



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

Connecticut Health Insurance Exchange
Board of Directors Regular Meeting

Connecticut Historical Society
1 Elizabeth Street
Hartford

Thursday, March 23, 2017
Meeting Minutes

Members Present:

Lt. Governor Nancy Wyman (Chair); Robert Tessier (Vice-Chair); Victoria Veltri; Maura Carley; Paul Philpott; Grant Ritter; Michael Michaud on behalf of Commissioner Miriam Delphin-Rittmon, Department of Mental and Health Addiction Services (DHMAS); Commissioner Katharine Wade, Connecticut Insurance Department (CID); Janel Simpson on behalf of Commissioner Roderick Bremby, Department of Social Services (DSS); Theodore Doolittle, Office of the Healthcare Advocate (OHA); Robert Scalettar, MD; Cecelia Woods; Secretary Benjamin Barnes, Office and Policy and Management (OPM); Commissioner Raul Pino, Department of Public Health (DPH)

Other Participants:

Access Health CT (AHCT) Staff: James R. Wadleigh, Jr.; Susan Rich-Bye; Andrea Ravitz; Robert Blundo; James Michel; Kathleen Tallarita; Rajiv Chawla; Melinda Brayton;
Connecticut Insurance Department (CID): Lena Bachar

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

I. Call to Order

Lt. Governor Nancy Wyman called the meeting to order at 9:00 a.m.

II. Public Comment

No public comment

III. Votes:

Lt. Governor Wyman requested a motion to approve the February 16, 2017 Board of Directors Regular Meeting Minutes. Motion was made by Victoria Veltri and seconded by Paul Philpott. ***Motion passed unanimously.***

Lt. Governor Wyman requested a motion to approve the February 28, 2017 Board of Directors Special Meeting Minutes. Motion was made by Victoria Veltri and seconded by Paul Philpott. ***Motion passed unanimously.***

Lt. Governor Wyman requested a motion to approve the March 7, 2017 Board of Director Special Meeting Minutes. Motion was made by Victoria Veltri and seconded by Cecelia Woods. ***Motion passed unanimously.***

Lt. Governor Wyman introduced Susan Rich-Bye, Director of Legal Affairs and Policy, to provide an overview of the proposed amendment for the Procedure: Pre-Enrollment Verification of Consumers' Eligibility for Special Enrollments. Ms. Rich-Bye indicated that the Board needs to vote on the proposed amendment previously approved by the Board of Directors on January 26, 2017 for a 30-day comment period following the publication of the proposed amendment in the *Connecticut Law Journal*. One public comment from Anthem was received. After careful and thorough consideration of Anthem's comments, AHCT has decided that no additional changes will be proposed at this time. The comments that Anthem provided asked AHCT to expand the categories for pre-enrollment verification to all qualifying life events under the ACA. AHCT has determined that the five qualifying life events that it is proposing are the ones that are most frequently utilized. Eighty-five percent of those applicants attest to the loss of Minimum Essential Coverage (MEC) as their qualifying life event. The other categories that are not included in the procedure are checked through federal data sources such as the Internal Revenue Services (IRS) and the Homeland Security (HS). Ms. Rich-Bye stated that AHCT feels it is the appropriate way to maintain the integrity of the marketplace. The proposed amendment, if adopted, would require an applicant to submit appropriate documents. The consumer's enrollment will be pending until these documents are received to verify the qualifying life event. Once the enrollment is verified, it would be submitted to the carrier. Ms. Rich-Bye stated that in the case of mixed households where, for instance, a child is covered by Children's Health Insurance Program (CHIP) and the parents are insured through a Qualified Health Plan (QHP) on the Exchange, the CHIP or Medicaid enrollments will not be affected by this change. Theodore Doolittle inquired about the comment that was received from Anthem. Ms. Rich-Bye responded that Anthem asked the Exchange to expand to all of the categories under the ACA. The categories not included in the proposed procedure are verified through the electronic verification process with federal data sources.

Lt. Governor Wyman requested a motion to approve the Procedure: Pre-Enrollment Verification of Consumers' Eligibility for Special Enrollments. Motion was made by Robert Tessier and seconded by Paul Philpott. ***Motion passed unanimously.***

IV. CEO Report

James Wadleigh, CEO, updated the Board on AHCT activities. Mr. Wadleigh stated that March 23, 2017 marks the seventh anniversary of the signing of the ACA by President Barack Obama. Over the last five years, AHCT has enrolled hundreds of thousands of Connecticut residents in affordable healthcare coverage. Mr. Wadleigh praised the work and dedication of all of the AHCT staff who contributed to this success. Mr. Wadleigh introduced the Senior Leadership Team (SLT).

Mr. Wadleigh stressed that the three topics that are influencing the functioning of the Exchange include enrollment, the ACA proposed rule changes, and 2017 future strategy. Mr. Wadleigh stressed that AHCT has seen 10,000 customers being dis-enrolled over the last six weeks, bringing the QHP enrollment to about 102,000 customers. Many of these consumers did not submit proper verification documents, or did not make their first monthly premium payment. An additional 9,000 may lose their coverage in six weeks. Mr. Wadleigh stated that the U.S. Department of Health and Human Services (HHS) issued a Notice of Proposed Rule Making proposing changes to help stabilize the marketplaces, and AHCT submitted comments on these proposals. HHS has reported that thousands of comments have been received in opposition to the proposed shortening of the Open Enrollment (OE) period. AHCT is also in opposition to this proposed change. The Exchange continues to be focused on three key areas: Connecticut marketplace stabilization, national marketplace stabilization, and continued improvement of customer service. The Board will be updated in the coming months on these three important elements.

V. Connecticut Legislative Update

Susan Rich-Bye provided an update on the Connecticut General Assembly legislative proposals which, if enacted, would affect the functioning of the Exchange. Senate Bill (SB) 544, An Act Requiring Prior Legislative Approval of Increases in Assessments and User Fees Charged by the Connecticut Health Insurance Exchange, was co-sponsored by Senators Kevin Kelly, Tony Hwang and Representative Fred Camillo. The bill would require prior legislative approval for any increases in assessments or user fees. This would greatly restrict the Exchange's ability to operate. AHCT is required by law to be self-sustaining and can use market assessments or user fees to fund its operations. AHCT is always very mindful of the assessments' impact on premiums. Ms. Rich-Bye indicated that the Board of Directors of the Exchange is very connected to the legislature, since six Board members have been appointed by the State House of Representatives and the State Senate. The State Legislature already has oversight on AHCT's oversight and operations.

Ms. Rich-Bye also provided an analysis of SB 490, An Act Requiring the Connecticut Health Insurance Exchange to Post Provider Network Information on Its Internet Web Site. This bill, if enacted, would provide an additional financial and organizational burden. Provider networks change daily; therefore, the most accurate information is provided on the carriers' websites. AHCT's enrollment website has direct links to the carriers' provider network directories. Ms. Rich-Bye also expressed AHCT's opposition to House Bill (HB) 5139, An Act Requiring the Connecticut Health Insurance Exchange to Report Additional Data. This bill was introduced by Representative Robert Sampson. This proposed legislation would require AHCT to submit additional information to the legislature. AHCT already reports various information both on the state and federal level. The Exchange is subject to statutory requirements to report to the Governor and the Connecticut General Assembly. AHCT produces a series of other reports and audits. Also, all of the documents presented at the Board of Directors Meetings are posted on the Exchange's website. This proposal, if enacted, would place an unnecessary burden on the Exchange. Ms. Rich-Bye stressed that AHCT is very transparent about its operations.

Robert Tessier inquired whether those bills had public hearings and have been voted out of committee. Ms. Rich-Bye answered that they had their public hearings already, and all three were reported out of the Insurance and Real Estate Committee with a Joint Favorable status. Lt. Governor Wyman indicated that most of the discussions on these bills will take place later in the legislative process. Maura Carley asked about the possible rationale for proposing S.B. 490. Ms. Rich-Bye indicated that this bill would be duplicative of AHCT's current practice, ultimately, and wasteful.

Benjamin Barnes arrived at 9:20 a.m.

Mr. Tessier commented on SB 544 and the assessment that AHCT currently levies. Mr. Tessier stated that AHCT and the Board have been very sensitive in this area to keep the assessment at the lowest possible level, which is one of the lowest in the country. Ms. Rich-Bye indicated that there may be one or two other exchanges that levy lower assessments, but they also receive financial assistance from their respective states. AHCT does not receive any outside assistance; it relies strictly on the assessments. Therefore, in terms of self-sustaining marketplaces, AHCT has the lowest assessment rate in the country. The Federally-Facilitated Marketplace's (FFM) assessment is almost double in comparison with AHCT's rate. Mr. Doolittle stated that the Office of the Healthcare Advocate filed testimony in opposition to SB 544. Mr. Tessier inquired whether there are other legislative proposals that may potentially affect AHCT and whether some of them would expand the basis for Special Enrollment Procedure (SEPs). Ms. Rich-Bye confirmed that numerous bills have been filed that would potentially affect AHCT, along with other quasi-public agencies. Ms. Rich-Bye added that one of these legislative proposals would require allowing pregnancy to be a qualifying life event to trigger the SEP.

VI. CID Presentation – Network Adequacy Review Process

Connecticut Insurance Department (CID) Commissioner Katharine Wade and Lena Bachar, Insurance Associate Examiner, provided an overview of the Network Adequacy Review Process. Ms. Wade stated that CID's role is to make sure that consumers have access to sufficient numbers and types of providers. CID's role is also make sure that consumers are aware of the network changes throughout the plan year. In 2016, an additional oversight process was created based on the National Association of Insurance Commissioners. It consists of various stakeholders and is an open and transparent process. Connecticut was one of the first states in the country to pass the updated model. The law became effective on January 1, 2017 for plans that will become effective for 2018. Ms. Bachar provided a review of the Network Adequacy Review Process. CID surveyed carriers in the state regarding network adequacy. The law provides for the continuity and coordination of care, member-held harmless agreements, and providing notification to the member if the provider terminates the network. Also, if the in-network provider is not available, the carrier should be able to provide an out-of-network provider for in-network rates. The law aims at quality. All of the carriers who participated in the survey met the quantitative requirements.

Robert Scalett arrived at 9:28 a.m.

Ms. Bachar added that the carrier survey for 2018 will include additional features for the purpose of creating uniformity. Ms. Wade added that enhancement in the market conduct activities will also take place. Mr. Philpott asked whether the carriers file their rates by county. Ms. Bachar responded that they file for their whole network. Mr. Philpott commented that if a carrier is required to file their rates for the state, it may sound conflicting if they are also building a limited area network, and if the accommodation for the consumers can be made. Ms. Wade responded that one of the most important missions of CID is to make sure that consumers understand the products which they are purchasing. This information will be included in the disclosure to the consumers. Robert Scalett asked if any work is undertaken on the national level to address the issue of network adequacy uniformity. Ms. Wade acknowledged that this issue is a challenge. CID continues to encourage a stronger dialogue between providers and the health plan community.

VII. Open Enrollment 4 Marketing Campaign Wrap-Up

Andrea Ravitz, Director of Marketing and Sales, provided an overview of the Open Enrollment 4 Marketing Campaign. Ms. Ravitz indicated that AHCT enrolled over 111,000 people in a Qualified Health Plans (QHP). Out of this number, 14,000 were consumers who were brand new to the system, with the average age being four years younger than the retaining customers. Also, over 670,000 people were enrolled in Medicaid. An increase in the enrollment of the young invincibles is an encouraging sign. Close to 25% of all QHP enrollees belong to that category. Over 78% of enrollees came back to the Exchange or were re-enrolled.

Ms. Ravitz indicated that one of AHCT's goals is to educate people on health insurance literacy and plan utilization. Also, close to 80% of the QHP enrollees visited their doctor for a regular check-up. Ms. Ravitz stressed that the AHCT brand continues to be well-recognized. One of the goals is to reduce attrition. AHCT has over 400 community partners around Connecticut. The marketing strategy targets millennials. Media strategy was extended three months after the OE was concluded. Twenty-three percent of the \$1.75 million marketing budget was allocated to be utilized following the conclusion of the OE. Ms. Ravitz summarized this OE's television, radio, print and out of home campaigns. AHCT has participated in numerous outreach events around the state, including 42 naturalization ceremonies. Ms. Ravitz briefly summarized the small business marketing strategy. The campaign was launched in October and grew to a peak of 1,600 members in January. Around 72% of these customers were retained from previous HealthyCT enrollees.

Ms. Ravitz stated that AHCT is already preparing its marketing campaign for 2018. She thanked the marketing team for their work throughout the year. Mr. Philpott expressed his full support for the community engagement efforts of the marketing campaign. It is what separates AHCT from other entities. Mr. Philpott inquired whether brokers are needed at the call center beyond the seasonal OE. James Michel, Director of Operations, replied that currently, the call center has three brokers who are assisting consumers with their SEP needs.

Commissioner Raul Pino left at 10 a.m.

Benjamin Barnes inquired as to why AHCT would spend \$1 million on television advertisements since the organization has an established brand. Ms. Ravitz responded that television pushes the majority of other platforms. Television in general is not only what is seen on the screen; it encompasses other areas that contribute to making the AHCT brand even stronger. Ms. Ravitz mentioned that if someone sees an advertisement on television, she/he may go online to find out more about the message that is briefly shaped on the television screen. Mr. Philpott added that he sees AHCT to be a subject matter expert and a trusted resource. It will be critical for AHCT in the future.

Mr. Tessier inquired about specific data on how many of AHCT's customers from 2016 were renewed automatically. Mr. Tessier posed a question pertaining to the percentage of the consumers who renewed through AHCT's community partners, and how many re-enrolled using the call center. Mr. Tessier further inquired about the possibility of promoting AHCT's activities on CT Transit buses. Ms. Ravitz stated that AHCT is trying to have meetings with CT Transit representatives to potentially implement advertising on their buses. AHCT originally contemplated an idea of placing advertising on bus routes that go to hospitals. It is just the beginning of the bigger mass transit advertisement initiative.

Mr. Blundo indicated that of the 111,500 who were enrolled in a QHP, 76,000 were renewals. The auto-renewal process is extremely important in terms of retention. Broker assistance rates were tracked. For the new enrollees, about a quarter of them were assisted by a broker, whereas for the repeat enrollees, that number was closer to 50%. In terms of community partners, about 2,000 enrollees were assisted through that channel. Mr. Doolittle stated that AHCT was founded

on the premise of universal access to medical coverage. Even if AHCT is looking at some changes, it is pro-consumer and a worthwhile expense. Mr. Wadleigh added that results of various surveys will be presented at the April Board meeting.

VIII. Operations Update

James Michel, Director of Operations, provided an update on Operations. Mr. Michel stated that about 10% of the QHP enrollees are at risk of losing their health insurance coverage within the next 30 days, because they have not sent in requested documentation to satisfy verification requirements. These individuals have 90 days to submit their documentation. In the meantime, they do have coverage, but if AHCT does not receive their verifications, their active coverage will terminate. Mr. Tessier added that the Exchange can still lose customers for other reasons, such as failure to make premium payments to the carriers. Mr. Wadleigh confirmed this statement. However, he noted that one of the bigger issues facing AHCT is that many people calling the contact center think that they are not required to carry medical insurance anymore. Some of them are also looking for less expensive options. Generally, following each OE, AHCT sees an attrition rate of close to 15%. It is not much different this year. AHCT is also trying to improve the document verification process.

Mr. Philpott inquired whether the non-subsidized consumers are behaving in the same way as the subsidized consumers in terms of their propensity to dis-enroll. Mr. Wadleigh replied that the non-subsidized population is not as affected by dis-enrollment as are the subsidized consumers. Numerous items contribute to the confusion on the part of the subsidized customers. Mr. Blundo added that about 11% of the population has been transitioning to HUSKY, while about 10% are cancelling voluntarily. A small portion consists of consumers who are transitioning to Medicare. Mr. Barnes asked for clarification pertaining to the failure to verify. Mr. Blundo replied that the documentation required was not submitted. It could also mean that the documents provided were not sufficient to resolve the inconsistency between information in the consumer's application and federal data sources. Mr. Blundo stated that the failure to verify encompasses both of these scenarios.

Ms. Veltri asked about how many of the consumers' documents may not have gotten recorded properly. Ms. Veltri also inquired as to how many people choose to appeal, and as a result re-gain coverage. Mr. Blundo provided a theoretical example of someone providing verifying documentation five days before the allotted 90-day period expired. Even in the case of this individual's documentation being verified past the required allotted time, she/he would still have the coverage in the meantime. Mr. Wadleigh added that in the case of a customer escalating the case to the Exchange, and a determination being made that they provided proper documentation, they will be retroactively re-enrolled. Ms. Rich-Bye added that consumers have a few avenues to re-enroll. They can call the call center, and it can be escalated to the AHCT's internal team. In most instances, these consumers are in possession of the proper documentation, and AHCT can get them re-enrolled. Another avenue that a consumer may pursue is to file an appeal through the joint appeals unit that the Department of Social Services Fair Hearings operates for AHCT.

Mr. Michel indicated that one of the most pressing challenges includes a consumer who realizes that her/his coverage is terminated at the time when she/he needs to utilize medical services. In most of those cases, consumers end up calling the call center, which then in turn escalates issues to AHCT's internal customer relations department in order to resolve the outstanding cases as soon as possible. The Operations Department works closely with the Marketing Department to help publicize messages to minimize the risk of consumers losing medical coverage. Communications in both English and Spanish are conveyed to these individuals. AHCT leverages every resource possible to convey this message.

Mr. Michel indicated that a new tool has been created by Rajiv Chawla, AHCT's IT Director, that allows a more streamlined process for processing 1095-A forms. Consumers can now access their documents through their online account. This feature reduced the amount of calls to the call center significantly.

Mr. Barnes inquired whether the President's executive order had any effect on the processing of 1095-As. Mr. Wadleigh stated that the executive order allowed federal agencies to streamline processes. The previous administration required the IRS to reject all of the electronic tax returns that did not include a checked box indicating healthcare coverage. The IRS is still expected to enforce the mandate for healthcare coverage, just to minimize the amount of tax returns that are electronically rejected.

Mr. Michel noted that broker certification training will start in July. The 2018 Certification curriculum will also include Certified Application Counselors, Issuer-Affiliated Certified Application Counselors, as well as call center representatives. The volume of calls continues to increase for the current call center vendor. Some of the most noticeable improvements include much lower phone call handle times, as well as the abandonment rates, which decreased from 8.3% with the previous vendor to 3.8% with Faneuil.

Lt. Governor Wyman asked for more detailed data about individuals who are not enrolling again in terms of their age, as well as the geographic location of their residence.

Adjournment

Lt. Governor Wyman requested a motion to adjourn the meeting. Motion was made Robert Tessier and seconded by Grant Ritter. ***Motion passed unanimously.*** Meeting adjourned at 10:41 a.m.