



## Brokers, Agents and Navigators Advisory Committee and Small Business Health Options Program (SHOP) Advisory Committee Special Meeting

Location: Holiday Inn - Junior Ballroom  
100 East River Drive  
East Hartford, CT

Date: Tuesday, February 17, 2015  
Time: 9:00 a.m.

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### **Members Present**

Pam Russek; Tim Pusch; Ellen Skinner

### **Members On Phone**

Grant Ritter; Steve Glick; Tony Pinto; Mary Ellen Breault; Nathan Field; Matthew Katz; Mark Czarnecki; Matt Fair; Patricia Pulisciano;

### **Other Participants**

AHCT: Julie Lyons; Chad Brooker; Virginia Lamb (phone)

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

The meeting was called to order at 9:05 a.m.

#### **II. Public Comment**

There was no public comment.

**III. 2016 Standard Plan Designs – Discussion and Vote**

Julie Lyons provided an overview of the purpose of the meeting. Amended proposed standard plan designs for 2016 were sent out last night and are being presented. These were based on the plan designs discussed at last week's meeting but have been modified after review by AHCT's actuarial consultant. Due to projected increases in Outpatient Services, AHCT's actuarial consultant asked for a revision to the average cost for this in the Actuarial Value Calculator (AVC). While all the SHOP plans that were reviewed during the meeting last week remained in compliance with this adjustment, alternate plans are being presented today in an effort to reduce the Actuarial Values (AVs) so that the plans remain compliant.

The plan options discussed at last week's meeting were all approved to be moved forward for review at this meeting for a vote to recommend standard plans to the Board. The changes since last week are highlighted within the exhibits in mustard-colored shading.

- For Platinum, Option 1 reviewed last week has been adjusted for increased cost sharing for Inpatient Hospital/Skilled Nursing and Outpatient Hospital services. There was an explanation regarding the AVC tool functionality not having an input field for Outpatient Services that accepts a copay, so it had to be converted to coinsurance.
  - Tim Pusch made a motion to recommend the revised Option 1 plan design to the Board as the 2016 standard Platinum plan. Pam Russek seconded the motion. Discussion ensued regarding the approach to voting on recommended plans, and whether it is more efficient to do so after each plan is reviewed or to wait until all plans have been reviewed. It was noted that the recommended standard plans will be presented to the Board at Thursday's meeting for a vote. There was discussion on whether the standard plans for the Individual market and SHOP should be the same. Various differences between the markets was discussed including federal reinsurance program for the Individual market where the premiums are lower than an equivalent plan in SHOP, the Connecticut Small Employer Reinsurance Pool (CSERP) and access to subsidies for low income consumers in the Individual market.
  - In addition to Mr. Pusch and Ms. Russek, the following voted in favor of recommending the Platinum plan 'New Option 1' to the Board as the standard plan for 2016: Grant Ritter, Matt Katz, Mark Czarnecki, Steve Glick, Matt Fair and Tony Pinto. Nathan Field abstained. Motion passed.
- For Gold, Option 1 reviewed last week has been adjusted to include a small deductible for Prescription Drugs. This would apply only to Tier 4 Specialty drugs
  - Discussion ensued regarding increased member responsibility for cost sharing and whether those needing services should pay more or whether everyone should pay more in premium to spread the cost amongst all enrollees. It was noted that

under this plan, one major medical event could result in the majority of the out-of-pocket maximum being reached for the year.

- Ms. Skinner made a motion to recommend the revised Option 1 plan design to the Board as the 2016 standard Gold plan. Pam Russek seconded the motion. In addition to Ms. Skinner and Ms. Russek, the following voted in favor of recommending the Gold plan 'New Option 1' to the Board as the standard plan for 2016: Grant Ritter, Mark Czarnecki, Steve Glick, Patricia Pulisciano, Matt Fair and Tony Pinto. Mr. Katz voted against the recommendation.
- For the standard HSA compatible Silver plan, there were no changes to the design finalized during the meeting last week. This is a new plan for 2016, and it is being compared to the standard Silver plan, and it is not being added for Individual. It was noted that the out-of-network deductible for Prescription Drugs shown would be subject to the overall medical deductible similar to how it was shown for in-network, and not a separate deductible.
  - Discussion ensued regarding potential revisions to the plan, including reducing the deductible. All benefits except for preventive services must be subject to the plan deductible for the design to qualify as HSA compatible. Also noted is that this plan design is similar to what is being offered outside the Exchange, including the \$3000 deductible and 10% coinsurance for most services. It was noted that an enrollee would reach the Maximum Out-of-Pocket (MOOP) with an average stay in an inpatient hospital.
  - Ms. Russek made a motion to recommend the Option D plan design to the Board as the 2016 standard HSA compatible Silver plan. Mr. Pusch seconded the motion. In addition to Ms. Russek and Mr. Pusch, the following voted in favor of recommending this plan to the Board: Ms. Skinner, Mr. Ritter, Mr. Pinto, Mr. Katz, Mr. Fair, Mr. Glick, Ms. Pulisciano and Mr. Czarnecki. Motion passed.
- For the standard Silver plan that is not HSA compatible, increasing the average cost for Outpatient Services in the AVC resulted in the need to make numerous changes to the design finalized during the meeting last week. The changes are as follows: increased medical and separate Prescription Drug deductibles, reduced PCP copay, increased copays for Non-Advanced Radiology, Laboratory Services and Tier 2 Prescription Drugs.
  - Discussion ensued regarding the revised plan, including that the Prescription Drug deductible increased by 600%. It was explained that in performing competitive review of Small Group plans offered off the Exchange and discussions with brokers, we found the \$25 Prescription Drug deductible is extremely low and results in a higher overall plan premium. Revising the plan so it is more similar to what is available in the market should result in a more competitive plan in terms of premium. Other concerns voiced were related to the increased deductible compared to the 2015 plan year, however due to the requirement by Wakely to update the entry for Outpatient Services in the AVC so they could certify the plan design, there were many changes needed.
  - Ms. Skinner made a motion to recommend the 'New Option B' plan design to the Board as the 2016 standard Silver plan. Mr. Pusch seconded the motion. In

addition to Ms. Skinner and Mr. Pusch, the following voted in favor of recommending this plan to the Board: Mr. Ritter, Mr. Pinto, Mr. Katz, Mr. Fair, Mr. Czarnecki, Mr. Glick and Ms. Pulisciano. Motion passed.

- For the standard Bronze plan that is not HSA compatible, two changes to the Option 6 plan developed last week were needed due the change in the Outpatient Services entry in the AVC. These are increased medical deductible and decrease in the maximum copay per stay in a hospital or Skilled Nursing Facility.
  - Discussion ensued regarding the potential need to validate the changes for the AVC related to Outpatient Services used for the 2015 plan year versus the 2016 plan year. It was also noted that there have been some significant increases in the cost of generic drugs over the past few years. Confirmation was provided that when an enrollee meets the in-network MOOP limit, the enrollee would no longer have cost sharing responsibility for in-network services, including the Tier 4 Specialty drug copay. Mr. Ritter stated that he needs to leave the meeting but would vote yes to recommend this plan. A suggestion was made to eliminate the deductible for in-network Urgent Care services since this is not a specific entry into the Actuarial Value Calculator (AVC), although this could impact the plan premium.
  - Mr. Pusch made a motion to recommend the 'New Option 6' plan design with a revision to eliminate the in-network deductible for Urgent Care services to the Board as the 2016 standard Bronze plan. Mr. Pinto seconded the motion. In addition to Mr. Pusch and Mr. Pinto, the following voted in favor of recommending this plan to the Board: Mr. Katz, Mr. Fair, Mr. Czarnecki, Mr. Glick, Ms. Pulisciano and Ms. Skinner. Motion passed. It was noted that removing the cap on the number of PCP visits not subject to the deductible will reduce the confusion for both the doctor and patient.
- For the standard HSA compatible Bronze plan, the changes to the Option 6 plan reviewed last week were as follows: increased medical deductible with decreased MOOP, increased coinsurance for Tier 3 Prescription Drugs and increased coinsurance and per script maximum for Tier 4 Prescription Drugs. It was noted that the HSA MOOP limit per IRS guidance has been generally lower than what is permitted for ACA compliant plans, and the changes for this plan are due to a reduction in what the limit has been assumed to be. IRS guidance regarding this has not been released as yet.
  - Mr. Pinto made a motion to recommend the 'New Option 6 (HSA)' plan design to the Board as the 2016 standard HSA compatible Bronze plan. Mr. Glick seconded the motion. In addition to Mr. Pinto and Mr. Glick, the following voted in favor of recommending this plan to the Board: Mr. Fair, Mr. Czarnecki, Ms. Pulisciano, Ms. Russek, Ms. Skinner and Mr. Pusch. Mr. Katz voted in favor and voiced a concern regarding the increase in the plan deductible. Motion passed.

Julie Lyons stated that the next step would be to present the plans to the Board of Directors this Thursday. Mr. Pinto provided an additional comment, requesting that the Individual market Bronze plan also eliminate the deductible for Urgent Care services. Mr. Field stated that type of

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plan design would need to ensure appropriate cost sharing for Emergency Room services. He also noted that there could be a challenge for the insurance company with the HSA Bronze plan where one benefit is subject to copay but all the others are subject to coinsurance.

Mr. Pusch made a motion to adjourn the meeting.

Meeting adjourned at 10:45 a.m.