



Maryland Health Benefit Exchange Board of Trustees

November 21, 2016

1:00 PM – 3:00 PM

Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Board Members Present

Van Mitchell, Chair
Tony McCann, Vice Chair
Thomas Saquella
Michelle Gourdine, M.D.

Benjamin Steffen
Al Redmer
Gregory James
Ken Apfel (by phone)

Board Members Absent

Linda Sue Comer
Sastry Dhara

Also in Attendance

Jonathan Kromm, MHBE Acting Executive Director; Michele Eberle, MHBE Chief Operating Officer; Subramanian Muniasamy, MHBE Chief Information Officer; Caterina Pangilinan, MHBE Chief Compliance Officer; Andrew Ratner, MHBE Director of Marketing and Strategic Initiatives; Anthony Armiger, MHBE Director of Finance; Sharon Street, Assistant Attorney General for MHBE; John-Pierre Cardena, MHBE Manager of Individual and Small Group Marketplace Programs; Gregory James, Acting Secretary of Department of Human Resources.

Opening & General Updates

Chairman Mitchell called the meeting to order and welcomed all present.

Approval of Meeting Minutes

On motion by Mr. McCann and seconded by Mr. Saquella, the meeting minutes for the October 17, 2016 meeting were unanimously approved as presented.¹

Executive Update

Jonathan Kromm, MHBE Acting Executive Director

Administrative

Mr. Kromm reported that two reports due to the General Assembly. The Merging Markets report will be presented later in the meeting. The other report is an update on the new voter registration requirements, which are set to be implemented by July 2017. MHBE is working on the report and is currently grappling with how to structure a data use agreement between MHBE and the State Board of Elections. MHBE's annual procurement report to the Board will be ready by the end of the year when it is due.

Finance

Mr. Kromm reported that by next meeting, MHBE will have an update on FY2018 budget going into the legislative process.

Operations

The contract modification discussed at the last meeting with the call center is the final stage. An RFP under development right now comes to a close next fiscal year. Ms. Eberle and her team have been working to draft a new RFP. Mr. Kromm plans to report in more detail at the January meeting about the scope of the contract. MHBE is working with DHMH to integrate some functions to support Medicaid beneficiaries into the scope of the RFP.

IT

Mr. Kromm reported that open enrollment operations have gone smoothly so far. MHBE will be winding down its command center since there have not been any issues.

Communications, Marketing & Training

Mr. Kromm reported that MHBE had a great kickoff for college enrollment week. He thanked Chair Mitchell, Mr. Saquella, Mr. McCann, and Mr. Steffen for their support on that day. MHBE received a lot of positive feedback from media and stakeholders. People appreciated presence and support of agency leadership.

Mr. Ratner and his team are pulling together information on the scope for the GMMB contract. Expect a report likely in February.

¹ Available at <http://www.marylandhbe.com/about-us/board/board-minutes/2016-board-meeting-documents-2>

Standing Advisory Committee

Mr. Kromm reported that last week SAC discussed delaying workgroup on value-based insurance design and active purchasing. Mr. Saquella and Mr. Kromm brought the idea to the SAC a couple weeks ago. All stakeholders were in support. Mr. Kromm asked MHBE staff to pull together a package for the SAC on the scope of group at beginning of calendar year. The group may want to start their work after legislative session ends.

Mr. Saquella stated that a report from this workgroup will probably not come back to board until summer time.

IT Update

Subramanian Muniasamy, MHBE Chief Information Officer

Release Updates

In October, IT issued a major release that includes enhancements to systems and implementation of full-blown mobile app capabilities, including eligibility and enrollment functions. Mr. Muniasamy discussed specific functionalities and status. (See *OE4 Updates – Board Meeting November 2016* PowerPoint presentation, attached.)

MHBE is working on Spanish language availability and is planning to put full Spanish translation of the mobile app into production starting December 1. Mr. McCann asked whether Spanish is the only language in which the mobile app will be available other than English. Mr. Muniasamy responded in the affirmative.

The February 2017 release contains certain key functionality fixes including Unscheduled Medicaid Redetermination; Worker Audit trail; XML based payment file submission; Federal data services Hub calls; and 1095 A: Data Integrity and batch.

The April 2017 release will contain all technology replacement in which MHBE's new open source software will be put into production.

Mr. Muniasamy also reviewed special projects underway with the PMO and Operations. (See *OE4 Updates – Board Meeting November 2016* PowerPoint presentation, attached).

Mr. Muniasamy stated that the server performance is working well. Large number of concurrent users peak – about 1200 at a time, and about 90 individuals using mobile

app at once. This may increase to 1800-2000 during December 10-15 due to those being the last few days of January 1st enrollment. Server capacity will be easily able to handle it. IT is closely monitoring the servers. Database usage is highest for average usage because we have a single database that hosts both QHP & Medicaid business.

Chair Mitchell asked where we were last year. Mr. Muniyasamy responded that we are at about the same level of usage. Mr. Kromm added that one major difference between last year and this year is that the IT Team has reconfigured how the servers work so we can quickly and cheaply add more server capacity for significantly less cost. The risk of volume spikes is lower. Mr. Muniyasamy added that this is the first time MHBE is using an open source OS rather than Microsoft.

Open Enrollment Statistics

Mr. Muniyasamy reported that, so far, Medicaid and passive QHP renewals are up this year. Passive renewals were complete before open enrollment began. Mr. Redmer clarified that a change in plans or carriers is not considered a passive renewal. Mr. Muniyasamy added that over 5,000 individuals who were passively renewed initially came back and change their enrollment. There are less than 200 passive renewals still outstanding to be processed, all of which should be complete within the next month. So far, we have seen close to 11,000 first-time consumers coming to the Exchange for OE4.

Mobile Usage Metrics

Mr. Muniyasamy reported that there were over 21,000 downloads as of this morning. 16,715 application downloads, 15,088 eligibility prescreens, 9,121 accounts created, 2,820 eligibility determinations, 7,404 documents uploaded, and 1,713 enrollments completed. Mr. McCann asked, of those that received an eligibility prescreen, why did only about 2,800 get and eligibility determination. Mr. Muniyasamy responded that it is easy to do a pre-screen, but receiving a full eligibility determination may require be going back to their computer to finish the application.

Mr. Steffen noted that this data could be interpreted to mean that consumers are using the app primarily for part of their enrollment activity. Mr. Muniyasamy added that they may also be waiting to finish their application. Mr. Steffen asked whether it is easier to upload documents via the mobile app than a desktop computer. Mr. Muniyasamy responded yes. Mr. Kromm commented that we would expect some app usage to tail off at this point in open enrollment.

After Mr. Muniyasamy completed his report, Chair Mitchell introduced Gregory James, Acting Secretary of DHR.

Operations

Michele Eberle, MHBE Chief Operating Officer

Ms. Eberle reported that the distribution of type of plans purchased is similar to last year, except fewer platinum plans. The age distribution is increasing for the under 35 group, demonstrating that the Exchange is reaching younger individuals.

MHBE has seen an increase in dental enrollments. 7,314 SADPs so far have been selected. Dental plans are a desirable product and folks are using the Exchange to enroll. One dental carrier is even adding staff due to volume.

Ms. Eberle reported that MHBE has spent a lot of time on the call center, and is seeing tremendous results this year. She reported that staffing level a bit lower, but adequate for amount of calls coming in. The average speed to answer (down from 28 to 2 min) and average handle time (down from 20 to 15 min). MHBE's experience this year dramatically different than last year. Mr. McCann congratulated Ms. Eberle on the improved speed to answer, then asked if the Exchange has benchmark standards. Ms. Eberle responded that there are industry-wide standards, 80% under 60 seconds, but it's a cost-benefit analysis.

Mr. Apfel commented that no year with the Exchange is really normal, and the Exchange in the past has been able to deal with dramatic circumstances. He stated that the Exchange is well-equipped to adapt and improve.

Chair Mitchell inquired whether the CSC is where consumers are making their first call, versus in the past where they were calling elsewhere. Ms. Eberle and Mr. Kromm affirmed that the CSC is the entry point.

Ms. Eberle reported that MHBE has a few more navigators this year, more ACSEs, less CACs, and more producers. CAWs are now split into 8 regions instead of 6. For the BAT phone, MHBE is working with 30 authorized producers. There were 812 broker assisted transfers during first 2 weeks of open enrollment, higher than last year. Call center workers are much more educated in the process, as are brokers, so that handoff is working better than in previous years. Mr. McCann inquired what percentage of those offered take the BATphone option. Ms. Eberle responded that it is fairly small because MHBE only has 30 brokers in the program right now.

Chairman Mitchell inquired whether brokers could pay for their own BATPhone license. Ms. Eberle replied that it would require an RFP process and open it up to all brokers in order to do that. Board members discussed ideas to improve the BATPhone option.

Communications and Marketing

Andrew Ratner, MHBE Director of Marketing and Strategic Initiatives

Mr. Ratner reported that, based on research, marketing has shifted the theme to focus heavily on financial help. Mr. Ratner reported that a consumer named Gayle agreed to be a spokeswoman in ads. Mr. Ratner stated that Gayle was very compelling at a live event with Congressman Elijah Cummings recently.

There are multiple points to the strategy – TV, radio, print, digital, out-of-home. Mr. Ratner reported that MHBE has aligned these with the PUMAs for media buys – Baltimore market, DC market, Eastern Shore market, and Western MD. MHBE printed communications for minority communities, small businesses, posters on hand sanitizers in high traffic areas such as shopping centers and supermarkets. (See *Marketing-Open Enrollment 2017* PowerPoint presentation, attached.)

Advertising schedule - TV will run first 2 weeks in December and last 2 weeks of January before enrollment deadlines. Radio will also be saturated before enrollment deadlines. Out-of-home, search, and display have been taking place since November 1 until December 15 deadline.

Mr. Ratner played the television ad for meeting attendants. He reported that some ads will be tagged with help call numbers for different regions.

Mr. Ratner credited Jenny Mancha, outreach coordinator, for the outreach this year. He stated that what MHBE is doing this year dwarfs previous years. It includes 3 big statewide day events – College Enrollment Week November 14-20; Library Enrollment Day on December 10; Extol & Enroll interfaith days on January 21-22. Mr. Ratner stated that the Connector Entities made themselves available for College Enrollment Week to have multiple navigators at each school, on top of handling enrollment activities. MHBE is connecting with organizations, creating important long term partnerships.

MHBE is forging partnerships – the MD Cash Campaign & DLLR; BGE; Torah Institute of Baltimore; NAMI; MD Business Incubation Association; Latino outreach organizations, such as the Featherstone Foundation and Esperanza Center; and

African American outreach organization and events. Mr. Saquella stated that he assumed we were only working with BGE in the BGE service area, and that we don't have a utility that we're working with in western or eastern Maryland. Mr. Ratner confirmed and stated that reaching out to other utilities companies is a good idea.

Mr. Ratner reported that MHBE has created a digital media toolkit, number of health literacy videos and has worked with the Governor's office on sign language, deaf and hard of hearing populations. The videos have gotten a few hundred views so far and there will be more.

Mr. Ratner acknowledged Alison Walker and Angel Nelson for the MHBE web design. MHBE has received positive feedback from the public, including carriers, comparing our website to other states'. The site is now less intimidating, we have not heard as many complaints, and we are happy about that.

Mr. Ratner reported that MHBE modeled its "chase campaign" off of Healthcare.gov. With the help of our IT data people, if consumers complete part of the application but don't finish entirely, an email is sent that encourages applicants to take the next step. The last notice had a 55% read rate.

MHBE has also made an effort to simplify its messaging, with new brochures in English and Spanish and new fact sheets on general topics and specialized for various needs. MHBE has received a good amount of earned media. (See *Marketing-Open Enrollment 2017* PowerPoint presentation, attached.) Mr. Kromm will be on Fox 45 tomorrow morning, and was on MPT last week.

Mr. Saquella asked if we getting many questions about the election and how we are handling them. Mr. Ratner responded that MHBE is taking its cue from DHMH and the Governor's office, stating that the ACA is the law of the land, and it's being implemented in MD. We are highlighting that the time to enroll is now. Mr. Apfel added that the messaging is great and needs to be enforced everywhere. Mr. Ratner commented that the Evergreen situation has created some uncertainty as well, but the next 3 weeks will be telling.

Mr. Redmer offered a brief update on Evergreen. Evergreen has identified investors and is looking to convert from a nonprofit to private. The feds are reviewing and have ordered a suppression on Evergreen participating in the Exchange in the meantime. The MIA is cautiously optimistic that CMS is close to lifting the suppression. Mr.

Redmer added about the election that the variable is what happens when the transition team lands and starts asking questions.

Chairman Mitchell stated the he was on Capitol Hill last Tuesday, and every state is probably doing what Maryland doing, asking CMS to get everything out that in the queue in the next 60 days. Chairman Mitchell thanked Mr. Ratner and his team on behalf of the Board, the marketing is much more focused and we are seeing better results because of it. Enrollment activity for kickoff was a great sign.

Mr. Steffen asked for any updates on SHOP. Ms. Eberle stated that MHBE has one shop administrator and about 800 enrollments, a little less than last year. Some groups that availed themselves of the two-year tax credit have left to go directly to carrier.

Mr. Saquella asked if traffic is picking up. Mr. Ratner answer that he is not sure and will have to look into that. He talked to SEEDCO, who didn't indicate any specific issues in upper shore. Ms. Eberle stated that MHBE can get that info and get back to the Board.

Merging Markets

Jonathan Kromm, MHBE Acting Executive Director

Mr. Kromm thanked the SAC, MIA and MHCC for being very involved and providing helpful feedback. The ACA provides states with the option of merging individual and small group health insurance markets, but comes with some requirements, which the report lays out. Some of the biggest ones are that the plan year would be required to be the calendar year for the merged market. This would be a big adjustment for the small group market. Also, there would be annual rate adjustments rather than quarterly ones. State legislation from 2012 requires MHBE to report on whether we should keep the markets separate or merge. In terms of process, the SAC reviewed the report and was given the opportunity to provide feedback. To date, MHBE has only received 1 set of written comments, which will be attached as an appendix to the report.

Coming out of the SAC meeting, there was unanimous consensus around wanting to defer a policy decision at this point. This was driven by the level of uncertainty with the individual market and lack of data available to make a sound decision. Part of that data is not having a lot of other state examples. Some of key considerations discussed include: methods for assessing rate impact - hard to project but could be tackled with a bit of effort; carrier participation – not all carriers participate in both markets, hard to project whether all carriers would participate or pull out; plan year shifting to calendar year again; timing of rate adjustments; essential health benefits – the benefit is slightly

different between individual and small group markets; risk adjustment – payments might be affected; other states – only DC and 2 states have merged markets and none of these are fully ACA compliant, and they have some particular differences between markets they were able to preserve (Massachusetts has a waiver request outstanding, it is projected that if they were required to merge entirely, would have significant rate impact; DC – they are compliance but have small individual market, hard to compare to us). Mr. Kromm welcomed feedback from the Board and offered to add anything additional to the report.

Chairman Mitchell asked if the recommended delay was for a certain period of time and how it would be reported. After some discussion, Mr. Saquella recommended adding that MHBE would provide an update in 2018. Chairman Mitchell asked all Board members to look at the report and send any edits or suggestions to Mr. Kromm. Mr. Kromm noted that feedback is needed by December 1.

Plan Certification

John-Pierre Cardena, MHBE Manager of Individual and Small Group Marketplace Programs

Ms. Eberle introduced Mr. Cardenas and stated that his team worked on the 2018 Plan Certification Standards. Every year, the federally-facilitated marketplace (FFM) issuer letter is published. MHBE works in tandem with the SAC and the Board to look at what standards we want to adopt, bring them to the Board and the public to comment, try to have the standards ready by January, prepare them to go to MIA for approval and make system changes.

Mr. Cardenas first described the DRAFT plan certification standards timeline. The comment period is from November 21 through December 19, 2016. It would be prudent for us to incorporate additional information from the feds as it becomes available. A plan certification stakeholder session will occur on December 1 and an SAC meeting on December 8 during which MHBE will accept feedback. MHBE expects final standards to be published by late January.

Many standards are unchanged from last year, Mr. Cardenas discussed more about standards that will be changed. (See *2018 Plan Certification Standards* PowerPoint presentation, attached).

Mr. Redmer requested that the Board be sent details and invitations for the stakeholder session. Mr. Redmer also suggested that Mr. Cardenas and the Board meet by phone

prior to the January 17 Board Meeting to go through proposed changes and stakeholder comments.

Mr. Cardenas added that, from a plan management perspective, the goal of any application or template requirements is to reduce administrative burden and duplication of information submission.

Finance

Anthony Armiger, MHBE Director of Finance

Mr. Armiger reported that MHBE is under budget and provided 3 highlights. Connector entities came in at 18-20% of total budget close to 1.9M out of 10M. Call center is under budget, Ms. Eberle is doing a great job. More than 20% of budget is expected to be used in the next quarter due to open enrollment.

Regarding IT, Mr. Muniasamy is watching PMO staff. Overage in state budget primarily comes from software licenses and computers and equipment. Used 25%, but not sure exactly what burn rate will be, but Mr. Armiger is sure we will be okay by the year end. Other software is close to budget, but not close to what we spent on IBM last year.

Mr. Armiger requested that the Board review the state expenditure report that was previously sent to them. Chairman Mitchell instructed the Board members to take a look at the packets.

Mr. Saquella requested invites to the previously mentioned stakeholder meetings on December 1 and 8.

Wrap-Up Board Report

Van Mitchell, Board Chair & Secretary of DHMH

Chairman Mitchell reported that the Board named a committee to interview potential candidates for the permanent Executive Director position. The Board posted the position nationally in October, updated the work layout, received a lot of applications, and culled the list down to 7. Mr. Apfel, Mr. McCann, Dr. Gourdine, and Chairman Mitchell completed interviews last week. Mr. Apfel had to leave last week, so the 4 of them will get together next week, will bring back 2 names to the Board, and will bring them back in January to make a recommendation to send to governor. Chairman Mitchell recommended that the Board have a quick meeting in December just to discuss the candidates.

Chairman Mitchell then discussed that he had received many questions and comments since the election. Maryland is in one of the best positions in the country and has been one of the leaders in health care. Maryland has been successful as the largest attainer of MHCP and has maintained one of the most successful high risk pools. Along with all-payer waiver system, we have long had affordable healthcare in the state. Chairman Mitchell went to Capitol Hill, talked to Senator Cardin and others about the all-payer system. The glass is always half full, just remain focused on open enrollment and see what happens in January and February.

Adjournment

On motion by Mr. Saquella and seconded by Dr. Gourdine, the meeting was adjourned by general consent at approximately 2:35 PM.