



## **Board of Directors Regular Meeting**

### **Meeting Minutes**

Thursday, January 15, 2026

Remote

#### **Members Present:**

Paul Philpott (Vice Chair); Grant Ritter; Deidre Gifford; Steven Hernandez; Thomas McNeill; Dina Berlyn; Kathleen Holt, Office of the Healthcare Advocate (OHA); Claudio Gualtieri on behalf of Secretary-designate Joshua Wojcik, Office of Policy and Management (OPM); Tricia Dave, designee for Interim Commissioner Joshua Hershman, Connecticut Insurance Department (CID); Carleen Zambetti on behalf of Commissioner Nancy Navarretta, Department of Mental and Health Addiction Services (DHMAS); Commissioner Andrea Barton Reeves, Department of Social Services (DSS); Commissioner Manisha Juthani, Department of Public Health (DPH); Matthew Brokman

#### **Other Participants:**

Access Health CT (AHCT or Exchange) staff: James Michel; Jeanna Walsh; Holly Zwick; Rebekah McLearn; Susan Rich-Bye; John Carbone; Tammy Hendricks; Glenn Jurgen; Marquese Davis; Marcin Olechowski

Wakely Consulting, LLC: Ren Zhong

#### **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.**

Vice Chair Paul Philpott 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**

Vice Chair Paul Philpott requested a motion to approve the November 20, 2025 Regular Meeting Minutes. Motion was made by Thomas McNeill and was seconded by Grant Ritter. Roll call vote was taken. Deidre Gifford abstained. **Motion passed.**

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. A request for nominations for the Vice Chair of AHCT's Board of Directors (Board) was presented. Thomas McNeill nominated Paul Philpott.

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

Ms. Rich-Bye explained the reason for requiring a vote to add a member to the Health Plan Benefits and Qualifications Advisory Committee.

Vice Chair Paul Philpott requested a motion to appoint Jon Wirkkula to the Health Plan Benefits and Qualifications Advisory Committee. Motion was made by Grant Ritter and was seconded by Matthew Brokman. Roll call vote was ordered. **Motion passed unanimously.**

#### **D. CEO Report**

James Michel, Chief Executive Officer (CEO), presented the CEO Report. Mr. Michel congratulated Paul Philpott on his continued service to AHCT and his reappointment as Vice Chair and welcomed John Wirkkula to the Health Plan Benefits and Qualifications Advisory Committee.

Mr. Michel provided a high-level update on the new state subsidy established by the Governor and Legislature to assist Connecticut residents affected by the expiration of federal enhanced subsidies, and on 2026 Affordable Care Act (ACA) subsidies, noting that approved increases in the Silver Plan premiums have increased financial assistance for many eligible customers. Mr. Michel thanked Governor Lamont for the continued support of AHCT and its customers.

It was announced that a Leaver Survey will be conducted after Open Enrollment (OE) ends on January 31, with results to be shared with the Board in the spring. The meeting agenda was reviewed.

#### **E. Adverse Selection Report**

Ms. Rich-Bye introduced Ren Zhong of Wakely Consulting, LLC (Wakely). AHCT is required by its enabling legislation to report annually on the impact of adverse selection on the operations of the Exchange and provide recommendations to address any negative impact.

Ms. Zhong presented a high-level overview of the 2025 Adverse Selection Study, which AHCT is required by state statute to produce annually to assess the impact of adverse selection on the operations of the Exchange and recommend actions to support its sustainability. Wakely evaluated two potential forms of adverse selection over the 2023-2025 period: differences between on-Exchange and off-Exchange enrollment in the individual and small group markets, and differences between self-funded and fully insured arrangements in the small group market.

Adverse selection was assessed using ACA risk adjustment risk scores and a comparison of loss ratios before and after risk adjustment to evaluate the program's effectiveness in mitigating risk differences. The analysis combined quantitative data with issuer surveys and published sources. The presentation summarized key findings from the individual market, noting declining off-Exchange enrollment, growing on-Exchange enrollment likely driven by subsidies, and generally higher average risk scores off-Exchange, though results varied by carrier and were not uniform across the market.

Responding to an inquiry by Dr. Gifford, Ms. Zhong noted that that data showed that, in the aggregate, individuals enrolled off the Exchange appear to be less healthy than those on the Exchange. While some carriers experience sicker populations on the Exchange and others off the Exchange, the overall pattern indicates higher risk off the Exchange. This outcome contrasts with earlier expectations that a sicker population would concentrate on the Exchange.

Ms. Rich-Bye added that when the enabling legislation was adopted in 2011, there was an expectation that exchanges would attract a sicker population, including individuals who had previously been uninsured. Since the Exchange's first OE period in 2013, enrollment patterns have shifted significantly, with most of the individual market now enrolled on the Exchange and only a small portion remaining off Exchange.

Ms. Zhong added that most insurers participate on the Exchange and reviewed loss ratios before and after risk adjustment to assess whether the ACA risk adjustment program effectively addresses differences in risk. Before risk adjustment, off-Exchange loss ratios were generally higher than on-Exchange loss ratios, with Silver and Gold Plans showing higher loss ratios than Bronze plans, consistent with differences in benefit richness and enrollee risk.

Ms. Zhong noted that after risk adjustment, loss ratios were largely leveled and closer to the 80 percent benchmark, indicating that the risk adjustment program is effective in redistributing risk across plans and issuers, though it does not reduce overall market risk. Changes in enrollment by metal tier from 2022 to 2025, including declining Bronze Plan enrollment and increased Silver Plan enrollment, were attributed to consumer preferences influenced by state and federal subsidies, rather than adverse selection.

Ms. Zhong reported that overall, while off-Exchange enrollees show higher relative risk in the aggregate, results vary by carrier and the risk adjustment program mitigates most

financial impacts, suggesting no material effect on Exchange's sustainability. For the small group market, enrollment on the Exchange represents less than 3 percent of total membership, limiting the ability to draw credible conclusions about adverse selection, though low participation warrants continued monitoring.

Ms. Zhong stressed that analysis of self-funded versus fully insured small group arrangements was constrained by data limitations, but available information shows a continued decline in fully insured enrollment consistent with national trends and stable participation in self-funded and level-funded plans overall. While no clear evidence of significant adverse selection was identified, ongoing monitoring was recommended given declining fully insured enrollment and incentives for lower-risk groups to self-fund.

Vice Chair Paul Philpott requested a motion to accept the 2025 Adverse Selection Study report for submission to the General Assembly. Motion was made by Deidre Gifford and was seconded by Kathleen Holt. Roll call vote was ordered. **Motion passed unanimously.**

#### **F. 2026 Open Enrollment Update**

Kathryn Hearn, Associate Director of the Enterprise Project Management Office (EPMO), presented the 2026 Open Enrollment (OE) Update.

Ms. Hearn indicated that the OE period was extended from January 15, 2026 to January 31, 2026, with AHCT call center hours expanded to Monday through Saturday and remaining open until midnight on January 31, 2026, with callbacks and enrollment assistance provided to anyone unable to connect on January 31.

Ms. Hearn noted that eligible consumers enrolling in January 2026 will receive a February 1, 2026 effective date. Additional marketing and outreach efforts were implemented to support the OE extension, including media engagement, digital communications, coordination with brokers and application counselors, updated paid advertising, and additional mobile enrollment events.

Ms. Hearn indicated that enrollment data as of January 13, 2026 shows a significant increase in Qualified Health Plan (QHP) enrollment without financial assistance, reaching 31,449, more than double last year, reflecting the loss of subsidies for individuals with annual income above 400 percent of the Federal Poverty Level (FPL). QHP enrollment with subsidies declined by approximately 10 percent to 118,647, while the Covered Connecticut Program grew nearly 23 percent to 49,597, and Stand-Alone Dental Plan enrollment increased 5.7 percent to 17,697.

Brief discussion ensued around the enrollment numbers and how Connecticut is outperforming other states. Board members expressed strong interest in a more detailed

breakdown of unsubsidized QHP enrollment by FPL bands, particularly individuals with income over 400-500% of the FPL who may have lost federal subsidies but could now qualify for state subsidies, as well as populations under 100% of the FPL impacted by federal changes. AHCT has already conducted detailed FPL analyses identifying both enrolled individuals and those eligible but not yet enrolled, and a more granular FPL breakdown will be shared with the Board in an upcoming report.

Other topics included the unsubsidized population on the Exchange which has increased dramatically. In addition, Mr. Michel praised the Covered Connecticut Program for its significant contribution in providing additional insurance coverage for lower income consumers.

Mr. Michel added that during the most recent OE period, AHCT increased the number of in-person enrollment fairs, which led to higher attendance and more consumer engagement. Brokers were consistently available at these events to answer questions and assist consumers in selecting plans that best meet their needs. This presence, along with broker development efforts, helped support enrollment and sustain overall numbers.

Mr. Michel added that the largest contributor to sustaining enrollment was the significant increase in the second-lowest-cost Silver Plan. Brief discussion followed around the issue of consumers who lost their financial assistance due to having incomes over 400 percent of the FPL.

## **G. Enhanced Subsidy Changes that impact Connecticut Residents**

Ms. Rich-Bye presented information on the enhanced subsidy changes that impact Connecticut residents. She noted that for PY 2026, consumers with incomes between 100% and 400% of the FPL remain eligible for a federal Premium Tax Credit (PTC), though subsidy levels reverted to pre-enhanced ACA contribution percentages, while those above 400% of the FPL lost all federal financial assistance. In addition, lawfully present individuals with incomes below 100% of the FPL who are not eligible for Medicaid lost federal financial assistance under H.R. 1. Ms. Rich-Bye pointed out that premium increases in silver plans for 2026 positively affected PTC calculations for many consumers between 100% and 400% of the FPL, contributing to enrollment patterns that differ from other states.

At the federal level, the U.S. House passed a three-year extension of enhanced subsidies, which is now under U.S. Senate consideration, with negotiations ongoing and no final action expected until late January.

Ms. Rich-Bye stated that at the state level, Connecticut is implementing a state subsidy program to mitigate the loss of enhanced subsidies, providing a full replacement subsidy for eligible consumers between 100% and 200% of the FPL not enrolled in the Covered Connecticut Program, and a 50% replacement subsidy for consumers with income over 400% and up to 500% of the FPL. AHCT is working with state partners and carriers to

implement the program by conducting extensive outreach, including mailing notices to nearly 40,000 consumers, updating its website, and informing brokers, navigators, and the call center, with carriers issuing adjusted premium notices and AHCT providing additional communications.

Mr. Michel mentioned that following the Governor's announcement of state subsidies, AHCT engaged its system vendor, which provided implementation timelines of mid to late March 2026 and early April 2026 due to extensive system development and testing requirements. While efforts are underway to accelerate these timelines, the current system's complexity and outdated technology limit how quickly changes can be implemented, underscoring the need for planned system modernization initiatives.

Mr. Michel emphasized that as with the earlier Covered Connecticut Program rollout, AHCT will use a manual workaround until the system is fully updated and tested to accurately reflect net premiums without compromising system integrity.

Ms. Rich-Bye noted that AHCT posted a website banner announcing the OE extension to January 31, 2026 and linking to an article with detailed information on the state financial assistance, with data showing strong traffic to the article primarily through web searches rather than through the banner itself. The article provides clear guidance on eligibility, subsidy amounts, and required consumer actions, including plan changes and application updates, to ensure consumers, brokers, and Navigators understand how to access available financial assistance..

Deidre Gifford inquired how funds are being allocated by the state to fill some of the gaps caused by the non-renewal of the federal enhanced subsidies by the federal government. Claudio Gualtieri emphasized that pursuant to Special Act authority allowing use of the emergency reserve fund, drawdowns were requested to address federal inaction, including \$64.1 million to sustain the Covered Connecticut Program as a zero premium, zero out-of-pocket program for FY 2026-2027, \$2.6 million to support full state subsidies for individuals between 100% and 200% of the FPL in 2026, and \$48.16 million to provide a 50% backfill for lost enhanced subsidies for those above 400% and up to 500% of the FPL. These funds must be obligated by DSS through carrier contracts before February 3, and contract language is currently being finalized to meet that deadline.

## **H. Health Plan Benefits and Qualifications Advisory Committee Update**

The Board that the Health Plan, Benefits and Qualifications Advisory Committee, which includes Board members, advocates, and carrier representatives, began its 2027 work with a meeting on January 7, 2026, focused on developing QHP certification requirements and standard plan designs. Despite awaiting federal guidance, the Committee reviewed a new state mandate expanding applied behavioral analysis coverage for individuals with autism up to age 26, discussed affordability considerations for 2027 plan designs, and

received updates on carrier and broker compensation changes and AHCT's efforts to maintain broker availability.

### **I. Future Agenda Items for Reference Only**

Mr. Michel indicated that staff are developing the FY 2027 operating budget for presentation to the Finance Committee in April 2026 and will begin discussions with leadership on its direction and major initiatives. This work includes assessing the replacement of the current enrollment system—which has been costly, difficult to modify, and limited in flexibility—with a more modular and efficient platform capable of supporting frequent policy changes. Leadership and the Board will continue to receive regular updates as planning advances.

### **J. Adjournment**

Vice Chair Paul Philpott requested a motion to adjourn. Motion was made by Deidre Gifford and seconded by Andrea Barton Reeves. Roll call vote was ordered. Motion passed unanimously. Meeting adjourned at 10:14 a.m.