



Connecticut Health Insurance Exchange Board of Directors Regular Meeting

Remote Meeting

Thursday, January 16, 2025
Meeting Minutes

Members Present:

Charles Klippel (Chair); Paul Philpott (Vice-Chair); Grant Ritter; Deidre Gifford; Thomas McNeill; Dina Berlyn; Kathleen Holt - Office of the Healthcare Advocate (OHA); Deputy Commissioner Peter Hadler on behalf of Commissioner Andrea Barton Reeves, Department of Social Services (DSS); Carleen Zambetti on behalf of Commissioner Nancy Navarretta, Department of Mental and Health Addiction Services (DHMAS); Commissioner Manisha Juthani, Department of Public Health (DPH); Claudio Gualtieri on behalf of Jeffrey Beckham, Secretary – Office of Policy and Management (OPM)

Other Participants:

Access Health CT (AHCT) Staff: James Michel; Jeanna Walsh; Holly Zwick; Rebekah McLearn; Susan Rich-Bye; Caroline Ruwet; John Carbone; Glenn Jurgen; Marquese Davis; Tammy Hendricks

Wakely Consulting: Julie Andrews

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 21, 2024, Regular Meeting Minutes. Motion was made by Thomas McNeill and was seconded by Grant Ritter. Roll call vote was taken. **Motion passed unanimously.**

Susan Rich-Bye, Director of Legal and Governmental Affairs, explained that the Exchange's bylaws require the annual election of a vice-chair in January. Charles Klippel asked for nominations for the Vice-Chair of the Access Health CT (AHCT) Board of Directors. Grant Ritter nominated Paul Philpott.

No other nominations were presented. Motion was made by Grant Ritter and was seconded by Thomas McNeill to nominate Paul Philpott as a Vice-Chair of the Board. Roll call vote was ordered. **Motion passed unanimously.**

Ms. Rich-Bye reviewed the reasons for votes needed to make changes to the membership of the Advisory and Standing Committees.

Chair Charles Klippel requested a motion to remove Ellen Skinner from the Health Plan Benefits and Qualifications Advisory Committee; to remove Sean King from the Strategy and Human Resources Committee; to appoint Kathleen Holt to the Strategy and Human Resources Committees and to appoint Dina Berlyn to the Human Resources Committee. Motion was made by Paul Philpott and was seconded by Matthew Brokman. Roll call vote was ordered. **Motion passed unanimously.**

D. CEO Report

James Michel, Chief Executive Officer, presented the CEO Report. Mr. Michel shared some information regarding the potential expiration of the enhanced subsidies that currently help many of AHCT's customers afford health coverage for themselves and their families.

These enhanced subsidies were introduced as part of the American Rescue Plan Act (ARPA) and extended through the Inflation Reduction Act (IRA); and are set to expire at the end of Plan Year (PY) 2025. Detailed information was sent to the Board that explains how the expiration of the subsidies will affect many of the Exchange's customers in Connecticut by significantly increasing the cost of health coverage. AHCT intends to be proactive in sharing how this will affect consumers locally and nationally.

Mr. Michel noted that AHCT is working with state legislators and other stakeholders across the country to maximize the efforts to ensure that these enhanced subsidies are extended. AHCT is also working on recommendations for state leadership regarding what

they can do to help protect Connecticut residents from the potential increase in costs as well as other potential federal action that may adversely affect Connecticut residents.

Mr. Michel was happy to report that preliminary numbers indicate that the recently concluded Open Enrollment (OE) surpassed 150,000 enrolled consumers in the Qualified Health Plan, of which, over 40,000 were able to utilize the Covered Connecticut Program.

Mr. Michel expressed his words of appreciation to the State of Connecticut, the Board of Directors for its continued support as well as the AHCT's team. Mr. Michel outlined the meeting's agenda.

E. Adverse Selection Report

Ms. Rich-Bye introduced Julie Andrews from Wakely Consulting. AHCT is required by its enabling legislation to report annually on the impact of adverse selection on the Exchange and provide recommendations to address any negative impact.

Ms. Andrews presented the 2024 Adverse Selection Study. Data for the study have been collected from various sources. Carrier perspectives were 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 three potential areas of adverse selection are reviewed. The issue of grandfathered versus non-grandfathered plans was briefly touched upon. 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. Wakely looked at whether selection is occurring in the small group market with the interaction of the self-funded plan options and third whether there is any selection happening in the on- versus off- the Exchange markets. Other adverse selection considerations were explained.

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 financial assistance or the Covered Connecticut Program.

The individual metal tier enrollment mix was reviewed and shifts between on- and off-Exchange plans was noted. Bronze Plan on-Exchange enrollment decreased from 2021 when 42 percent of enrollees utilized those plans to 26 percent in 2024. Also, issuers indicated potential adverse selection from events or changes with the potential to destabilize the market, which include the Special Enrollment Periods (SEPs), Public Health Emergencies (PHEs), as well as legislative initiatives that include the American

Rescue Plan Act (ARPA), the Inflation Reduction Act (IRA) and Covered Connecticut Program.

Ms. Andrews noted that off-Exchange risk scores relative to on-Exchange scores have stabilized. Loss ratios after consideration of risk adjustment transfers indicates that on-Exchange enrollees are currently not financially disadvantaged. It was also noted that similar to last year, small group on Exchange enrollment is low and not fully credible by metal tier and determination about adverse selection cannot be made in this area. Low enrollment should be monitored outside context of adverse selection to ensure sustainability of market.

Recommendations for the on- vs. off-Exchange Adverse Selection were presented. They include monitoring overall market enrollment as the individual off-Exchange market continues to shrink; review the impact of SEPs, limit the use and ensure eligibility validity.

Recommendations also include advocating for permanence of enhanced subsidies for overall market stabilization and explore mechanisms for stabilizing the individual and small group markets, which involves the 1332 Waivers. Ms. Andrews added that the fully insured small group market decreased by 10 percent as measured by covered lives in 2023. Reported mid-year 2024 enrollment indicates further reduction. Self-funding in the small group market was briefly outlined. Recommendations included closely monitoring the small group market to ensure healthier groups do not move to a self-funded basis leading to adverse selection and monitor the regulatory environment for impact of newly proposed regulations.

Chair Charles Klippel requested a motion to accept the 2024 Adverse Selection Study Report for submission to the General Assembly. Motion was made by Claudio Gualtieri and was seconded by Paul Philpott. Roll call vote was ordered. **Motion passed unanimously.**

F. 2025 Open Enrollment Update

Kathryn Hearn, Associate Director of the Enterprise Project Management Office, presented the 2025 Open Enrollment (OE) Update. Ms. Hearn noted that the updated OE numbers will be provided at a later date since for the purposes of this meeting, the OE enrollment consists of information from a prior week.

Ms. Hearn stated that OE 12 has yielded an approximate 88 percent retention rate from last OE for households enrolled in QHPs. The call center received 194,000 calls, which is 27 percent less than during OE 11; the number of chats also decreased. Consumer self-service on the AHCT's enrollment portal increased.

AHCT projections for OE 12 were reviewed. As of 1/9/2025 total QHP enrollment stood at over 146,300, which is over a 16 percent increase; of that number, over 40,160 were Covered Connecticut enrollees.

Covered Connecticut saw over a 52 percent increase when compared with OE 11. Acquisition of those not enrolled in a QHP as of 10/31/2024 decreased slightly by less than 4 percent. Dental enrollment increased by over 27 percent and stood at over 18,200.

Mr. Michel noted that since AHCT invested in developing an enhanced dental enrollment platform, the SADP enrollment began increasing. Information pertaining to the dental demographics will be provided to the Board.

Brief discussion followed on the retention rate and the ways that consumers are enrolling in their health coverage plans. Mr. Michel noted that the Exchange is still using the same technology since its inception and it could present challenges to the consumers when enrolling. The Exchange is currently in the process of working on making the online user experience less cumbersome, which includes the implementation of the Ten Clicks project.

G. Possible Enhanced Subsidy Changes that may impact Connecticut Residents

James Michel, CEO, discussed the possible expiration of the enhanced premium tax credits that were adopted as a part of the ARPA legislation. Those enhanced subsidies, if not renewed by Congress, will expire at the end of the Plan Year (PY) 2025. AHCT has created a chart that was distributed to the Board which outlines the potential impact of the expiration of the enhanced subsidies on Connecticut residents by Congressional districts.

AHCT met with the Governor's Office to provide this information and obtain their input. Meetings with other state leaders have taken place and more are planned. AHCT is taking a proactive approach to this vital issue. The impact of not renewing those enhanced subsidies will not only be felt by those affected families, but by the entire state. Many individuals would not be able to afford paying premiums and may drop coverage altogether; it would also have an impact on Covered Connecticut.

Mr. Michel further explained the negative implications of the potential inaction in Congress on this issue and the Exchange's efforts to inform both, the public officials and also the public about it. He pointed out that AHCT came up with few proposals that could minimize the impact of the potential expiration of those subsidies and possible other actions that may be taken by the incoming Administration. Additional information will be shared with the Board in the coming weeks.

Deidre Gifford inquired if there is any modeling as to the numbers that would be coming off the Exchange if the enhanced subsidies are not renewed. Mr. Michel noted that AHCT

is currently working on it. Claudio Gualtieri added that the most important attention is to be on Congress first. He expressed caution about all of the potential issues that may arise, and it cannot be the answer that the State can step in for all of them. Mr. Michel pointed out that AHCT is really sharing the messaging to the public and is working with colleagues across the country. Kathleen Holt commented that prior to the ACA, people were coming into Medicare much sicker because they were waiting to obtain health insurance. Ms. Holt mentioned the Kaiser Family Foundation (KFF) analysis which clearly showed that following the enactment of the ACA, the cost of Medicare came down dramatically.

H. Individual Coverage Health Reimbursement Arrangements Update (ICHRA)

John Carbone, Director of Small Group, Product Development and Broker Support, presented the ICHRA update.

Mr. Carbone noted that over the past several months, AHCT has been actively working on evaluating and refining the online ICHRA platform to meet the diverse needs of Connecticut residents. During this time, AHCT is focused to ensure usability for a seamless experience maintaining compliance and achieving scalability to adapt to the needs of the evolving marketplace.

AHCT is in the process of deploying and implementing a custom in-house technology platform. Tailored solutions reflect the ongoing commitment to deliver a system that works for everyone by simplifying the enrollment process for the employers and for employees while supporting Connecticut residents and brokers.

Collaboration is critical for success. AHCT began hosting and meeting with the key stakeholders to introduce and demonstrate the new platform. These stakeholders include the Governor's office, the Comptroller's office and the Insurance and Real Estate Committee.

These meetings were established to ensure alignment with the state's objectives, priorities, and strategic directions. Also, AHCT met with our carrier partners Anthem and ConnectiCare to ensure system capabilities and alignments. Meetings with other stakeholders, such local broker associations were also held.

Due to the possibility of losing the necessary quorum for adjournment, Chair Charles Klippel requested an advanced motion to adjourn the meeting. Motion was made by Grant Ritter and was seconded by Paul Philpott. Roll call vote was ordered. **Motion passed unanimously.** Advanced adjournment was passed at 9:59 a.m.

Steven Hernandez joined at 10:00 a.m.

Mr. Carbone provided additional information pertaining to the rollout of the platform and how it will provide a successful solution for both the employers and the employees. Brief discussion ensued around the timeline for ICHRA implementation, rules governing the Internal Revenue Service (IRS) required notifications, advertising, and outreach as well as modelling on broker compensation if consumers are transferred over to the program.

I. Health Plan Benefits and Qualifications (HPBQ) Advisory Committee Update

Susan Rich-Bye, Director of Legal and Governmental Affairs, presented the HPBQ Advisory Committee update. Ms. Rich-Bye summarized the Committee meeting held the day before. The Committee started to look at various options for plan design for Plan Year (PY) 2026. Wakely Consulting assists the Plan Management Team (PMT) and the carriers in developing those plan designs. Changes need to be made in most of the plans to comply with the actuarial value limitations using the updated Actuarial Value Calculator tool (AVC). The issuers began their testing of those options. The Connecticut Insurance Department (CID) is considering having the carriers to submit two sets of rates due to the uncertainty about the future of the enhanced subsidies in PY 2026.

J. Medicaid Unwind Update

Caroline Ruwet, Director of Marketing, presented the Medicaid Unwind Update. Ms. Ruwet expressed appreciation to the Department of Social Services (DSS); DSS was instrumental in this process.

There was a review of the paid campaign efforts for the Medicaid Unwind. The timeline for the campaign was provided with information on \$1.2 million from AHCT's reserves that was used for the paid media campaign. The media campaign was paused during OE 11. Ms. Ruwet stated that 427,486 individuals were targeted for the campaign; 348,444 of them were successfully enrolled in either a Qualified Health Plan (QHP), the Covered CT program or Medicaid/CHIP during the unwinding period. Other relevant information was also presented such as increased web traffic and enrollments by month with the corresponding amount of funds spent on this effort.

K. Future Agenda Items for Reference Only

Mr. Michel reviewed future Board of Directors meeting agenda items.

L. Adjournment

Advanced adjournment was passed.