



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

Connecticut Health Insurance Exchange
Board of Directors Regular Meeting

Legislative Office Building
Room 1D

Thursday, September 20, 2018
Meeting Minutes

Members Present:

Lt. Governor Nancy Wyman (Chair); Robert Tessier (Vice-Chair); Victoria Veltri; Cecelia Woods; Grant Ritter; Commissioner Katharine Wade, Connecticut Insurance Department (CID); Theodore Doolittle, Office of the Healthcare Advocate (OHA); Anne Foley on behalf of Secretary Benjamin Barnes, Office of Policy and Management (OPM); Nancy Navarretta on behalf of Commissioner Miriam Delphin-Rittmon, Department of Mental and Health Addiction Services (DHMAS); Robert Scalettar, MD.

Members Participating Remotely:

Commissioner Raul Pino, Department of Public Health (DPH)

Members Absent:

Commissioner Roderick Bremby, Department of Social Services (DSS); Paul Philpott

Other Participants:

Access Health CT (AHCT) Staff: James Michel; Rajiv Chawla; Robert Blundo; Susan Rich-Bye; Andrea Ravitz; Melinda Brayton; Gary D'Orsi; Anthony Crowe
Connecticut Insurance Department (CID): Paul Lombardo

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 and Introductions

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

II. Public Comment

No public comment.

III. Vote

Lt. Governor Nancy Wyman requested a motion to approve the June 14, 2018 Special Meeting Minutes. Motion was made by Cecelia Woods and seconded by Robert Tessier. ***Motion passed unanimously.***

IV. Executive Session – Personnel Matter -- To discuss matters exempt from disclosure pursuant to C.G.S. §1-200(6)(A)

Lt. Governor Nancy Wyman requested a motion to go into Executive Session to discuss personnel matters exempt from disclosure under C.G.S. §1-200(6)(A). Motion was made by Robert Tessier and was seconded by Cecelia Woods. ***Motion passed unanimously.***

V. Vote on CEO Appointment

Lt. Governor Nancy Wyman requested a motion to appoint James Michel as the permanent Chief Executive Officer of Access Health CT. Motion was made by Robert Tessier and seconded by Cecelia Woods. ***Motion passed unanimously.***

VI. CEO Report

James Michel, Chief Executive Officer, provided information on recent Access Health CT (AHCT) activities. Mr. Michel thanked the Lt. Governor and the Board of Directors for their continued trust. Mr. Michel expressed appreciation about the participating carriers, the Department of Social Services (DSS), enrollment specialists, partners and vendors. Mr. Michel acknowledged the employees of AHCT. The organization is deeply committed to its mission and vision. AHCT has worked diligently to prepare all of the platforms for the upcoming Open Enrollment 6 (OE6) that will begin on November 1. The Connecticut Insurance Department (CID) approved rate filings for the 2019 plan year. Wakely Consulting will be providing the Rate Review and Rate Analysis to the Board in October. Mr. Michel encouraged customers to review all of the options when purchasing medical insurance plans. Items to consider when obtaining medical insurance include income changes, anticipated medical services to be rendered, prescription drug use, and life events for each individual in a family. Mr. Michel emphasized that the organization is committed to its mission and vision as well as to providing exceptional customer service and serving the people of Connecticut.

VII. Open Enrollment 6 Readiness/New System Enhancement Demo

Robert Blundo, Director of Technical Operations and Analytics, provided the Board with the OE6 Readiness Update. Mr. Blundo emphasized that all of the organization's work focuses on the preparation for the upcoming OE, or is the byproduct of the OE and how well it has functioned. Mr. Blundo mentioned that a work group has been created internally, with the purpose of introducing technological innovations for the betterment of the customer shopping experience. Mr. Blundo told the Board that for the Exchange marketplace, some insurance plans are being discontinued, and some new plans will be introduced. One of the most important tasks facing the organization is to educate the customers. Customer acquisition and retention are always among the most important aspects of AHCT's work. Mr. Blundo pointed out that the certification process for Certified Application Counselors (CAC) and brokers is currently underway. Call center representatives are also undergoing extensive training.

Mr. Blundo provided details about the 2019 OE Planning. The Marketing Department will be kicking-off the pre-OE6 campaign. The outreach efforts include Healthy Chats that will be held throughout Connecticut. On November 1, the 2019 OE Shopping Experience will be opened. On November 19, the process of automatic renewals for customers will begin. Once it commences, the organization's focus will shift to customer retention. Mr. Blundo described operational challenges that AHCT may be facing during OE, and assured the Board that mitigation activities will be used if obstacles are encountered. Mr. Blundo indicated that the current OE runs from November 1 to December 15, and is the shortest OE in the history of the Exchange. December 15 falls on a Saturday and the call center will be open until midnight on that day.

Mr. Blundo reiterated that premium is the most important component for AHCT customers when evaluating plans. Premium rate changes occur every year, and AHCT has to be proactive in delivering this information to customers. Mr. Blundo conveyed that an aggressive release schedule is planned to provide AHCT consumers with a variety of new features. The Information Technology (IT) Department has rolled out over 60 different items with the aim of improving efficiency and customer experience. There is a new homepage, and the user interface has been redesigned in order to be more aligned with the best industry practices. Window-shopping will be opened up prior to OE, with premium rates and plans available. It is one of the mitigation strategies. A revamped customer decision support tool is also part of the improved process. It will help customers compare and choose plans as a one-stop shopping experience. A provider data directory will be incorporated into that tool. One of the important features will be the ability to select the consumer's primary care physician for certain plans. A verification help tool is embedded in the program. Interactive tools will make it possible for the customer to navigate through the shopping portal more easily. Mr. Blundo added that the availability of chatting with a customer service representative will markedly improve the experience. New technology that will allow scripting with the customer service representative will be available as well. AHCT will be launching a new customer service command center, with the core responsibility of responding to inquiries or issues that are raised through the social media websites.

Mr. Blundo praised the collaborative approach of the staff to make sure that all of the improvements are completed and ready to be utilized. Robert Scalettar, MD., commended the efforts to make the shopping experience smooth. Dr. Scalettar inquired why the 2019 OE was shortened by a week as compared to the previous OE that included a one-week extension. Mr. Michel stated that the additional week would have created additional manual work to be done, for both AHCT and the carriers, because the system is designed for the OE to last until December 15. AHCT and the carriers still reserve the right to extend the OE to December 22.

Robert Tessier also commended the AHCT staff for their extraordinary work in preparing for this OE. Mr. Tessier inquired about the plan design changes that the Board approved and the effect it may have on auto-renewals. Mr. Blundo said that all of the plans were cross-walked. An estimated 80 to 90 percent of auto-renewals are expected. Victoria Veltri inquired about a potential customer who is scheduled to be auto-renewed, and instead uses the shopping portal to purchase a different plan. Mr. Blundo pointed out that in this scenario, the customer will not be auto-renewed since he/she has made a different selection prior to auto-renewal. Andrea Ravitz, Director of Marketing, elaborated that customers who are eligible to be auto-renewed are coming back in to shop. Ms. Ravitz pointed out that many notifications will go to the consumers. The Marketing Department's approach is to make sure that the consumers are hearing about it before, during, and after the notification is sent.

Anne Foley indicated that the window-shopping would be a good enhancement. Ms. Foley asked why the feature would not be allowed for more than a week prior to the starting date of the OE. Mr. Blundo indicated that some consumers may not necessarily fully understand the dynamics of OE. Once the rate approval takes place and carriers confirm their participation, many technical aspects have to be addressed. It provides a limited timeframe to be built into the site. Mr. Blundo provided a shopping portal presentation. Dr. Scalettar commented about the accuracy of the provider directory, and asked whether the carriers have participated in the Council for Affordable Quality Healthcare (CAQH) directory. Mr. Blundo explained that AHCT tries to match the carriers' provider directory. Katharine Wade added that Connecticut was the first state to implement stronger enforcement of network adequacy. Most companies have participated in the CAQH for a long period of time, but some carriers do not take part in that.

Lt. Governor Wyman requested the Connecticut Insurance Department (CID) to present their rat review findings.

VIII. Connecticut Insurance Department Presentation: 2019 Rate Review including discussion of Short Term and Association Health Plans

Ms. Wade pointed out that the average rate increase on and off-Exchange in the individual market is 2.72 percent. The average increase for the small group market on and off-Exchange is 3.14 percent. The medical trend continues to be the largest contributing factor, in addition to two state mandates, and pregnancy as a qualifying condition to enroll during the Special Enrollment Period (SEP). The removal of the penalty for not having medical insurance had a negligible effect on rates. Ms. Wade added that Association Health Plans have to comply with all of the state requirements. In case of the Short-Term Limited Duration Plans, Connecticut has a

pre-existing conditions limitation. The state requires that any plan longer than six months cannot have a pre-existing conditions limitation, these plans are subject to state mandates, and are required to offer coverage of the Essential Health Benefits (EHB). These items had a very limited impact on the rates this year.

Paul Lombardo, Director, Life and Health Division, CID actuary, provided the Board with the analysis of the rate approval process from the actuarial point of view. Mr. Lombardo reviewed CID's findings and summarized the contributing factors for the rate increase requests. Mr. Lombardo indicated that on-Exchange, Anthem had asked for an average 9.1 percent increase, and CID revised it to a decrease of 2.7 percent. ConnectiCare Benefits, Inc. (CBI), requested an average of 13 percent increase, and CID brought it down to 4 percent. Mr. Lombardo provided information on the rates for the small group on and off-Exchange. Mr. Lombardo stressed that the most important elements in determining the rate approvals was a significant change in annual trend. Trend is volatile. Mr. Lombardo called the attention of the Board to the timing of the original rate filings by the carriers, which occurred in July. At that time, a lot of unknowns and uncertainty existed in the market.

Grant Ritter inquired whether there were trend variations between different metal tiers. Mr. Lombardo pointed out that the carriers develop their trend by the unit cost structure for their block of business.

Theodore Doolittle commented that the Short-Term Limited Duration Plans that are longer than six months cannot exclude coverage for pre-existing conditions, but if they are shorter, they can. Mr. Lombardo acknowledged that, and added that they would also have to be non-renewable. Mr. Doolittle followed-up with an inquiry whether there is anything in the law that would prevent the carrier from having the policy lapse and writing a new six-month policy. Mr. Lombardo pointed out that if there is a six-month pre-existing condition exclusion for a six-month plan, the first plan, it is excluded for the pre-existing condition, and another six-month plan could apply the exclusion of the pre-existing conditions. The assumption exists that carriers will be willing to write two six-month policies, but they will most likely be unwilling to write the third one, because at that point they will not be able to apply any pre-existing condition exclusions to that person. Short Term Limited Duration plans are not guaranteed issue. They do not have to issue a policy once they perform their underwriting. Mr. Lombardo described the theoretical scenario where the carrier finds out that the applicant has a pre-existing condition and still wants to offer that person a policy. In this scenario, the carrier can exclude any claims pertaining to this pre-existing condition for up to 12 months. The federal law does not allow consumers to have Short Term Limited Duration plans for more than 36 months. Discussion ensued around the Short-Term and Association Health Plans.

Robert Tessier voiced appreciation of the CID's rate review work, which resulted in rate reductions. Mr. Tessier elaborated that since those reductions will take place, the negative consequence of that could be the reduction of the Advanced Premium Tax Credits (APTC) for individuals who are using financial help to pay for medical coverage on-Exchange. Mr. Tessier inquired whether the issue of APTCs is considered by CID when determining rates. Mr. Lombardo

emphasized that CID does not take into account the APTCs when deciding on rates. He added by enumerating the requirements that CID is tasked with when determining the rates, and APTCs are not one of them. Discussion ensued around the issue of the APTCs.

Mr. Doolittle inquired about the average accuracy of the CID's trend anticipation. Mr. Lombardo stated that back tests are completed. The carriers and CID perform their own tests and compare historical data. In some years, the carriers are more accurate, and in some years, CID is more accurate with the trend picks. Mr. Lombardo emphasized that overall; CID's trend predictions are very accurate.

Lt. Governor Wyman asked about signing up for two consecutive Short Term Limited Duration Plans and a possible pregnancy of the insured during the first six-month period, and how it would affect this person's coverage when she signs up for a plan after the first one expires. Mr. Lombardo explained that during the first Short Term Limited Duration Plan, medical services related to pregnancy would have to be covered by the insurance plan. However, when the first six month short term duration plan expires, the insurer does not have the obligation to sign this person up for another six month policy. If in fact the insurer decides to enroll this person, pregnancy would be treated as a pre-existing condition, and would not be covered. The insurer does have the ability to implement the pre-existing condition exclusion in the successive short-term duration policy.

I. Marketing Update for Open Enrollment 6

Andrea Ravitz, Director of Marketing, provided the Marketing Update for Open Enrollment 6.

Katharine Wade and Paul Lombardo left at 10:30 a.m.

Ms. Ravitz indicated that marketing efforts are taking place year-round. Ms. Ravitz expressed her gratitude to the Community Partners and CACs. AHCT is also conducting a Community Conference that brings around 200 participants. Health insurance literacy is also part of the work undertaken, based on the results of the UCONN Health Disparities Institute. It is a continuation of the effort from two years ago. The marketing messaging is centered on the value of keeping and using medical insurance throughout the year. Community outreach efforts play a big role in the marketing campaign.

Ms. Ravitz enumerated numerous initiatives that the Marketing Department is undertaking, which include the Pilot Ambassador Program, Regional Planning Meetings, and community fairs in key communities. The Marketing Department also focuses on in-person help for individuals who need it. Ms. Ravitz pointed out that various focus groups were held in order to determine what motivates people to enroll in medical insurance. Healthy Chats in various targeted communities will also be a part of the outreach campaign. AHCT will have various OE locations throughout the state, which will be complemented by enrollment fairs. This is the first year that, in the case of the inclement weather, the event will take place the following day. Ms. Ravitz remarked that the website had been redesigned, with easy to access important tabs for consumers to utilize.

Ms. Ravitz underscored that the media campaign for OE6 will start mid-October, and will last until the end of the OE on December 15.

Ms. Veltri provided clarification to the discussion about Short Term Limited Duration Plans and Association Health Plans, indicating that pregnancy is not a pre-existing condition under the state law. Therefore, in the successive short-term plan, if it is sold, coverage for the pregnancy cannot be excluded as a pre-existing condition.

J. Values Update

Melinda Brayton, Director of Human Resources, provided a Values Update. Ms. Brayton indicated that two-way communication is between, and with, all of the AHCT staff. An open and honest culture will improve commitment between staff members and value to providing exceptional customer service. Ms. Brayton elaborated that they serve as aspirational goals. Workshops, focus groups, and interviews with staff were all part of the process. All of the data were collected and evaluated by a group of 20 employees.

Six values and their corresponding behaviors were selected. They include authenticity, integrity, excellence, ownership, one team, and passion. A written commitment statement was signed by the senior managers and staff. It will be exhibited in the AHCT offices. A Values Committee has been formed, comprised of 15 staff members, and their job is to monitor how effectively AHCT staff are living up to those values. The Committee will also recommend actions to the senior managers. A few subcommittees have been formed as well. The preamble to the AHCT Values has been created. Lt. Governor Wyman praised the efforts on creating organizational values.

K. Adjournment

Lt. Governor Nancy Wyman requested a motion to adjourn. Motion was made by Robert Tessier and seconded by Cecelia Woods. ***Motion passed unanimously.*** Meeting adjourned at 10:48 a.m.