



Connecticut Health Insurance Exchange Board of Directors Regular Meeting

Remote Meeting

Thursday, January 18, 2024
Meeting Minutes

Members Present:

Charles Klippel (Chair); Paul Philpott (Vice-Chair); Grant Ritter; Peter Hadler on behalf of Commissioner Andrea Barton Reeves, Department of Social Services (DSS); Sean King, Office of the Healthcare Advocate (OHA); Paul Lombardo on behalf of Commissioner Andrew Mais, Connecticut Insurance Department (CID); Carleen Zambetti on behalf of Commissioner Nancy Navarretta, Department of Mental and Health Addiction Services (DHMAS); Dina Berlyn; Claudio Gualtieri on behalf of Secretary Jeffrey Beckham, Office of Policy and Management (OPM); Thomas McNeill

Other Participants:

Access Health CT (AHCT) Staff: James Michel; Jeanna Walsh; Holly Zwick; Rebekah McLear; Susan Rich-Bye; Caroline Ruwet; John Carbone; Glenn Jurgen; Jynelle Maloney; Marquese Davis; Tammy Hendricks; 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 November 16, 2023 Regular Meeting Minutes. Motion was made by Grant Ritter and seconded by Sean King. Roll call vote was ordered. Thomas McNeill abstained. **Motion passed.**

Susan Rich-Bye, Director of Legal and Governmental Affairs, explained that the Exchange's By-laws require the annual election of a vice-chair in January. Charles Klippel nominated Paul Philpott and asked for any other nominations for Vice-Chair of the Board. Motion was made by Charles Klippel and was seconded by Grant Ritter. Roll call vote was ordered. **Motion passed unanimously.**

D. CEO Report

James Michel, Chief Executive Officer, provided a CEO Report. Mr. Michel noted that Jynelle Maloney, Director of Information Technology (IT), will be retiring in early February and expressed his great appreciation for the work and commitment that she has provided to the organization over the last seven years. Marquese Davis will transition into the IT Director role over the next few weeks. Chair Charles Klippel echoed Mr. Michel's words of appreciation for Ms. Maloney.

Mr. Michel informed the Board that the recently completed Open Enrollment period (OE) saw record-breaking enrollment numbers for the Exchange. He expressed his satisfaction that the enrollment numbers have far exceeded original expectations and the previous highest enrollment of 116,000 with over 129,000 individuals being enrolled in Qualified Health Plans (QHP). Stand-Alone Dental Plans (SADPs) also saw significant increases in enrollment amounting to about 15,000 as compared to approximately 9,000 in the prior year. AHCT invested in a targeted marketing and outreach campaign with the efforts concentrating on the underserved communities as well as the underinsured population of Connecticut.

Mr. Michel noted that the Medicaid Unwinding process and Covered Connecticut program have also impacted the QHP enrollment numbers as well. Brokers assisted many individuals with enrollment, and numerous brokers who helped were the graduates of the Access Health CT Broker Academy.

E. 2024 Open Enrollment Update

Rebekah McLearn, Director of Technical Operations and Analytics, provided the 2024 Open Enrollment Update. Ms. McLearn noted that the Exchange's Call Center handled 260,000 calls and 24,000 chat sessions. A record-breaking number of enrollees enrolled in a QHP – 129,000. Ms. McLearn stressed that over 27,000 enrolled in the Covered Connecticut Program (CCT) while 14,050 also enrolled in a SADP.

Ms. McLear added that 88.3 percent of all enrollees were determined eligible for Financial Assistance (FA) and close to 50,000 were also determined eligible and completed an application for Medicaid.

Information on the demographics of those who enrolled was discussed, and the average age of enrollees for medical coverage was 43 years old. Ms. McLear declared that 54.9 percent of all enrollees are female and the average number of covered enrollees per household is 1.4 while 75.7 percent of enrollees reside in three counties – Fairfield, Hartford and New Haven.

Ms. McLear added that 48.8 percent of enrollees used broker assistance and 53 percent selected a Silver Plan. Ms. McLear informed the Board that the median monthly gross income is \$833 while the monthly net premium after receiving the FA is \$78. The retention rate stands at 86 percent with 91 percent remaining in the same Metal-level plan for 2024.

Upcoming dates and deadlines, including the initial premium due dates as well as the information pertinent to the 1095A preparation was reviewed. A brief discussion took place about the role of brokers in the enrollment process.

F. Individual Coverage Health Reimbursement Arrangements (ICHRA)

John Carbone, Director of SHOP, Product Development and Broker Support, provided an overview of the newest major project that Access Health CT is undertaking. Mr. Carbone stated that with the small group market continuing to shrink – down 60 percent since 2014, AHCT recognizes that there is not only an opportunity, but a need to create a program that would assist more people. Mr. Carbone indicated that today's employees expect health insurance, but with rising costs, employers are finding it challenging to offer traditional group plans and need flexibility and other choices. Mr. Carbone emphasized that the proposed flexible solution could give employers the ability to offer a plan that works within their budget and gives employees reduced healthcare costs, access to great plans, as well as more ownership for their healthcare.

Mr. Carbone stated that in 2019, the Internal Revenue Service and the Departments of Treasury, Labor and Health and Human Services issued final rules to expand individuals' access to health insurance coverage by allowing health reimbursement accounts to be integrated with individual health insurance coverage.

Mr. Carbone added that these arrangements are known as Individual Coverage HRAs or ICHRAs and pointed out that employers offering it reimburse employees with pretax dollars to cover the cost of individual health insurance premiums and qualified medical expenses. Mr. Carbone provided hypothetical and theoretical examples that may occur while potentially utilizing ICHRA. Mr. Carbone also provided a high-level overview of AHCT's role in activating ICHRA to help employees reduce the rate of uninsured. Paul Lombardo inquired about the current timing for this project and if there has been a reason in the Small Group Market to introduce this option. Mr. Carbone stated that when ICHRA

originally came out a few years ago, the IT-technology was not sufficient to support such a project. He also stated that no other Exchanges are currently utilizing ICHRA. Discussion ensued around the topic which included information about targeting small non-profit organizations.

G. Leaver Survey

Caroline Ruwet, Director of Marketing, provided preliminary Leaver Survey findings. She stated that the survey was conducted to better understand why individuals are leaving health coverage through the Medicaid Unwinding process. Methodology of the survey was explained.

Rebekah McLear, Director of Technical Operations and Analytics, provided additional statistical data indicating that 35 percent of respondents gained employer coverage, 29 percent are uninsured, 10 percent have Medicare, 8 percent indicated that they have coverage through a family member and 6 percent moved out of state. The remaining 12 percent had other reasons. Ms. McLear emphasized that AHCT would like to conduct more research on individuals who responded that they are uninsured. Ms. McLear noted that almost 700 responses were received, and they are aligned with the overall population.

Ms. Ruwet continued with proposed recommendations following obtaining full results of the leaver survey. Ms. Ruwet noted that leveraging all available options to make coverage affordable is very important and added that one of the options is to continue to address the major barrier of cost, such as providing a range of plans and by promoting FA. Ms. Ruwet emphasized the importance of continuing to drive awareness of redetermination and expanding the outreach to groups that are less likely to have health coverage.

H. Adverse Selection Report

Julie Andrews from Wakely Consulting presented the 2023 Adverse Selection Study. AHCT is required by its enabling legislation to report annually on the impact of adverse selection on the Exchange, provide recommendations to address any negative impact. Data for the study have been collected from various sources. Carrier perspectives was added through the survey responses. Risk factor profiles were presented. The nature of adverse selection, areas of potential adverse selection, and the study methodology were reviewed.

Ms. Andrews stated that four potential areas of adverse selection are reviewed. The first one is grandfathered versus non-grandfathered plans. The grandfathered plans were plans established prior to enactment of the Affordable Care Act (ACA) and in Connecticut, there aren't any that exist anymore. Ms. Andrews noted that the second is reviewing selection in the small group market with the interaction of the self-funded plan options and the third is whether there is any selection happening in the on- versus off- the Exchange markets. Ms. Andrews indicated that other elements, such as legislation, the pandemic, economic development as well as market forces also play a role in adverse

selection. She noted other adverse selection considerations such as the Public Health Emergency (PHE) Continuous Coverage Unwinding as well as the Covered Connecticut Program expansion.

Ms. Andrews explained the Federal Risk Adjustment Program that seeks to equalize risk in the marketplace amongst the issuers, but it does not completely mitigate it. Ms. Andrews noted that individuals off-Exchange have a higher risk profile than those who are on the Exchange, and it has coincided with the contraction in off-Exchange enrollment which could be an indicator that consumers are inclined to utilize enhanced FA or the Covered Connecticut Program.

Ms. Andrews explained the individual metal tier enrollment mix and noted that it has shifted on- and off-Exchange. Higher off-Exchange risk scores continue to increase with shrinking enrollment and loss ratios after consideration of risk adjustment transfers and it indicates that on-Exchange enrollees are currently not financially disadvantaged with their premiums.

Ms. Andrews also provided conclusions on the Small Group Market on- versus off-Exchange. Ms. Andrews indicated that similar to last year, Small Group on-Exchange enrollment is low and not fully credible by metal tier and conclusions regarding adverse selection cannot be made. Ms. Andrews noted that the low enrollment should be monitored outside of the context of adverse selection to ensure the sustainability of the market.

Ms. Andrews provided recommendations for the On- versus Off-Exchange Adverse Selection. Ms. Andrews reviewed recommendations, which include looking at the overall market enrollment, as the individual off-Exchange market continues to shrink, reviewing the impact of Special Enrollment Periods, limiting their use and ensuring eligibility, advocating for the permanence of the enhanced subsidies for overall market stabilization and exploring mechanisms for stabilizing the individual and small group markets.

Ms. Andrews added that the fully insured small group market decreased by 24 percent as measured by covered lives in 2022 and stated that reported mid-year 2023 enrollment indicates a further reduction. She briefly touched upon the possible interest of the Qualified Small Employer Health Reimbursement Arrangement (QSHERA) and Individual Coverage HRA (ICHRA). Ms. Andrews provided recommendations regarding self-funding in the Small Group market and adverse selection. She advised closely monitoring the small group market to ensure that healthier small groups do not move to a self-funded product and lead to adverse selection and monitoring the regulatory environment for impact of newly proposed regulations.

Chair Charles Klippel requested a motion to accept the 2023 Adverse Selection Study Report for submission to the General Assembly. Motion was made by Paul Philpott and was seconded by Claudio Gualtieri. Roll call vote was ordered. **Motion passed unanimously.**

I. Two Month Premium Assistance

Susan Rich-Bye, Director of Legal and Governmental Affairs, presented information on the Two Month Premium Assistance initiative. She noted that during the 2023 Legislative Session, the Connecticut General Assembly passed Public Act 23-204, which among other budget items, provides funding for two months of premium assistance for certain consumers enrolling in plans through AHCT in Fiscal Year 2024.

Ms. Rich-Bye noted that funding is from the American Rescue Plan Act and pointed out that it would be intended for individuals with income above the Covered Connecticut Program with a threshold of 175 percent of the Federal Poverty Level (FPL), but below 200 percent of the FPL, who enroll in a benchmark Silver plan through AHCT.

Ms. Rich-Bye added that Department of Social Services (DSS) and the Office of Policy and Management (OPM) as well as AHCT have been having discussions since this item passed in the budget and looking at the best way to recommend to the state to use this funding with the goal of incentivizing individuals who have not had coverage or who are uninsured to try to enroll in coverage through the Exchange.

Ms. Rich-Bye added that additional possible uses are being considered such as possibly helping small employers and broadening the eligible audience or perhaps including individuals with incomes at higher FPL levels and to possibly include additional plans in addition to the silver such as bronze plans.

Ms. Rich-Bye added the possibility of supporting infrastructure for new outreach efforts which would require cooperation with the State Department of Labor. Ms. Rich-Bye stated that the main goal is to try to reach the broadest audience possible and make the most of this funding to encourage people who are uninsured to come on the Exchange.

J. Health Plan Benefits and Qualifications Advisory Committee Update

Susan Rich-Bye, Director of Legal and Governmental Affairs, provided a brief update on the Health Plan Benefits and Qualifications Advisory Committee work pertaining to the development of the standard medical plans for Plan Year (PY) 2025.

K. Future Agenda Items for Reference Only

James Michel, Chief Executive Officer, briefly described future agenda items.

L. Adjournment

Chair Charles Klippel requested a motion to adjourn. Motion was made by Thomas McNeill and was seconded by Paul Philpott. Roll call vote was ordered. **Motion passed unanimously.** Meeting adjourned at 10:27 a.m.