



Connecticut Health Insurance Exchange Board of Directors Regular Meeting

Legislative Office Building, Room 1D
300 Capitol Avenue, Hartford

Thursday, September 19, 2019
Meeting Minutes

Members Present: Victoria Veltri; Cecelia Woods; Grant Ritter; Theodore Doolittle, Office of the Healthcare Advocate (OHA); Paul Philpott; Yvonne Addo on behalf of Commissioner Miriam Delphin-Rittmon, Department of Mental and Health Addiction Services (DHMAS); Paul Lombardo on behalf of Commissioner Andrew Mais, Connecticut Insurance Department (CID); Anne Foley on behalf of Secretary Melissa McCaw, Office of Policy and Management (OPM); Commissioner Deidre Gifford, Department of Social Services (DSS); Steven Hernandez; Cara Passaro; Thomas McNeill

Members Absent: Commissioner Renee Coleman-Mitchell, Department of Public Health (DPH)

Other Participants: Access Health CT (AHCT) Staff: James Michel; Anthony Crowe; Rajiv Chawla; Susan Rich-Bye; Glenn Jurgen; Robert Blundo; John Carbone; Darrell Hill; Gina Breton; Kathleen Tallarita

A. Call to Order and Introductions

The Regular Meeting of the Connecticut Health Insurance Exchange Board of Directors was called to order at 9:02 a.m.

Victoria Veltri called the meeting to order at 9:02 a.m.

B. Voting-in Presiding Officer

A motion was requested to appoint Victoria Veltri to act as a presiding officer at the September 19, 2019 Meeting of the Board of Directors in absence of the Chair and Vice-Chair. Motion was made by Anne Foley and seconded by Cecelia Woods. **Motion passed unanimously.**

C. Public Comment

No public comment.

Theodore Doolittle arrived at 9:02 a.m.

D. Introduction of New Board Members

James Michel, Access Health CT (AHCT) CEO, introduced new members of the Board of Directors, Steven Hernandez, Cara Passaro, and Thomas McNeill. Mr. McNeill is a practicing attorney and has been appointed by the Connecticut State Senate Majority Leader, Bob Duff. Mr. Michel introduced Cara Passaro, who is the chief legal counsel for the House Democratic Caucus and has been appointed by the Speaker of the State House of Representatives, Joseph Aresimowicz. Mr. Michel introduced Mr. Steven Hernandez, who is the interim director of the Commission on Women, Children, Seniors, Equity, and Opportunity at the Connecticut General Assembly. Mr. Hernandez has been appointed to serve on the Board by the State House of Representatives Minority Leader, Themis Klarides. Mr. Michel also welcomed the new Department of Social Services Commissioner, Dr. Deidre Gifford. Mr. Michel thanked the new Board members and encouraged their participation in the standing and advisory committees of the Board.

E. Swearing-In New Board Members

Susan Rich-Bye, Director of Legal and Government Affairs, administered the oath to the newly appointed Board members.

F. Votes

Presiding Officer Victoria Veltri requested a motion to approve the June 20, 2019 Regular Meeting Minutes. Motion was made by Paul Philpott and seconded by Grant Ritter. Steven Hernandez, Thomas McNeill, Cara Passaro, and Dr. Deidre Gifford abstained. **Motion passed.**

The Presiding Officer requested a motion to amend the Bylaws to remove the references to the All Payer Claims Database (APCD) Program. Motion was made by Cecelia Woods and seconded by Grant Ritter. Ms. Rich-Bye explained that the APCD program became a part of the Exchange in 2013. In 2017, the APCD was moved to the Office of Health Strategy (OHS). The Exchange continued operating the program for the OHS through the Memorandum of Agreement (MOA) until June 30, 2019. As a result, the reference to the APCD in the AHCT's Bylaws is no longer required. **Motion passed unanimously.**

G. CEO Report

James Michel, Chief Executive Officer, provided the CEO Report. Mr. Michel noted that the Agenda for this meeting provides a high-level overview of AHCT's preparations for Open Enrollment 7 (OE). Mr. Michel thanked all of the Board members for their continued support of the organization. Mr. Michel reflected on the listening tour, during which meetings were held with influential community stakeholders and organizations throughout Connecticut. The input received was invaluable. The cost of medical insurance and matters relating to immigration were their communities' biggest concerns. AHCT also met with the participating carriers.

Mr. Michel pointed out that according to the Census data, a slight decrease in the uninsured rate in Connecticut was reported. Mr. Michel emphasized that significant progress has been made in reducing the uninsured rate in Connecticut since the first OE took place in 2013-2014. The expansion of Medicaid was a significant factor in reducing the uninsured rate. Mr. Michel stressed that a lot of work remains to be done to fulfil the Exchange's mission. The establishment of the 2020 goals for the organization was an important achievement. AHCT has been preparing the business plan for SHOP. The SHOP Advisory Committee has been working with two business partners and the Director of SHOP and Product Development, John Carbone, to develop a business plan to launch this product.

H. Connecticut Insurance Department Presentation: 2020 Rate Review

Paul Lombardo, Connecticut Insurance Department (CID) Director of the Life and Health Division, presented the 2020 Rate Review. Mr. Lombardo enumerated the factors that impacted the rates for the upcoming plan year. Mr. Lombardo noted that there were 10 companies with 14 rate filings, 4 filings in the individual market, and 10 of them on the small group market. AHCT has two carriers in both the individual and small group markets. Combined, the small business and individual markets have about 240,000 people enrolled in Connecticut. The Federally mandated health insurer tax contributed approximately 3 percentage points to the rate increases. The annual trend, both medical and pharmaceutical, which include the utilization of the services and the severity, was about 8.2 percent, which was consistent with last year's 8 percent. Pharmaceuticals are becoming a larger portion of the premium each year.

Mr. Lombardo noted that the Centers for Medicare and Medicaid Services (CMS) performed a risk adjustment data validation audit. The risk adjustment affected the carriers both ways. Some of them had to pay in, while others were the beneficiaries. This was for the 2017 benefit year. More audits will be made for the later plan years. The carriers' reconciliation is not required until 2021, but states have the ability to account for that at any time. CID decided to apply it to the 2020 rates to reflect the actual risk that the carriers have.

Mr. Lombardo went on to summarize the 2020 on-Exchange Health Insurance Rates. Anthem's approved range request for individual policies sold on the Exchange was 6.5 percent, whereas Connecticut Benefits Inc.'s (CBI) was 2 percent. Anthem covers 27,318 lives, while CBI has 75,625 members. In the Small Group Market, Anthem requested a 14.8 percent increase and CID approved an average of 14.3 percent. CBI's average request was 4.8 percent, and CID approved it. Anthem covers 44,103 people on and off the Exchange in the Small Group Market while CBI has 239 members on the Exchange. Mr. Lombardo also provided average rate increases for the individual and small group policies sold outside of the Exchange.

Paul Philpott inquired about the effects of selection on the risk adjustment, and if that played a role in the demise of Healthy CT. Mr. Lombardo noted that there is guaranteed issue, there is no pre-existing condition rating or underwriting. A significant churn is experienced in the individual market by individuals changing carriers. The audit affects the risk adjustment in the future. Mr. Lombardo noted that Healthy CT was a significant payer of the risk adjustment, and it also had issues with the risk corridor. He added that an uptick exists of customers in Connecticut purchasing HMO products.

Grant Ritter commented that the off-Exchange rates seem to be higher than the on-Exchange rates and inquired about the base line value that premiums start to age-adjust. Mr. Michel pointed out that one of the future items of discussion will be the Consumer Impact Study by Wakely. It will be presented at the October Board of Directors Meeting. Discussion ensued around approved rate ranges and HMOs. Mr. Lombardo noted that all of the CID's information pertaining to the review process can be found on the department's website.

Theodore Doolittle inquired whether any information exists in the filings that consumers could use to understand trends and total costs and asked if any of that information can be presented in a way that consumers can better understand it. Mr. Lombardo pointed out that spreadsheets are part of the rate filing that identify the allowed and paid claims. The difference would be the aggregate amount of the cost-share. The total cost depends on the services provided. Mr. Doolittle encouraged CID to provide this information in a more consumer-friendly manner, although it is not a part of the rate review and expressed his understanding that providing more usable information to consumers may be challenging. Mr. Doolittle encouraged Connecticut to be a frontrunner in developing meaningful all-in metrics, as opposed to premium metrics, and encouraged CID to consider this approach without expending a disproportionate amount of resources. Mr. Lombardo indicated that CID will take it under consideration. Ms. Veltri added that the APCD is a depository of all of this information in terms of cost-sharing, and possibly it can be provided using this data.

I. Open Enrollment 7 Readiness Update

Robert Blundo, Director of Technical Operations and Analytics provided the Open Enrollment 7 Readiness Update. The scheduled 2020 OE will start on November 1 and will run until December 15. Mr. Blundo noted that a team for OE Readiness was assembled, with the focus on enhanced digital experience, acquisition, retention, continued improvements in customer experience, and greater in-person presence. Mr. Blundo provided a timeline for the 2020 OE Planning, which spans from mid-September to the end of the year. Mr. Blundo enumerated OE Preparation Challenges for 2020. They include short enrollment windows, as well 2019 to 2020 premium changes. Mr. Blundo noted that four 2019 silver plans will not be available in 2020, and two new Anthem Pathway PPO plans will be offered in 2020. In addition, two new ConnectiCare Choice POS plans will be offered in 2020. Other factors that may contribute to the operational challenges for the upcoming OE are changes in the law, as well as misinformation.

Mr. Blundo went on to summarize technological improvements that aim to improve the consumer experience. Mr. Blundo pointed out that approximately 30 percent of AHCT's customers are using mobile devices to shop for plans. The shopping portal that will be available in a mobile version will have the same functionality as the desktop one. Targeted simplification efforts are also part of the more consumer-friendly design. Webpages that generated the most amount of negative feedback will be redesigned. Another major feature is a customer verification process that will be improved, which includes more efficient communication, processing and overall experience. It will streamline the process, reduce the number of redundant verifications, and re-verify the information. Mr. Blundo emphasized that part of OE 7 Readiness is improved brokers tools and processes, as well as shopping and decision support features. Mr. Blundo stated that over 100 system updates to improve customer experience and satisfaction have been implemented.

Mr. Philpott inquired about the possible percentage of the AHCT business that would go through brokers and asked how it compares to this year. Mr. Blundo noted that approximately 40 percent of AHCT's customers are associated with brokers. This percentage is increasing. Anthony Crowe, Chief Operating Officer, pointed out that AHCT is currently completing the certification process with the brokers. The Exchange is anticipating more than 300 brokers to be certified. Recently, AHCT conducted three training sessions for the brokers, with the highest participation on the record. Positive feedback was received from those brokers on the system improvements.

Mr. Philpott expressed his interest in customers who are not receiving financial assistance to help them pay their premiums. Mr. Philpott noted that in his view, the fact that people who do not receive a subsidy still purchase products offered on the Exchange is proof that this organization is providing value. Mr. Philpott inquired about the number of customers who do not receive APTCs. Mr. Blundo responded that approximately 25 percent of AHCT's customers are not APTC-eligible. Dr. Deidre Gifford inquired about the percentage of first-time applicants during the OE

period, and about the number of those individuals who end up being eligible for Medicaid. Mr. Blundo noted that a detailed report is prepared at the end of each OE. About 10 percent of total enrollees are new acquisitions. In addition, 15 to 20 percent are re-enrollees. These customers were Medicaid recipients in the past and became QHP-eligible, or they had a gap in coverage and they came back. The population over the one-year period that churns between the QHP and HUSKY programs is about 30 percent. More details about these statistics will be provided. Cara Passaro inquired about the way in which automatic renewals are conducted. Mr. Blundo explained that auto-renewals have two major components, which include consumers answering two questions that will qualify them for automatic renewal. Mr. Blundo pointed out that for the projection purposes, AHCT will ring the federal hub to collect information on those individuals. Mr. Blundo further explained various scenarios that may be possible with the auto-renewal option being utilized by consumers.

J. Legal Update

Susan Rich-Bye, Director of Legal and Governmental Affairs, provided a Legal Update, which included the Public Charge final rule and ACA litigation. Ms. Rich-Bye provided a synopsis of the ACA litigation. In December of 2018, a Texas Federal judge ruled the ACA unconstitutional. The verdict was appealed to the Fifth Circuit Court of Appeals. In July, a three-judge panel heard oral arguments. A ruling is expected sometime in the fall. Ms. Rich-Bye noted that if the Appeals Court dismisses the case, then it would have to decide whether to vacate or let the District Court ruling stand. The losing party can request the entire Fifth Circuit Court of Appeals to hear the case, but the most likely outcome would be an appeal to the United States Supreme Court.

Ms. Rich-Bye reported that another case that is pertinent to the ACA is the *City of Columbus vs. Trump*. It was a lawsuit filed by 5 cities and two individuals, and argues that the President should be enforcing the laws and not sabotaging them by various executive actions. Twenty states, including Connecticut, and the District of Columbia, filed amicus briefs and other entities, including the U.S. House of Representative have filed briefs as well.

Ms. Rich-Bye stated that contraceptive mandates is another issue that is being litigated. The ACA mandates that health insurance plans provide coverage for contraceptive methods and counseling. In 2016, in response to various religious groups, an accommodation rule was implemented which allows for religious-based organizations to exclude that coverage. In that case, the entity would inform the insurer or the third-party administrator that they were excluding coverage, and then the insurer would provide contraceptives or counseling or make arrangements to provide it. In 2017, the Trump Administration issued a rule allowing employers or insurers to refuse to cover contraceptives if it violated their religious beliefs or moral convictions. The Obama Administration accommodation rule would no longer be enforced under this new rule. Various entities filed lawsuits about those two rules. Ms. Rich-Bye provided detailed information about those cases. Ms. Rich-Bye added that the Third Circuit Court of

Appeals upheld a preliminary nationwide injunction of the Trump Administration rule, and prevents those who object to contraceptives for moral or religious reasons from relying on those rules. Other regional injunctions have also been issued.

Ms. Rich-Bye added that HHS proposed a rule to amend the 2016 regulation to implement Section 1557 of the ACA. The amended regulation has not been issued yet. The rule would make changes to the definition section of the rule which would eliminate key terms such as covered entity and “on the basis of sex” as well as specific non-discrimination based on sex, gender identity and association. The website language assistance functionality would also be eliminated. Other smaller changes would also be instituted. Legal challenges pertaining to Section 1557 are taking place.

In addition, the Cost-Sharing Reduction payments are also being litigated. There are also other court challenges. Mr. Michel added that most of the items that are discussed in the Legal Update pertain to both QHP and Medicaid recipients. Mr. Michel emphasized that one of the major reasons why the uninsured rate declined was due to the Medicaid expansion under the ACA. If cases against the ACA prevail, all of that progress in decreasing the number of people who are without insurance could be eliminated.

Steven Hernandez inquired how the states can prepare for the negative consequences of those court decisions. Mr. Michel pointed out that AHCT tries to stay ahead in order to diffuse any confusion for the customers. AHCT monitors social media, the news and other mass media to craft proactive messaging. Mr. Lombardo added that the State of Connecticut also took proactive and protective measures, and some of them were codified into law in case the ACA is invalidated. Ms. Veltri added that many State departments submitted comments to those proposed rules expressing its positions. Ms. Rich-Bye added that Connecticut joined some of the lawsuits, and the Connecticut Congressional Delegation is also active in supporting the AHCT’s positions. Mr. Lombardo stated that CID Commissioner Andrew Mais provides comments on these proposals at the National Association of Insurance Commissioners. Ms. Rich-Bye pointed out that AHCT also submits comments on its positions.

Ms. Rich-Bye went on to explain the new Federal Rule issued by the Department of Homeland Security (DHS) for the Immigration and Nationality Act (INA) regarding the inadmissibility on Public Charge Grounds. The rule applies to those individuals who are seeking to legally enter the United States, become a Lawful Permanent Resident, legally extend a stay in the United States or legally change visa types. Ms. Rich-Bye added that it expands the scope of benefits considered to include Medicaid, the Supplemental Nutritional Assistance Program, and housing benefits. It gives DHS more latitude to consider evidence such as income, education, health status in making determination of whether individual is a public charge. The Final rule is set to go into effect on October 15 and several lawsuits have been filed along with the joint lawsuit of Connecticut, New York and Vermont. The lawsuit states that the new rule is unconstitutional, and would hurt the

state financially by depriving the state of federal funds and force the states to spend their own money to assist those populations. Fear may be a factor for those populations when considering applying for assistance. AHCT is preparing the call center, the outreach team and others to assist those individuals with questions.

Dr. Gifford emphasized that this rule is already having a negative effect after anecdotally hearing from providers and community agencies in people seeking care. Immigrant communities have a great deal of fear regarding this new rule. Dr. Gifford expressed her concern that it pertains to the general atmosphere of concern on both the undocumented and lawfully abiding legal residents. There could be as many 200,000 Connecticut residents that could be affected by this rule. Dr. Gifford mentioned that Connecticut bucked the nationwide trend in terms of not adding people to the uninsured pool. This is a testament to all of those in the state that work hard for people to have medical coverage. Dr. Gifford added that it is important to hold those gains and make sure that proper messaging to the immigrant communities should be taking place to inform them what this rule means to them. Dr. Gifford added that submitting comments to proposed rules is important since judges issuing decisions may rely on them. Ms. Rich-Bye added that Sen. Richard Blumenthal introduced a bill that would prohibit the Public Charge rule from going into effect.

K. Marketing and Outreach Update

Gina Breton, Manager of Brand and Content Strategy, provided a Marketing and Outreach Update. Each year, a data-driven campaign is conducted. Mrs. Breton added that interdepartmental cooperation is crucial in achieving the marketing and outreach goals. AHCT is utilizing the available AHCT-produced research to determine the best approach. Focus groups have been conducted with various groups that include the insured, the uninsured, and many others to try to understand what messages resonate with them the most.

Meetings with Brokers and Certified Application Counselors (CAC) are all part of the outreach campaign. AHCT consistently meets with community partners.

Mrs. Breton outlined community outreach events that the organization is undertaking. They include over 150 community events, a canvassing program for the uninsured communities, in-home events, a navigation program, Healthy Chats series, and the expansion of enrollment fairs. The Healthy Chats will be spread out throughout the state.

Mrs. Breton pointed out that AHCT is partnering with three navigator organizations. It will provide the Exchange a bigger footprint in the communities to support the application process. It would also provide more focus on the health insurance literacy. Mrs. Breton added that AHCT will be holding its annual community conference on Wednesday, October 16. Mrs. Breton described other marketing and outreach initiatives that will be undertaken in the upcoming days

and weeks. Discussion ensued around the marketing and outreach efforts for various QHP customers, and also to Medicaid recipients.

Historical as well as current funding levels for the marketing and outreach campaigns have been discussed. Mr. Michel noted that AHCT is not dependent on the Federal Government for any marketing and outreach funds. They are fully funded by assessments. Mr. Michel noted that if the federal spending cuts for marketing and outreach do occur, they create a lot of confusion among the customers. AHCT clarifies that it does not impact the Exchange.

Mr. Doolittle inquired whether, due to the fact that Connecticut is one of the states that operates its own Exchange, less impact is observed from the decisions of the Federal Government. Mr. Michel noted that there is less impact operationally and financially, however from the media perspective, it is still challenging. Mr. Hernandez inquired whether the statement that AHCT serves as a clearinghouse for customers is correct. Mr. Michel indicated that by statute, AHCT has to determine if an individual qualifies for Medicaid. If that is the case, then this customer is forwarded to the Department of Social Services to enroll. Mr. Michel added that if that person does not qualify for Medicaid, she/he may choose from one of the QHP plans offered on Exchange. All of the marketing and outreach efforts are designed to serve all of the stakeholders. Dr. Gifford indicated that even a greater cooperation between DSS and AHCT is possible to reach those families where a parent is a QHP customer and children are HUSKY-eligible. Mrs. Breton stated that it is an example of a target audience that AHCT follows and looks for new, more effective strategies.

L. Future Agenda Items

Mr. Michel briefly described future agenda items which include the Open Enrollment Update, Final Uninsured Research Results, Consumer Impact Study by Wakely, and SHOP Update. Mr. Michel reiterated that one of the biggest concerns for the Exchange would be the public charge issue. Many Connecticut families may forgo having medical insurance because they have someone in the family who would be affected by that change. It is one of the major reasons why AHCT will be canvassing those neighborhoods that will be affected by the change.

M. Adjournment

Presiding Officer Victoria Veltri requested a motion to adjourn. Motion was made by Grant Ritter and seconded by Paul Philpott. **Motion passed unanimously.** Meeting adjourned at 11:06 a.m.