



**Connecticut Health Insurance Exchange  
Health Plan Benefits and Qualifications Advisory Committee  
(HPBQ AC) Special Meeting**

Remote Meeting

Wednesday, March 18, 2020

**Meeting Minutes**

**Members Present:** Grant Ritter (Chair); Neil Kelsey, Tu Nguyen; Jill Zorn; Ellen Skinner; Paul Lombardo

**Other Participants:** Access Health CT (AHCT) Staff: James Michel; Ann Lopes; Charmaine Lawson; Ellen Kelleher; Susan Rich-Bye; Margo Lachowicz; Joshua Booth  
Wakely Consulting: Julie Andrews; Brad Haywood  
Cecelia Woods  
Anthem: Minh Yenerall

**A. Call to Order and Introductions**

Chair Grant Ritter called the meeting to order at 4:02 p.m.

**B. Public Comment**

No public comment.

**C. Vote**

Chair Ritter requested a motion to approve the February 20, 2020 Health Plan Benefits and Qualifications Advisory Committee Special Meeting Minutes. A roll call has been requested for all the voting matters by Neil Kelsey. This request was granted. Motion was made by Neil Kelsey and seconded by Jill Zorn. ***Motion passed unanimously.***

**D. And E. AHCT Vision, Mission and Values/Follow-Ups from Prior Meeting**

Ann Lopes, Product Carrier Manager, presented the Access Health CT (AHCT) Vision, Mission and Values description. Ms. Lopes noted that during the previous meeting it was mentioned that when making changes to any of the certification requirements, including standardized plan designs, what needs

to be taken into account is what is best for the Exchange's customers and also ensure that any changes align with the AHCT Vision & Mission. In addition, what was reviewed was the information during discussion in February regarding the results of AHCT's efforts in supporting the various components of the Mission Statement. Ms. Lopes briefly spoke about AHCT Values in Action and the focus on a set of values and associated behaviors that were established to remind the organization of its responsibility to customers and to help the Exchange achieve the goals.

Ms. Lopes pointed out that during the last Committee meeting, the Plan Management Team (PMT) received a request to review the state legislation pertaining to cost sharing maximums on certain diabetes medications and equipment to determine what the impact would be on the standardized plans if that legislation passed.

Ms. Lopes added that during Julie Andrews' of Wakely presentation last month, she reviewed several exhibits that outlined estimated cost and utilization information based on data housed within the federal Actuarial Value Calculator. Those 3 exhibits have been added to the resource materials.

Ms. Lopes stated that a number of new exhibits was provided related to enrollment and plan costs at last month's meeting. Robert Blundo, AHCT's Director of Technical Operations and Analytics reviewed some of this material. The PMT asked Committee members to review the remaining exhibits in advance of this meeting and bring back any comments or questions on those or the material that Mr. Blundo reviewed for discussion.

#### **F. Certification Requirements**

Ms. Lopes continued with providing information on Certification Requirements. Ms. Lopes stated that the timing that needs to occur to get recommendations for changes to certification requirements in front of the Board by their next meeting scheduled for April 16<sup>th</sup>. Board approval at that time is a key milestone, as AHCT needs to communicate requirements to carriers that are interested in participating with the Exchange for 2021 with sufficient advance notice so that they can develop rate and form filings to the Connecticut Insurance Department by the July 6<sup>th</sup> submission deadline. Ms. Lopes remarked that this communication occurs via the annual Solicitation document, which is generally released once final federal guidance is available and subsequent to the Board approval.

Ms. Lopes summarized that as there has been no discussion on topics other than changes for the standardized plan designs for plan year 2021, the PMT is continuing its focus only on this element of the certification requirements.

#### **G. 2021 Individual Market Standard Plan Designs**

Julie Andrews of Wakely Consulting provided 2021 Individual Market Standard Plan Designs. Ms. Andrews outlined regulation changes for 2021. They include proposed annual limitation on cost sharing to be increased to \$8550. Ms. Andrews also briefly described the Cost Sharing Reduction (CSR) variations proposed annual limitation on cost sharing. Ms. Andrews noted that the 2021

Federal Actuarial Value Calculator (AVC) is finalized and the Health and Human Services made no changes to the calculator methodology or underlying data. Ms. Andrews added that the Federal High Deductible Health Plans (HDHP) minimum deductible and Maximum Out of Pocket (MOOP) limit is \$6900. Ms. Andrews went on to summarize the 2021 Actuarial Value Changes for all, Gold, Silver, Bronze, Bronze HSA as well as the CSR Plan Variations in the Silver tier in the individual market. Ms. Andrews stressed that two plans, Bronze and Bronze HSA fell outside of the permissible AV range necessitating a modification to the plan designs.

Ms. Andrews went on to describe the 2020 Proposed Legislation, Senate Bill Number 1, An Act Concerning Diabetes and High Deductible Health Plans. The proposed bill would impact the standardized plans, with the exception for the HSA Bronze plan. It includes a \$50 cost share limit for medically necessary 30-day supply of covered insulin, a \$50 cost share limit for a medically necessary 30-day supply of covered non-insulin drug, a \$100 cost share for a 30-day supply for all medically necessary covered diabetes equipment and supplies. Ms. Andrews added that this legislative proposal would also limit the monthly out of pocket expenses to \$100 for all medically necessary items. Ms. Andrews stated that for the HSA Bronze, the proposed legislation indicates it applies to the maximum extent permitted by Federal Law and pointed out that it would limit those services that could be provided before the deductible with cost-share. Jill Zorn inquired if one of the consequences of this bill could be an increase in premiums for medical plans. Neil Kelsey responded that anything that increases medical costs by eliminating copays would increase premiums and elaborated that the 2021 premiums will be based off of the 2019 experience. Ms. Andrews explained the specific functions of the AVC to comply with the rules and regulations of the Affordable Care Act (ACA). Discussion ensued around deductibles in bronze plans, including the HSA plans and the effect of the possible implementation the SB 1 would have on them.

Paul Lombardo inquired about the HSA plan with the rules being changed and the insulin being a drug that is now allowed prior to the deductible, it would not prohibit federal tax rules from applying. Mr. Lombardo added that if the bill is passed as currently written, then HSAs could have insulin prior to the deductible and could have cost sharing like it is identified in the bill if that changes the complexion of the HSA plan at all. Ms. Andrews answered that the plan would find itself outside of the 65 percent AV which is permissible. Mr. Lombardo questioned if AHCT would be able to offer the HSA plan at all. Susan Rich-Bye, Director of Legal and Governmental Affairs observed that it might have been not just whether it complied with the AVC, but the Internal Revenue Service (IRS) rules for the HSA but also it was a combination of the parity and the AV. Ms. Andrews noted that the IRS regulations with regards to HSAs as well as the ACA's regulations. Ms. Andrews continued with the Summary of the 2021 Gold, Silver and Bronze Plans, including both, Non-HSA and HSA plans AV.

Ms. Andrews summarized other legislative proposal, House Bill 5366, An Act Concerning the Cost of Prescription Drugs currently being under consideration at the Connecticut General Assembly.

## **H. Possible Votes**

Ms. Lopes indicated that based on the information Ms. Andrews reviewed, AHCT submits 3 options for the Committee to consider in recommending standardized plan changes to the Board.

Ms. Lopes remarked that the first option is to recommend changes without any consideration of the proposed state legislation on monthly cost sharing maximums for diabetes medications and equipment. Ms. Lopes noted that the risk with this option is that if the legislation is passed at a later point in time, that revised plan designs would need to be presented to this Committee for recommendation to the Board and then go to the Board for approval.

Ms. Lopes described the third option which is to recommend changes that incorporate the proposed state legislation on monthly cost sharing maximums for diabetes medications and equipment, even if the legislation does not pass. Ms. Lopes pointed out that the risk on this is that this approach would likely differ from that of the 'off-exchange' plans, and could potentially result in adverse risk for the 'on-exchange' pool.

Ms. Lopes also described that the second option is to recommend changes to the Board without incorporating the proposed state legislation on monthly cost sharing maximums for diabetes medications and equipment into the standardized plans needing to be revised for 2021 to be compliant with AVC and/or MHP requirements. Ms. Lopes noted however, in the event the legislation does pass, a contingency would need to be added requesting approval to replace the plans with designs that do include the diabetes legislation and this would mean that the standard Gold and Silver plans, including the CSR variants, that this Committee has determined will remain 'as is' for 2021 would be adjusted for those copay maximums, as well as the non-HSA Bronze Sample Plan 2. Ms. Lopes reminded the Committee that as Ms. Andrews mentioned, the HSA Bronze cannot be compliant with federal regulations and still incorporate the diabetes cost sharing maximums, so that plan is technically not part of the contingency portion of the proposal, but is included in Part 1. Ms. Lopes outlined that AHCT suggests that Option 2 should be the recommendation of this Committee to the Board. Neil Kelsey expressed his opposition to Option 2 and Option 3. Mr. Kelsey indicated that with Option 2, there are too many unknowns in terms of the possible proposed legislation. Mr. Kelsey noted that there is certainty that the carriers will sign onto those plans if the legislation becomes the law. The carriers already started evaluating this legislative proposal on their own business and added that if the legislation passes, the carriers would have to scramble not only for Access Health, but also for their **own direct loss (46 min and 32 sec)** to put products on the market that they will comply with the new possible law. Mr. Kelsey suggested, based on the current knowledge, to vote in favor of Option 1, send this recommendation to the Board of Directors. Tu Nguyen agreed with Mr. Kelsey. Jill Zorn inquired whether AHCT would be able to scramble. James Michel, Chief Executive Officer reaffirmed that AHCT serves at the pleasure of the Board and its customers and AHCT will be able to fully implement decisions that will be undertaken. Mr. Michel added that a Special Meeting of the Board may take place if needed by teleconference. Mr. Michel indicated that the timeframe for approval of the plans is narrow due to numerous parties being involved in the approval process.

Chair Grant Ritter requested a motion to recommend Option 1 to the Board of Directors, which recommends cost sharing adjustments only for the 2 plans (Bronze and HSA Bronze) that will no longer be compliant for 2021 due to changes in AV calculator tool. Motion was made by Neil Kelsey and seconded by Tu Nguyen. Discussion followed. Dr. Ritter pointed out that there could be two different parts to this option. The Committee is voting to accept changes to meet the current bronze AV plans which is not controversial in nature and needs to get passed by the Committee. Dr. Ritter inquired whether in case of the Connecticut General Assembly moving forward with the diabetes cap, if the plan would need to be approved again by the Committee or if it could be placed in front of the Board of Directors. Ms. Rich-Bye answered that in a normal process the role of the advisory committee is to vet plans and recommend them to the Board. Discussion on technical details followed. Roll call vote was taken. **Motion passed unanimously.**

Ms. Lopes presented recommendations to the AHCT Board of Directors. Ms. Lopes indicated that the next possible vote for consideration is to guard against having to reconvene this Committee to review and then recommend another set of plans to the Board that incorporate changes in federal guidance related to:

--A lower maximum out-of-pocket that becomes final vs what was proposed in the Notice of Benefit and Payment Parameters released on January 31<sup>st</sup>. Ms. Lopes stated that this could theoretically apply for the Silver plans including the CSR variants, as well as both the non-HSA and the HSA Bronze plans.

--And/or a maximum out-of-pocket released in IRS guidance that is less than the value used for the standardized HSA Bronze plan (Sample Plan 1 in the Wakely presentation).

Ms. Lopes reiterated that a number of public comments on the proposed NBPP were received that suggested HHS revise the calculation of the MOOP to follow the approach used for the 2019 plan year. Ms. Lopes commented that if these suggestions are taken into account, the possibility would exist that the MOOP included in the Silver, Silver CSR and Bronze standardized plans would now exceed the allowable amount.

Ms. Lopes further added that, even if the MOOP calculation does not change, it's possible the \$8550 limit proposed could be reduced per the final NBPP, which would result in the need to adjust only the non-HSA and HSA Bronze plans and elaborated as in every year, the IRS guidance regarding the minimum deductible and maximum out-of-pocket for High Deductible Health Plans is not expected to be released until later this year. Ms. Lopes stressed that the IRS released Bulletin No. 2019-22 on May 28, 2019, and this is when that information became available.

Ms. Lopes conveyed that AHCT is looking for a recommendation of this Committee to the Board to permit the AHCT PM team & its Actuarial Consultant to work directly with the carriers to modify the standardized plans for 2021 if this federal guidance will result in any of the plans no longer being compliant with AV and MHP and make those revisions without needing to review the results with this Committee, which would mean not voting to recommend changes to the Board, and also requesting the Board allow the changes without review and additional approval.

Chair Grant Ritter asked for a motion to accept the recommendation that states the following: *If the MOOP published in the final HHS NBPP for 2021 is lower than the value used in the sample plans (including any contingency plans) reviewed by the HPBQ AC and recommended to the AHCT Board of Directors for approval, and the plans would need to be modified to comply with AVC and/or mental health parity requirements, the HPBQ AC requests the Board permit AHCT Plan Management Team and/or AHCT's contracted Actuarial Consultant to work directly with the carriers to reduce the MOOP and adjust other plan features so that the plan is compliant without additional review of the HPBQ AC or approval of the Board*

And

*If a change in the final NBPP and/or IRS guidance on HDHPs (to be released later this year) would require modification to the HSA Bronze plan to remain compliant with AVC and/or MHP requirements, the HPBQ AC requests the Board permit AHCT Plan Management Team and/or AHCT's contracted Actuarial Consultant to work directly with the carriers to adjust the HSA Bronze plan features so that the plan is compliant without additional review of the HPBQ AC or approval by the Board.*

Motion was made by Neil Kelsey and seconded by Tu Nguyen. Dr. Ritter indicated that is he is not fully satisfied with these proposals. Dr. Ritter expressed his concern about the committee and by the time it reaches the Board, it may be split. Dr. Ritter floated the idea of proposing a friendly amendment. Ms. Lopes indicated that changes to MOOP as outlined in the benefit payments parameters and guidance are expected later this year. Dr. Ritter expressed that he is wary of giving carte blanche and indicated that if more than \$300 of MOOP are in play, there needs to be a sign off from the Board of Directors. Mr. Kelsey noted that he understands Dr. Ritter's point of view and by passing the committee can be uncomfortable and agreed that MOOP changes by more than \$300. Mr. Kelsey indicated that he would work with Wakely on designs where both carriers can agree to.

Chair Grant Ritter requested a motion to approve the amendment that if the MOOP published in the final HHS is less than a value used in the sample plans, but within \$300 then...

***(Ann Lopes added that the IRS guidance as well as the final notice of payment and benefit parameters need to be included in the vote language)***

Motion was made by Grant Ritter and seconded by Jill Zorn. Roll call was ordered. **Motion passed unanimously.**

Following the friendly amendment offered by Grant Ritter, the Chair requested a vote to approve the vote as amended. Roll call vote was ordered. **Motion passed unanimously.**

#### **I. Meeting Schedule for 2021 Plan Year Certification Review**

Ms. Lopes proposed to take the tentative Committee meeting that was scheduled for the second week of April off of the calendar with the caveat that a regrouping may be needed potentially at a later time depending on the actions of the Connecticut General Assembly. Ms. Lopes also

stated that it would apply to MOOP and added that based on past history it seems to get released before CMS holds their carrier conference on April 21 and the following week is multiple days of conference going until May 1<sup>st</sup>. Ms. Lopes expressed her hope that parameters will be released at that time which would be after the Board of Directors meeting. Ms. Lopes cautioned that if there are any changes to benefit parameters, the Committee will regroup and will make any necessary modifications as long as MOOP is not changed by more than \$300.

**J. Next Steps**

Ms. Lopes stated that the next steps are the presentation to the Board on April 16 for Option 1 vote as well as the MOOP contingency vote. Ms. Lopes announced that the next item would be a final notice of benefit parameters identifying MOOP issues as well as IRS guidance on high deductible plans and also on a possible legislation that could potentially be passed by the Connecticut General Assembly.

**K. Adjournment**

Chair Grant Ritter requested a motion to adjourn. Motion was made by Jill Zorn and seconded by Neil Kelsey. **Motion passed unanimously.** Meeting adjourned at 5:24 p.m.