



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

**Connecticut Health Insurance Exchange
Board of Directors Special Meeting**

Legislative Office Building, Room 1D
Hartford, CT

Thursday, May 22, 2014

DRAFT Meeting Minutes

Members Present:

Robert Tessier; Vicki Veltri, Office of the Healthcare Advocate (Vice-Chair); Deputy Commissioner Anne Melissa Dowling, Connecticut Insurance Department (CID); Kathleen Brennan, Designee for Commissioner Roderick Bremby, Department of Social Services (DSS) Garrett Eucalitto, Designee for Benjamin Barnes, Secretary, Office of Policy and Management (OPM); Paul Philpott; Grant Ritter; Cecilia Woods; Dr. Robert Scalettar

Members Absent: Lieutenant Governor Nancy Wyman (Chair); Commissioner Jewel Mullen, Department of Public Health (DPH); Maura Carley; Commissioner Patricia Rehmer, Department of Mental Health and Addiction Services

Other Participants:

Health Insurance Exchange (HIX) Staff: Kevin Counihan, Peter Van Loon, James Wadleigh, Jason Madrak, Robert Blundo (APCD), Virginia Lamb, Chad Brooker

The Meeting of the Connecticut Health Insurance Exchange Board of Directors was called to order at 9:00 a.m.

A. Call to Order and Introductions

Vice-Chair Vicki Veltri opened the meeting at 9:00 a.m.

B. Public Comment

There was no public comment.

C. Review and Approval of Minutes

Vice-Chair Veltri requested a motion to approve the minutes from the March 27, 2014 board meeting. Motion was made by Robert Tessier and seconded by Grant Ritter. ***Motion passed unanimously.***

Vice-Chair Veltri requested a motion to approve the minutes from the April 30, 2014 Special Meeting. Motion was made by Cee Cee Woods and seconded by Robert Tessier. Discussion followed to add the word "reasonable" on page 2 to clarify that the general network adequacy requirements for the non-standard plan designs is a "reasonable" standard not the more stringent requirement used for the standard plan designs where carriers are required to contract with 85 percent of the unique providers and unique entities that

comprise the network of the most popular plan, of a similar type, actively sold by the Issuer or the Issuer's affiliation. **Motion passed unanimously to approve the minutes as amended.**

Deputy Commissioner Dowling arrived at 9:04 a.m.

Dr. Robert Scalettar arrived at 9:09 a.m.

D. CEO Report

Kevin Counihan, CEO reported that while open enrollment has closed, AHCT remains busy. Focus has shifted to system and process improvements. AHCT is also pursuing opportunities to supplement the Level I grant to continue to fund the Navigators and In Person Assistants (NIPA) program. There is also interest in pairing NIPAs with brokers to target various zip codes.

Twenty-two (22) staff members from Maryland's Exchange came to Connecticut to meet with AHCT staff to understand Connecticut's experiences with enrollment and the Integrated Eligibility System (IES). The State of Nevada has signed an MOU to use AHCT code and plans on implementing it in 2016. Massachusetts appears to be preparing to default to the federal exchange. Efforts have been initiated in Congress to hold states accountable for failed exchanges by requiring them to repay federal grant money. The State of Oregon has been subpoenaed by federal officials over its use of federal funds for its state exchange. In addition, twenty states are joining a lawsuit challenging the origination of the ACA. Kevin Counihan recently attended a White House reception celebrating successful implementation of the ACA at the federal and state level. AHCT is the subject of a Harvard Business School study that is being finalized this week.

E. Operations Update

Peter Van Loon, COO, provided the operations update. Interest peaked dramatically on the days leading up to the March 31 deadline for Open Enrollment. On the last day, AHCT had to execute its contingency plan to ensure that all 10,000 consumers attempting to enroll by March 31 were documented and allowed to enroll. Of those customers, 5,000 subsequently enrolled in a QHP or Medicaid. Focus continues on addressing customer services issues. Call center metrics were reviewed. Call center and printing/scanning vendors are operating within their service level agreement (SLA) requirements.

Going forward, AHCT's training staff is working with legal and policy to revise the curriculum to incorporate new regulations and federal guidance. Other staff are looking at system improvements and how to best implement the lessons learned from outreach activities. In preparation for November's Open Enrollment, a model office training exercise is planned similar to the model office of 2014. Plan management is coordinating with staff from the Connecticut Insurance Department (CID) and the carriers to get QHP information efficiently into the AHCT system through a LEAN system.

Total enrollment including enrollees in the Medicaid and Children's Health Insurance Plan (CHIP) stands at over 229,000 members. Current QHP enrollment stands at over 80,000 members. Those known to have not paid their premium are not counted in this figure. QHP enrollment is expected to decline from this level as some members may have a change in economic circumstance and qualify for Medicaid or CHIP and others fail to pay their premiums. Medicaid enrollment has been steadily increasing. DSS received a waiver from CMS to postpone redeterminations. While this waiver provides some breathing room to catch up in processing enrollees, it is also expected to impact QHP enrollment. Enrollment by individuals between 18-34 years of age

has increased from 24% to 25%; the national average is 24%. Enrollment by individuals between 55 – 64 years of age has decreased from 40% in December 2013 to the current 30%.

Discussion followed on how customer inquiries are being handled between AHCT, other state agencies and the carriers and the impact of that on staffing. Mr. Van Loon noted that inquiries are often multi-layered and complex, involving several different entities. AHCT collects data about categories of consumer inquiries. Dr. Scalettar commented about the importance of knowing the categories of calls so further education can be tailored as necessary.

F. IT Update

Jim Wadleigh, CIO, provided the IT update. The scheduled May 30 release will make improvements to the 834 transactions sent to the carriers as well as the PDFs sent to DSS. The July 25th release is planned to implement 30% of previously deferred functionality including improvements to the premium tax credit and a data warehouse that will be able to more easily generate automated reports. In addition, the July 25 release will allow AHCT to use the Connecticut Department of Labor (DOL) data as a secondary income verification source. Work has already begun for the September and October releases to support 2015 open enrollment.

IT is preparing to roll out a mobile application aimed at attracting younger customers. Connecticut is the first state to have a mobile app. Development was funded through assessment funds; grant money was not used. Accordingly, AHCT owns this app and can explore business opportunities with other states. Dinu Kotian and Rina Singh from Amtek Systems demonstrated how this mobile app will work. The app will be free to consumers and is available today to download on Apple and Android mobile devices. Tablet device and Android functionalities are in the process of being completed. There will also be a quick response (“QR”) code that will enable a user to download the app without going to iTunes or Google Play. Currently the app allows the customer to view the web page, shop and compare but not enroll. Dr. Scalettar inquired about the timeline for when a customer will be able to complete their entire application through the app. Mr. Wadleigh responded that first, AHCT would be collecting customer feedback regarding the level of interest in completing a 30 page application on a mobile device. Mr. Philpott asked about the security of the app during the enrollment process. Mr. Wadleigh responded that as soon as the customer accesses AHCT’s system via the app, there is the same level of security as AHCT’s website. The customer’s concern needs to be the security of their own connection to the AHCT website. The product should be available via iTunes and the android marketplace beginning at the end of next week.

G. Tribal Consultation Policy

Chad Brooker, policy analyst, summarized the proposed Tribal Conflict Resolution Policy. This conflict resolution policy will be added to the Tribal Consultation Policy adopted last July 2013. The policy sets out a three tiered resolution approach: initial discussion, voluntary arbitration through a mutually agreed upon arbitrator and finally if arbitration is unsuccessful, litigation in state or federal court depending on the controlling law for the issue involved. Arbitration will be conducted according to the rules of the American Arbitration Association. Deputy Commissioner Dowling asked if the proposed policy is similar to other conflict resolution policies outside of the tribal environment. Mr. Brooker replied that this policy is a bit different because it reflects the interest and commitment of the parties to discuss any conflicts that may arise early in the process with the expectation and hope that conflicts can be resolved at that stage. Ms. Dowling asked if the resolution of a conflict would be public. Mr. Brooker stated that the conclusion will be made public. Vice-Chair Veltri requested a motion to approve the Revised Tribal Consultation Policy as presented by Exchange staff for publication in the *Connecticut*

Law Journal and 30 days of public comment. **Motion was made by Robert Tessier and seconded by Dr. Robert Scalettar. Motion passed unanimously.**

H. Finance Update

Steven Sigal, CFO, provided the Finance update, the proposed revision to the Procedure: Exchange Assessments and Fees and the annual budget. Mr. Sigal reported that assessment collections total over \$7 million to date and are expected to total \$25 million by the end of 2014. The 2014 assessment was primarily intended to establish a reserve fund.

Mr. Sigal also reviewed the proposed changes to the Exchange's assessment procedure. These changes are intended to clarify terms and processes set out in the procedure. Revisions were initially presented to and approved by the finance subcommittee on May 8. Subsequently legal at the Connecticut Insurance Department (CID) had the opportunity to review the proposed changes and made several additional recommendations that have been incorporated in the revised Procedure that is being presented today to the Board for approval. A key clarification is that a carrier is "capable of offering a qualified health plan through the exchange", if the carrier has a license to offer individual or small group policies in the state and that license is not restricted by operation of law. Other revisions set a specific date for identifying the assessment rate and identified additional official data sources for use in the assessment process. The Exchange's goal is to use the best available officially filed information for the assessment. Vice-Chair Veltri requested a motion to approve the Revised Procedure: Exchange Assessments and Fees as presented by Exchange staff for publication in the *Connecticut Law Journal* and 30 days of public comment. **Motion was made by Dr. Robert Scalettar and seconded by Grant Ritter. Motion passed unanimously.**

AHCT has purchased Enterprise Resource Planning software. All regulatory requirements for filings have been made as required. Mr. Sigal also addressed the FY 2015 budget. Level II Grant funds are still available. The total budget is \$ 66.8 million. The budget includes \$39+ million for ongoing operations and \$26+ million for the final IT releases for AHCT's technical infrastructure. Major drivers for the FY 2015 budget include: salary and fringe (\$ 8,424,461), consultants (\$ 62,339,267) and Medicaid recovery (\$9,282,457). Mr. Tessier asked about the \$26 million for ongoing development in FY15 and whether funds must be spent prior to January 1, 2015. Mr. Sigal responded that as the grant stands right now, funds must be spent by December 31, 2014. The feasibility of securing a "no-cost" extension" from the federal government was discussed. Cost-sharing with DSS (the Medicaid recovery) was also discussed.

Mr. Sigal reported that the Finance Subcommittee had approved the budget and assessment rate for the Board's consideration and had recommended that the marketplace assessment rate remain at 135 basis points. Discussion followed regarding the assessment process as it applies to new entrants to the marketplace with Mr. Sigal confirming that the Procedure: Exchange Assessments and Fees already included a mechanism for assessing new market entrants.

Vice-Chair Veltri requested a motion to adopt the FY2015 Annual Budget. **Motion was made by Cecelia Woods and seconded by Dr. Robert Scalettar. Motion passed unanimously.**

Vice-Chair Veltri requested a motion to approve the Exchange's Market Assessment Rate of 135 Basis points for the calendar year 2015. **Motion was made by Dr. Robert Scalettar and seconded by Grant Ritter. Motion passed unanimously.**

I. Marketing Sales

Jason Madrak, CMO, provided the marketing update. AHCT is initiating the following market research analyses:

(1) A comprehensive member census project. This project is in the RFP phase. The vendor for this project should be selected on May 23, 2014. The intent is to collect information about enrollees' race/ethnicity; level of education; prior coverage status; enrollment experience; whether they received any assistance enrolling and from whom; how well they understand their current coverage and how the consumer plans to use their coverage.

(2) Focus groups to collect data on topics such as pricing of services and customer use of pricing information. These focus groups will continue throughout the summer.

(3) State-wide public opinion surveys. Results of the most recent survey (April 2014) were compared to those of earlier surveys which took place in June 2013 and October 2013. Results showed that public awareness of AHCT more than doubled between June 2013 (pre-media baseline) and April 2014. Mr. Counihan added that these results show the highest awareness levels of all of the state-based exchanges.

In addition, AHCT is also preparing for a summer concert outreach effort entitled "Center Stage." A similar effort in the past generated leads which were then converted to enrollments. This summer's effort will increase AHCT's signage and prominence at the concerts.

J. Open Enrollment Milestones

Mr. Madrak provided a summary of the Open Enrollment Timeline through November 15, 2014 (when open enrollment begins). Activities for plan management, marketing, IT and operations were reviewed.

K. All Payer Claims Database (APCD) Update

Robert Blundo, Manager, Data Analytics, provided the update on APCD activities. The procurement process continues with efforts focused on finalizing the statement of work for the data management vendor. Work also continues with the APCD Advisory Group and sub-committees. APCD data collection activities were discussed.

L. ACA Regulation Update

Chad Brooker provided an update on recent ACA regulatory changes. A baseline summary of market standards for 2015 and beyond was presented including key changes to the regulations governing the Certified Application Counselor and Navigator programs. Insurance company certified application counselors will no longer be allowed. A full summary of these changes will be provided to the Board.

M. Strategy Committee Update

Dr. Scalettar, Chair of the Strategy Committee updated the Board on the committee's activities and recapped the "Choosing Wisely" efforts.

N. Adjournment

Vice-Chair Veltri requested a motion to adjourn. **Motion was made by Deputy Commissioner Dowling and seconded by Robert Tessier. *Motion passed unanimously.*** The meeting adjourned at 11:59 a.m.