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Connecticut's Health Insurance Marketplace

Board of Director's Meetings

May 16, 2013

Agenda

a. Welcome and Introductions
b. Public Comment
c. Review and Approval of Minutes
d. Operations and Information Technology Update
e. Marketing Update
f. Finance – Assessment Recommendation
g. Tribal Consultation Policy
h. Web Demonstration
i. Adjournment

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WELCOME AND INTRODUCTIONS

PUBLIC COMMENT

REVIEW AND APPROVAL OF MINUTES

CEO REPORT

OPERATIONS AND INFORMATION TECHNOLOGY UPDATE

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PROGRAM SUMMARY: Yellow

Schedule Risk: The agreed-upon or required schedule will not be met.

Resource Risk: Resources such as people, budget, equipment, or other limited assets are not leveraged efficiently and effectively to achieve program success.

Quality Risk: Product (deliverables/solution) of the program will not meet the intended requirements or needs.

Scope Risk: Objectives of the program are not well defined/understood and progress/completion can not be effectively measured.

Issues: Critical concerns that impact above risks and require Board guidance

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SCHEDULE RISKS

Level	Risk Definition	Remediation Approach	Resolution Date	Responsible Party
	Need access to Department of Labor data for eligibility verification.	AHCT Legal developing a high-level MOU with DOL. Teams are working through challenges.	05/31/13	AHCT CEO
	Late emergence of federal government guidelines (e.g. – new Single Streamlined Applications released on 4/30) are requiring additional IT development and operation model revisions.	AHCT is working with DSS to develop required technology and processes.	06/15/13	AHCT COO
	System Development behind plan two weeks	Systems Integrator and AHCT are analyzing impacts to better understand when development will be complete and what mitigation steps are necessary.	5/31/13	AHCT CIO
	SHOP vendor was on-boarded late, threatening the SHOP 10/01/13 deployment date.	AHCT is using lessons learned from Call Center On-boarding to bring HealthPass up to speed quickly.	05/31/13	AHCT COO
	The technical and environmental complexities and dependencies may impact the timely availability of the environments for the scheduled User Acceptance and Performance testing phases.	BEST, DSS and AHCT continue to closely monitor the progress of the required environmental deployments.	05/31/13	AHCT CIO

QUALITY RISKS

Level	Risk Definition	Remediation Approach	Resolution Date	Responsible Party
	The planned dates for the finalization for the Federal Data Services Hub (FDSH) deployment has left little time for testing these critical services.	AHCT continues to monitor and escalate to the Connecticut CMS Technical Lead as appropriate.	8/31/13	AHCT CIO

SCOPE RISKS

Level	Risk Definition	Remediation Approach	Resolution Date	Responsible Party
	Operational and systems integration with DSS not finalized.	System modifications to streamline transfer of data between the DSS and AHCT systems are being developed.	5/31/13	AHCT COO
	Several scope changes being proposed as Change Requests are being analyzed for their impact to scope, schedule, and budget.	Change Management process is being followed to assure requests are managed and adjudicated as appropriate.	5/31/13	AHCT COO
	Evolution of the Operating model is expanding call center volume estimates which impacts MAXIMUS contract.	AHCT working with DSS and MAXIMUS to understand volume, resource, and contract/budget impact.	5/31/13	AHCT COO

Operations Update

- Customer Service:
  - Preparing for system, operational, and knowledge challenges starting in June.
    - Internal information unit
    - Small dedicated team to coordinate
    - All exchange staff will be involved
- Training and Education:
  - Basic syllabus established and developing consistent material for all audiences
  - Planning target audience, numbers of people, and schedule for training
- Call Center:
  - Maximus opening office in July
- Small Employer Health Option Program:
  - Contractors are on site
  - SHOP manager hired
- Operating Model:
  - Documenting processes across organization and with stakeholders
  - Operating model testing begins in early summer
- Plan Management
  - Working Essential Community Provider change through Advisory Committees
  - Making changes to Dental and Bronze to incorporate emergent information

Information Technology Update

- Completed System Integration Testing for Release 1
- Completed Release 1 live demonstration to Plan Management team
- Focus Group Testing slated for week of 5/6 and 5/13, results by 5/20
- Began Wave 3 testing of the Federal Data Services Hub for Release 2
- Began User Acceptance Testing for Release 1
- Code development at 70% complete and tracking to a one week delay past the May 31st milestone complete date
- Finalized Release 3 for December 6th, 2013
- Finalized Release 4 for March 7th, 2014

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AHCT Milestones

AHCT Critical Dates	Date	Status
AHCT Demonstration for Advocates	03/20/13	Complete
CMS Final Detail Design Review	03/27/13	Complete
CMS Milestone “Last date to enter testing”	05/01/13	Complete
Release One	06/04/13	At Risk
CMS Final Determination of State Based Exchanges	07/02/13	On Track
AHCT R2 User Acceptance Testing Start	07/31/13	At Risk
AHCT QHP Review of Plan Data	08/30/13	At Risk
Implementation Readiness Review	08/31/13	At Risk
AHCT Start of Open Enrollment	10/01/13	On Track

MARKETING UPDATE

Objective

1. Provide an overview of our campaign goals and objectives
2. Review the strategy development process
3. Detail core tactics to be utilized in campaign
4. Profile key upcoming dates for campaign roll out
5. Preview expected results and ROI measurement
6. Next steps in the process

Campaign Goals

The primary mission of our campaign is to:

- ✓ Build awareness of the law (ACA) and Access Health CT
- ✓ Educate individuals and businesses how they can benefit from the AHCT
- ✓ Reduce the number of the uninsured
- ✓ Deliver an exceptional customer experience that is easy, simple and transparent
- ✓ Foster long term favorability of AHCT

To achieve these goals, our plan utilizes an integrated approach consisting of a range of tactics from media and public relations to targeted individual engagement. It is designed to produce multiple touches that build on themselves over the next 10 months.

Strategy Development

In developing our marketing and outreach strategy, we analyzed and reviewed information in five key areas:

Strategic Consideration	Marketing Action
1. Market Segmentation: • Demographic • Geographic • Attitudinal/Psychographic	Provides the under pinning for identifying and sizing key target groups, determining their location, and guiding message creation and program tactics to effectively reach and engage them
2. Distribution Channels: • Retail (e.g. IPA's, Navigators, Brokers) • Wholesale (e.g. FQHCs, Providers) • Direct (e.g. call center, web)	Combining segment information above with distribution options available guides decisions surrounding channel use, channel needs and forecast development for channel specific enrollment
3. Messaging • Value proposition by segments • Defining unique market position for the organization	Building on the segment research, value propositions which appeal to key groups, and underscore the unique position of the Exchange are developed: Change → Benefits → Enroll (all with call to action)
4. Influencers and Stakeholders	Full implementation requires a well coordinated effort among both Exchange and non-Exchange personnel. Segment understanding drives assessment and development of key partner needs, all focused on reducing the number of uninsured in the state.
5. Enrollment Goals	Organizational enrollment objectives and targets need to be in line with marketplace experience

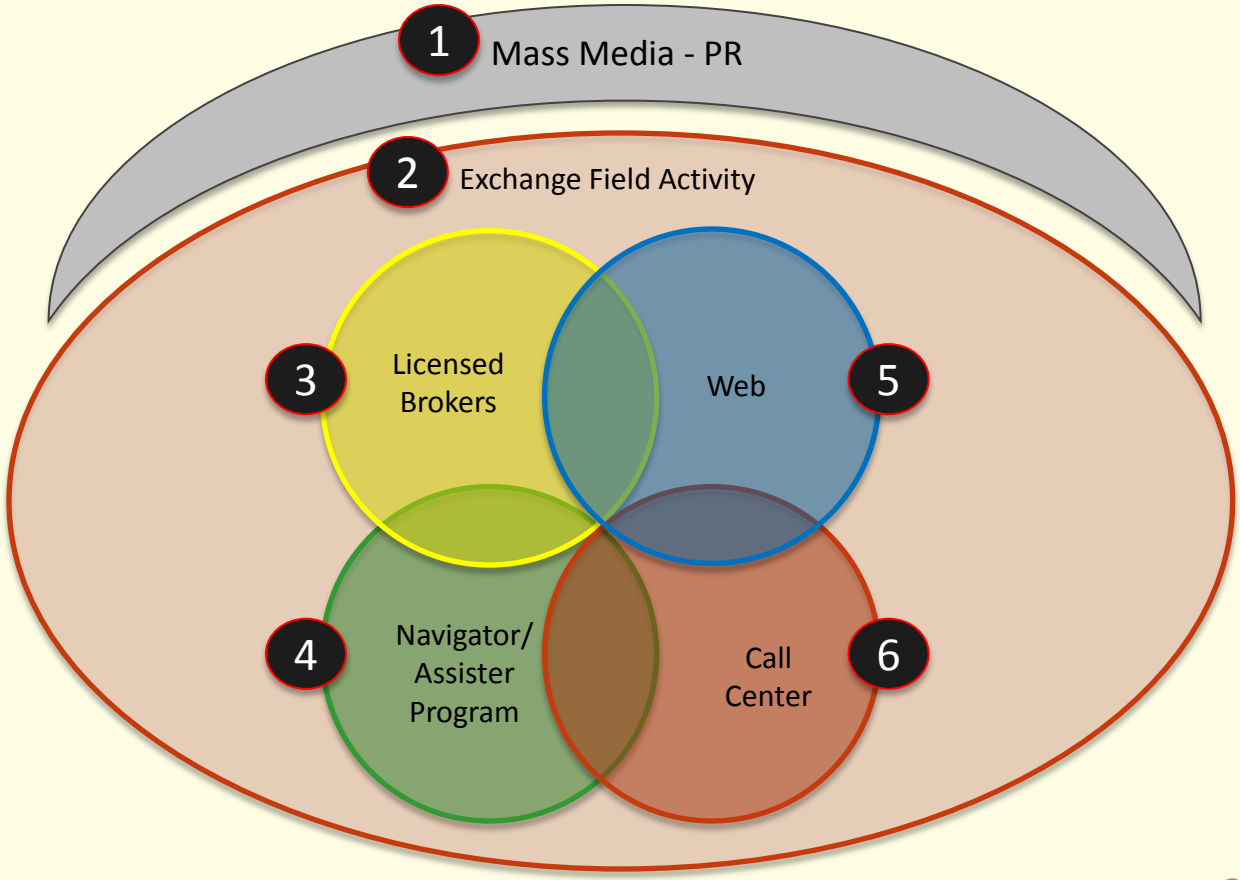
Tactical Development

A deep understanding of our target consumers based research among more than 2,000 individuals and businesses in past year, guides the choice of tactics to use in our plan.

Research finding	Marketing Implication
1. CT's uninsured and underinsured residents are clustered in a handful of communities, with 80% or more of the uninsured in each county contained in 20 zip codes	Our plan will have a heavy focus on local level, grass roots community engagement in key urban areas, rather than traditional broad tactics
2. Available data sources provide robust information on key Exchange populations, allowing for precise targeting and meaningful segmentation development	We will reach out directly to our primary targets (e.g. mail, phone, canvassing, events, etc.) to build awareness and spur action, rather than utilizing more passive channels
3. Individuals have little to no understanding of the law (the ACA) or how to enroll and purchase health insurance	We will offer substantial in-person enrollment support opportunities for individuals to get help rather than focusing on self service models (e.g. unassisted enrollment)
4. Skepticism and confusion abound, fostering inaction and aversion to potential messaging	More in-depth, sustained conversations need to occur to overcome these substantial obstacles, and come from trusted resources.
5. A portion of targeted individuals do not utilize and interact with traditional sales and marketing channels	CT's diverse cultural and ethnic populations will need to be reached through civic, faith based, and service organizations who have established trust in these communities and are seen as valuable and credible resources

Core Tactical Categories Utilized

Campaign goals will be achieved through activity in 6 major tactical groups, as seen below. Interplay and overlap between them will be substantial, with an estimated 5 “touches” on average occurring for each individual who enrolls.



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Media Program

In order to provide a robust level of media exposure to both build awareness of Access Health CT, as well as drive enrollment, an integrated media effort utilizing 7 categories of message delivery will be deployed.

TV (broadcast and cable)
Radio
Print
- FSI's
- Community newspapers
- Ethnic Newspapers
- Major dailies/weeklies

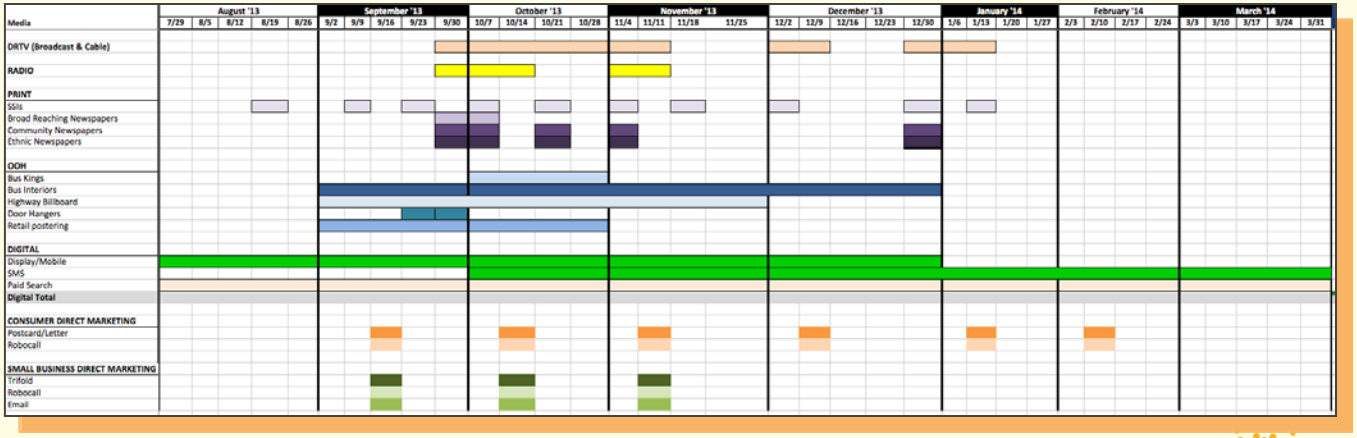
Out of Home
- Bus interiors
- Bus exteriors
- Billboards
- Door hangers
- Retail posters

Digital Media
- Display/Mobile
- SMS
- Paid Search

Social Media
- Facebook
- Twitter
- YouTube
- LinkedIn

Direct Marketing (Individual and Business)
- Mail
- Letters
- Postcards
- Outbound calling

Media schedule is being finalized to launch activity in June, as well as increase presence in Q1.



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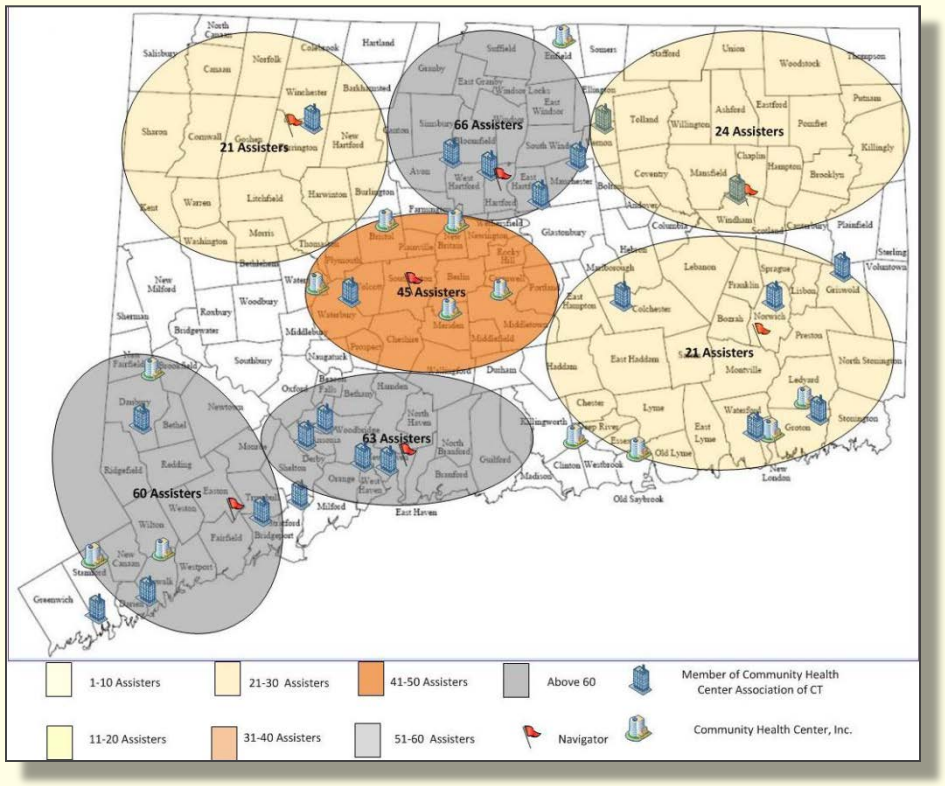
Field Activity Program

- In order to deliver key messages directly to our targeted populations and build awareness, generate qualified leads, and drive enrollment, AHCT will be deploying a number of high-touch, in person tactics
- Field activities will be focused on 10 key categories of activity beginning this summer
- Leads generated will be directed to use one of the 4 main enrollment channels

Activity Areas	Activity Areas
1) Street Fairs and Festivals: Attendance at 46 festivals across CT during June to January time frame	**6) Health Fairs:** Presence at 20 Health Fairs to distribute information, but also have enrollment capabilities on site
2) Canvassing: Door to door canvassing to 120,000 households in key zip codes and dense uninsured prospect groups	**7) Storefronts**: Branded retail presence in 6 major metros to provide a space for both independent consumer enrollment, as well as enrollment programs for brokers, navigators and outreach workers
3) Retail Intercepts: Prospect engagement outside high traffic, targeted locations to distribute information and capture leads.	**8) Tele-Town Halls:** Telephone based town hall meetings promoted by local leadership, with ability to connect at any time to a customer service agent to begin shopping and enrollment process
4) Seasonal outreach: Access Health presence at CT shoreline beaches and key fall locations	**9) Partnerships**: Ongoing Access Health presence at key community partner locations such as community colleges, hospitals and libraries as well as commercial endeavors.
5) "Healthy Chat" and "Get Covered" events: Enrollment focused events occurring in community locations and coordinated with state and local leaders, as well as general advertising and promotion	**10) Business Visibility:** Field staff outreach to local community businesses to facilitate the placement of signs, posters, lead cards, brochures in these locations.

Navigator and Assister Program

- The Exchange has partnered with the Office of the Healthcare Advocate (OHA) to execute its Navigator and In-Person Assister Program.
- This program will look to leverage and empower current community based resources to reach the uninsured, and offer trusted and familiar ways to get help enrolling in coverage.



- Hub and spoke system set up for Navigators and IPA's
- Approximately 300 IPA's will receive $5-6k grants
- Approximately 5-7 Navigator groups receiving $25-50k grants

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Broker Program

- The Exchange has fostered strong relationships with the broker sales and distribution channel in Connecticut.
- The Exchange will be partnering with brokers to execute a full broker lead and sales program containing 3 major components as detailed below. This will be in addition to providing sales support collateral for use with existing clients or to accompany their own independent efforts.
- 250 active brokers will be recruited to enroll in this program across the state, and will need to take an Exchange specific training and certification program to participate.

1 Listing in Public Exchange Approved Broker Database

- Participating brokers will be listed on searchable database available on our web site, as well as utilized by our call center for broker referrals

2 Participation in Broker Lead Program

- Qualified leads generated during both pre-open enrollment and open enrollment events will be distributed to brokers via a trackable lead management system.

3 Access and Participation at Exchange Facilitated Enrollment Events

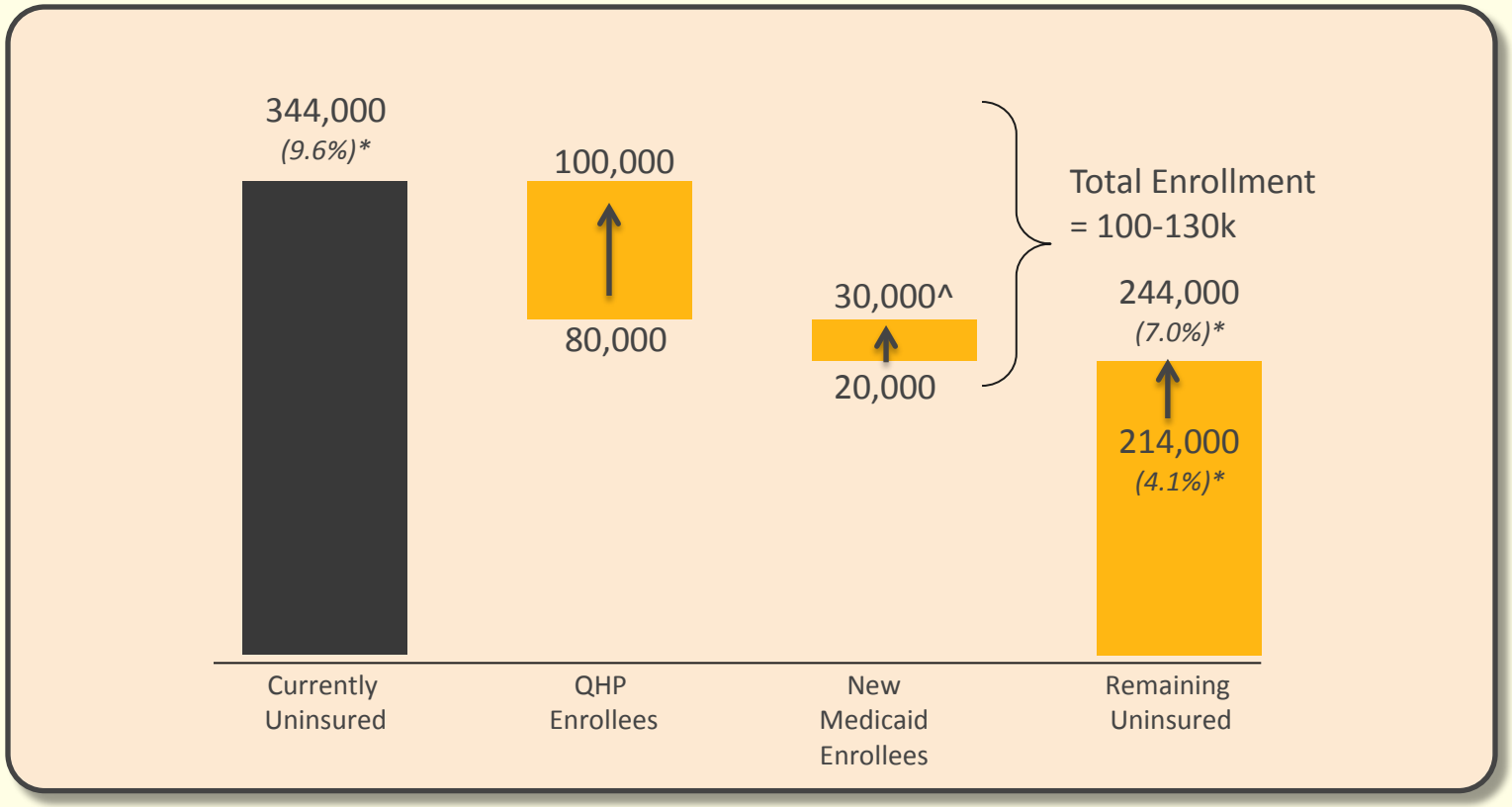
- Brokers will be given access to Exchange executed events (enrollment fairs, store front activity, business expo's) to engage and enroll clients.

Key Dates: Marketing Roll-Out

Deliverable	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
Consumer-facing website	02/15	→	→	→	→	→	→	→	→
Paid online search		03/01	→	→	→	→	→	→	→
In-Person-Assistor RFP issued			4/26						
Navigator RFP issued				5/17					
Begin community events					06/02	→	→	→	→
Next round of Healthy Chats					06/15	→	→	→	→
Launch social media presence					06/15	→	→	→	→
Begin media activity					06/15	→	→	→	→
Execute broker recruitment					06/17				
Begin Navigator & IPA training						07/01			
Open flagship storefront							08/15	→	→
Begin canvassing								09/01	→
Complete training and certification process for required individuals								9/15	→
Full media presence begins								09/15	→
Open 5 remaining storefronts									10/15

Enrollment Targets

The current uninsured rate in CT is approximately 9.6%. Our marketing plan is targeted to generate 100-130k net new enrollments over the course of open enrollment.



* Among a total state population of 3.5 million

^ Newly eligible Medicaid enrollee's only. This does not include current beneficiaries who may use the system.

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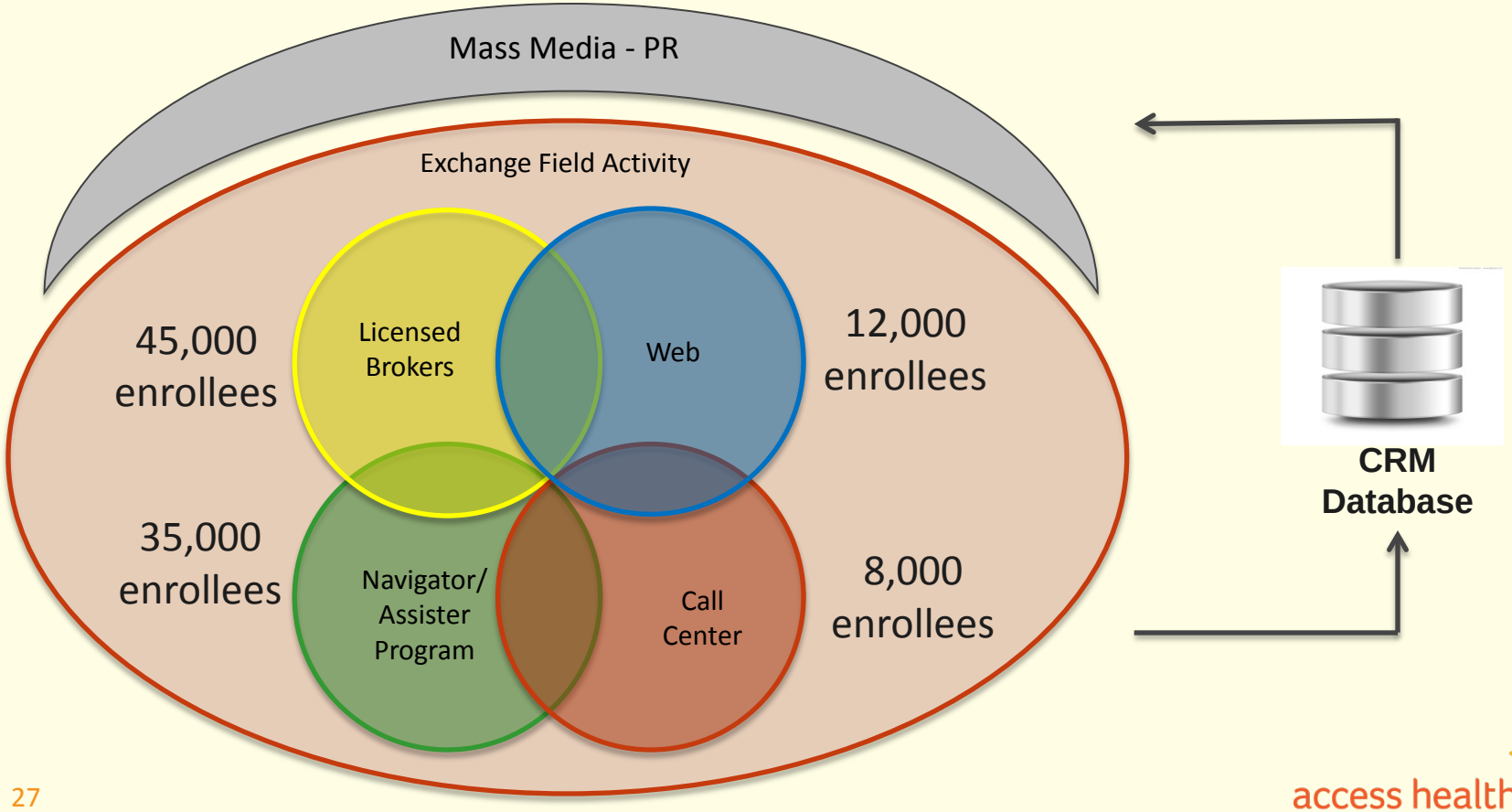
QHP Enrollments by Channel

- Enrollment estimates are projected for each of the 4 major enrollment channels.
- Campaign performance and ROI will be evaluated overall, as well as by channel
- The forthcoming CRM database will be the means to conduct this analysis



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Next Steps

1. Share draft plan elements with Advisory Committee's
2. Map channel enrollment projections to segments and media for tracking
3. Finalize training strategy for consumer facing support roles
4. Review customer focused portal enhancements (usability testing)
5. Review decision support strategy for self-guided enrollments

FINANCE UPDATE

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Finance Update

- Completed and filed the Annual Report for the CEO for January 2012 and January 2013
- Completed Quarterly Federal Financial Reporting Requirements
- Executing Annual and Quarterly Quasi-Public Reporting Requirements
- Developing Vendor Management Plan for oversight and managing our contracts and vendor relationships
- Completed “Acquiring Operating Funding” procedure for Board review and approval

Expense Dashboard April 2013

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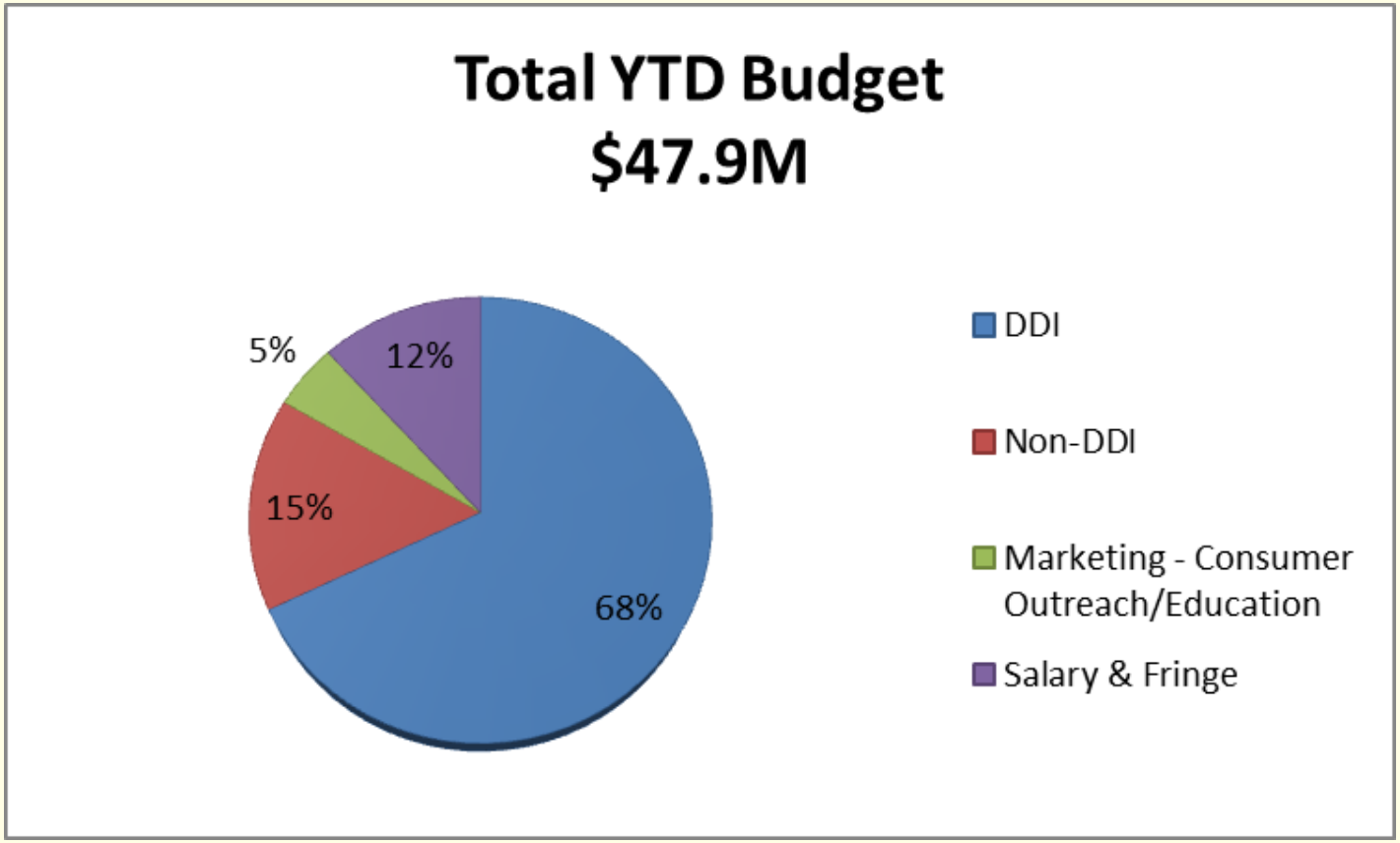
April YTD Budget Snapshot



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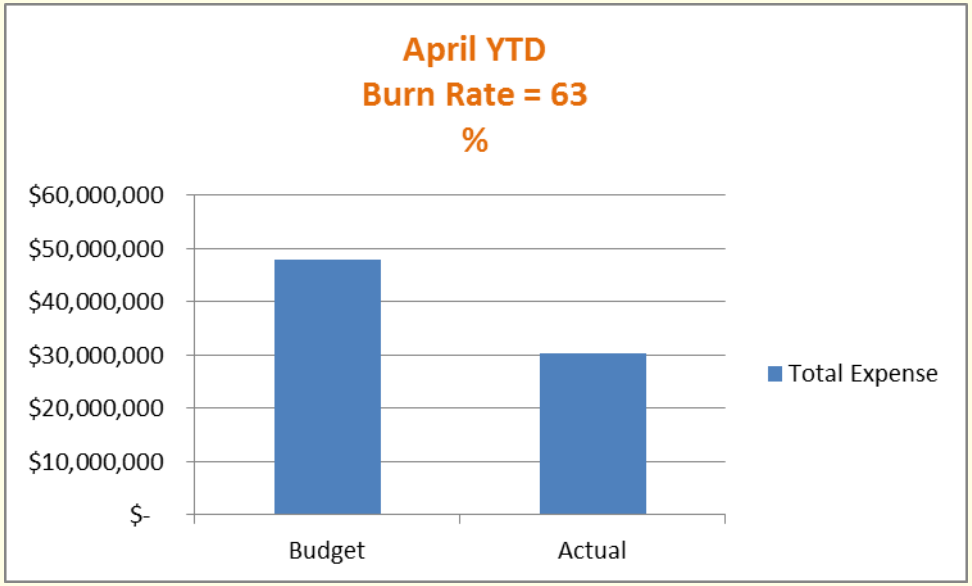
Finance Update

YTD Overall Expense Narrative/Exhibit
Budget vs. Actual

- Actual Spend is Behind Budget Trend
  - Staffing ramp-up slower than projected



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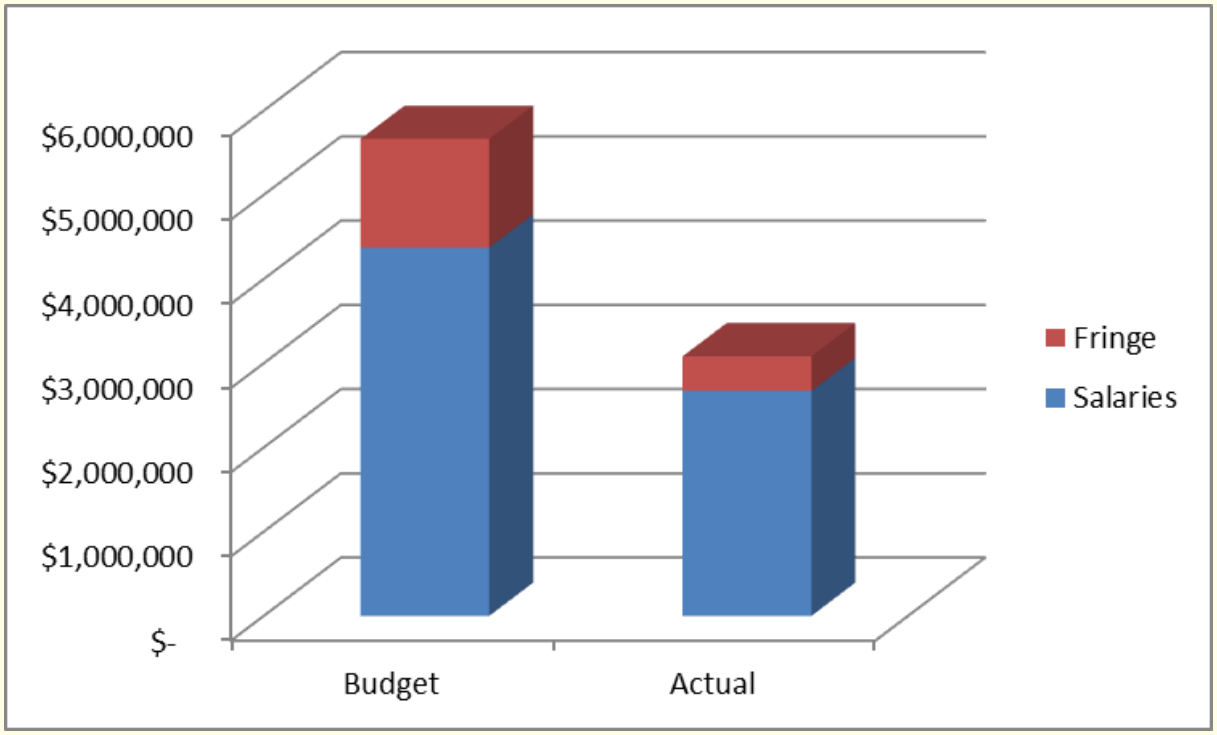
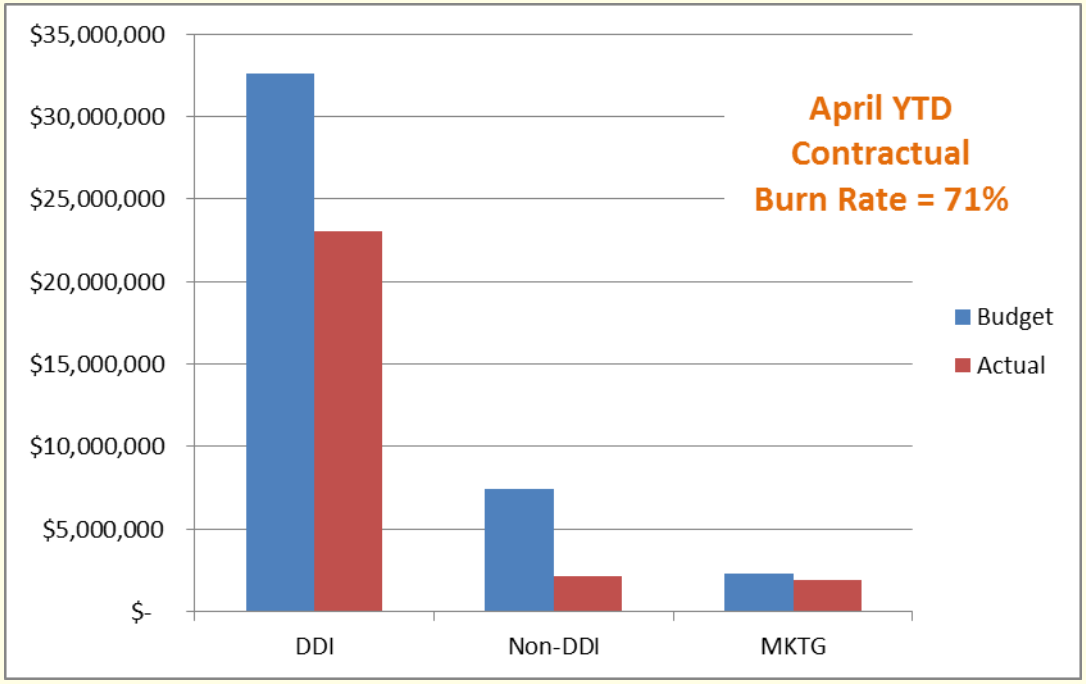
YTD Personnel Cost
Budget vs. Actual

- Actual Spend is Behind Budget Trend
  - Staffing ramp-up slower than projected



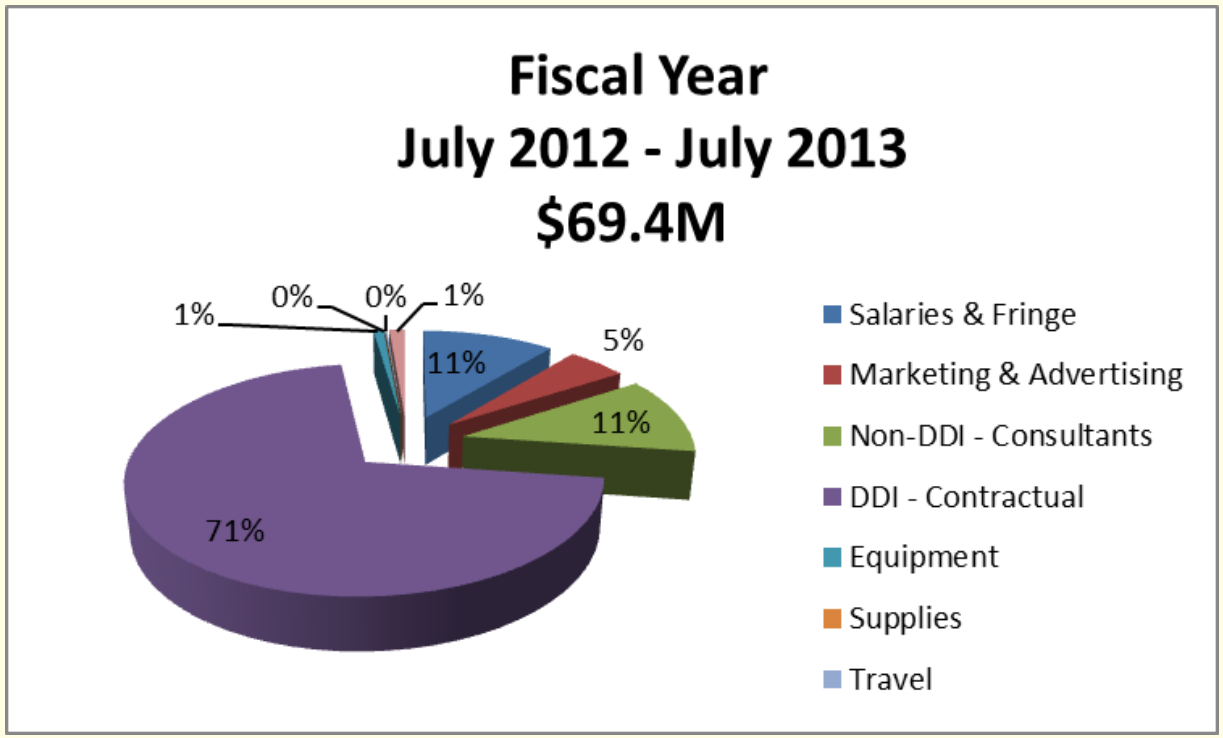
Project Expense Narrative/Exhibit
Budget vs. Actual

- Level 2 Grant – Development ramp-up slower than projected
  - SDLC follows Waterfall Methodology vs. Agile Methodology



Finance Update

Fiscal Year July, 2012-June, 2013
Budget Snapshot



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Connecticut's Health Insurance Marketplace

2014 FINANCIAL SUSTAINABILITY

Overview

- Executive Summary
- Procedure: Exchange Assessments and Fees
- Policy: Acquiring Operating Funding
- Capable Health and Dental Marketplace Premium
- Transitional Revenue Requirement
- Recommendations
- Next Steps

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Executive Summary

- Self-Sustainability requirement as of 1/1/2015
- Commence transitional market assessment 1/1/2014
- Estimated annual operating costs amount to $34.5 million
- 2014 operating expenses will combine exhausting grant funds and garnering operating funds
- Increased pace of activity in resolving open items as October 1 approaches results in rapid changes in cost estimates
- Transitional phase requires acceleration of setting the market assessment rate
- Final data sources becoming available later require use of reasonable proxy for marketplace premium
- True up may be necessary
- Requesting approval of market assessment rate; policy and procedure drafts

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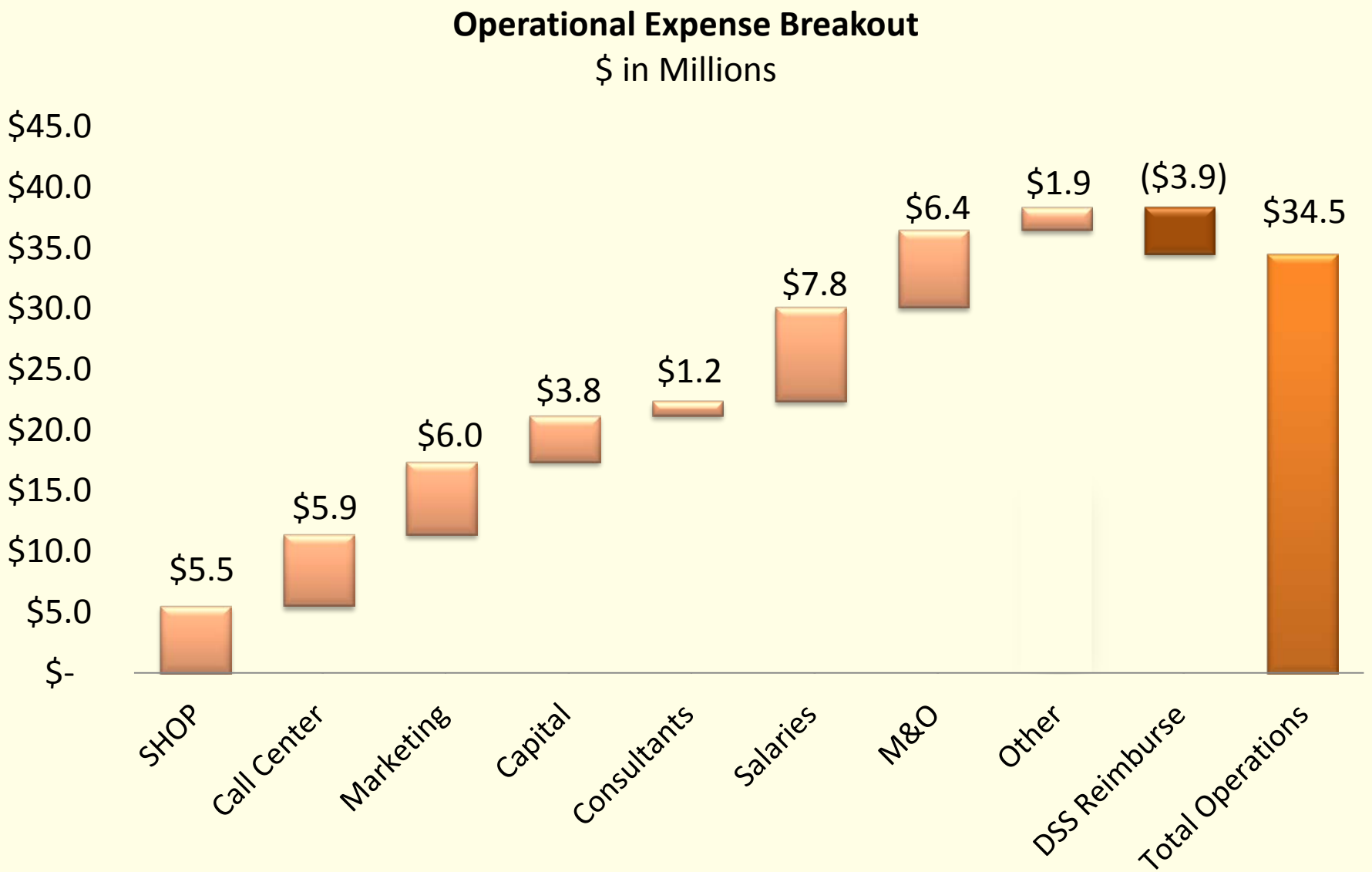
Exchange Assessment and Fees - Procedure

- Procedure stipulates use of official data sources
- Dental premium requires inquiries of carriers
- Late payment and penalty provisions
- Timing of data availability provides workable assessment billing process in a steady state
- Special assessment for new market entrants

Annualized Expense Breakdown



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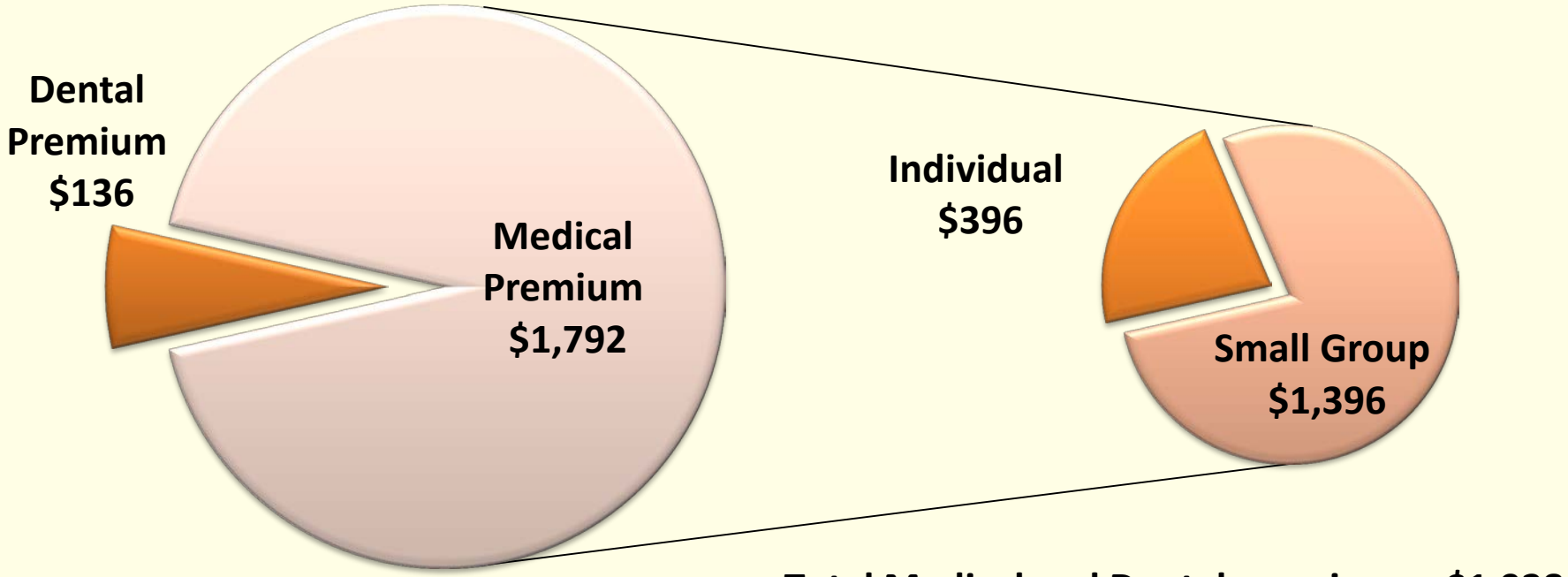
Marketplace Premium

2012 Medical & Dental Earned Premiums

$ in Millions



Total Medical and Dental premiums - $1,928

*2012 Medical Premiums are based on Individual and Small Group earned premiums reported in the 2011 MLR Reports (Section 1. Line 1.4) with 10% year over year growth.

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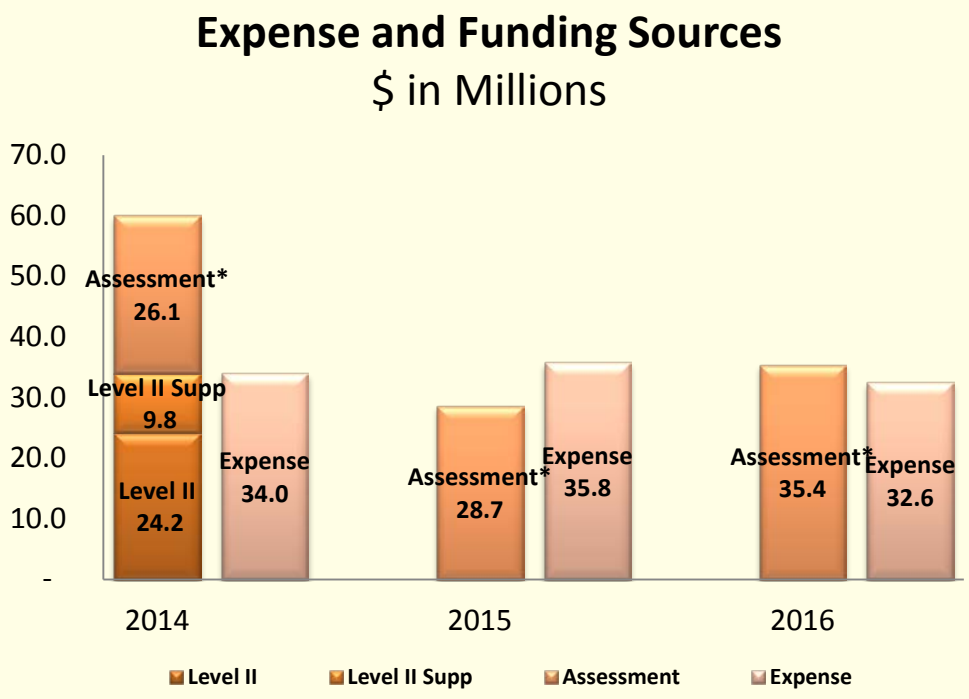
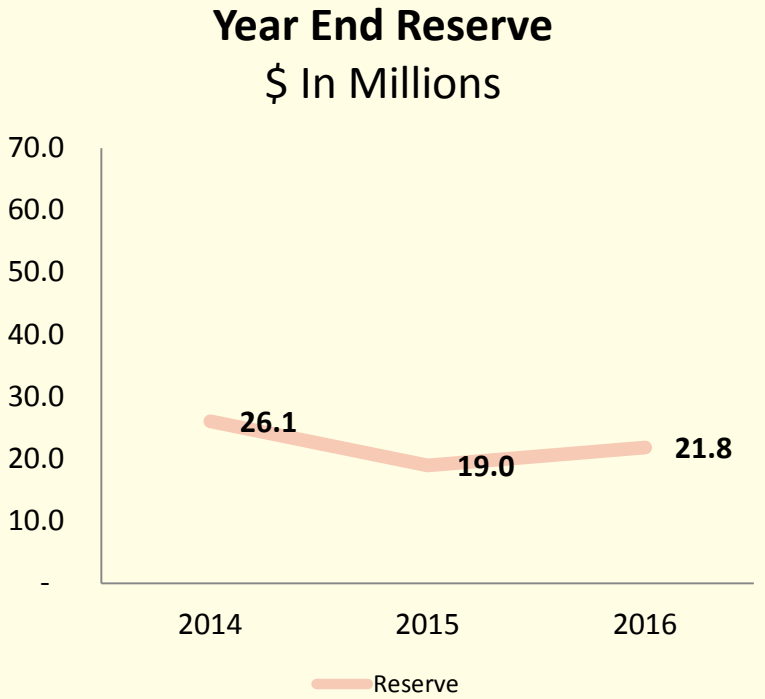
2014 Market Assessment





*Assessments at 135BP

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Recommendations

- Access Health CT recommends approval of the "Policy: Acquiring Operating Funding"

- Access Health CT recommends approval of the "Procedure: Exchange Assessment and Fees"

- Access Health CT recommends approval of the market assessment rate

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Next Steps

- New Legislative Enforcement Provisions
- Data Collection for 2012 Calendar Year – June-July 2013
- Billing– 4th Quarter 2013
- Collection–periodically during 2014

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TRIBAL CONSULTATION POLICY

Tribal Consultation Policy

- Per the Affordable Care Act, for states who have Federally-recognized Indian Tribes, the Exchange must establish a Tribal Consultation Policy.

- The goal of the policy is to ensure that lines of communication are formally established to discuss important developments and changes surrounding Exchange implementation that may impact Federally-recognized Indian Tribes in the State.

- Connecticut's Tribal Consultation Policy was drafted and approved by the board on 12/20/12.

- This approved policy was then shared with representatives of the Mohegan and Mashantucket Pequot tribes, and some modifications were requested.

- The requested changes seek to clarify and underscore the pro-active, substantive nature of the conversations which will occur, and establish a regular schedule for providing updates and reviewing pertinent information

- More specifically, the policy has been updated as follows:

1. We removed language indicating that only “high-level” or “significant” issues needed to be discussed, thus opening up a much broader dialogue on overall Exchange issues which we all feel is important.

2. We added language indicating that regular, scheduled meetings will be established in an effort to stay in front of any issues which may arise.

3. We added language indicating that the Exchange will pro-actively coordinate ad-hoc meetings should earlier consultation need to occur.

4. We included a plan for identifying an ongoing Tribal Liaison role to serve as the primary contact for tribal health leaders.

Tribal Consultation Policy

- The Exchange supports these changes, and the Tribal Councils of both nations have also approved these as well.

WEB DEMONSTRATION

EXECUTIVE SESSION

ADJOURNMENT