



# Maryland Health Benefit Exchange Board of Trustees

May 19, 2015  
1:00PM – 4:00PM  
Maryland Health Care Commission  
4160 Patterson Avenue  
Baltimore, MD 21215

## **Members Present**

Van Mitchell  
Georges Benjamin, M.D. (by phone)  
Linda Sue Comer  
Darrell Gaskin, Ph.D.  
Kenneth Apfel, M.P.A.

Michelle Gourdine, M.D.  
Thomas Saquella, M.A.  
Al Redmer  
Ben Steffen, M.A.

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

## **Opening and General Updates**

Secretary Mitchell welcomed everyone to the Board meeting.

## **Approval of Meeting Minutes**

The Board reviewed the minutes for the April 21, 2015 Board meeting; no amendments were made. Mr. Apfel motioned to approve the minutes, which was seconded by Dr. Benjamin. The Board voted unanimously to approve the April 21, 2015 minutes.

## **Closed Session**<sup>1</sup>

Secretary Mitchell 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 potential litigation and an interagency memorandum.

Chairman Gaskin motioned to move into closed session, which was seconded by Dr. Gourdine. The Board voted unanimously to move into closed session. For topics discussed and actions taken, please see the Statement for Closing a Meeting dated May 19, 2015.<sup>2</sup>

## **Call Center Modification for 2016**

Leslie Lyles Smith, MHBE Director of Operations, provided an update on the modification to the call center contract for 2016. She noted that this update is for informative purposes, and she expects to bring a proposal to the Board for vote at the next meeting. The call center contract was awarded to Maximus in early 2014 through a competitive process. The contract period was from June 3, 2013 through December 31, 2017, at an amount not to exceed \$36,462,373. There have been five contract modifications to adjust for expansion because the original call volume projections were too low. The call volume for fiscal year 2016 is projected at 1.2 million calls, with peak volumes during open enrollment ranging from 120,000 to 153,000 calls.

- Secretary Mitchell asked whether there was a projection for spending under the budgeted \$36 million for this modification. Ms. Lyles Smith responded that the contract modifications expanded the original not-to-exceed amount of \$36 million.

<sup>1</sup> General Provisions Article § 3-305(b)(7) allows a closed session to consult with counsel to obtain legal advice.

<sup>2</sup> Statement for Closing a Meeting, 4/21/2015. Available at: <http://marylandhbe.com/wp-content/uploads/2015/05/Closed-Meeting-Statement051915.pdf>

- Commissioner Redmer asked what determines the price. Ms. Lyles Smith responded that there is a set price for each worker type, and the payment is based on service level agreements. If Maximus does not meet the service level agreements, then it will be penalized.
  - Commissioner Redmer asked for an example of a service level agreement. Ms. Lyles Smith responded that there is a penalty if a worker is not on the phone 80 percent of the time. There are also requirements for average handle times.
  - Commissioner Redmer asked for an explanation of the average handle time. Ms. Lyles Smith responded that it is the average time from the initial call to the end; the expected handle time is 20 minutes.

Ms. Lyles Smith explained that in determining the call volume projections for 2016, the MHBE team uses assumptions regarding several call categories, such as Medicaid redeterminations, new applications, life events, case maintenance, and tax penalties. Open enrollment peak call volumes are also factored into the projection.

- Secretary Mitchell asked about the call volume projection for 2015. Ms. Lyles Smith responded that projections were changed on a monthly basis, and a yearly total was not calculated for 2015.
  - Secretary Mitchell asked if the projected 1.2 million calls for 2016 reflect an increase in calls. Ms. Lyles Smith confirmed that the projection included an increase in calls.

Ms. Lyles Smith explained that, on average, approximately 264 representatives are needed to meet the service levels, with a range of 209 to 370 representatives depending on open enrollment periods. This estimation is with the expectation that the abandonment rate is less than five percent; the average call handle time is twenty minutes; and eighty-five percent of calls are answered within sixty seconds.

- Commissioner Redmer commented that he has heard that consumers may be put on hold for 45 minutes after receiving an automated response when calling the call center. Ms. Lyles Smith responded that the service level agreement is for 85 percent of callers to be speaking to a live representative within 60 seconds. She noted that this is the expectation, and 264 representatives are needed to satisfy this requirement.
  - Commissioner Redmer asked what the handle time would be for a hypothetical situation where a caller is on hold for 60 minutes and then speaks to a representative for ten minutes. Ms. Lyles Smith responded that in this situation the handle time would be 70 minutes.
- Secretary Mitchell asked if the call handle time ranges from 0 to 40 minutes with an average of 20 minutes. Ms. Lyles Smith responded that while the average handle time is 20 minutes, the length of the call may vary greatly; in some cases a call may take over an hour.
- Secretary Mitchell asked about the handle time for calls related to Medicaid redeterminations. Ms. Lyles Smith responded that, on average, it can take 20 minutes for a simple Medicaid redetermination, and up to an hour for more complicated cases.
- Secretary Mitchell asked about the staffing level for May and June. Ms. Lyles Smith responded that currently at least 300 representatives are needed to meet the required service levels. She explained that the original projection for May and June was 125 representatives, but this was too low so the MHBE decided to maintain the staffing level from March and April —around 264 representatives.
  - Secretary Mitchell commented that this should reduce expenditures accordingly.
- Mr. Steffen asked whether Maximus has already agreed to the service levels or are they merely goals. Ms. Lyles Smith responded that Maximus agreed to the service levels.
  - Mr. Steffen asked how close Maximus is to meeting the service levels. Ms. Lyles Smith responded that Maximus is not meeting these levels and has paid penalties as a result; 20 percent of calls are answered within 60 seconds and at times, the abandonment rate has reached 50 percent.
- Mr. Apfel asked if these three service levels are the standard metrics for call centers. Ms. Lyles Smith confirmed that these are the standard metrics for the industry.
  - Mr. Apfel commented that if the service levels are correct; the problem has been the call center's ability to meet these goals given the high call volume.

- Dr. Gourdine asked for more information regarding the penalties Maximus has paid for failing to meet the service levels. Ms. Lyles Smith responded that the penalties range from 0.5 to 1 percent of the invoice for that particular month, depending on the metric.
  - Dr. Gourdine commented that she assumes that the high call volume and the complexity of calls contributed to Maximus's inability to meet the service levels. She asked if the call center representatives are properly trained to handle these cases and if there are methods to improve training and escalate difficult cases. Ms. Lyles Smith responded that it can be challenging to train representatives because representatives must be familiar with complex information. She noted that training takes three weeks, and the MHBE works with Medicaid and the Maryland Department of Health and Mental Hygiene (DHMH) to provide additional training. It is also a time consuming and complex process for a representative to walk a caller through the IT system.
  - Ms. Quattrocki added that the MHBE has expanded the number of representatives who have access to the worker portal, which gives the representatives greater ability to fix problems. The MHBE is also pushing Maximus to convert more temporary representatives into full-time representatives to reduce turnover and ensure that the representatives are knowledgeable. Ms. Lyles Smith noted that Maximus has converted close to 100 employees from temporary to full-time status.
- Dr. Gourdine asked if there is a protocol for referring difficult cases outside of the call center. Ms. Quattrocki responded that the call center is tiered to address problems, and a separate group is available for case escalation.
- Commissioner Redmer asked about the call center's tiers for case escalation. Ms. Lyles Smith responded that before all representatives gained access to the worker portal last week, the first tier (1A) would take general calls and then the second tier (1B) had worker portal access. If the second tier could not handle the case, then it was escalated to a group within Maximus. There was also a group outside of Maximus that handled more difficult cases.
  - Commissioner Redmer asked how many cases Maximus referred to the outside group. Ms. Lyles Smith responded that she did not have that information available but she will look into it.
- Commissioner Redmer asked if a caller has the same chance of receiving any of the 300 representatives even if the caller selects a specific topic from the automated menu. Ms. Lyles Smith responded that currently a caller could receive any representative. She noted that, in the future, the MHBE hopes to have specialized teams of representatives to handle specific issues.

Ms. Lyles Smith reported that the MHBE is still negotiating contract terms with Maximus as well as working with Maximus to improve efficiencies, develop the knowledge databases, and better use the customer relationship management system. She explained that the MHBE wants to develop a more detailed knowledge database and include steps for representatives to follow when addressing a specific issue. The MHBE is exploring options to reduce the gap between the MHBE 2016 budget for the call center and the cost of ideal call center operations based on projections. Ms. Lyles Smith will present options to the Board for a vote at the June Board meeting.

- Secretary Mitchell clarified that a six-month extension will be presented to the Board at the next meeting, and asked that the Board be given the necessary information a week before the meeting so they have time to prepare.
- Secretary Mitchell asked for information regarding the options under consideration. Ms. Lyles Smith reported that the MHBE is working with Maximus to develop three options for call center staffing. The first option is for ideal staffing, which would be very expensive, the second option is to maintain the status quo of 255 representatives, and the third option is a budget friendly staffing level. Ms. Quattrocki added that the MHBE will have to determine whether the mid-level or budget friendly option would meet the desired service levels and how to balance it with budget limitations. She noted that the MHBE staff is working with Maximus to achieve efficiencies and bring down the costs of all three options.
- Commissioner Redmer asked if the \$36 million budget would cover all of the costs or if there would be additional costs. Ms. Lyles Smith responded that the MHBE would be paying for additional items, which includes quality assurance staff, rent, the phone bill, phone hardware, and

computers. She explained that Maximus provides the representatives and the phone system, which are included in the \$36 million budget.

- Dr. Gourdine commented it would be helpful for the Board to receive information on the case escalation process before the next meeting.
  - Secretary Mitchell added that it would also be helpful to have call center statistics for 2014 and 2015 so that the Board can see trends and gain a better understanding of the current situation.
- Mr. Apfel commented that it would be helpful to have an understanding of how the costs of the three options were calculated and what information was used.
- Mr. Saquella suggested that information be included on how the different options will be funded, especially how the most expensive option would be paid for.
- Secretary Mitchell asked if the information given to the Board before the next meeting will include a preliminary budget. Ms. Lyles Smith agreed to provide a budget.
- Mr. Steffen asked how many other states are using Maximus and their experience with call centers. Ms. Quattrocki responded that three to four states are using Maximus; a few states are using Xerox; and other states are using small companies to run their call centers. She noted that many states are struggling with budget and efficiency issues with their call centers.
- Mr. Steffen commented that the MHBE made significant changes to the call center's phone system in response to a recommendation from Maximus, and asked whether that contributed to an improvement in the call center's efficiency. Ms. Lyles Smith responded that after the phone system was changed, the phones did not go down as often. Ms. Quattrocki added that Maximus paid for the new system.
- Secretary Mitchell suggested that Maximus attend the next Board meeting. Ms. Lyles Smith responded that the CEO of Maximus was unable to attend this Board meeting due to a conflict; she will invite Maximus representatives to attend the June Board meeting.

### **Procurement Briefing**

Jonathan Kromm, Deputy Executive Director at the MHBE, provided an overview of two procurements with QSSI for the level two help desk, and Scan-Optics for document management services. He explained that the Board will vote on these procurements at the June Board meeting.

Mr. Kromm reported that QSSI was awarded a contract to provide operations and support services in September 2014 through a competitive bid process for an amount not to exceed \$1.7 million. The initial contract period was for October 2014 through June 2015 with an option for a six-month extension. The current level two staff include 2 business analysts, 1 trainer, 1 system administrator, and 25 agents. The key tasks for the QSSI contract include worker account setup and IT support, status checks on Medicaid and qualified health plan (QHP) enrollment, executing life event changes, individual reference number data matching, billing issues, and handling escalated cases. The current call volume for the level two helpdesk from consumer assistance workers is approximately 200 to 250 calls per day. Mr. Kromm reported that the current proposal is to adopt the option for a six-month extension from July 1, 2015 through December 31, 2015 for an amount not to exceed \$1.15 million. The staffing is anticipated to change as the call center representatives handle cases that are more complex and the level two helpdesk receives fewer calls. There has been a drop in calls related to minor IT issues; currently the focus is on Medicaid and QHP case escalation. The contract extension would also include additional training for assistance workers to help them handle these cases. Mr. Kromm noted that the goal is to reduce the percentage of cases referred to the help desk from 5 percent to 1 percent. This is achievable if the call center and Connector Entities are equipped to handle more cases.

- Secretary Mitchell asked about the rationale for the original nine-month contract. Mr. Kromm responded that it aligned the contract with the fiscal year and allowed for a readjustment of the work if needed after the nine months ended.
- Secretary Mitchell asked whether the need for the level two help desk will go away in six months. Mr. Kromm responded that the MHBE is still determining the long-term needs for the call center. The six-month extension will give the MHBE time to see if there is a reduction in IT related calls as expected and to decide what work will be needed in the future. The Board will be updated on the progress of this extension during the summer.

- Secretary Mitchell recommended that the MHBE start evaluating the level two helpdesk now. Mr. Kromm agreed with this recommendation and noted that the MHBE may use indefinite delivery indefinite quality (IDIQ) contracts in the future to fulfill some of the helpdesk functions, including the individual reference number data matching.
- Commissioner Redmer asked if the creation of the level two helpdesk is due to Maximus being unable to perform all the services desired by the MHBE. Mr. Kromm responded that all assistance workers, not just Maximus, use the helpdesk. The MHBE knew that quickly creating a new IT system would require more troubleshooting assistance, and it was easier to train a 25-person helpdesk staff to handle escalated cases rather than train 200 people.
  - Commissioner Redmer asked whether the MHBE considered bringing the helpdesk in-house since it was not going to be a short-term solution. Mr. Kromm responded that at the time the helpdesk was created the MHBE did not have the resources to bring it in-house.
- Chairman Gaskin asked if carriers can improve their procedures to resolve routine billing problems. Mr. Kromm responded that the MHBE is working with carriers to resolve these problems. He noted that the MHBE and carriers have been reducing technical errors, and QHP renewals will go through the same IT system next year, which should also remove some of the problems.
- Commissioner Redmer asked about training for the worker portal. Mr. Kromm responded that the MHBE has been relying on project management office (PMO) staff to help develop and document processes for a worker portal and to create a user manual for the portal. The PMO staff also train assistance workers on site or at their own facility. The MHBE sends materials to Maximus's in-house trainers for Maximus to conduct their own training. Mr. Kromm noted that the worker portal training is more targeted than the initial training.

Mr. Kromm provided an overview of the procurement with Scan-Optics, which will go before the Board for a vote at the next meeting. He noted that all materials needed for a vote have been distributed to the Board. The fit-gap analysis performed in April 2014 identified the need for document management services to be managed by Scan-Optics because it was part of the Connecticut IT solution. The contract term with Scan-Optics runs from July 15, 2014 through July 14, 2015, with an amount not to exceed \$850,000. The Board intended to establish two option years, but pricing was not established and a new procurement is therefore needed. The initial start-up costs of the procurement were reduced because the MHBE was leveraging software and hardware from the Connecticut IT system. Additional costs are highly variable, and depend on the volume of mailed documents. Scan-Optics allows documents to be automatically assigned to specific cases through bar codes, which saves manual work.

Mr. Kromm reported that the proposal is for a sole source procurement for the contract term of July 15, 2015 through July 14, 2016. The rationale for the sole source procurement is that the MHBE does not have the capability to develop a new document management system in the short-term. It would cost \$250,000 in IT development and setup to hire a new vendor. The scope of services and rates are the same as the initial contract, and the cost proposal is based on the projected rates of mailed documents for the QHP and Medicaid population. The proposed not-to-exceed amount for the contract is \$638,672, with a one-year option to renew at the same rates.

Mr. Kromm noted a long-term option would be for the MHBE to switch the document management platform from FileNet to ECMS. The ECMS platform is less costly and is used by other agencies across the state. Currently, documents have to be separated and scanned through two different platforms depending on which program will receive the documents. Changing the platform would require changes in the document management services contracted by the MHBE and could be costly. The MHBE will continue working on this issue and will provide an update later in the year.

- Secretary Mitchell commented that the Board will vote on the procurement with Scan-Optics during the June meeting, and in the meantime, Board members will be able to send any questions to Mr. Kromm.

### **Connector Program Year Three**

Ms. Lyles Smith provided an overview of the Connector Program for the third open enrollment during 2016. She explained that the state is divided into six regions, with a Connector Entity for each region. This allows the Connector Entities to focus on the populations in their particular region and collaborate with partners to reach the uninsured. The grant solicitation was released in early 2013 through a competitive process, and the Connector Entities were awarded grants for a period of one year with two one-year renewable options. The grants began on July 1, 2013. Connector Entities received \$24 million in funds for the first year and \$20.5 million for the second year, through a combination of federal grants, Medicaid, and state general funds. The funding for each Connector Entity was allocated based on the total number of uninsured by region. Connector Entities interacted with over 35,000 Marylanders during the second open enrollment period, providing information and enrollment assistance. A variety of enrollment fairs and events were held across the state.

Ms. Lyles Smith noted that the Connector Entity funding for the third year will no longer include federal grant funding. The MHBE has allotted \$12 million for the Connector program for 2016, which is almost half of the funding for the previous year. Ms. Lyles Smith provided a brief overview of a chart showing the allocation of the funding by Connector Entity. At the next meeting, the MHBE staff will recommend that the Connector Entities be funded \$12 million for the period from June 1, 2015 through June 30, 2016.

- Secretary Mitchell asked about the information available regarding the remaining uninsured. Ms. Quattrocki responded that Andrew Ratner, Director of Marketing and Outreach at the MHBE is working on mapping the remaining uninsured. Mr. Ratner added that the map shows enrollment by zip code and it can be compared to the rate of the uninsured from the 2013 census. He can provide an overview of the maps at the next Board meeting.
  - Secretary Mitchell commented that the Department of Legislative Services used to receive uninsured statistics every year. Mr. Steffen added that the Maryland Health Care Commission may have been a source for that data but there is always a lag in the uninsured rate. He noted that the 2014 uninsured data should come out later in the summer and that there may be national surveys with useful data.
  - Secretary Mitchell commented that he would like to see the aggregate number of uninsured or the breakdown by region. Mr. Ratner responded that the map on the MHBE website shows enrollment in QHPs per 1,000 people by zip code. He noted that these maps will help inform the discussions of several focus groups that are being planned.
- Secretary Mitchell asked how the budget numbers were calculated. Ms. Lyles Smith responded that the original allocations for the first year were based on The Hilltop Institute's estimates of uninsured people by region. The current data are incomplete, so the allocations for 2016 were based on older data.
  - Ms. Quattrocki added that the availability of funds determined the amount of funding all three years. The loss of federal grants for 2016 resulted in less funding.
- Mr. Apfel asked if there are any data available regarding other states' impact on the number of uninsured residents to get a sense of what other states are doing. Ms. Lyles Smith responded that all states are different; she noted that Maryland has had greater success in reducing the number of uninsured.
  - Ms. Quattrocki added that a Gallup poll released a few months ago ranked Maryland as having the fifth highest impact on the number of uninsured for the first open enrollment period. She noted that there are many uninsured Marylanders, and the remaining uninsured are harder to reach for a number of reasons. The MHBE is working with Connector Entities to be more creative and targeted in their outreach efforts. Ms. Quattrocki also noted that compared with other states, Maryland's marketing budget is small.
- Mr. Apfel asked whether other states are also reducing their Connector Entity funding. Ms. Quattrocki responded that all states are reducing their budgets; she believes that Maryland's reduction in Connector Entity and marketing funding is in line with other states but she will look into the numbers.

- Secretary Mitchell commented that Maryland is unique because it has two metro markets, which makes it more difficult to perform marketing. He noted that it is important to get an idea of where the remaining uninsured are located in order to better target the outreach. Ms. Quattrocki added that a survey will be released by the end of the summer that will evaluate the success of the first open enrollment.
- Dr. Gourdine commended the MHBE staff for the progress they have made. She commented that the challenge now is to reach the remaining uninsured. Dr. Gourdine asked if it is possible to shift more responsibility to the Connector Entities to reduce the call volume to the call center. Ms. Quattrocki responded that the MHBE is working on addressing the remaining uninsured while providing better assistance to enrolled consumers and reducing reliance on the call center.
- Commissioner Redmer expressed concern that the allocation of funds is based on the number of uninsured when the exact number of uninsured is unknown. He asked what the federal requirements are for Connector Entities. Ms. Lyles Smith responded that state-based exchanges are required to have navigators and assistance workers, but there are no detailed requirements on how to do so.
- Commissioner Redmer asked what information Connector Entities provide on their daily expenses. Ms. Lyles Smith responded that the Connector Entities provide quarterly reports that include a comparison of their actual budget to their project budget, staffing information, and self-reported metrics.
  - Commissioner Redmer asked to see an example of that report, which Ms. Lyles Smith agreed to provide.
- Commissioner Redmer about the Connector Entities' plans for 2016. Ms. Lyles Smith responded that the Connector Entities' plans for 2016 are due at the end of May; this is a complete summary of the Connector Entities' plans and budgets. Commissioner Redmer asked for a copy of the plans, which Ms. Lyles Smith agreed to provide.
- Commissioner Redmer asked whether the MHBE has looked at shifting the allocation of funding between Connector Entities and marketing. Ms. Quattrocki responded that, in the past, there was a defined budget for 2016; over the coming year, the MHBE will take a fresh look at Connector Entities as federal grant funding is ending.
- Secretary Mitchell recommended that the Board members attend an orientation on the budgets and procurements.
- Ms. Quattrocki commented that moving forward the MHBE is working to enhance engagement with other organizations and methods to reach consumers. The MHBE is focusing on improving broker engagement and expanding the certified application counselor program to train hospital and clinic staff as navigators.
- Mr. Steffen commented that fair allocation of funding to Connector Entities has come up before, and balancing the need to make the allocation process simple and fair is difficult. He noted that there are many factors that drive enrollment outside of Connector Entities, so enrollment statistics will not be a complete assessment of the Connector Entities.

### **General Updates**

Secretary Mitchell asked Sarah Rice, Assistant Attorney General and Interim Counsel for the MHBE, to send a copy of the letter informing the Board of Public Works of the MHBE's revised procurement policies to all Board members. He reported that he is exploring the possibility of Sam Malhotra, the Secretary of the Department of Human Resources, becoming an active member of the Board either as an ex officio or as a Board member because DHR is very involved with the Medicaid redeterminations. Ms. Quattrocki is examining the statute to determine if this is possible, and they will invite Secretary Malhotra to the June meeting.

Ms. Quattrocki noted that the Board will need to select a new Board liaison for the Standing Advisory Committee (SAC) and to replace a few members of the SAC who are leaving at the June Board meeting. Secretary Mitchell welcomed Sue Ann Comer to the Board. Ms. Quattrocki and other Board members thanked Dr. Benjamin and Chairman Gaskin for their dedication and hard work. Chairman Gaskin thanked the MHBE staff for their hard work and stated that it was a pleasure to serve on the Board as someone who has a passion for providing insurance coverage to a vulnerable population. Dr. Benjamin thanked the MHBE staff for their quick recovery after the problems with the first IT system and Ms. Quattrocki for her

leadership. Dr. Benjamin stated that enjoyed his time as a Board member, and is happy to see Marylanders benefit from the MHBE. Secretary Mitchell thanked Chairman Gaskin and Dr. Benjamin for their service.

**Adjournment**

Secretary Mitchell motioned to adjourn the meeting, which was seconded by Commissioner Redmer. Secretary Mitchell adjourned the meeting.