



Maryland Health Benefit Exchange Board of Trustees

August 19, 2014
1:00PM – 4:00PM

Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Members Present

Joshua M. Sharfstein, M.D.
Kenneth Apfel, M.P.A.
Darrell Gaskin, Ph.D.
Jennifer Goldberg, J.D., LL.M.

Enrique Martinez-Vidal, M.P.P.
Thomas Saquella, M.A.
Ben Steffen, M.A.

Members Absent

Georges Benjamin, M.D.
Therese Goldsmith, J.D., M.S.

Also in attendance: Carolyn Quattrocki, Executive Director at the Maryland Health Benefit Exchange (MHBE).

Opening and General Updates

Chairman Sharfstein welcomed everyone to the meeting. He thanked the MHBE Board and staff for their hard work. He reported that the Centers for Medicare & Medicaid Services (CMS) sent written confirmation approving the plan to use the Connecticut IT platform to upgrade the MHBE website. Ms. Quattrocki announced that Andy Ratner is the new Director of Marketing, Communications, and Outreach and comes to the MHBE with broad experience in the media, as well as the private and public sectors.

Approval of Meeting Minutes

The Board reviewed the minutes for the July 15, 2014 Board meeting; no amendments were made. Mr. Apfel motioned to approve the minutes; the Board voted unanimously to approve the July 15, 2014 minutes.

An amendment was made to the June 24, 2014 minutes to correct the name of a vendor from Altek to Arkenstone Technologies. Mr. Gaskin motioned—and the Board voted unanimously—to approve the minutes as amended.

Transition Implementation Operations Update

Jonathan Kromm, Deputy Executive Director at the MHBE, provided an update on the operations transition. Mr. Kromm reported that the key milestones and schedule remain on track. The MHBE team is working closely with sister agencies to ensure that the new IT system is operational for the next open enrollment. Health plans are in the process of being certified and will be uploaded to the website as soon as possible. The Connector program's preparation and training for the next open enrollment is underway. The new portal for insurance brokers is complete and being promoted to brokers. The MHBE team has focused on Call Center preparation, and the transition to a new phone system is on schedule with plans to increase staffing for the fall. A detailed marketing and communications plan and budget have been developed. The organizational change management team has continued to identify business process gaps and new processes and develop manual processes. Proposals from third-party administrators (TPAs) have been received under the Small Business Health Options Program (SHOP) request for proposals (RFP), and awards will be made during this Board meeting.

Mr. Kromm next provided an overview of the remaining four risks and one dependency, which are all being mitigated. The four risks are: (1) redesign of the process for the help desk; (2) new gaps emerging as business processes are developed; (3) call center's difficulty handling calls; and (4) bulk provisioning of certain types of consumer assistance workers. The remaining dependency is that carriers may need to make modifications to account for different business rules.

- Mr. Saquella asked whether the Connector Entities will perform outreach for SHOP. Mr. Kromm responded that the outreach campaign will put less focus on SHOP until the new SHOP system is operational. Ms. Lyles Smith noted that SHOP outreach has not been discussed with Connector Entities at this point but will inquire whether Connector Entities are considering SHOP outreach. Chairman Sharfstein added that an update on SHOP will be provided at the next Board meeting.
- Mr. Saquella asked for more information regarding the three-tier help desk. Mr. Kromm responded that the three-tier help desk allows a difficult case to be escalated. Tier One is within the call center and will handle common problems. Tier Two will consist of specialized groups of navigators who will take over cases that are more complicated. Tier Three will consist of IT staff who will handle technical problems. A process for how cases will flow between tiers is being developed.
- Mr. Martinez-Vidal asked whether there will be more or less carriers offering plans this year. Mr. Kromm responded that the plan certification process is not complete, and it is premature to talk about plans. Chairman Sharfstein added that the MHBE is waiting for the Maryland Insurance Administration approval, though they know that a new carrier is applying and another carrier will be completely changing their plans for 2015.
- Mr. Apfel asked about the development of manual processes. Mr. Kromm responded that they are focusing on developing the manual processes because it must be complete before training of exchange staff begins. One manual process includes identifying specific groups of consumers who will need to be captured at the point of service to ensure they receive the appropriate outcome. Mr. Kromm noted that in a few rare cases, back-end work within the system may be required, which would be escalated outside of the call center. Chairman Sharfstein added that there will not be as many manual cases as there were during the first open enrollment because the MHBE team understands the limitations of the new system and will work accordingly.
- Mr. Steffen asked about the promotion of the new portal for brokers. Mr. Kromm responded that they are raising awareness of the portal, which is for the individual market only, and training brokers how to use it. Chairman Sharfstein added that the new broker portal will have more functionality and was received well in Connecticut.
- Mr. Steffen asked about the plan for relocating the call center. Mr. Kromm responded that Maximus and Ms. Lyles Smith have mapped out the transition, and the call center will be moved to the new location by October 1.
- Mr. Martinez-Vidal asked whether navigators and Connector Entities will have a portal similar to brokers. Chairman Sharfstein responded that navigators will have additional functionality in the new IT system but application assisters will not.
- Mr. Steffen asked for a demo of the broker portal. Chairman Sharfstein responded that slides can be provided at the next Board meeting.

Renewals

Chairman Sharfstein and Paul Barringer from Optum provided an overview of the outreach campaign to encourage 2014 enrollees in qualified health plans (QHPs) to renew their coverage in 2015. Chairman Sharfstein stressed that the MHBE wants all 2014 enrollees to renew their coverage during the next open enrollment. He explained that enrollees' financial situations may have changed, the MHBE will have new plans, and existing plans may have different rates. Therefore, enrollees should renew their coverage in order to receive the most accurate determination of financial assistance and select the best plan. By September 1, Optum will develop and maintain a database of all 2014 QHP enrollees with active coverage. The MHBE will contract these enrollees and will match enrollees who require assistance to consumer assistance resources. Optum will also track which enrollees have renewed coverage and continue outreach to those who have not renewed.

- Mr. Gaskin asked how confident Optum is that the contact information for 2014 enrollees is current. Mr. Barringer responded that they have a high degree of confidence because the database is based on information carriers have received from enrollees paying premiums.

- Mr. Martinez-Vidal asked if the carrier data will show the subsidies that enrollees are receiving. Mr. Barringer responded that the effectuation data from carriers will contain that information.

Chairman Sharfstein noted that there is a variety of ways the federal government and other states are handling enrollees who do not renew their QHP coverage. In some cases, the federal government will automatically re-enroll consumers because they can keep track of enrollees' eligibility. However, states switching their systems, such as Maryland, cannot do this. Furthermore, there is concern that, under the federal approach, a consumer will keep the same tax credit and will have to pay any premium increase. Chairman Sharfstein stated that the MHBE is currently working with CMS and carriers on how to handle 2014 enrollees who do not renew coverage. There are two possible options being explored. First, the enrollee will automatically be enrolled in a similar plan outside the exchange with the option of enrolling in a QHP before the end of open enrollment. Second, the enrollee would automatically be renewed in the same QHP within the exchange but without financial assistance. However, the main message is still to encourage enrollees to renew their coverage.

- Mr. Martinez-Vidal asked whether the preference would be for enrollees to be automatically enrolled in a plan outside or inside the exchange. Chairman Sharfstein responded that the preference would be to automatically enroll people in a plan inside the exchange; an enrollment method is expected to be chosen next week.
- Mr. Martinez-Vidal commented that some states are creating joint renewal notices with carriers and asked if the MHBE is doing the same. Chairman Sharfstein responded that the MHBE and carriers will agree to common language in the renewal notices.
- Ms. Goldberg asked if a consumer automatically re-enrolled in a plan inside the exchange without financial assistance would be eligible for a tax credit at the end of the year. Chairman Sharfstein confirmed that a consumer could receive a tax credit but the consumer would not receive cost-sharing reductions.
- Mr. Gaskin asked when consumers who do not renew their coverage would be automatically re-enrolled in a plan. Chairman Sharfstein responded that carriers will re-enroll consumers in December.
 - Mr. Martinez-Vidal asked if the carrier would generate an invoice for the full premium at this point. Chairman Sharfstein confirmed that an invoice would be sent in early December and would count as a premium notification.
- Chairman Sharfstein noted that the MHBE is working with the operations team and Optum to perform outreach and do renewals.

Social Media Campaign

Mr. Kromm and Alison Walker, Manager of Digital Communications at the MHBE, provided an overview of the plan for the social media campaign for the next open enrollment. Ms. Walker reported that the MHBE uses Facebook, Twitter, and YouTube accounts to deliver information and communicate with consumers. The social media campaign during the first open enrollment focused on providing customer support, distributing information, and sharing consumers' success stories.

During the second open enrollment, the campaign will encourage 2014 enrollees to renew their coverage and provide information on the renewal process and assistance resources. Social media will also be used to improve consumers' health literacy by providing information on the basics of health insurance. Success story gathering and sharing on social media will be enhanced. The campaign will also focus on crisis management, providing real-time updates, and identifying the problems consumers are encountering.

The budget for the social media campaign, which will be performed by Weber Shandwick, is \$340,000 for community management and content creation, \$41,362 for social media graphics, \$23,438 for social planning, and \$42,000 for project and account management. This comes to a total of \$446,800. The Board was asked to approve the budget.

- Chairman Sharfstein asked if social media will be available in Spanish. Ms. Walker responded that some material will be available in Spanish. Chairman Sharfstein emphasized the importance of having social media available in Spanish and recommended considering having a Spanish dedicated channel.

- Mr. Martinez-Vidal asked which MHBE staff responds to comments received by consumers through social media. Ms. Walker responded that enrollment questions will be handled internally by MHBE; if a consumer needs more assistance, then they will be connected to local consumer assistance resource.
- Mr. Steffen asked for more information regarding community management and content creation, as it is the largest portion of the budget. Ms. Walker responded that community management activities include drafting content, maintaining the event calendar, and monitoring social media channels, which requires many hours of staff time. Mr. Kromm added that Weber Shandwick will be able to adjust their response in relation to the needs of consumers.

Mr. Apfel motioned to adopt the recommended budget, which was seconded by Mr. Saquella. The Board voted unanimously to adopt the budget.

Finance Subcommittee

Mr. Saquella provided an update on the Finance Subcommittee, which held its first meeting last week. Mr. Gaskin, Mr. Apfel, and Mr. Steffen are also members of the committee. The function of the Subcommittee is to gather information and report findings to the Board; it will not be involved in operational matters, nor will it make decisions. The Subcommittee's purposes are to provide a better handle on MHBE finances in carrying out the Board's fiduciary responsibilities and to examine revenues and expenditures, as federal grants will end in 2015. The scope includes budget review, audit oversight, examination of internal processes of financial management, and overseeing existing contracts. During the first meeting, the Subcommittee identified examining the MHBE's contracting strategy in a broader context as an issue to discuss in future meetings. Mr. Saquella noted that the first meeting went well and they expect to hold meetings every other month, with the next meetings in October and December.

Open Meeting Compliance Board Update

Chairman Sharfstein next addressed two additional complaints filed with the Maryland Open Meetings Compliance Board against the MHBE Board. The complaints challenged the MHBE Board's decision to go into four closed sessions in 2013 and raised issues regarding the closed session on December 6, 2013. These complaints involved the same time period as the complaints previously filed against the MHBE Board before the Board implemented new measures to comply with the Compliance Board's decision in May 2014 in response to an earlier complaint. The Compliance Board found that the MHBE Board correctly closed these sessions but, as previously stated in a response to earlier complaints, the Compliance Board found that the MHBE Board needed to explain in more detail their reasons for entering into a closed session. The Compliance Board found that the MHBE Board had a legal basis for closing the December 30, 2013 Board meeting but incorrectly cited procurement as the exception instead of litigation, which was technically a violation. The Compliance Board found that the MHBE Board did not commit any violations during the December 6, 2013 meeting. Chairman Sharfstein noted that, in response to these complaints, the MHBE Board will continue to provide detailed explanations for entering into closed sessions and use the new measures developed in May.

Guidance on Use of External Site

Ms. Quattrocki provided an overview of a guidance that will be issued on the use of external websites by authorized producers, as producers may choose to display information about the MHBE on their own websites. The guidance contains two main points: (1) that producers include a disclaimer on their websites that it is not the official site of the MHBE, and (2) that the website must provide information on all relevant insurance plans in a manner that is not untrue, deceptive, or misleading.

- Ms. Goldberg asked how this guidance is different from what was used during the first open enrollment. Ms. Quattrocki responded that there is not a large difference, but the MHBE wants to have this guidance in place moving forward. Chairman Sharfstein added that the guidance is especially important this year because more producer involvement is expected.
- Mr. Gaskin asked if there are other entities that could host information covered by this guidance. Chairman Sharfstein responded that Connector Entities would likely be using the official MHBE website. He noted that others would not be eligible to help consumers enroll in QHPs.

- Mr. Saquella commented that the term of art typically used is “false” instead of “untrue” with regard to information and asked whether the term will be changed in the final version of the guidance. Chairman Sharfstein responded that they will be reviewing the guidance.
- Mr. Steffen asked how this guidance will be distributed. Chairman Sharfstein responded that it will be distributed to producers during training.
- Mr. Steffen asked how violations would be addressed. Chairman Sharfstein responded that violations could be addressed on a case-by-case basis, and noted that the MHBE wants the guidance to be published soon so it is available for producer training.

Ms. Quattrocki asked the Board to approve the principles of the guidance, and the Board will review other specific situations that may arise. Mr. Saquella moved to adopt this recommendation, which was seconded by Mr. Gaskin. The Board voted unanimously to adopt the recommendation.

Closed Session¹

Chairman Sharfstein announced that the Board would be moving into a closed session. He explained that the purpose of the closed session is to obtain legal advice regarding negotiation strategy before awarding a contract. Four topics will be discussed: (1) ratification of an emergency procurement from last year; (2) modification of the contract with Optum/QSSI; (3) a sole source procurement with Manatt Health Solutions; and (4) the award of contracts under the SHOP RFP.

Mr. Saquella motioned to move into closed session, which was seconded by Mr. Gaskin. The Board voted unanimously to move into closed session. For topics discussed and actions taken, please see the Statement for Closing a Meeting dated August 19, 2014.²

Voting Session

Chairman Sharfstein noted that there are four motions for the Board to consider. The first motion is the awarding of three contracts under the SHOP RFP to TPAs to develop the new SHOP portal. The payments will be contingent on the vendors satisfying specified milestones. The vendors are Group Benefit Services, Kelly Services, and Benefit Mall. Mr. Steffen motioned to award the contracts, which was seconded by Mr. Saquella. The Board voted unanimously to award the contracts.

The second motion is the modification of the Optum/QSSI contract for the period of September 2014 to June 2015. Optum is currently working on five different activities for the MHBE. Three of these activities are related to the old IT system, which must be maintained through March because of Internal Revenue Service (IRS) requirements. For hosting the old system from September 2014 to March 2015, the cost is not to exceed \$2.973 million. For maintenance operations, the cost is not to exceed \$5.248 million. Finally, for design, development, and implementation, the cost is not to exceed \$2.683 million. The cost for the Project Management Office (PMO) to oversee all of the work on the old system is not to exceed \$2.161 million. The last activity involves operations; Optum assists with sending 834s to carriers and resolving errors. Optum will also be working on the renewal plan and redeterminations and will be the lead for IRS reporting. This activity will go through June 30, 2015, and the cost is not to exceed \$6 million. Mr. Gaskin motioned to adopt the recommendation, which was seconded by Mr. Martinez-Vidal. The Board voted unanimously to adopt the recommendation.

The third motion involves an emergency procurement from last year to purchase certain licenses through Engagepoint under the Noridian contract in place at the time. There is no record of a vote for this procurement. Mr. Steffen motioned to ratify the procurement as an emergency procurement, which was seconded by Mr. Gaskin. The Board voted unanimously to ratify the emergency procurement.

¹ State Government Article § 10-508(a)(7) allows a closed session to consult with counsel to obtain legal advice. State Government Article § 10-508(a)(14) allows a closed session before a contract is awarded or bids are opened to discuss a matter directly related to negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

² Statement for Closing a Meeting, 8/19/2014. Available at: <http://marylandhbe.com/wp-content/uploads/2014/08/Closed-Meeting-Statement-08.19.141.pdf>.

The fourth motion is whether to award a sole source procurement to Manatt Health Solutions, a consultant that has been providing expertise to the MHBE on federal regulations and Medicaid. This procurement would go to December 2014, at a cost not to exceed \$150,000. The justification for the sole source procurement is Manatt's deep subject matter expertise and understanding of Maryland's system. Mr. Apfel motioned to award the sole source procurement, which was seconded by Mr. Martinez-Vidal. The Board voted unanimously to award the sole source procurement to Manatt.

IT Update

Secretary Fitzgerald provided an update on (1) the transfer to the Connecticut Exchange platform, (2) major milestones, and (3) the overall project timeline. Secretary Fitzgerald reported that development of the new IT system is on track. She then provided an overview of the project milestones, which continue to be completed on time.

The first round of interviews for the Chief Information Officer position have been completed, and an offer was made for the positions of Director of Policy and Special Assistant. Secretary Fitzgerald reported that the IT team submitted the second round of draft security documentation to CMS for review. The team also continues to meet with CMS twice weekly to discuss progress. The operational readiness review is scheduled for September and the redesign of the front-end Maryland Health Connection (MHC) website is underway. The soft launch schedule is being finalized. MHC will open with limited capacity initially to ensure that the system is running smoothly, and then it will be opened broadly. The development for releases one and two is on schedule, and the updated 834 Companion guide was completed and 834 testing is underway. The IT team is addressing known defects coming from the Connecticut IT system and will have solutions in place for open enrollment. Testing for various areas of the IT system is underway. The IT team completed the training plan, curriculum, and online courses for the new IT system and is finalizing the reporting requirements for CMS and internal uses.

Secretary Fitzgerald next provided an overview of the remaining issues and risks. She reported that four issues have been resolved. Five risks remain and are being mitigated.

- Mr. Apfel asked about the volume testing performed in July. Secretary Fitzgerald responded that volume testing is being done in each environment as well as broader performance testing.

Secretary Fitzgerald next provided an overview of a monthly report issued by ANGARAI, the Independent Verification and Validation (IV&V) vendor that started in July. The ANGARAI team began IV&V activities on July 2, 2014. The initial report focused on immersion into the program and evaluating standard project and program controls and activities. The ANGARAI team found that the MHBE's IT structures follow commonly accepted industry standards and are of a maturity expected for the scale and scope of this initiative.

Adjournment

Chairman Sharfstein thanked everyone for attending and adjourned the meeting.