Epright.

III. Executive Session to discuss Personnel Matters

The Board moved into Executive Session at 9:20 a.m.

The Board came out of Executive Session at 10:15 a.m.

Lieutenant Governor Wyman announced that the Personnel Search committee had confirmed three CEO candidates. The candidates are being referred to as Candidates #1-3. Lt. Governor Wyman made a motion to send Candidates #1, 2 and 3 to the Governor's office for review. Vicki Veltri seconded the motion.

Motion passed unanimously.

Lieutenant Governor Wyman made a motion that the Board allow the Exchange to issue offer letters of employment for up to six potential Exchange staff members, two of whom will need further review.

Motion approved by majority, with Michael Devine objecting.

IV. Review and Approval of Minutes

Lieutenant Governor Wyman made a motion to approve the minutes from the February 16th Board meeting and the March 15th meeting. Bob Scalettar seconded the motion. **Motion passed unanimously.**

V. Board mission

Vicki Veltri provided a brief summary of the development of the Board mission. Vicki explained that the Board mission will serve as a guide for the Board of Directors, and can be used as an overall guiding document for the advisory committees. The Board mission will be posted immediately for public consumption. Lieutenant Governor Wyman made a motion to approve the Board mission. Bob Scalettar seconded the motion. **Motion passed unanimously.**

VI. Exchange Update

Tia Cintron provided an update on current Exchange activity.

a. Administrative Structure

The Exchange has nearly finished establishing its financial administrative processes. Governor Malloy and Lieutenant Governor Wyman visited the Exchange to recognize the Exchange staff, and those at the Office of Policy and Management (OPM), who had contributed to the recent progress in sub-granting Level 1 grant funds from OPM. The Exchange can now issue its own checks and hire current Exchange staff as permanent employees.

b. CCIIO Pre-Planning Gate Review

The Pre-Planning Gate review was successful and productive, focusing on intent and strategic approach for upcoming deadlines.

c. Advisory Committees

The kick-off meetings for each of the four advisory committees were held last week. Highlights include:

- Discussion and review of guiding principles
- Next steps for each committee
- Reviewing important tasks for the next few months
- Identifying needs for achieving state certification

Board members expressed a need for coordination between advisory committee co-chairs and the Board of directors in crafting guiding principles for each committee that work within the Board mission.

Tia Cintron added that the Exchange has received 11 responses to the Request for Information (RFI), and that she expects a review of these responses to be completed by the end of April.

VII. Business Operations and IT Status

Tia Cintron introduced Roger Albritton and Paul Hencoski of KPMG, explaining that they will provide an overview of IT Operations progress and give context for next steps.

Paul Hencoski gave a more in-depth explanation of the IT development process than that which was presented at the previous Board meeting, starting with a high-level review of the IT process from a consumer's point of view. KPMG's presentation may be accessed [here](#).

Jill Finnerty and Lou Polzella explained the collaboration between DSS and the Exchange, especially in reference to the integration of the eligibility processes of various state agencies. Currently there are multiple "front doors" for consumer eligibility determination at agencies such as the Department of Public Health (DPH), DSS, HIX, and the Department of Mental Health and Addiction Services (DMHAS). The creation of a single front door for the eligibility process will best utilize resources and previous IT development. Lou acknowledged that DSS and the Exchange are sharing technical resources and coordinating to reuse IT development, and that this shared IT development will serve many agencies in the future.

Paul Hencoski resumed his presentation by listing the recent progress of KPMG towards IT development goals, including the completion of the As-Is assessment, the assessment of Mercer's IT gap analysis to explore potential for reuse, and the hosting of 30 different work sessions and interviews with state agencies in order to capture IT and organizational structure. KPMG will be providing their reviews and observations to Tia Cintron and Jill Finnerty. Paul also provided a high-level review of the Exchange architecture, including an explanation of the interrelationship between various actors around the Exchange such as providers, consumers, brokers, Navigators, the Board of Directors, state agencies, and so forth.

Jill Finnerty provided a brief overview of the RFI issued by the Exchange, explaining that the 11 responses would be reviewed and evaluated. Bob Scalettar asked if the Board could receive a list of those who have responded to the RFI, which Tia Cintron confirmed. Bob Scalettar asked KPMG if they feel they can meet the June 30th deadline for a Level Two grant application submission, also asking whether the Exchange had considered the case of Rhode Island. Rhode Island submitted a Level Two grant application for \$80 million, yet received \$56 million because they were being encouraged to avoid designing their own IT system from scratch. Paul Hencoski replied that KPMG is not concerned about their ability to complete the necessary work, and that they understand the process with states like Rhode Island because of their work with other states. Mr. Hencoski explained that most states see some refinement of their grant application, especially on the subject of reuse, and that the bigger concern for the Connecticut Exchange and the Board of Directors is making crucial policy decisions to enable staff to assemble the evidence for the Level Two grant application.

VIII. Establishment of Subcommittee(s) on Audit, Finance and Human Resources

Lieutenant Governor Wyman made a motion to establish committees on audits, finance and personnel. The motion seconded by Secretary Barnes. **Motion passed unanimously.**

Secretary Benjamin Barnes noted that these committees will fill in the gaps on normal human resources functions that are no longer being performed by the OPM, and that the Board of Directors will report back with volunteers for the co-chair positions on these committees at the next Board meeting.

IX. Mintz & Hoke

Tia Cintron introduced Chris Knopf of Mintz & Hoke, explaining that he would give an overview of communication strategy and an update on work completed to-date.

Chris Knopf reviewed the general communication strategy, and the progress made towards disseminating information from other consulting firms like KPMG, as well as the development of an extensive list of community leaders, healthcare providers, insurers, and the media. Chris noted that their goal is to develop a comprehensive resource for education and information for consumers about exchange development and the overall processes involved, taking the form of a website. The Mintz & Hoke presentation can be viewed [here](#).

a. Bridging Communication Strategy

Mary Fox asked about the comprehensiveness of their approach, especially in regards to those consumers who are not aware of the Exchange's purpose. Chris Knopf clarified that in this first phase they will communicate with those consumers that they know and stakeholders who are involved, and in the second phase they will reach out to find those who are uninsured and out of the loop. Tia Cintron clarified that the first phase of outreach is to bridge the gap for communication about Exchange development in the short term until the market research and exploration phase is complete and the formal strategy and communications plan is developed and approved. Chris further noted that Mintz & Hoke is looking into the full range of possibilities for developing elements of the outreach website, and is collaborating with the Bureau of Enterprise Systems and Technology (BEST).

Tia Cintron introduced Bob Carey to speak to a project that is looking at more detailed eligibility and enrollment estimates for the Exchange. These eligibility and enrollment estimates can be used to support a number of tasks including but not limited to the outreach and marketing campaign, the Navigator program, customer service and call center capacity and operations, solicitation of qualified health plans, and the financial plan for the Exchange.

Chris Knopf concluded by stating that Mintz & Hoke will continue to develop the community leader network and develop materials for consumer review and feedback. Chris expects that by the end of May, communications will be up and running, audience mapping will be completed, and webinar forums will be completed.

X. Budget Update

Tia Cintron provided an update on the Level One Supplemental grant, which will help support staffing positions for up to 12 months and allow for the completion of current contracts and agreements. This Level One Supplemental grant would be for a time extension of one year, and additional funds of \$1.6.

Lieutenant Governor Wyman made a motion to extend the Level One grant period through August 2013 and request an additional \$1.6 million in Level One grant funds. Bob Scalettar and Mary Fox seconded the motion. **Motion passed unanimously.**

XI. Acting CEO Contract Authority Approval

Lieutenant Governor Wyman presented two motions, first that the Exchange is seeking to extend the signing authority for contracts up to \$500,000 which was previously approved in January 2012; and second that there be a \$3 million maximum on contracts. Bob Scalettar opened up discussion regarding Board review of contracts, stating that the Board has not seen contracts with the Exchange. Lt. Governor Wyman explained that because of current negotiations, the contract in question cannot be discussed. Lt. Governor stated that Jeffers Cowherd, the acting legal counsel for the Exchange, has been reviewing these contracts

as well as the legal staff at OPM. Secretary Barnes added that because the Exchange is transitioning out from under OPM, existing contracts must also be transferred and the Exchange must be given signing authority for that function. Secretary Barnes' further added that according to the bylaws, long-term contract thresholds shall be determined by the finance committee, so Board members are welcome to volunteer to participate and have input in that directly. Vicki Veltri asked for clarification on the immediate transfer of signing authority to the new CEO, and Lt. Governor Wyman confirmed that this signing authority would transfer to that individual based on the language proposed by Tia Cintron.

Lieutenant Governor Wyman proposed a motion to extend signing authority for the CEO to enter into contracts for personal services up to \$500,000. Commissioner Bremby seconded the motion. **Motion passed unanimously.**

Lieutenant Governor Wyman proposed a motion to allow the acting CEO to have signing authority for one contract to a maximum of \$3 million. Grant Ritter seconded the motion. Motion was opposed by Bob Tessier. **Motion passed by majority.**

XII. Final Approval of Policies

- a. Compensation and Benefits
- b. Equal Employment Opportunity and Affirmative Action
- c. Hiring and Promotion; Discipline and Termination
- d. Adoption of Annual Budget and Plan of Operations
- e. Procurement: Acquisition of Real and Personal Property
- f. Procurement: Contracting for Personal Services

Lieutenant Governor Wyman made a motion to pass all policies presented to the Board. Motion was seconded. **Motion passed unanimously.**

XIII. Benefits Package Overview

Tia Cintron introduced the review of benefits options for employees of the Exchange. The Exchange Staff looked at cost-conscious but competitive package for employees and it was noted that in order to participate in the recommended program, the Exchange may need specific statutory language to allow use of the state benefits system because the founding statute is silent on this issue. A number of Board members voiced concerns about the ability of a quasi-public entity to access a state health benefits plan. Lieutenant Governor Wyman noted that other quasi-public entities in Connecticut participate in the state health benefit plans. Concerns were raised about long-term disability offerings and employer contribution to retirement. Lt. Governor Wyman recommended that Board members meet with Exchange staff to go over the options. Tia Cintron noted that she is concerned about the timing of hiring. Anne Melissa Dowling and Bob Tessier volunteered to meet with Exchange staff to further discuss the health benefits and retirement package.

XIV. Adjournment

Lieutenant Governor Wyman made a motion to adjourn. **Motion passed unanimously.**

The Board meeting was adjourned at 12:09 pm.

The next Board meeting will take place on May 17, 2012 at 9:00 a.m. in Room 1A of the Legislative Office Building.