



Connecticut Health Insurance Exchange Board of Directors Regular Meeting

Remote Meeting

Thursday, April 20, 2023
Meeting Minutes

Members Present:

Charles H. Klippel (Chair); Paul Philpott (Vice-Chair); Cecelia Woods; Grant Ritter; Thomas McNeill; Commissioner Andrea Barton Reeves, Department of Social Services (DSS); Claudio Gualtieri on behalf of Secretary Jeffrey Beckham, Office of Policy and Management (OPM); Deidre Gifford; Theodore Doolittle, Office of the Healthcare Advocate (OHA); Paul Lombardo on behalf of Commissioner Andrew Mais, Connecticut Insurance Department (CID)

Other Participants:

Access Health CT (AHCT) Staff: James Michel; Jeanna Walsh; Susan Rich-Bye; Caroline Ruwet; John Carbone; Glenn Jurgen; Jynelle Maloney; Tammy Hendricks; Sinisa Crnkovic; Marcin Olechowski

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.

Chair Charles Klippel called the meeting to order at 9:00 a.m.
Attendance roll call was taken.

B. Public Comment

No public comment was submitted.

C. Votes

Chair Charles Klippel requested a motion to approve the February 16, 2023 Regular Meeting Minutes. Motion was made by Thomas McNeill and was seconded by Andrea Barton Reeves. Roll call vote was ordered. **Motion passed unanimously.**

Chair Charles Klippel requested a motion to approve the March 13, 2023 Special Meeting Minutes. Motion was made by Cecelia Woods and was seconded by Thomas McNeill. Roll call vote was ordered. Paul Philpott and Claudio Gualtieri abstained. **Motion passed.**

D. CEO Report

James Michel, Chief Executive Officer, presented the CEO Report. Mr. Michel discussed the response to the Director of Finance job posting and noted that AHCT received a large number of strong applications, which indicates that the value that Access Health CT (AHCT) provides to Connecticut residents is significant. Mr. Michel added that once the final selection is made, information will be shared with the Board.

Mr. Michel stated that the Medicaid Unwinding process began on April 1 and AHCT will be providing enrollment numbers to the Board of Directors on a monthly basis. He stated that the next Board meeting will be moved from June 15 to June 22.

AHCT will be hosting a Small Business Summit on June 13 and members of the Board will be invited to the event. The main objective of the Summit is to provide small businesses with access to information and resources that may be helpful to grow and develop their businesses.

Mr. Michel reviewed the main agenda items as well as the votes for the meeting. He thanked the Finance Committee for its support of the robust communication and outreach plan for the Unwind, which will minimize the risk of coverage gaps for Medicaid customers. Mr. Michel expressed his words of appreciation for the continued support to the Board of Directors.

E. Finance Update

Fiscal Year 2023 – 3rd Quarter Budget Report

James Michel introduced Sinisa Crnkovic, Head of Financial Planning and Analysis, to provide the Fiscal Year (FY) 2023 – 3rd Quarter Budget Report. Mr. Michel noted that AHCT is recommending an increase to the operating budget of \$2.7 million to cover the marketing and outreach plan for the Medicaid Unwind and also to fund this expense using AHCT's reserves. AHCT coordinates its work with the Department of Social Services

(DSS) and the Office of Health Strategy (OHS) to ensure that all of the efforts are maximized. AHCT continues to work on the proposed FY 2024 Operating Budget, which will be presented to the Finance Committee and the Board of Directors in June.

Mr. Crnkovic discussed the 3rd Quarter Budget Report as of March 31, 2023, showing AHCT is \$609,252 under budget with the variance being mainly due to timing of expenses. Mr. Crnkovic added that through the first three quarters of FY 2023, AHCT has received an additional grant of \$10,000 as well as an increase in its reserve balance of well over \$227,000 due to the increased interest rate.

The total combined AHCT and DSS expenses through March 31, 2023 were \$36,145,250. Mr. Crnkovic presented the FY 2023 Proposed Final Budget, which would include an additional \$2.7 million in expenses that would come from the reserves to support the Medicaid Unwind marketing and outreach efforts. Mr. Crnkovic pointed out that the FY 2023 proposed final budget would be \$57,546,301, and an increase of \$2.7 million on the AHCT expense side.

Mr. Crnkovic provided detailed line-by-line information on the FY 2023 Proposed Final Budget. Mr. Crnkovic highlighted two budget line items. He noted that AHCT hired additional staff to assist with the Internal Revenue Service (IRS) and Centers for Medicare and Medicaid Services (CMS) changes to compliance requirements. Mr. Crnkovic stated that the equipment and maintenance budget line item increased as well mainly due to the vendor transition costs for the Enterprise Operating Model (EOM).

Mr. Michel told the Board that the State of Connecticut is in the process of employing a new vendor for maintenance and operation of the AHCT and DSS system. Mr. Michel stated that the current vendor, Deloitte, has been with AHCT for over 10 years and it helped AHCT and DSS to develop the integrated system which is currently being used.

Mr. Michel added that the contract with Deloitte has ended and the transition to the new vendor is taking place. There is an overlap at this point to make sure that the transition between the two entities is smooth.

Mr. Crnkovic explained that the FY 2023 Projected Reserve Fund Balance at the end of the current Fiscal Year will be \$19,185,305, which amounts to 6.8 months of operating budget. Mr. Michel added that the \$1.2 million that came out of the reserves was part of AHCT's strategy that the Board approved for this current year's operating budget. Mr. Michel added that up to \$2.7 million for the Marketing and Outreach for Medicaid Unwind is part of the projected reserve balance. Mr. Michel stated that AHCT will evaluate the marketing and outreach efforts continuously and if the entire amount of \$2.7 million is not needed, it will not be spent. Mr. Michel stressed that reserves equaling 6.8 months of operating funding are adequate for the organization.

Claudio Gualtieri encouraged consideration to go beyond typical working hours for the Medicaid Unwind Outreach. Mr. Michel stated that the call center will have extended hours from 8:00 a.m. a.m. to 6:00 p.m. and also will be open on Saturdays. Mr. Michel stressed close cooperation with DSS is continuing to maximize those efforts.

Paul Philpott asked if a statutory requirement in Connecticut exists pertaining to the amount of the reserve funding. Mr. Michel pointed out that there is no statutory requirement. Mr. Philpott inquired about the slight variance on the revenue side of the assessment and asked about the cause. Mr. Michel responded that it is due to AHCT being more aggressive on the dental and individual side. Mr. Michel noted that the small group market continues to shrink. Brief discussion ensued around the appropriate levels of reserve funding.

Dr. Gifford encouraged the formalization of a reserve use policy in order to determine the reserve funding target. Mr. Michel stated that research will be undertaken to determine what norms are in similar industries. Mr. Michel stressed that staff work with the chair of the Finance Committee regarding this matter. Mr. Michel added that information from other quasi-public agencies and State-Based Marketplaces (SBMs) will be gathered for analysis. Mr. Michel pointed out that information will be provided to the Board during the June meeting.

Andrea Barton Reeves suggested setting conditions for how reserve funds should be used and a policy of regular cadence of adding funds to the reserve. Mr. Michel stated that at this point any surplus that the Exchange generates, is automatically deposited into the organization's reserves. Mr. Michel responded to Dr. Gifford's inquiry indicating that the reserve funds will not be used to fund the call center extended hours and added that this cost will be paid for by DSS. Mr. Michel stated that the majority of the reserve allocation of up to \$2.7 million will be used for the Unwind marketing campaign and close to \$600,000 for outreach purposes. Most of the outreach activities are undertaken after regular working hours and on weekends.

Cecelia Woods echoed Dr. Gifford's comments about setting a benchmark for the appropriate level of reserve funding. Mr. Michel agreed and suggested an additional policy regarding the conditions for which the reserves could be utilized. Mr. Gualtieri commented that personal contact in outreach is crucial and encouraged the use of more of the reserve resources for a personal approach. Mr. Michel commented that personal contact has been AHCT's strategy for a long time, but television ads are also very important in order to deliver messages to populations that move frequently.

Chair Charles Klippel requested to postpone the Finance Votes until after the Medicaid Unwinding Update.

G. Medicaid Unwinding Update

Caroline Ruwet, Director of Marketing presented the Medicaid Unwinding Update. Ms. Ruwet noted that AHCT instituted a 120-day Special Enrollment Period (SEP) for individuals from the date that their Medicaid coverage was lost.

Ms. Ruwet provided the statistical and operational data that was available as of April 17, 2023. She added that, in addition to the regular SEP, a rolling SEP is in place for those individuals who are eligible for the Covered CT Program.

Ms. Ruwet stated that 15.8 percent of households impacted by the Unwinding have manually updated their applications since September of 2022. Ms. Ruwet applauded the efforts of DSS reminding consumers to update their contact information. She added that DSS is increasing their “Update Us So We Can Update U” media campaign and AHCT amplifies this messaging as well.

Ms. Ruwet stated that as of April 17, 147 individuals enrolled in Covered CT Program after losing eligibility for Medicaid in the unwinding process. She added that 450 individuals enrolled in a Qualified Health Plan (QHP) without the Covered CT benefit. In addition, Ms. Ruwet pointed out that 8,860 consumers re-enrolled in Medicaid.

Ms. Ruwet stated that the call center handled over 77,000 calls in the month of March alone with an average wait time being 67 seconds. As of April 14, over 30,000 calls were handled with an average wait time of 31 seconds.

Ms. Ruwet briefly described the Health Equity and Outreach efforts pertaining to the Medicaid Unwinding efforts. There are 15 new call center representatives that specialize in the field enrollments who started their work on March 31. Ms. Ruwet added that enrollment fair planning is in process with a target launch date for events in June rotating to community health center locations and Navigator sites.

Consumers currently have access to over 500 Brokers and 130 Certified Application Counselors (CACs) throughout Connecticut to assist with in-person enrollment. Ms. Ruwet emphasized that in order to keep consumers and community partners informed, monthly educational presentations as well as quarterly in-person meetings are held.

Ms. Ruwet stated that AHCT issued a joint press release with DSS on March 27 and pointed out that creative concepts are in progress for the advertising campaign. Other efforts are currently being undertaken from a marketing perspective to promote the Medicaid Unwinding efforts, such as creating innovative advertising concepts, updates to the AHCT homepage and a continued successful partnership with DSS to name a few.

Ms. Ruwet paid particular attention to the creative advertising concepts in the Medicaid Unwinding since the reserve funds will be used to fund this project. The advertising campaign will include television, radio, billboards, print, social media and digital. The campaign launch date is June 1. It will follow an extension of the DSS extended “Update Us So We Can Update U” campaign.

Ms. Ruwet noted that AHCT is very careful with the way advertising funds are spent and targeting certain audiences is an important element of the approach. Deidre Gifford stated that it is difficult to target the appropriate audience and the return on investment may not be great. Dr. Gifford suggested that possibly co-branding everything between AHCT and DSS may alert more people. Ms. Ruwet noted that marketing and outreach efforts costs are similar for OE and the Medicaid Unwind prospective QHP enrollees and the cost per acquisition is similar. Ms. Ruwet added that data shows that after massive media campaigns, website traffic increases and conversions as well and pointed out that many materials are co-branded with DSS.

Theodore Doolittle inquired whether it may be possible to gain 95,000 new QHP enrollees. Ms. Ruwet stated that this situation is very unique, but AHCT expects to enroll up to 15 percent of those individuals who may qualify for QHP, but it could possibly be as high as 95,000. Mr. Michel added that AHCT has to manage expectations since circumstances of some of these individuals may vary and could include moving out of state, gaining employment providing medical insurance or becoming eligible for Medicare.

Claudio Gualtieri left at 9:52 a.m.

Ms. Woods inquired whether there are any plans for interactions with pharmacies. Ms. Ruwet answered that it is being explored by AHCT and Mr. Michel added that CMS started Medicaid Unwinding messaging with certain pharmacies. Mr. Michel referred to Mr. Gualtieri's and Dr. Gifford's comments, emphasizing that maximizing the in-person outreach events will be evaluated on a continuous basis. Mr. Michel added that reevaluation of this approach will be done on a monthly basis. He assured the Board that AHCT will keep the Board of Directors informed on any changes in the marketing and outreach strategies.

Chair Klippel encouraged AHCT to provide monthly Board updates which would also include a burn rate of \$2.7 million in reserve funding. Mr. Michel remarked that the usage of the reserves will be constantly re-evaluated, and the Board will be informed if any changes are needed.

Chair Charles Klippel requested a return to Agenda Item E. – Finance Update

Chair Charles Klippel requested a motion to approve the FY 2023 3rd Quarter Budget Report which includes an additional expense of up to \$2.7 million to support Medicaid Unwinding efforts as presented by Exchange Staff. Motion was made by Deidre Gifford and was seconded by Paul Philpott. Roll vote call was ordered. **Motion passed unanimously.**

Chair Charles Klippel requested a motion to approve the transfer of funds from the reserves up to \$2.7 million to support Medicaid Unwinding. Motion was made by Cecelia

Woods and was seconded by Theodore Doolittle. Roll call vote was ordered. **Motion passed unanimously.**

Grant Updates

Sinisa Crnkovic, Head of Financial Planning and Analysis, provided a summary on grants. Mr. Crnkovic noted that AHCT has applied for 11 grants in FY 2023, three grants have been awarded and two grants are pending award.

F. Information Technology Update

Jynelle Maloney, Director of Information Technology (IT), provided the IT update. Ms. Maloney stated that four years ago, AHCT created a formal IT Security and Compliance Program. This program allows AHCT to create, maintain and monitor internal policies and procedures with applicable tools to be able to comply with laws, rules and regulations, business reputation and integrity of the digital data. AHCT has a 24-hour a day monitoring and alerting platform.

Ms. Maloney added that partnerships were matured with the Internal Revenue Service (IRS), CMS, Department of Administrative Services (DAS) and Bureau of Information Technology Services (BITS) as well as DSS. An example of one of the security and compliance tools used was provided.

Ms. Maloney provided information on the IT Security and Compliance undertakings that ensure that digital security is held to the highest standard possible as well as within compliance requirements.

Mr. Michel elaborated that four years ago, a concerted effort was made to migrate from using contractors to using AHCT's staff in this area. Mr. Michel remarked that AHCT has saved funds and also gained more control over IT security and compliance issues. He stressed that the entire IT Security Team at AHCT is very passionate about fulfilling their mission.

Chair Klippel inquired whether there is any concern about potential disruptions with the current vendor change. Ms. Maloney explained that the IT Security Team does not depend on the vendor in a big manner. Most of the work is handled internally. AHCT has partnerships with BITS that are not Enterprise Operating Model (EOM) related and with DSS for the system-related collaborations. There should not be any impact from an IT security perspective with the vendor change.

H. ACA Policy/Legal Update

Susan Rich-Bye, Director of Legal and Governmental Affairs, provided the ACA Policy/Legal Update. Ms. Rich-Bye stated that information was sent to the Board last week on the *Braidwood v. Becerra* decision that was issued on March 30. The latest ruling from the District Court in Texas included a remedy following its earlier decision in the case in 2022.

The court's latest ruling provided that the recommendations from the U.S. Preventative Services Task Force violate the Appointments Clause of the United States Constitution and the order immediately blocked the requirement to cover the preventative services recommended or updated from the Task Force after March, 2020, with no cost sharing. Ms. Rich-Bye stated that an important component of the Affordable Care Act (ACA) is making preventative services available to consumers with no cost sharing. The recommendations from the Task Force include the important ones on screenings for cancer and heart disease, maternal health as well as children's mental health among others.

These preventative services are vitally important. The U.S. Justice Department filed its notice of appeal on March 31 and a motion for a stay of the District Court decision on April 12. The developments in this case will be closely monitored. On April 13, three federal departments, Health and Human Services (HHS), Labor and the U.S. Treasury, issued some Frequently Asked Question (FAQs) on the ruling.

Ms. Rich-Bye noted that due to the significance of the case, the departments strongly encouraged plans and issuers to continue to cover these items and services without cost sharing. Ms. Rich-Bye noted that the departments stated that the ruling does not preclude any plans from continuing to provide this coverage and it did not make any changes or recommendations from the two other governmental agencies that are part of the preventative services mandate.

Ms. Rich-Bye reviewed the announcement by the Biden Administration on changes to eligibility for ACA programs for Deferred Action for Childhood Arrivals (DACA) recipients and pointed out that the proposed change would amend the definition of lawful presence. The proposed change would allow DACA recipients to enroll in QHPs through an Exchange with financial assistance and also it would also change their eligibility for Medicaid.

Ms. Rich-Bye also provided an update on HHS' Notice of Benefit and Payment Parameters for Plan Year 2024. Ms. Rich-Bye noted that it was finalized by CMS and emphasized that the entire notice is focused on improving health equity and access to affordable coverage options for consumers. The new rule includes the following items: change in income verification requirements, Special Enrollment period Changes, Failure

to Reconcile Changes, the Improper Payment Assessment Pilot as well as allowing Navigators and Consumer Assistants to enroll consumers door-to-door. Mr. Doolittle inquired about the court's decision to limit access to reproductive health. Ms. Rich-Bye stated that consumer protections are strong in Connecticut and this development will be closely monitored.

I. Future Agenda Items

James Michel, CEO, discussed the upcoming Small Business Summit on June 13, 2023 and stated that members of the Board will receive an invitation to attend.

Commissioner Andrea Barton Reeves left at 10:28 a.m.

J. Adjournment

Chair Charles Klippel requested a motion to adjourn the meeting. Motion was made by Theodore Doolittle and was seconded by Paul Philpott. Roll call vote was ordered. **Motion passed unanimously.** Meeting adjourned at 10:30 a.m.