



Connecticut's Health Insurance Marketplace

Board of Directors Meeting

May 22, 2014

Agenda

- A. Call to Order and Introductions
- B. Public Comment
- C. Review and Approval of Minutes
- D. CEO Report
- E. Operations Update
- F. Information Technology Update
- G. Tribal Consultation Policy
- H. Finance Update
- I. Marketing and Sales
- J. Open Enrollment Milestones
- K. All Payer Claims Database Update
- L. ACA Regulation Update
- M. Strategy Committee Update
- N. Adjournment



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Welcome and Introductions



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Public Comment



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CEO Update



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Review and Approval of Minutes



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Operations Update

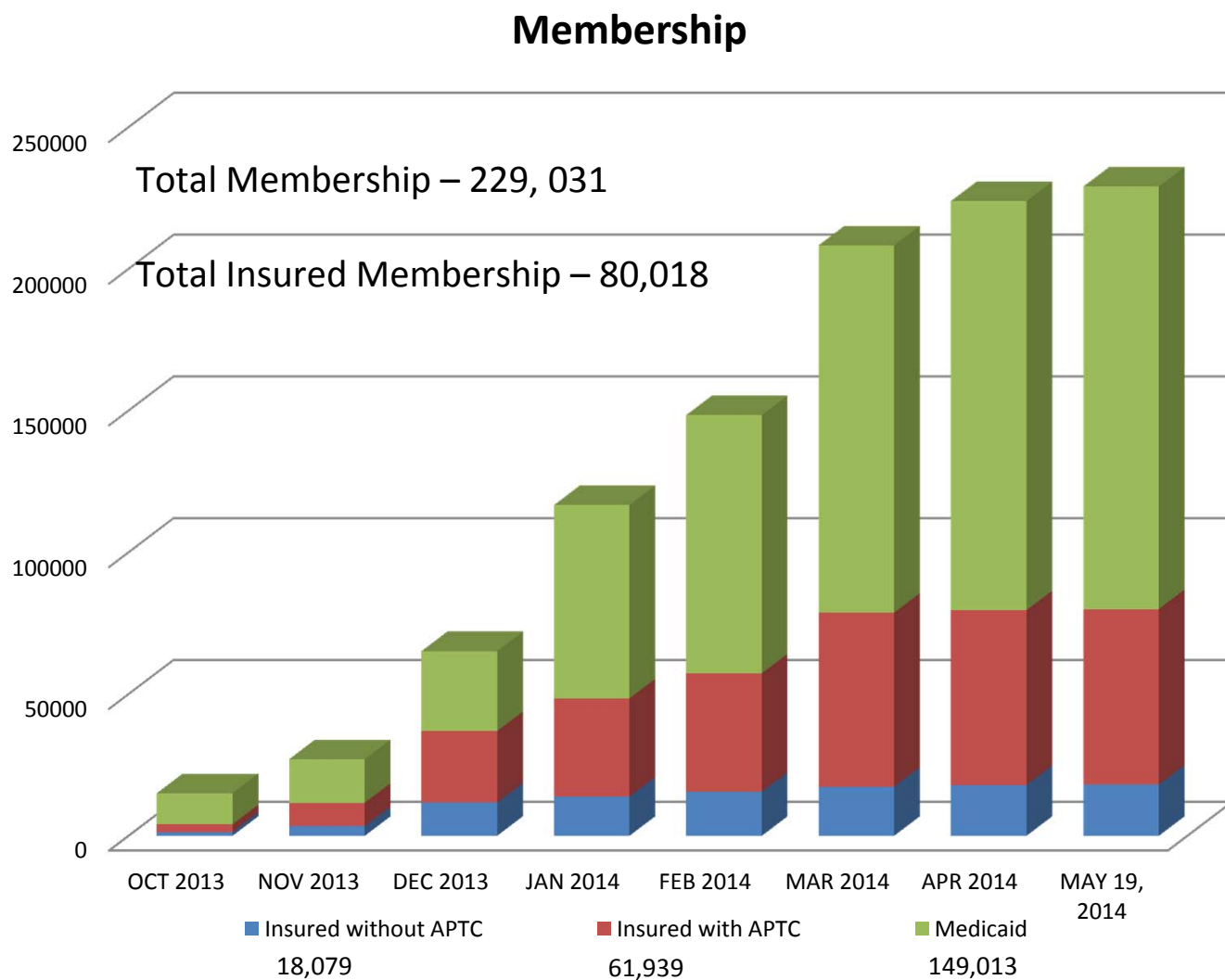
Operations Update

- People
 - Individual Customer Service Issues are Our Current Focus
 - Individual specific circumstance require average of 3-4 hours each to review and correct
 - Call Centers/Printing/Scanning all within Service Level Agreements
- Process
 - We exercised our Contingency Plan on March 31st
 - Ensured all in line were contacted and given opportunity to enroll
 - Open Enrollment Preparations
 - Training and Education
 - Model Office
 - Plan Management
 - Coordinated with CID and Carriers
- Technology
 - Close Coordination to Ensure Improvements Prioritized to Business Need

Operating Metrics

QHP MEMBERSHIP						
	DEC 2013	JAN 2014	FEB 2014	MAR 2014	APR 2014	MAY 2014
<u>Market Share</u>						
Anthem	62%	61%	60%	53%	53%	53%
ConnectiCare	36%	36%	37%	44%	44%	44%
HealthyCT	2%	3%	3%	3%	3%	3%
<u>Age Band</u>						
AGE <18	7%	8%	8%	7%	7%	7%
AGE 18-25	8%	9%	9%	10%	10%	10%
AGE 26-34	11%	12%	13%	14%	15%	15%
AGE 35-44	11%	12%	12%	14%	14%	14%
AGE 45-54	22%	23%	24%	24%	24%	24%
AGE 55-64	40%	35%	33%	30%	30%	30%
AGE ≥65	1%	1%	1%	1%	2%	2%
<u>Metal Tier</u>						
Catastrophic	2%	2%	2%	2%	2%	2%
Bronze	14%	17%	16%	16%	16%	16%
Silver	55%	55%	59%	63%	64%	64%
Gold	29%	26%	23%	18%	18%	18%

Operating Metrics

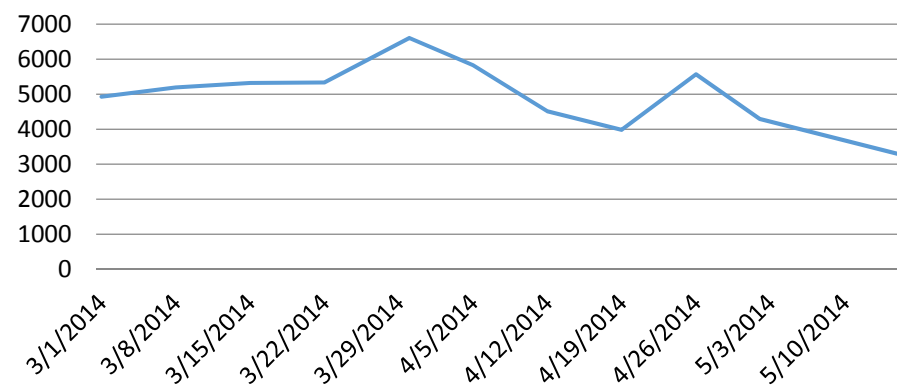


Operating Metrics

Call Center Statistics	Average Answer Delay in Seconds	Abandonment Rate
December 2013	852	31%
January 2014	218	12%
February 2014	43	3%
March 2014	223	14%
April 2014	39	2%
May 2014	28	1%

Service Level Standards	60	5%
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Average Daily Calls





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Information Technology Update

Update

- Upcoming Releases
 - May 30th
 - July 25th
 - » Deloitte contract close out
 - » CT DOL
 - » APTC
 - » Data Warehouse
 - September/October TBD
- Mobile Application
 - Proof of Concept complete
 - Pilot in stores underway
 - » A lot of positive feedback already
 - Demo



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Tribal Consultation Policy

Tribal Conflict Resolution Policy

- Tribal Consultation Agreement was approved by the Board of Directors on December 20, 2012. Lacked a defined conflict resolution policy. This amends the final April 9, 2013 version.
 - “The Exchange shall consult with the tribes to establish a defined conflict resolution process to ensure sufficient opportunity is allowed for outcomes to be vetted and resolved”

Stage 1: one or more representatives of the Parties will send a written Notice of Conflict/Request for Negotiation to the other Parties

if no resolution in 60 days from receipt

Stage 2: Parties will attempt to resolve the dispute in good faith through an agreed Alternative Dispute Resolution (ADR) procedure

if no resolution in 60 days from initiation

Stage 3: dispute may be referred to arbitration by any Party. Arbitration will be held in CT, closed to the public and decided under laws of CT or, where appropriate, federal law.

- Parties will share equally in payment of the arbitrator's fees and arbitration expenses, but responsible for own deposition, witness, expert and attorneys' fees



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May 2014 Finance Update

Finance Update

- Finance focus is on three (3) major areas – securing financial resources, improving business processes and fulfilling regulatory requirements.
- As part of securing financial resources, 2014 market-based assessments received to date total \$7.2M and responses to capable carriers objecting to the assessment notices have been completed. The amount at risk totals less than 0.6% of the total assessments expected to be collected, which totals \$25.7M.
 - ✓ The “Procedure: Exchange Assessments and Fees” has been revised primarily to reflect the process undertaken for the 2014 market-based assessments and clarifying the definition of “capable of offering a QHP.” It is included for Board review and approval.
- Business process enhancement is underway with our Enterprise Resource Planning (ERP) software as training and project plan development have begun.
- Fulfilling regulatory requirements has been directed at required filings:
 - ✓ Completed the Third Quarter 2014 Quasi-Public Financial and Personnel Status Report and submitted it to the Office of Fiscal Analysis.
 - ✓ Completed the quarterly Federal Financial Reports due to HHS’s Payment Management Services by April 30, 2014.
 - ✓ Completed the monthly budget reports for each grant award now required by the Center for Consumer Information & Insurance Oversight & (CCIIO).
- The FY 2015 Budget was reviewed and approved by the Finance Subcommittee along with the market assessment rate for CY 2015 of 135bps. The Budget presentation follows. Board review and approval is requested for these two (2) items.



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FY 2015 Plan

Access Health CT 2015 Fiscal Year Budget is Proposed at \$66.8 Million

- Fiscal Year runs from July 1, 2014-June 30, 2015.
- Source of funding is from the Level Two Establishment Grant and the New Level One Grant.
- \$39+ Million of the Fiscal Year Budget is to support ongoing operations, which is marginally higher than previous sustainability projections.
- \$26+ Million of the Fiscal Year Budget is to support the final releases for the technical infrastructure of Access Health CT.

Finance Update - FY 2015 Plan

Expense Category	FY 2014		FY 2015
	Q1 Fcst	Q2 Fcst	Plan
Salary & Fringe	\$ 8,052,507	\$ 7,846,639	\$ 8,424,461
Consultants	\$ 72,146,463	\$ 74,529,858	\$ 62,339,267
Equipment	\$ 1,647,835	\$ 1,162,048	\$ 250,000
Supplies	\$ 29,351	\$ 52,669	\$ 42,673
Travel	\$ 176,549	\$ 135,651	\$ 65,383
Medicaid Recovery	\$ (12,641,546)	\$ (13,250,765)	\$ (9,282,457)
Other	\$ 6,315,571	\$ 6,149,766	\$ 4,979,694
Total	\$ 75,726,730	\$ 76,625,866	\$ 66,819,021

Finance Update - FY 2015 Budget - Major Drivers

Salary & Fringe

- IT, Legal, Finance Footprint
- APCD staff additions
- Full Year Impact of Outreach Workers
- Exchange Solution Staff Positions

Consultants

- Reduction in KPMG Footprint
- Reduction in Deloitte Footprint
- Call Center higher enrollment

Medicaid Recovery

- Change in allocation percentage - Full Year Impact

Finance Update - FY 2015 Plan - Components

	FY 2014		FY 2015
	Q1 Fcst	Q2 Fcst	Plan
DDI	\$ 40,846,529	\$ 41,337,967	\$ 26,905,332
Operating	\$ 34,880,202	\$ 35,287,899	\$ 39,913,689
Operating Change			\$ 4,625,790

DDI Compare (In Millions)		
Q2 14 FCST	FY 15 Plan	Change
\$ 41	\$ 27	\$ (14)

- Reduction in KPMG Footprint
- Reduction in Deloitte Footprint
- Reduction in Durational Employee Footprint

Full Time Equivalents

Department	Q2 FY 14	FY 15 Plan
Executive	4	3
Finance	5.5	6.5
Legal	5	6
Marketing	7.5	5.5
Sales	3	3
HR	2	3
Plan Management	5.5	5.5
IT	6.5	9.5
Operations	20	19
AHA/Solutions	5	6
Durational	16	0
Total	80	67

Finance Update - Market Place Assessment

Assessment at 135 bps

Premium		Assessment	
Base Year	Premium (000 omitted)	Collection Year	Assessment (000 omitted)
2012	\$ 1,904,000	2014	\$ 25,704
2013	\$ 2,094,400	2015	\$ 28,274
2014	\$ 2,303,840	2016	\$ 31,102
2015	\$ 2,534,224	2017	\$ 34,212

2012 Premium = actual ; other years projected at typical trend.



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Marketing Update

Topics to Cover

- Update on research efforts underway
- Upcoming research planned
- Summer concert outreach

Current Research Efforts

Member Census project in RFP phase

- RFP process was undertaken to secure vendor to conduct critical work

Activity	Date
RFP Issued (open for 14 days)	April 30, 2014
Proposal Due Date	May 13, 2014
Oral Presentations for RFP finalists	May 19-21, 2014
Vendor Selection	May 23, 2014

- Goal of effort is to attain detailed information of enrollee's:
 - What is their race/ethnicity?
 - What is their level of education?
 - What was their prior coverage status?
 - How did they enroll in their plan? Where did they enroll in their plan?
 - Did they receive any assistance while applying? If so, from whom?
 - How well do they understand their current coverage?
 - How do they plan to use their coverage?

Current Research Efforts

APCD research being conducted to aid in design and development

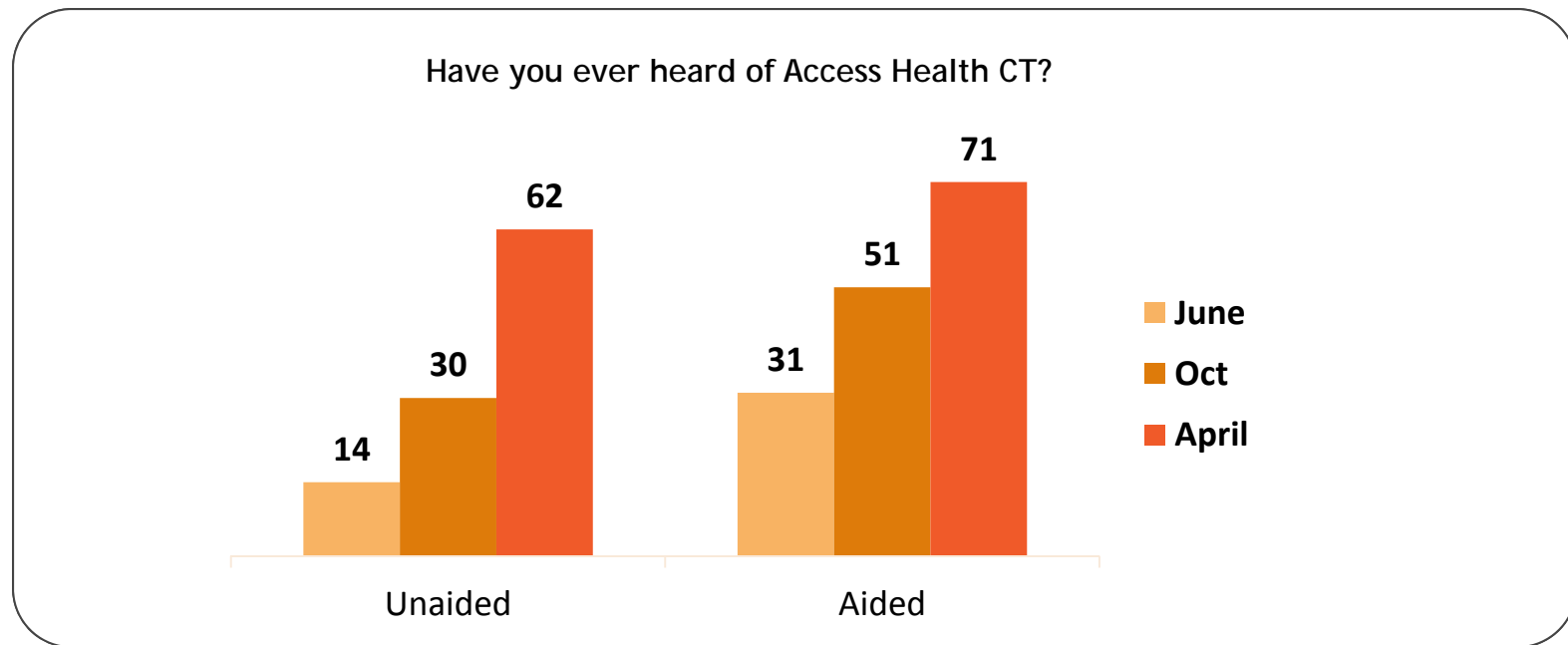
- Exploratory focus groups are being conducted to gauge:
 - Awareness and potential interest of medical cost information
 - How cost information impacts consumer decision making
 - Barriers to use of data
 - Optimal configuration and display of data
- First round conducted on May 19th, with future groups being examined



Final Polling Results

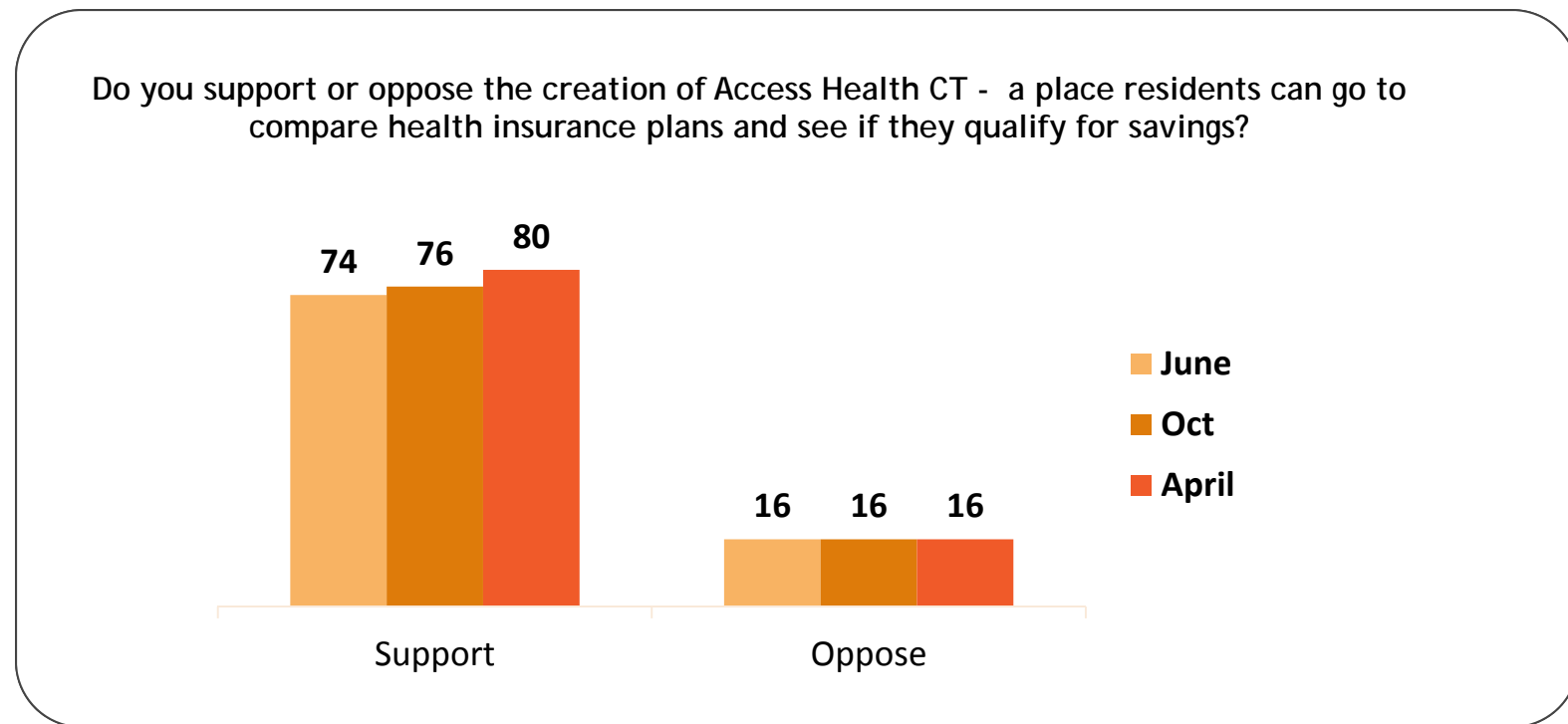
Access Health CT conducted three rounds of state wide polling to gauge awareness and understanding (n=850+ each round).

Compared with pre-media baseline results in June, awareness of the state's health insurance marketplace more than doubled.



Strong Support

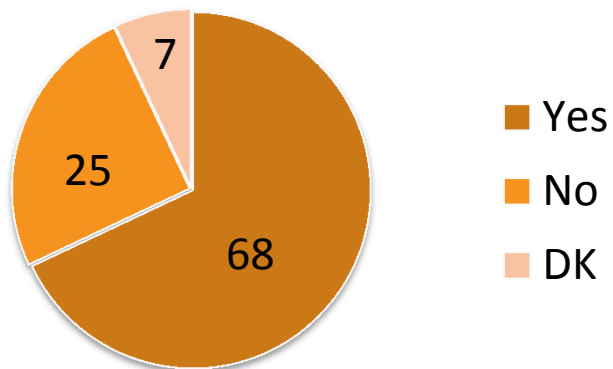
Support has also built over the past year. 80% of residents now say they support the creation of Access Health CT



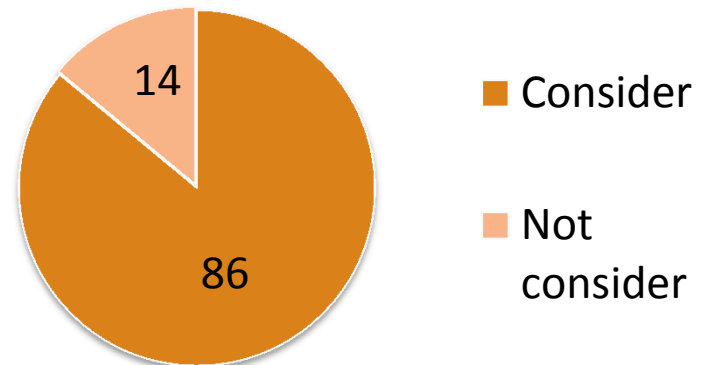
Future Use is High

More than two-thirds (68%) say they would recommend the marketplace to someone searching for insurance. 86% say they would consider Access Health CT if they lost their insurance.

Would you ever recommend AHCT to someone you know is looking for insurance?



If you lost your health insurance, would you consider going to AHCT to look for insurance?



Summer Concert Outreach

Continuation of last years successful summer outreach program

- Expansion of last years efforts include new elements to increase impact:
 - Social media based contest will give away tickets to all Comcast Theater shows this summer
 - Contest will be promoted with both a broadcast and digital campaign
 - Onsite presence will expand beyond outreach staff presence to include:
 - Ownership of the event lawn seating
 - AHCT signage throughout the venue
 - Video advertising on available screens
 - All efforts (on site and social) focused on lead capture





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Open Enrollment Milestones

Key Dates and Milestones

	Plan Management	Marketing	IT	Operations
May	Approve standard plan designs (5/1)	Summer concert outreach begins (5/31)	Release (5/30)	Customer service focus
	QHP application released (5/19)			
	Issuer filings due to CID (5/31)			
June	QHP application due to AHCT (6/20)	Member census research begins (Date TBD)		Open enrollment plan
July		Member education outreach begins (7/6)	Release (7/25)	
		Member census data available (7/31)		
Aug	CID approves filings (8/30)	Market segmentation study begins (date TBD)		Model office exercise
Sept		Concert outreach concludes (9/13)	Tentative release (TBD)	Training and education (brokers, CAC's, IPA's)
Oct	QHP renewal notice sent (10/1)	Media activity begins (10/26)	Tentative release (TBD)	
Nov	Second QHP renewal notice begin sent (11/1)			
	Open enrollment begins (11/15)			



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APCD Update

All Payer Claims Database Update

1. Data Management Contractor Procurement:

- Finalizing Statement of Work and contract language
- Arranging an in-depth security audit of the proposed vendor
- Planning and preparation for vendor on-boarding

2. APCD Committee and Sub-Committee Status Update:

- **Data Privacy and Security Subcommittee:**
 - Legal counsel obtained to assist in formulating policies and procedures on data privacy, security and use
 - Leveraging sub-committee expertise to formulate security protocol and data governance plans
 - Coordinating with sub-committee to determine industry best practices for future data sharing guidelines and procedures

All Payer Claims Database Update

2. APCD Committee and Sub-Committee Status Update (Continued):

- **Policy & Procedure Enhancements Subcommittee:**
 - Collecting input from dental stake holders and experts regarding challenges/opportunities in collecting dental data
 - Facilitating discussion for the collection of denied claims data

3. APCD Data Collection Activities:

- Ongoing communication with submitters to ensure data specifications are clearly articulated
- Collecting feedback from submitters for a revised timeline contingent on vendor on-board date



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ACA Regulation Update

Regulation Review Policy

- Internal review
 - Second Tuesday of every month
 - Will review any new regulations and progress toward compliance (if needed) to previously discussed regulations
- Regulation Summary policy
 - Check federal register end of each week
 - Will review and provide summary no more than 5 days later of any new regulations, law, or guidance

Baseline Summary of Market Standards for 2015 and Beyond (May 19, 2014) Federal Register forthcoming

- No AHCT eligibility for free Medicare A eligible or those enrolled in Medicare parts A or B (cost or no cost)
- Material modification and renewability
- Civil Money Penalties for violations of Exchange standards (inc. privacy and security)
- Special enrollment required changes
- SHOP related requirements
- Quality and Enrollee Satisfaction Survey requirements
- Issuer standards

Market Standards for 2015 and Beyond: CAC and Navigator regulations

- **CAC organization receiving Federal funds to provide services to a defined population may limit its CAC services to the same defined population**, but must not discriminate based on race, color, national origin, disability, age, sex, gender identity or sexual orientation within that population
- **PII authorization and record maintenance** (6 years in FFE)
- FFE policy on compensation to individual Navigators or non-Navigator assistance personnel
- Navigators/CAC **must maintain a physical presence in the Exchange service area**
- **CACs must be recertified on at least an annual basis** after successfully completing recertification training as required by the Exchange
- **Navigators/CACs may not :**
 - **Provide gifts, including gift cards or cash**, unless of nominal value (less than \$50), or provide promotional items that market or promote the products or services of a third party (can reimburse)
 - **Solicit** any consumer for application or enrollment assistance by going **door-to-door or through other unsolicited means of direct contact** (Outreach and education activities may be conducted by going door-to-door or through other unsolicited means of direct contact)
 - **Use robo call** or an artificial or prerecorded voice, except in cases where the individual Navigator or Navigator entity has a relationship with the consumer
 - **CACs must not receive any consideration directly or indirectly from any health insurance issuer or issuer of stop-loss insurance** in connection with the enrollment of any individuals in a QHP or a non-QHP. (NO ISSUER CACs)
 - FFE only - **no health care provider shall be ineligible** to operate as a Navigator/CAC **solely because it receives consideration from a health insurance issuer** for health care services provided



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Strategy Committee Update



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Adjournment