



## Connecticut Health Insurance Exchange Board of Directors Regular Meeting

Holiday Inn  
Salon AB, East Hartford

Thursday, May 16, 2019  
**Meeting Minutes**

**Members Present:** Victoria Veltri; Cecelia Woods; Grant Ritter; Robert Scalettar, MD.; Theodore Doolittle, Office of the Healthcare Advocate (OHA); Nancy Navarretta on behalf of Commissioner Miriam Delphin-Rittmon, Department of Mental and Health Addiction Services (DHMAS); Paul Philpott; Robert Scalettar, MD.; Joseph Stanford on behalf of Commissioner Roderick Bremby, Department of Social Services (DSS); Deputy Commissioner Joshua Hershman on behalf of Commissioner Andrew Mais, Connecticut Insurance Department (CID); Commissioner Renee Coleman-Mitchell, Department of Public Health (DPH)

**Members Absent:** Robert Tessier (Vice-Chair); Anne Foley

**Other Participants:** Access Health CT (AHCT) Staff: James Michel; Anthony Crowe; Rajiv Chawla; Susan Rich-Bye; Andrea Ravitz; Glenn Jurgen; Margo Lachowicz

Department of Public Health: Heather Aaron, Deputy Commissioner

### **A. Call to Order and Introductions**

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

Victoria Veltri called the meeting to order at 9:00 a.m.

### **B. Public Comment**

No public comment.

### **C. Votes**

A motion was requested to appoint Victoria Veltri to act as Presiding Officer at the May 16, 2019 meeting in the absence of the Chair and Vice-Chair. Motion was made by Robert Scalettar and seconded by Grant Ritter. Victoria Veltri abstained. **Motion passed.**

**Joseph Stanford arrived at 9:04 a.m.**

Presiding Officer Victoria Veltri requested a motion to approve the April 18, 2019 Board of Directors Regular Meeting Minutes. Theodore Doolittle requested the April 18, 2019 Board of Directors Meeting Minutes to be amended to better reflect the question that was posed pertaining to the compliance with restrictions on the Exchange's investments. Motion to approve the Meeting Minutes as amended was made by Cecelia Woods and seconded by Robert Scalettar. **Motion passed unanimously.**

Victoria Veltri requested a motion to approve the April 25, 2019 Board of Directors Special Meeting Minutes. Motion was made by Grant Ritter and seconded by Robert Scalettar. **Motion passed unanimously.**

**D. CEO Report**

James Michel, Chief Executive Officer, provided the CEO Report. Mr. Michel welcomed new deputy commissioners who participated in the meeting. Mr. Michel pointed out that Access Health CT (AHCT) is very active in living up to its mission of increasing the number of insured residents, improving healthcare quality, lowering costs, and reducing healthcare disparities. AHCT is also living up to its vision.

Mr. Michel elaborated that one of the approaches being undertaken, to fulfill the mission and vision, is the listening tour. This involves speaking with community leaders and influencers, with an aim of determining how AHCT can be more effective and efficient in serving their respective communities. AHCT will be holding its first vendor summit for the purpose of exchanging information in order to provide better assistance to the Exchange's customers. Mr. Michel emphasized that new plans will be offered for the upcoming 2020 Open Enrollment (OE). The Information Technology (IT) system will be upgraded, and other operational changes will follow.

Mr. Michel stated that the reinsurance feasibility study conducted by Wakely will analyze whether reinsurance is possible and financially viable in Connecticut. Once the study is completed, it will be shared with the Board of Directors, the Governor's Office, the Connecticut Insurance Department (CID), and the carriers. Mr. Michel added that AHCT continues to work on the uninsured survey, which is intended to determine the true rate of individuals who do not have medical insurance in Connecticut. It is expected to be completed by the end of July. The results will also be shared with the Board. It will provide demographic information that is needed in reaching those populations in time for the 2020 OE.

Mr. Michel informed the Board that three representatives from AHCT visited the D.C. Health Link, in Washington, D.C., to continue gaining additional insight into its successful SHOP operations. The team also attended the Power of D.C., a national small business forum organized by D.C.

Health Link and its business partners. Mr. Michel added that members of the Senior Leadership Team (SLT) will be visiting the Massachusetts Health Connector to learn about their SHOP program.

Mr. Michel emphasized that AHCT would like to know where these uninsured residents live, in order to perform a targeted informational outreach prior to OE 2020. Mr. Doolittle praised this approach and expressed his concern about past estimates about the uninsured population. This survey will provide more reliable data. Ms. Veltri asked whether AHCT is performing this survey itself. Mr. Michel commented that it is being conducted by two of AHCT's vendors.

#### **E. Human Resources Subcommittee Update**

Glenn Jurgen, Director of Human Resources, provided the Human Resources Subcommittee Update. Mr. Jurgen described the staffing levels, which currently stand at 87 employees. Mr. Jurgen pointed out that the unemployment rate at both the state and national levels is low. It presents the organization with some challenges in terms of recruitment, particularly in more technical positions. Mr. Jurgen emphasized that AHCT has a low turnover rate, which helps the organization in the tight labor market. This is attributed to the company environment, values, and mission of providing quality healthcare to the residents of Connecticut. Mr. Jurgen described the annual employee review process. In addition, employees and managers meet on a regular basis. Company values are also being incorporated into the review process. This process is designed to provide employees with feedback, and to develop both training and growth opportunities.

Mr. Jurgen directed the attention of the Board to an issue of developing values that have been incorporated into the organization.

#### **Renee Coleman-Mitchell arrived at 9:12 a.m.**

The values came from sessions with PeopleInk, as well as the internal AHCT Values Committee. The Values Committee came up with behaviors associated with the values. The Values Committee and the Values Subcommittees meet regularly. Mr. Jurgen summarized the ValYOUthon. The first ValYOUthon was held in 2018, in conjunction with the OE. One value was highlighted weekly with one employee winner. An Olympic-themed closing ceremony was held, with three employees winning gold, silver and bronze medals. Those categories coincided with AHCT's medical plan offerings. Beginning in the Spring of 2019, employees have nominated their colleagues for Quarterly Values Champion awards, and a committee votes to determine the winner for each quarter of the year. This is an organic process that is not directed by the management.

Mr. Jurgen added that 22 employees are participating in leadership training sessions. This training is taking place monthly, with 12 sessions for the whole year. It was designed by a local vendor to develop leadership skills and is held off-site.

Mr. Jurgen added that AHCT has started a succession planning process. The Senior Leadership and non-Senior Leadership roles have been identified. Additional Senior Leadership as well as non-Senior Leadership successors still need to be identified. The goal is to identify any possible gaps that still exist, and to provide the employees who are in this program with training on leadership and management skills.

Robert Scalettar, M.D., inquired about the number of open positions within AHCT, and whether some of them are considered to be critical in nature. Mr. Jurgen responded that currently, AHCT is searching to fill two positions, and one of them is IT-related. The second position that AHCT is recruiting for is the director of SHOP. Both of these positions are very important to the organization.

Dr. Scalettar expressed his appreciation to AHCT for the level of investment in staff and inquired whether AHCT has considered utilizing the program called “Great Place to Work” for recruitment purposes. Mr. Jurgen stated that it is a very interesting program. There are also other surveys that may be useful as well and will be considered. They need to be tailored to the nature of the work that AHCT performs.

Ms. Veltri announced that the AHCT Human Resources Subcommittee is looking to fill in one vacancy from among the Board members. Susan Rich-Bye, Director of Legal and Governmental Affairs, added that the Audit Subcommittee also has one vacancy that needs to be filled.

#### **F. SHOP Advisory Committee Update**

Anthony Crowe, Chief Operating Officer, provided the SHOP Advisory Committee Update. Mr. Crowe emphasized that AHCT has renewed its focus on enhancing and expanding the SHOP platform. In order to do that, more information needs to be gathered.

Mr. Crowe stated that AHCT has visited the D.C. Health Link in Washington, D.C. twice. One of the major reasons for those visits is that their SHOP program has been successful. However, they operate under different rules, and have certain advantages that AHCT does not have. Mr. Crowe emphasized that the staff at D.C. Health Link has been very helpful.

A visit is planned to Boston with the Massachusetts Health Connector. The Massachusetts Health Connector recently contracted with the D.C. Health Link to operate their SHOP platform. While AHCT is not considering that, it is a model worth investigating. Mr. Crowe reported that AHCT has finalized the Request for Proposals (RFP) in April and based on that, two vendors have been chosen, based on their strengths, for a combination approach. They are performing research and analysis on various matters pertaining to consumers and their preferences. They organize focus groups with customers, from both on and off-Exchange plans. In addition, they are also meeting with both participating carriers. Mr. Crowe added that they also plan on meeting with some providers to get their input. Mr. Crowe added that the SHOP Advisory Committee has met three times since January. More tailored messaging for SHOP will take place this summer. Mr. Crowe

emphasized that SHOP has never been marketed properly. AHCT will place more emphasis on the enhancement of marketing SHOP. More quality products will be offered.

Mr. Crowe went on to provide a timeline for the research initiative. Ms. Veltri inquired about the goals for the SHOP. Mr. Crowe pointed out that one of the goals is to double the current enrollment. Mr. Crowe added that one of the most important questions that this research will attempt to answer is the SHOP's potential. Cecelia Woods asked for the reasons why the D.C. Health Link is a successful entity. Mr. Crowe stressed that for small businesses in Washington, D.C., the exchange is their only option. It is not easy to execute this approach, and there are lessons to be learned from that. Mr. Michel stated that their offerings are very varied, amounting to over 150 plans being offered. Ms. Rich-Bye added that the individual side is not as large because the Medicaid eligibility levels are much higher in Washington D.C., and Cost-Sharing Reductions (CSRs) are not utilized as much. Mr. Michel added that the Medicaid Federal Poverty Level (FPL) threshold is 250% in Washington, D.C. Mr. Michel stressed that SHOP presents the Exchange with a great opportunity to offer good quality products and expand AHCT's offerings.

#### **G. Legal Update**

Susan Rich-Bye, Director of Legal and Governmental Affairs, provided the Legal Update. Ms. Rich-Bye stated that the Centers for Medicaid and Medicare Services (CMS) finalized the rule for the Benefit and Payment Parameters for 2020. A new Special Enrollment Period (SEP) was approved for individuals who enrolled in individual coverage outside of the Exchange, and during the year, experienced an income loss to make them newly eligible for Advanced Premium Tax Credits (APTCs). These consumers would be able to come onto the Exchange and utilize their financial help eligibility to pay their medical premiums.

Ms. Rich-Bye added that the premium adjustment percentage was also changed. The premium adjustment percentage determines whether or not people are eligible for financial assistance. Prior to the change, only group premiums were used to determine the premium adjustment percentage. CMS decided to include both individual market and group market premiums. As a result of this change, the premium adjustment for the plan year 2020 is approximately 1.29%. Due to this change, the Maximum Out of Pocket (MOOP) has increased to \$8,150 for an individual and \$16,300 for a family. It increased the portion of the premium that subsidy-eligible individuals will be paying. Their APTCs will decrease slightly due to that change. It also increased the required contribution amount for someone who may be eligible for coverage under an employer-sponsored plan. The determination of whether consumers can come on the Exchange and obtain financial assistance depends on whether the coverage offered by the employer is affordable, which is based on a calculation tied to a required contribution based on their income. The final rules increased the required contribution amount. As a result, fewer people may be joining the exchange using employer-sponsored coverage. This change also decreased the minimal contribution amount, from 8.3% to 8.2%, for determining whether the individual has access to affordable healthcare coverage.

Ms. Rich-Bye added that several changes to the risk adjustment program were made. No mid-year changes to drug formularies were introduced.

Ms. Rich-Bye added that CMS originally proposed requiring carriers to offer “mirror” plans if they offered plans covering non-Hyde amendment elective abortion services. The “mirror” plans would be identical but would not include coverage for elective abortion services. CMS decided not to adopt this proposal for 2020, due to the large volume of comments received on this subject matter. All of those comments would need to be reviewed. The silver-loading for 2020 and auto-enrollment will still be allowed.

Mr. Philpott inquired about the 8.2% as it relates to the catastrophic coverage. Ms. Rich-Bye pointed out that this would determine eligibility for the affordability exemption or hardship. All of the income information would need to be provided to AHCT. These individuals would need to fall within the established income thresholds. If it is more than 8.24% of the individual’s income, they are eligible for the affordability exemption and they can buy a catastrophic plan. Ms. Veltri asked for the summary of the rule to be shared with the Board. Ms. Veltri commented that the state law allows for formulary changes. Ms. Veltri inquired about any plans in terms of informing consumers if the rule of separate billing is finalized. Mr. Michel pointed out that AHCT will work closely with the carriers about coming out with the best communication technique if and when this rule is implemented.

Ms. Rich-Bye went on to explain the *Texas vs. U.S.* litigation. Ms. Rich-Bye added that currently, the case is before the Fifth Circuit Court of Appeals. The lower federal court in December of 2018 declared the entire Affordable Care Act (ACA) unconstitutional, despite the plaintiffs’ argument. Numerous Democratic states and the U.S. House of Representatives are the interveners in this case. Connecticut is one of the states defending the constitutionality of the ACA. Republican state interveners are supporting the decision of the lower court. Ms. Rich-Bye added that interveners filed their appeal briefs and on March 25, the Department of Justice (DOJ) changed its position, from arguing that only the pre-existing condition protections are unconstitutional, to supporting the lower court’s decision to invalidate the entire ACA. This shift occurred after the appointment of the new U.S. Attorney General William Barr. He previously joined amicus briefs in 2012, asking the Supreme Court to strike down the ACA.

On May 1, the plaintiffs and the DOJ filed their opposition briefs. Ms. Rich-Bye emphasized that there were 20 amicus briefs filed in support of the defendants. They included various advocates, hospital associations, children’s advocates, among many others. Four amicus briefs were filed in support of the Republican states and the DOJ’s positions. The brief written by the DOJ, asking the court to strike down the entire ACA, has been widely criticized by a number of conservative legal scholars, including the Wall Street Journal Editorial Board and the National Review Editorial Board. The reply briefs are due on May 22, and the oral arguments will begin on July 8. Ms. Rich-Bye indicated that eventually, the case may head over to the U.S. Supreme Court.

Ms. Rich-Bye went on to explain to the Board the possible impact if the entire ACA were to be declared unconstitutional. The ACA affects virtually all aspects of the medical industry. Its elimination would have wide-reaching negative impacts. Ms. Rich-Bye emphasized that according to the estimates, 21 million people may be at risk of losing their healthcare coverage. Ms. Rich-Bye added that 12 million lower income individuals who are enrolled in medical coverage through Medicaid expansion, and 9.2 million who are utilizing financial assistance through APTCs and their respective marketplaces, would be at risk. The ACA guarantees, through the Medicaid expansion, that the states only have to pay 10 percent of the costs. The federal government pays 90 percent. If this were to be eliminated, most scholars agree that the states would not be able to afford to pick up the federal government portion to cover individuals in the same way that the ACA Medicaid expansion does. The result of that loss of coverage would be a dramatic increase in uncompensated care, which was one of the main reasons for the ACA's implementation. Some experts indicate that if the ACA were to be declared invalid, uncompensated care would amount to approximately \$50 billion per year.

The ACA has a large impact in combating the opioid crisis. The ACA requires that substance abuse treatments be covered through the insurance plans. A large number of individuals are receiving substance abuse treatment through Medicaid expansion. Ms. Rich-Bye remarked that the ACA provides protections for people with preexisting conditions, as well as protections against annual and lifetime caps for their coverage, through the guaranteed issue, guaranteed renewability, and community rating provisions. Ms. Rich-Bye added that ACA also impacts Medicare. Consumers using Medicare supplements would experience dramatic increases in their cost-share for their healthcare coverage. Ms. Rich-Bye emphasized that 2 million people are permitted to stay on their parents' health insurance up to the age of 26. This provision would no longer apply if the ACA were to be invalidated. Very negative impacts on the insurance carriers and providers would follow.

One of the lesser known provisions of the ACA requires nutritional labelling and calorie counts on menus in chain restaurants. It provides protections for breast feeding mothers at work and also has helped federal approval of biosimilars, which are near copies of biologic drugs made from living cells. Ms. Rich-Bye emphasized that the above-mentioned possible negative effects of the potential invalidation of the ACA represent the most important elements. There are many others that were not mentioned.

Ms. Veltri added that the ACA helped to shrink the so-called donut hole in Medicare Part D. The Center for Medicare and Medicaid Innovation was created under the ACA. This institution is driving investments into delivery and payment reforms throughout the country.

Mr. Doolittle added that in his past role, he was a deputy director of program integrity at CMS. Mr. Doolittle added that a little-known fact about the ACA is that it is a major anti-fraud and program integrity statute that has made it much easier for Medicare to suspend payments to fraudulent providers. The ACA has an anti-fraud component.

Renee Coleman-Mitchell added that Connecticut also has behavioral health programs that were developed under the ACA. Ms. Veltri added that Connecticut is one of the states that is defending the ACA and stated that the Governor's office is monitoring developments surrounding the case. Ms. Coleman-Mitchell indicated that this is a concerted effort on the part of many states to bring this issue to the forefront.

Dr. Scalettar asked whether a contingency plan exists, and if the Massachusetts model may potentially be considered. Ms. Veltri pointed out that Connecticut has looked at Massachusetts for many aspects of the ACA, but not everything can be modeled after them. Ms. Veltri added that discussions are taking place on the state level about how the potential invalidation of the ACA could be mitigated, such as protection of the Essential Health Benefits (EHB) and access to preventative services, among other topics. The elimination of the Medicaid expansion would be catastrophic for Connecticut, since approximately 220,000 residents of the state utilize it. The state budget is not equipped to absorb 100 percent of the cost.

Mr. Michel emphasized that there is a lot of energy to do everything in our power to make sure that Connecticut residents are protected. AHCT is part of these discussions. Nancy Navarretta added that in terms of the opioid crisis and expansion, the DHMAS budget was adjusted due to many services being covered through the expansion. Those funds would be gone if the lawsuit prevails. It would affect a lot of individuals for uncompensated care.

Ms. Rich-Bye added that recently, AHCT has entered into an updated Memorandum of Agreement (MOA) with the Office of Health Strategy (OHS). The All Payer Claims Database (APCD) was previously a program of the Exchange, and the State Legislature moved it to the OHS in 2017. AHCT has been managing the program for OHS since that time, with the anticipation that the transfer would be completed by June 30, 2019. Both entities have entered into their final MOA. Ms. Veltri thanked Robert Blundo, Director of Technical Operations and Analytics, and others involved in the transition process.

Grant Ritter stated that according to the state audit, any time that there is an expenditure of \$5,000 or more, it requires the Board of Directors' approval. Dr. Ritter inquired about AHCT's position on this issue, and whether the Exchange is excluded from that provision. Ms. Rich-Bye clarified that it would require Board's approval if the expenditure is \$5,000 or more and was not included in the adopted budget. The Finance Committee meets quarterly, and every quarter the Committee is provided with the budget update that contains any possible changes to the budget. After the Finance Committee approves the quarterly reforecast, then the Board of Directors approves it. Dr. Ritter inquired about the status of the Exchange in terms of its relationship with the state of Connecticut. Ms. Rich-Bye pointed out that AHCT is a quasi-public agency and not part of the Executive Branch. AHCT is not funded through the State budget. Some of the quasi-public agencies are funded with state funds. The State of Connecticut includes AHCT's financial information with the State's information, but it is not funded by the state budget. It is there for informational purposes. Dr. Ritter inquired whether a difference of opinion exists between the state auditors and AHCT. Mr. Michel plans on organizing a Board of Directors workshop in the fall



that will fully outline the roles and responsibilities of AHCT, internal processes, and other related issues, in order to provide full clarity. The issues that were provided in the state auditor's report occurred in 2014 and 2015 and have been addressed. AHCT wants to ensure that they will not happen again.

#### **H. Marketing/Outreach Update – Choose, Use, and Be Well**

Andrea Ravitz, Director of Marketing, provided an overview of the Marketing Department efforts. Those actions involve being active in many communities, media campaigns, and social media engagements, among many others. Ms. Ravitz described the bilingual media campaign titled Choose, Use, and Be Well. The main goal of this campaign is to stay relevant throughout the year, and to make sure that AHCT is supporting its usual efforts that involve community outreach, social media, direct consumer communications, and public relations. The main element of the campaign is to convey that once someone has medical coverage, it should be used to one's advantage.

One of the program's aims is to support member retention. Brand recognition is also a major element, as well as reaching out to the communities of color. They face various challenges that include health disparities and a lack of awareness about the possibility of having quality healthcare coverage. The promotion of preventative healthcare is the core element of this media campaign, specifically the crucial role of the primary care physician, and the importance of the annual physicals.

Ms. Ravitz stressed that AHCT will be more visible at local community events. The Exchange staff will be at close to 150 local events in the upcoming fiscal year. Sponsorships with local television stations are part of the outreach plan, as well as the CEO's listening tour. AHCT wants to incorporate psychographic research, which would allow the Exchange to understand purchasing and social habits. Ms. Ravitz described other marketing approaches that are or will be undertaken in the coming weeks in preparation of the OE 2020.

Ms. Coleman-Mitchell pointed out that the marketing campaign is extremely comprehensive. She inquired whether there have been any focus groups, including families that have gone from A through Z of utilizing this process, and providing feedback, and whether a continued evaluation of the program's effectiveness will take place. Ms. Ravitz responded that AHCT gathers customer feedback. This occurs not only during the OE period, but throughout the year, to make sure that they utilize their health insurance and use AHCT's platforms to voice their opinions. This campaign that just started was part of that. It is a combination of understanding what people actually need and their challenges. It is just the beginning of the campaign, but the evaluation is done on a regular basis. Ms. Ravitz stated that during the month of August, various focus groups are held with members of different communities to obtain valuable feedback. Ms. Veltri commended the reinvestment in the community efforts and the navigator program.

#### **H. Future Agenda Items**

Mr. Michel provided the Board with the list of possible future agenda items, which include the Navigator Program, the SHOP Strategic Plan, and the Uninsured Survey.

**I. Adjournment**

Presiding Officer Victoria Veltri requested a motion to adjourn. Motion was made by Robert Scalettar and seconded Cecelia Woods. **Motion passed unanimously.** Meeting adjourned at 10:22 a.m.