



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

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

Legislative Office Building, Room 1D

Thursday, September 17, 2015

Meeting Minutes

Members Present:

Lt. Governor Nancy Wyman; Secretary Benjamin Barnes, Office of Policy and Management (OPM); Commissioner Roderick Bremby, Department of Social Services (DSS); Grant Ritter, Robert Tessier; Paul Philpott; Michael Michaud, designee for Commissioner Miriam Delphin-Rittmon, Department of Mental Health and Addiction Services (DMHAS); Cecelia Woods; Robert Scalettar, MD; Commissioner Katharine Wade, Connecticut Insurance Department (CID)

Members Absent: Commissioner Jewel Mullen, Department of Public Health (DPH); Maura Carley; Victoria Veltri

Other Participants:

Access Health CT (AHCT) Staff: James Wadleigh, James Michel, Steven Sigal; Susan Rich-Bye; Andrea Ravitz; Christopher Barnes (Pert/Acturus); Paul Lombardo (CID); Julia Lerche (Wakely Consulting Group)

The 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 Wyman called the meeting to order at 9:00 a.m.

II. Public Comment

There was no public comment.

III. CEO Report

James Wadleigh, CEO, provided an update on AHCT activities. He said that there were 44 days until the beginning of Open Enrollment, and asked consumers to update their information on the AHCT website. Approximately 30% of mail sent from AHCT is being returned as undeliverable. Mr. Wadleigh thanked the Department of Social Services (DSS) and Xerox for their efforts to get through the verification document backlog.

A number of reports are expected to be issued soon. AHCT is working with the Lt. Governor and DSS to conduct research on the number of uninsured Connecticut residents, and the results are expected to be announced shortly. The All Payer Claims Database (APCD) has undergone a thorough review of processes, and will start gaining momentum in the coming months. There will be regular Board updates regarding the APCD timeline beginning in October.

Mr. Wadleigh addressed Robert Tessier's question regarding the discrepancy between recent estimates of uninsured rates in Connecticut. The studies used different methods, as well as data from different years, which may account for this discrepancy. AHCT has been working with the Kaiser Family Foundation to conduct its research.

IV. Operations Update

James Michel provided an operations and enrollment update. Qualified Health Plan (QHP) enrollment is currently 96,621. There was a slight increase in the Medicaid population as a result of individuals being transferred to Medicaid, based on Modified Adjusted Gross Income (MAGI).

Mr. Michel summarized the transition of individuals who have lost eligibility for Husky A. He described AHCT's outreach efforts to reach this population. Approximately 13% (157) of the affected individuals have transitioned to QHP coverage as of September 16. Approximately 500 consumers have re-qualified for Medicaid. Mr. Michel provided a breakdown of the plans selected by those who enrolled in QHPs. The average net premium for this group was \$118 per month, with 118 selecting a Silver plan.

AHCT formed a partnership with Capital Community College, in an effort to recruit young applicants to work in the call center and storefronts. The result was an intensive course, taught four hours a day for five days a week, to educate students about the ACA and AHCT. Fourteen students enrolled in the program, and will graduate on September 22.

Mr. Tessier asked if those who did not enroll in a QHP, or were re-determined as Medicaid-eligible, lost coverage. Mr. Michel confirmed that as of September 1, those not enrolled or re-determined have lost coverage, and confirmed that outreach is continuing to this population.

Robert Scalettar, M.D. arrived at 9:19 a.m.

Mr. Wadleigh added that these telephone outreach efforts will continue until consumers ask not to be called. Approximately 400 have opted out of these communications. Mr. Barnes asked if there was information on their reasons for opting out. Mr. Michel replied that this information is not currently available, but will be requested going forward.

V. 2016 Open Enrollment Update

Shan Jeffreys provided an update on the Open Enrollment period for 2016, reviewing the integrated project plan and communication plan. There are milestones still to be accomplished, but they are on track. The stakeholder audience has been broadened to include the carriers.

The plan management portal has been deployed, allowing minimal support from the vendor, and allowing the carriers to view the plans without an on-site visit. Mr. Wadleigh added that this automation allows carriers to modify changes, pushing the accountability back to the carriers. There has been good feedback on this development.

The Learning Management System (LMS) has been deployed for training and certification. A demonstration, as well as the log in credentials, will be provided at the next Board meeting. Bulk services, the process used to validate and confirm consumer information, experienced a delay in receipt of the confirmation from CMS last year which resulted in a delay of renewal notices by several weeks. For this year's renewal process, the Bulk Services information has been received on a timely basis, and renewal notices are on track to be sent before October 1. At the next meeting, there will be a presentation of the open enrollment and auto renewal processes.

VI. Marketing Update

Andrea Ravitz introduced Chris Barnes from Acturus, formerly known as the Pert Group, who presented the results of Pert's study of AHCT's current enrollees and "leavers" (enrollees who have dis-enrolled). A deep dive of AHCT marketing efforts will be presented at the next Board meeting. The Pert Group's report ([available here](#)) and findings were discussed.

Paul Philpott asked whether the results from the sample of QHP enrollees were bifurcated between those receiving subsidies and those who were not subsidized. Chris Barnes replied that the results were not bifurcated based on subsidies, but that Pert could bifurcate them on this basis. Mr. Philpott requested that, going forward, he would like the information to be bifurcated. Chris Barnes replied that there was a very small statistical difference between these groups. Mr. Philpott asked whether the distinction between subsidized and non-subsidized enrollees was made when the sample was selected, and Chris Barnes replied that it was not, but that there was a post-study analysis which could differentiate the groups. Benjamin Barnes added that the most interesting finding could be a greater utilization of the call center for the subsidized population, as was the case for Medicaid enrollees. Chris Barnes replied that, due to the sample size, the difference was not statistically significant, but that the results could be analyzed again.

Paul Philpott asked for a breakdown, based on receipt of subsidies, of the 55% of respondents who said that plans were affordable. Chris Barnes replied that those numbers will be reviewed again on that basis.

Benjamin Barnes asked about the 5% of Medicaid beneficiaries who responded that the cost of coverage is too high, since the benefits are free. Chris Barnes replied that it could just be “noise” and reminded him that the survey responses are self-reported. Susan Rich-Bye added that some CHIP participants do pay a premium.

VII. Review and Approval of Minutes

Lt. Governor Wyman requested a motion to approve the July 22, 2015 Special Meeting minutes. Motion was made by Benjamin Barnes and seconded by Roderick Bremby. ***Motion passed unanimously.***

VIII. Vote

Susan Rich-Bye reviewed the proposed Compliance and Disciplinary Policy for Certified Independent Brokers, which was introduced and approved for 30 days of public comment in June. Only one comment was received during the comment period and did not necessitate any changes to the policy.

Lt. Governor Wyman requested a motion to adopt the Compliance and Disciplinary Policy for Certified Independent Brokers as presented by Exchange staff. Motion was made by Robert Tessier and seconded by Robert Scalettar. ***Motion passed unanimously.***

IX. CID Rate Review Process

Paul Lombardo, actuary from CID, was introduced by Commissioner Katharine Wade and provided a review of the Connecticut Insurance Department actuarial process.

Mr. Lombardo stated that this is the first year of rate review under the ACA in which live claims experience data have been used to set premiums. ([Presentation here](#)) Mr. Lombardo described the risk adjustment and reinsurance programs, and noted that the federal reinsurance program will be discontinued effective January 1, 2017. This is expected to result in an increase in individual premiums of an estimated \$25 - \$30 per member, per month, beginning with the 2017 rates.

The timeline for this year’s rate review process was summarized. Per the ACA, all rate filings, for plans on and off of the exchange, were posted simultaneously on May 7, 2015.

Mr. Wadleigh added that the requirement of simultaneous filings has eliminated a lot of concern from the carriers.

Mr. Lombardo reviewed changes to the CID filings. Carriers, for the most part, had credible 2014 claims experience and were not allowed any additional projected morbidity loads. Some additional risk adjustments were removed. Mr. Lombardo reviewed the rate filing results for

on-exchange carriers. He summarized the average rate increases for the four carriers in the individual market and the three carriers in the small group market.

Mr. Philpott asked for a clarification of the projected premium increase after the reinsurance program sunsets, and inquired about the distinction between carriers which sell plans on and off of the exchange. Mr. Lombardo replied that individual premiums were projected to increase upon the expiration of the reinsurance program. He said that the number of covered lives listed represents membership both on and off of the exchange for all carriers, except for ConnectiCare Benefits, Inc. (CBI) which is only on the exchange. Risk pools for licensed carriers cannot be combined. CBI experienced downward pressure on its rates. Mr. Philpott asked about the impact of truncated networks on the cost of health care. Mr. Lombardo replied that the federal government allows for network pricing. When a carrier provides different networks, the carrier is required to provide actuarial justification for the narrower network. Mr. Philpott asked whether the rates were based 100% on claims experience. Mr. Lombardo replied that the rates were based on claims experience for some of the carriers.

Dr. Scalettar asked whether the approved average rate request was the average of the carrier's products. Mr. Lombardo replied that the averages were weighted, based on membership experience, because future membership is unknown. The range represents each plan with current membership, resulting in the weighted average.

Grant Ritter left at 10:51 a.m.

X. Wakely Rate Review

Steve Sigal introduced Julia Lerche from Wakely Consulting Group, who provided a summary of Wakely's independent review of the carriers' 2016 Insurance Department rate filings, in response to board's May request for an independent rate review. ([Wakely report available here.](#)) Wakely was retained to perform a rate filing review, consumer impact analysis, and rate outlier analysis.

Ben Barnes left at 11:11 a.m.

XI. Strategy Committee

Michael Michaud left at 11:35 a.m.

Dr. Scalettar provided a summary of tools and metrics discussed at the recent Strategy Committee Meeting. The Committee intends to develop strategies which are consistent with AHCT's Mission and Vision. They aspire to produce progress metrics for the Board on a monthly basis, with some measures reported quarterly and annually. Affordability will become a focus of the Strategy Committee's efforts.

XII. Adjournment

***As approved by the Board of Directors
on October 15, 2015***

Lt. Governor Wyman requested a motion to adjourn the meeting. Motion was made by Robert Tessier and seconded by Robert Scalettar. ***Motion passed unanimously.*** Meeting adjourned at 11:45 a.m.

*Next meeting will be on October 15, 2015 at the Legislative Office Building, Room 1D
from 9:00 a.m. to 12:00 p.m.*