



Strategy Sub-Committee Regular Meeting MEETING MINUTES

Location: LOB, Room 1B
Date: June 11, 2015
Time: 1:00 p.m.

Members Present

Dr. Robert Scalettar (Chair); Paul Philpott; Grant Ritter; Robert Tessier; Cecelia Woods

Members Absent

Vicki Veltri, Katharine Wade

Other Participants

James Wadleigh

I. Call to Order and Introductions

The meeting was called to order at 1:05 p.m. Robert Scalettar, MD welcomed Paul Philpott to the Committee.

II. Review and Approval of Minutes

Grant Ritter made a motion to approve the April 9, 2015 minutes and Robert Tessier seconded. Cecelia Woods abstained. **Motion passed.**

III. Roles and Responsibilities of Strategy Committee for AHCT Long Term Strategic Direction

Dr. Scalettar stated that there are documents relative to the Strategy Committee as well as documents outlining the strategic plan for the period 2014 through 2017. The documents will be redistributed to the Committee.

Dr. Scalettar provided excerpts. Key success factors included approving a multiyear strategic plan, define measurable tactics to support the strategic plan, engage staff, Connecticut state agencies, consumers and external experts to advise on ways to promote delivery system change. Also included is an annual evaluation and recommendation to the Exchange Board on purchasing criteria for plans; promoting information sharing and decision transparency. There were a series of meetings to engage Exchange staff, state agencies, external parties and a series of invites to present at meetings.

Connecticut's Health Insurance Marketplace
As approved by the Strategy Subcommittee
on July 13, 2015

With two successful enrollments, there was a longer term vision with three legs which included: education of consumers to empower them; AHCT sustainability which included the formation of Access Health Exchange Solutions (AHES); and, funding of the All Payers Claim Database (APCD). Metrics are also a part of the three year strategic plan. Articulation of the metrics continues but Dr. Scalettar feels that they are on target.

Dr. Scalettar posed the question as to whether there should be any modification as the landscape changes. Mr. Ritter requested additional benchmarks including metrics of enrollment as to whether consumers are new to insurance or demographic information as to who signed up and who hasn't. Mr. Wadleigh replied there will be a presentation to the board in a few months. Mr. Ritter continued with affordability which is a huge issue. Mr. Ritter added that the third is, which may be too early, the quality of the benefit packages offered which meets the mission of providing high quality products. Mr. Wadleigh replied that the comparison ability is price only and the only plans different are the non-standard plans. Mr. Ritter added that the industry is more in charge of the designs. Mr. Tessier agreed with Mr. Ritter's additions which will capture critical issues. There is a need to find and explore ways to incentivize plans that are more geared to measuring quality outcomes. Mr. Tessier added that there was discussion at the previous meeting regarding network adequacy. The Connecticut Health Foundation is making some resources available for a secret shopper program. Mr. Wadleigh stated that there zero complaints of adequacy in the environment related to private health insurance adding that the Connecticut Insurance Department (CID) has indicated to AHCT staff that there were no complaints. Data sharing needs to be continue. Networks were very different from when AHCT went live. Mr. Wadleigh suggested having carriers show some profitability differences between on and off exchange customers.

Mr. Philpott stated that the network issue is a big concern for him because there is a feeling in the brokerage community that a client that is enrolled through the Exchange may have network issues. The broker is responsible for servicing that policy adding that a policy without an APTC can be written directly with the carrier and there would not be any network issues. He is of the opinion that information is necessary as to how the smaller networks are performing and what deficiencies there are, if any. If there are savings, this should be incorporated into the cost. There should be a formal request from CID for this information.

Mr. Philpott referred to the very expansive vision and mission of the organization. Dr. Scalettar addressed some of the items addressed by Mr. Philpott including network adequacy. A network adequacy measure should still occur despite there being no complaints. The other side of network adequacy is size and performance relating to affordability and quality. There are individuals that exceed the 400% federal poverty level (FPL) and small businesses are struggling to insure workers. AHCT work is broader creating responsibility and opportunity. APCD has become an important organization to drive as well. Mr. Philpott added that the time is right to obtain the network information. It should be formally requested which may assist in the affordability issues. Discussions regarding healthcare quality should be discussed by the carriers. The APCD will be one item that can help in this area.

Dr. Scalettar referred to Choosing Wisely. The medical community, through this program, is becoming introspective and more responsible. There is also a need for consumer education.

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Consumer Reports has produced information that is culturally sensitive. Carriers should be required to offer value based networks. Further on the quality cost side, carriers should have to participate in some Choosing Wisely activity taking place in the state.

Mr. Philpott stated that if there is to be some measurable quality, there needs to be some sort of collaborative approach with the carriers through discussions and finding some common ground. Mr. Wadleigh stated that it is time to revisit strategy. AHCT is going from a startup to an operating company. Lastly, based on conversations with carriers, they are eager to participate on a broad spectrum of items stated on today's agenda. The struggle is to have carriers meet simultaneously. Mr. Philpott stated that a high level conversation with the carriers will give some idea of finding common ground on the quality side. Mr. Wadleigh offered a statistic across all the carriers in which 40% of AHCT customers affirmed by carriers have not gone to a primary care physician which are free visits. This suggests that this may be a good item to tackle. Dr. Scalettar added that a takeaway would be an engagement opportunity with the carriers. Discussion turned to rates and the medical loss ratio. Commissioner Wade will be asked as to what the current Connecticut medical loss ratio is. Mr. Wadleigh recalled a prior conversation with Anne Melissa Dowling where the medical loss ratio sat at 86%.

Dr. Scalettar asked that documents developed in the past be circulated. It is clear that the narrower of substantive issues to focus albeit not purely about enrollment would be a good way to go. There is a need to be collaborative with the carriers. The goal over the next couple of meetings is to have carriers join in the meetings.

IV. Performance Metrics Next Steps

Mr. Wadleigh continued with performance metrics next steps. Quality metrics were originally requested by the Board. These have been vetted and there have been additions and subtractions. Metrics need to be defined from an Exchange perspective. There have been a number of conversations as to what the organizational goals are and what the Board wants filtered back down to goals for staff. The metrics need to be finalized and there is a need to start tracking from an organization perspective for the Board. If there are questions, Mr. Wadleigh asked to send comments on how this should move forward.

Dr. Scalettar asked how many measures are required for CCIO regulatory reporting and which are used as internal measures. Further, how many are timeline driven as opposed to performance date versus a more strategic goal measure. Mr. Wadleigh replied that he would provide this information.

V. Future Budget Goals

Mr. Wadleigh stated that the assessment has been increased which will result in a consumer premium increase. A new budget was recently approved which included future investment. The question is what the goal is for the operating budget of \$20 million. The goal is to continue

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lowering costs of the organization. Staff already has a target to lower expenses for 2017 and 2018.

Mr. Wadleigh stated that there is a proposed 2017 budget. The organization needs to operate without an assessment. Mr. Philpott added that all of the assessments find their way into the cost of the products and there is a need to be sensitive. The organization has developed a brand and reputation which is really an asset owned collectively by the citizens of Connecticut. The balance is protecting and building the asset at the same time realizing the assessment is built into the cost.

Robert Tessier left at 2:46 p.m.

Dr. Scalettar stated that the future budget goals will be revisited as time goes on. Mr. Philpott added that increasing revenue is an opportunity so that there is not so much pressure on the expense.

VI. SHOP Strategy

Mr. Wadleigh discussed SHOP strategy. Mr. Wadleigh is asking the Strategy Committee how does AHCT get the Committee's expertise and participation. Mr. Ritter replied that it would be key to have the brokers to begin switching over adding both a vertical and horizontal choice in plans for business employers. Mr. Ritter added that price is key. Mr. Wadleigh replied that there are savings of \$7,000 to \$10,000 per year for those currently enrolled.

Mr. Philpott asked what carriers are willing to participate in SHOP. Mr. Wadleigh replied that ConnectiCare does not participate in SHOP. Mr. Philpott stated that there needs to be a sit down with the top producers and getting some interviews as to why they are successful with exchange products and what product development to make a wider appeal. This would include employer choice capability particularly with retention.

VII. Adjournment

Motion was made by Paul Philpott to adjourn the meeting. Cecelia Woods seconded. ***Motion passed unanimously.*** Meeting adjourned at 3:01.