STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

Connecticut Health Insurance Exchange
Board of Directors Regular Meeting

Legislative Office Building
Room 1D

Thursday, May 19, 2016
Meeting Minutes

Members Present:
Victoria Veltri (Vice-Chair), Office of Healthcare Advocate (OHA); Secretary Benjamin Barnes, Office of Policy and Management (OPM); Grant Ritter; Paul Philpott; Robert Tessier; Commissioner Miriam Delphin-Rittmon, Department of Mental Health and Addiction Services (DMHAS); Deputy Commissioner Timothy Curry, on behalf of Commissioner Katharine Wade, Connecticut Insurance Department (CID); Cecelia Woods; Robert Scalettar, MD; Deputy Commissioner Kathleen Brennan, on behalf of Commissioner Roderick Bremby, Department of Social Services (DSS)

Other Participants:
Access Health CT (AHCT) Staff: James R. Wadleigh, Jr., Susan Rich-Bye; Tamim Ahmed; Peter Van Loon; Robert Blundo; Andrea Ravitz; Ron Choquette; Shan Jeffreys; Steven Sigal; James Michel

Texas Health Institute: Nadia Siddiqui; Dennis Andrulis

Members Absent:
Lt. Governor Nancy Wyman; Commissioner Raul Pino, Department of Public Health, Maura Carley

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

I. Call to Order

Vice-Chair Veltri called the meeting to order at 9:00 a.m.

II. Public Comment

Bob O'Sullivan provided a public comment.

Benjamin Barnes arrived at 9:05 a.m.

III. Review and Approval of Minutes

Vice-Chair Veltri requested a motion to approve the April 21, 2016 Regular Meeting Minutes. Motion was made by Robert Scalettar, MD and was seconded by Cecelia Woods. ***Motion passed unanimously.***

Vice-Chair Veltri requested a motion to approve the May 10. 2016 Special Meeting Minutes. Motion was made by Dr. Scalettar and was seconded by Robert Tessier***.*** ***Motion passed.*** Cecelia Woods abstained

IV. CEO Update

James Wadleigh, CEO, provided an update on AHCT activities.

Mr. Wadleigh stated that over the last month, his time has been predominantly spent on Open Enrollment planning. Mr. Wadleigh participated in a meeting with other state-based marketplace representatives in Washington D.C. He indicated that political volatility may have a potential impact on the way state-based health insurance marketplaces may be operating in the future. In September of 2018, the Children's Health Insurance Program (CHIP) reauthorization process is due. He reiterated that AHCT is an enrollment facilitator. He stressed that the federal debt ceiling will expire in March of 2017. Mr. Wadleigh mentioned the debt ceiling because of the current federal court case concerning the funding of Cost Sharing Reductions (CSR), which has a potential AHCT customer impact. He reiterated that actual collaboration between health insurance exchanges is just beginning, emphasizing that this collaboration will benefit those exchanges involved. Mr. Wadleigh indicated that state-based exchanges are starting to have conversations about selling other products, such as life and vision insurance plans. He reiterated that by expanding the types of products that can be offered through AHCT, the organization will further enhance its ability to serve its customers better. A meeting was held with representatives from the United States Department of Health and Human Services, in which exchange leaders indicated potential concerns pertaining to full sustainability of the state-based health marketplaces. He stressed in that conversation that AHCT's goal is to reach more uninsured Connecticut residents. He stated that AHCT is currently retaining between 70% and 80% of its customers, and the organization's goal is to reach toward 90%.

Mr. Wadleigh also mentioned that Centers for Disease Control and Prevention (CDC) released statistics of the national uninsured rate, which for the first time stood at around 9%. According to this survey, the Connecticut uninsured rate stands at 4.9%. The methodology behind that number is uncertain. The Marketing Department is

currently working on the consumer survey, which will give the organization great indicators about the uninsured rate in Connecticut. AHCT is concentrating now on the upcoming open enrollment period and executing strategies.

Robert Tessier asked about the public comment, and what was being done to resolve the situation. Mr. Wadleigh responded that the issue is being addressed. He added that every phone call that comes into the call center is recorded, and that call recordings will be used to resolve the issue. He affirmed that he is expecting improvement in customer services throughout AHCT.

Dr. Scalettar asked how AHCT will be working with Department of Social Services (DSS) to deal with Medicaid recipients who will be losing their coverage. Mr. Wadleigh responded that the Office of Policy and Management (OPM), the Office of the Healthcare Advocate (OHA), DSS and AHCT are meeting on a biweekly basis to address this issue. He said that 30-40 advocates attended a meeting to make sure that AHCT is doing a better job in reaching the approximately 17,000 individuals impacted by this change.

V. Finance – Budget (Vote)

Steven Sigal, Chief Financial Officer, provided a finance review, including the proposed FY 2017 AHCT Budget overview and Financial Sustainability Report. Mr. Sigal stated that the AHCT portion of the budget is $2 million more than last year, noting that the increase is about 6.1% of the overall budget. Mr. Sigal noted that the actual gross budget decreased by $12 million from the 2016 forecast. He indicated that the increase in the AHCT budget relates to the culmination of the Federal grant funding. He noted that the last remaining Federal grant will culminate in December 2016. Mr. Sigal indicated that one of the major influences on the budget is that AHCT is in the process of hiring a new call center vendor, which will incur start-up costs. Some of the one-time extra costs will be offset because the Integrated Eligibility System (IES) continues to mature, resulting in less design, development and implementation costs (DDI). Mr. Sigal noted that the budget includes operating expenses and DDI for the All Payer Claims Database (APCD), each in the amount of $1.4 million. The DDI portion of the cost will be incurred, due to the delay in implementation of the APCD program. He added that if it had been implemented when originally anticipated, this DDI would have been funded by Federal grants.

Mr. Sigal explained that the decrease in the gross total expense is driven by the change in approach in contracting for DDI with Deloitte. He stated that both DSS and AHCT will have their own individual contracts or individual statements of work (SOWs) under the contract. The major funding for AHCT in 2017 will be derived from assessments and a small portion from grant funding from the 2014 Level I grant that remains. He stated that the total budget for AHCT is $34.6 million, and that there are some variances when compared to the 2016 forecast, which are shown in the third display on the slide. He stated that the salary and fringe increase relates to the continuing process of converting needed temporary staff to permanent employees. Details of costs that AHCT shares

with DSS were summarized. Mr. Sigal provided explanations of the various departmental costs that are associated with the operations of the Exchange. One notable driver is the temporary staff, shared between AHCT and DSS, who work at the Bureau of Enterprise and Systems Technology (BEST). Mr. Sigal then explained call center operations, noting that the plan is to bring on a new vendor that would decrease the call center operating costs to approximately $18 million. Mr. Sigal noted that this amount includes $1.8 million in start-up costs. He indicated that the IT costs for the development are a lot less than in 2016. AHCT is currently in the process of negotiating the new maintenance agreement jointly with DSS. He emphasized that the target is not to incur more than $7 million. Mr. Sigal then explained the recurring versus non-recurring costs for the AHCT.

Mr. Sigal summarized the FY 2017 Salaries. Mr. Sigal stated that DSS is very interested in expanding the use of AHCT's mobile application to Medicaid recipients. Mr. Sigal stated that AHCT is considering business process outsourcing to provide more efficiency. Mr. Wadleigh added that AHCT has one of the lowest assessment rates in the country, which currently stands at 1.65%. He indicated that other states that have lower assessment rates are also receiving their respective states' financial assistance, reiterating that AHCT is not receiving any state funding. The Federal-Facilitated Marketplace is running at a 3.5% assessment rate. Mr. Sigal continued his summary. The actual expenses through April are favorable by $500,000.

Mr. Sigal reported on 2017 financial sustainability. The Board approved the assessment rate for two years last year, and Mr. Sigal added that it is not necessary to consider any changes to the assessment rate. He pointed to the projections for assessment collections. By the end of 2017, AHCT is projected to have a five month cash reserve. Mr. Sigal presented historical results and AHCT's related assessment rates.

Paul Philpott asked about other assessments on health insurers in Connecticut, in addition to that for Access Health CT. Mr. Sigal responded that the Health Reinsurance Association (HRA) and the Connecticut Small Employer Health Reinsurance Pool (CSEHRP) are both still funded by assessments. He indicated that recent changes in the operation of CSEHRP will allow it to provide more broad-based reinsurance with attachment points and limits.

Vice-Chair Veltri requested a motion to approve FY 2017 AHCT Budget as presented by the Exchange Staff. Motion was made by Robert Scalettar, MD and was seconded by Grant Ritter. **Motion passed unanimously.**

VI . Texas Health Institute Presentation – Marketplace Health Equity Assessment

Andrea Ravitz introduced Nadia Saddiqui and Dr. Dennis Andrulis from the Texas Health Institute and thanked them for presenting their findings on the Marketplace Health Equity Assessment Tool. Ms. Ravitz also thanked all the stakeholders and the AHCT staff who participated in this research. She indicated that AHCT is focused on reducing health disparities. Dr. Andrulis thanked staff and board for allowing them to present

their findings. He indicated that their work is being supported by the Connecticut Health Foundation and the Kellogg Foundation. Dr. Andrulis said that in attempting to reduce disparities, Connecticut is leading the effort and that commitment is loud and clear. Ms. Saddiqui presented their findings. Mr. Wadleigh indicated that their findings are useful.

VII. APCD Update

Tamim Ahmed, APCD Executive Director, provided an APCD update. The APCD is ready to start developing results based on the data collection up to this point. Data collection from two carriers had been slow, while others are reporting on time. He indicated that AHCT will receive Medicare data from CMS. The Supreme Court decision in *Gobeille v. Liberty Mutual* impacts the ability of AHCT to collect ERISA data. National health data organizations have approached the US Department of Labor (USDOL) regarding the possibility of the collection of ERISA plan data, which could then be transmitted to state APCDs.

Dr. Scalettar commented on the data submission by the carriers, stating that he was satisfied about CMS providing AHCT with Medicare data. He also applauded Dr. Ahmed for the work he has been doing with the data collection. Dr. Scalettar inquired about the Medicaid data in the data collection efforts. Dr. Ahmed responded that AHCT is still working with DSS to finalize the last few issues that are still outstanding.

Mr. Tessier asked whether Dr. Ahmed had consulted with the Insurance Department to validate the commercially insured population, and whether there was a difference between ERISA and non-ERISA data that had been submitted. Dr. Ahmed responded that he will be reaching out to CID to verify these numbers. Mr. Tessier followed up, asking whether the estimate of the commercially insured population is accurate. Dr. Ahmed confirmed that it is accurate.

Mr. Tessier commented that the USDOL does not have jurisdiction over the administration or enforcement of the Health Insurance Portability and Accountability Act (HIPAA), and may not be able to allow the disclosure of ERISA plan data, if such disclosure is not required by law. Vice-Chair Veltri stated that she would like to know what other state APCDs are doing to obtain ERISA plan data. Mr. Tessier indicated that carriers have stopped submitting their ERISA data since the Supreme Court decision. Vice-Chair Veltri stated that the HIPAA question is different than the ERISA issues in the *Gobeille* decision. Susan Rich-Bye indicated that HIPAA concerns are relevant because ERISA plan data submission is no longer mandated under the statute as a result of *Gobeille*.

Dr. Ahmed stated that APCD data is an important tool in AHCT's efforts in addressing health disparities. Mr. Barnes commented that Connecticut towns' borders are arbitrarily drawn, and said that ZIP codes provide a more precise analysis of health equity.

VIII. Adjournment

Vice-Chair Veltri requested a motion to adjourn the meeting. Motion was made by Robert Tessier by and was seconded by Cecelia Woods. ***Motion passed unanimously***. Meeting adjourned at 11:29 am.