



**Maryland Health Benefit Exchange
Standing Advisory Committee**

Thursday December 10, 2015

2:00pm - 5:00pm

Office of Health Care Quality at DHMH Spring Grove Hospital Center
Bland Bryant Building, Ground Floor
Catonsville, MD 21228

Members Present

Salliann Alborn	Adrienne Ellis
Ken Apfel	Mark Haraway (phone)
Lori Buxton (phone)	Al Helfenbein
Elizabeth Chung	Leni Preston
Karl Cooper	Tanya Robinson (phone)
Vinnie DeMarco (phone)	Deborah Rivkin
Robin Elliott	Sanford Walters

Members Absent

Jennifer Broadus; Bonnie Katz; Matthew McClain

Also in attendance

Robert Axelrod; Chelsea Beaupre; Matt Celentano; Michele Eberle, Heather Forsyth; Lena Hershkovitz; Chris Keen; Robbyn Lewis; Dan Mosebach; Sam Mukherjee (phone); Carolyn Quattrocki, Kim Robinson (phone); Michelle Wojcicki; Louisa Tavakoli.

Welcome & Introductions

Salliann Alborn called the meeting to order with a quorum present.

Approval of minutes

Minutes for October 8, 2015 were unanimously approved. Minutes for November 12, 2015 as amended were unanimously approved.

MHBE Staff Update

Carolyn Quattrocki provided the MHBE Staff update.

Open Enrollment Update

Ms. Quattrocki reported that Open Enrollment #3 (OE3) is going well, and that as of this report, the Exchange has enrolled approximately 37,000 into QHP; an additional 100,000 consumers are in process of being passively renewed. It is expected that the 100k number will decrease, and active enrollments will increase as people come in to shop and select new plans. At this point, one should not put much stock in these numbers until January, by which time people will have paid their bills and been effectuated. How does this compare to last year?

She continued, stating that there has been a 12% increase in unique website visitors over last year. A total of approximately 246,000 calls have come to the call center, a 46% increase over last year; it's important to note that this number reflects people calling with questions about Medicaid redeterminations, as well as those calling for help with a QHP. In terms of the percentages in call center, about 70% Medicaid and 30% are QHP calls. Medicaid enrollment is about 157,000 people for 2016, the beginning of the period.

Marketing & Enrollment events

The Exchanges marketing campaign is underway. MHBE has released a television ad. One of the navigators from HCAM appeared in that ad, and two of the rock band member also featured in the ad also received their coverage thru the exchange. Other marketing strategies include collaboration with local organizations and companies. For example, Baltimore Gas & Electric (BGE) is sending information about open enrollment to all of its customers. M&T Bank and Maryland Cash Campaign all also helping MHBE to target marketing more effectively. Analysis from SHADAC also helped us identify where remaining uninsured are located.

A series of enrollment events are underway; schedule details are posted on the website. Health Care Access Maryland (HCAM) is holding enrollment event in Highlandtown on January 13. The Exchange continues to conduct active outreach with African American and Hispanic communities thru special media events. The Exchange has partnered with CVS, which has done analysis in their pharmacies, and have identified the locations that are most likely to serve people who will benefit from MHC printed materials; in this way, we can target locations where our limited materials will be most effective.

Faith-based organizations are also engaged to help get the word out. A specially branded event called "Super Health Sunday" will take place on January 24th; twenty large Baltimore churches will talk about deadline for end of open enrollment.

Policy work

A great deal of policy work is underway, especially with regard to plan certification standards. MHBE will release draft issuer letter within a few days after this meeting, and there will be opportunity for public comment. Comments will be due on or around January 4th, 2016.

Medicaid eligibility

Ms. Alborn asked about the procedure for determining Medicaid eligibility. Ms. Quattroki replied that the interactive voice response (IVR) telephone system helps direct callers, however, because callers self-identify—sometimes erroneously—so it is very hard to assess the process. Ms. Alborn mentioned that in addition to PAC people who moved over in Year 1, her organization has experienced an enormous “woodwork effect”. Michele Eberle added that more information about “churn”, that is, the degree to which people flip back and forth between QHP and Medicaid, will be available after January; complete information about redeterminations might not be known with confidence for a year.

Chris Keen asked if the income threshold had changed, and expressed concern that the website might be providing inaccurate determinations. Michelle Wojcicki stated that she would follow up with the testing team and provide clarification to this question as soon as possible.

Call Center and In Person Assistance

Al Helfenbein asked about the possibility of creating a special telephone queue, or hotline, dedicated to serving consumers who have general questions. In person assistance response—Helfenbein asked if there is a way to create que for general questions. Ms. Quattroki replied that at this time, specialized teams of call center operators have been created to respond to a few specific topics, or types of consumer questions, but unfortunately there is a limit to the number—and granularity—of hotlines that can be created at this time. CQ we can only create so many specialized hotlines. Michele Eberle added that the website can be a helpful place for consumers to start when they’re seeking general information; current funding constraints limit the number of call center workers available to the large demand. She also mentioned that the call center does have specialized Spanish-speaking operators, which helps reduce reliance on the language line, however, there seems to be weaker demand for these services than anticipated. Elizabeth Chung stated that her organization is experiencing the return of their same clients as last year, who are returning to seek direct in person assistance, rather than use the services of the call center.

SAC Member Reports from the Field

Call Center concerns for consumers and producers

Mr. Helfenbein mentioned that some customers have reported difficulties getting thru to the call center due to calls dropping; this creates a problem when producers are trying to assist consumers as well. Sam Mukherjee also asked about the call center and customers having problems. Michelle Wojcicki stated that she would check wait times for the phone line that producers are using. Ms. Quattroki mentioned that business system improvements have been implanted that should, over time, reduce these types of difficulties. For example, if a consumer needs a simple password reset, there is a designated team of call center workers who are tasked to quickly assist.

Policy Topic: SHOP

Michele Eberle, MHBE Chief Operations Officer, delivered a presentation about the Future of SHOP (for detail see PowerPoint entitled “The Future of the Small Business Health Options Program – SHOP - in Maryland” and Report entitled “A Review of the Small Group Health Insurance Market in Maryland”. This report provides historical background for SHOP program. The purpose of this presentation was to enable discussion about the future of the SHOP Marketplace in Maryland.

Background on SHOP in Maryland

The key objective of the SHOP program as envisaged by the Affordable Care Act (ACA) is to increase competition, level the playing field. In Maryland, an already robust small group market suggested that SHOP could co-exist, while providing additional benefits, namely, a tax credit for employers, and more choice for employees.

When decisions were made about how to build the SHOP in Maryland, it made sense to leverage existing infrastructure in the Third Party Administrator industry here. In this way, Maryland could establish a SHOP platform that would meet federal requirements, but did not cost a fortune to build. This approach proved to be a frugal alternative, costing Maryland only \$750,000 to build, a significant savings from the originally estimated budget of \$1.8 million, and a fraction of the tens of millions that it could cost to build out a system from scratch.

During the first plan year, CMS permitted the Exchange to operate under a direct enrollment process for both employer and employee choice models using authorized brokers to perform SHOP enrollments. The SHOP program officially launched in its current form in April 2014, after an RFP for the SHOP platform and administrative services for small group plans had been issued, and three Third Party Administrator (TPA) organizations formally selected. Ms. Eberle explained that TPAs use their own systems to provide the full functionality for eligibility and enrollment, including ACA-mandated employee choice.

Role of Producers and the Exchange in SHOP Enrollment

The ACA requires that producers be authorized to sell SHOP products. Maryland was not required by ACA to pay producers for this service, so the traditional producer-carrier relationship was maintained. However, the Exchange must still determine employer and employee eligibility, and issue a statement of eligibility before enrollment can take place. The Exchange also processes renewal notices, employee applications, and other features.

Results in Maryland

The 2014 SBA report states that there are 10,400 small businesses in Maryland, 18% of which have 1-19 employees. Eighty-four percent SHOP applicants had fewer than 10 employees—these are the types of businesses that have the potential to take advantage of this program. There are currently 122 employer groups in SHOP, and 981 covered lives (employees and dependents) according to the most recent report, which does not include current enrollment numbers.

Ms. Eberle stated that initially, MHBE staff anticipated that all—or perhaps most—eligible employers would migrate to SHOP for the tax credit, but that is not the case. (*For more detail on this topic, please refer to the report entitled “A Review of the Small Group Health Insurance Market in Maryland, dated March 2015--Editor.*) Mr. Keen suggested that the reason for this is

because the Maryland Partnership plan used to pay 50% of premiums, whereas tax credit is only available with certain limitations, so some eligible employers don't see any benefit to making the switch. Sanford (Sandy) Walters added that the rules were different for number of employees and type of employees, and that not everyone in old plan was eligible for the new SHOP plans.

Ms. Eberle mentioned that, on the national level, there are discussions about extending the employer tax credit, which at this time is available for only two years. However, at this time, the tax credit remains a two year benefit only.

Ms. Alborn stated that her company has been in a small group plan for twenty years. Given their established relationship with broker, and their ability to flexibly design their plans with staff input, they felt no reason to change. She added that employees at her organization were polled, and the overall perception was that there would be no advantage to selecting employee choice under SHOP. Mr. Helfenbein added further that many employers are simply going directly to the Exchange, and bypassing the SHOP option entirely.

Regarding employee choice, the other key benefit of SHOP, only two groups in Maryland have selected it. Ms. Eberle suggested that limited marketing could be a cause of low demand for this benefit. There is some thought that if more metal levels were offered to employees, they might be more likely to demand this option.

Tanya Robinson stated that her organization has observed an increase in demand for employee choice in Virginia and Washington DC, and is considering how to strengthen messaging.

Ms. Eberle described the results of two focus groups conducted by MHBE during the summer of 2015. The first group was made up of businesses that did not have insurance, and also had not heard of SHOP. The second group consisted of small employers who did offer insurance to their employees. Among the small businesses that participated, only one reported that a broker had informed them of the employee choice option.

Leni Preston asked whether any of the employers are in grandfathered plans. (*The Exchange has not completed any research on this topic—Editor*). Mr. Walters mentioned that the target market is tens of thousands of Maryland employers who do not have any insurance at all. He added that it does not really matter whether employers use SHOP or go outside of it, because the goal is to make it easy for all of them get insurance and to participate, one way or the other. He also stated that it is important to clarify that while people can have more than one plan, they cannot have more than one carrier.

Comparison of SHOP Performance in Maryland, other states and Federal

Ms. Preston asked about the status and performance of the federal SHOP program. Mr. Walters stated that press reports suggest that the federal shop has had the same problems, has not gotten traction, and the problem is not system functionality but rather demand for it. Ms. Eberle replied that across the country, the SHOP program is struggling. The federal government decided not to expand SHOP, and Maryland has also adopted that decision. States such as Kansas and Washington have all are reporting similar modest numbers. But unlike those states, Maryland

wisely decided not to invest millions of dollars building a new IT platform on which to run SHOP.

Cost of SHOP program

Deborah Rivkin raised the question of costs, asking how much MHBE's TPAs were paid during 2015, and what the estimated budget is for 2016. Ms. Eberle replied that the annual dollar expenditure is the same during the entire contract period. Three one-time milestone payments of \$250k for each SHOP Administrator to build up. A second milestone payment was also made. Then a quarterly operational payment for administrative duties, e.g. eligibility notices. That quarterly payment is \$100k per quarter. In addition for employee choice only SHOP Administrators are receiving \$15 per contract per month for handling the employee only choice. That was not intended in original contract, but there was an issue that carriers were not willing to pay TPA for administrative service.

The Future of Maryland's SHOP Program

Current SHOP Administrator contracts expire June 30, 2016. At this time, the Exchange sees an opportunity to explore changes that could enhance the SHOP program.

Mr. Helfenbein stated that if cost is a consideration that the board must face, then they need all the information they can get to make effective decisions about any changes to the SHOP program. Kenneth Apfel stated that fiscal implications are certainly of interest to the Board.

Ms. Eberle mentioned that one area of consideration is to offer aggregated billing and payment across carriers. Small employers have been limited to three health plans, but if they go to Exchange they could select up to ten. Mr. Keen stated that the greatest challenge to SHOP is that it's difficult to get employers to join groups, and also workers earning lower wages can get inexpensive plans on the Exchange. He added that if the employer paid any part of the premium, then the employer would lose the tax credit.

Ms. Alborn stated that the Exchange is mandated to have a SHOP program, and asked if there is any reason why the Exchange could not use the federal program instead of having to run its own. Ms. Eberle stated that states can certainly choose to turn the SHOP over to the federal government. Ms. Ellis asked whether that would create two markets, with the individual market being separate, and Ms. Eberle confirmed that yes, the markets would then be separate.

Ms. Ellis followed with a question about the cost of using the federal system instead of running the state's system. Ms. Eberle replied that the federal government would assess us a fee of about 3% premium fee, but that would be paid by the carriers; it's called a user fee, but it's based on the total premium. Ms. Ellis asked if the MHBE Board would have to consider there would be a premium increase, or an increase in the quarterly administrative fees to the SHOP Administrators, and compare the impact on existing costs. Ms. Eberle stated that the Exchange is already funded by the premium tax.

Ms. Alborn asked about the timing of moving to the federal SHOP program and whether a definitive answer on the contracts could be provided, as well as any other details that would be needed to make decisions about this.

Mr. Walters stated that the number of vendors could be changed; there are other options that could be taken rather than going to federal SHOP.

Ms. Hershkovitz asked whether any states are considering combining their state-based exchanges. Ms. Eberle replied that some states are considering that option as a possibility; those discussions are happening at the national level, and could potential be on the table in the future. Ms. Ellis asked whether the key issue for the moment is to enhance the current SHOP contracts, and Ms. Eberle replied affirmatively.

Mr. Walters stated that it doesn't really matter where individuals get coverage, the point is just for them to be covered. Maryland brokers have already built trust with their clients; moving SHOP to the FFM would force Maryland's brokers to "jump thru hoops" which would be a significant barrier.

Ms. Hershkovitz stated that she would not advocate for giving any part of our Exchange to the federal government in this current climate, because we already have a well-run Exchange now.

Ms. Rivkin asked, if federal law requires all those processes to occur, then the state would be no longer be responsible for those functions if it were to switch SHOP to the FFM? Ms. Eberle confirmed that if the Maryland is turned over to the FFM, then all of the interfaces, administration and functions would also fall under the FFM.

Next steps for this discussion

Ms. Eberle noted that the group had not yet addressed the future options described in the PowerPoint. She stated that discussion about moving the SHOP to the FFM was not a topic that anyone had expected to arise, because the Exchange has always operated with the goal of continuing with a state-based SHOP program. She asked whether members of the SAC are proposing that the MHBE Board should consider not having a state based SHOP Program, and also questioned the feasibility of taking on such an effort. Ms. Alborn stated that the SAC had not come to that conclusion.

Ms. Ellis added that given the fact that financial sustainability was identified as a priority at a recent MHBE Board meeting, if the SAC is meant to contribute ideas for strengthening financial sustainable, then a conversation about moving SHOP to the FFM is "a conversation that should be had."

Tanya Robinson stated that she agreed with Ms. Ellis, and that the SAC would benefit from having more information about federal market place; she further added that her organization, Kaiser, has experienced practicing in the FFM, and "it is something that should be considered in short term." Ms. Alborn recommended that this topic should be put on the agenda for the next SAC meeting, and asked Ms. Eberle to provide more information about a timeline for decision making. Mr. Apfel stated that the Board will make decisions in January.

Ms. Eberle agreed to return for additional discussion about the SHOP program, while noting that there are time constraints on how much can be accomplished. She mentioned that ideas about the length of the SHOP contracts could be helpful to the Board. Ms. Alborn mentioned that the need for more marketing of the SHOP program is an area for which the SAC could contribute ideas,

but added that, without better understanding costs, options and other details, it is unclear how helpful the SAC could be on this subject.

Ms. Eberle agreed to provide more information at the January SAC meeting, in order to gather more input from the SAC that could be useful to the Board. Ms. Alborn requested for more quantitative information, for example, what is the composition of the state's 104,000 small businesses, and the likelihood of their willingness to purchase insurance.

The Future of In Person Assistance

Heather Forsyth, MHBE Director of Consumer Assistance, delivered a presentation on in person assistance, entitled "Assisting Consumers on Maryland's Health Insurance Marketplace".

The purpose of this presentation is to describe the existing consumer assistance network, describe the types of consumer assistance workers (CAW) that are currently deployed, and explore potential ways to provide these services in a resource constrained environment.

Types of assisters and their distribution

Ms. Forsyth began by stated that all marketplace exchanges must offer multiple pathways for enrollment. In Maryland, consumers can use the MHC website, or seek hands-on help from an in-person Consumer Assistance Worker (CAW).

There are several different kinds of in person assisters. There are 267 call center workers at this time. Due to heavy call volumes, it is a challenge for call center workers to reach every caller. With over 500,000 Marylanders enrolled thru the Exchange, most people are making use of the website.

As a result, in person assistance is a critically important component. A chart describing the type and distribution of in person assistance workers was perceived as somewhat confusing by the group. Ms. Forsyth agreed to clarify the statistics, and then circulate the revised chart to the group.

Ms. Forsyth referred to the Connector Entity RFP that is currently being developed, stating that any group can apply, not only existing Connector Entity organizations. Ms. Chung stated that small community based groups can be important partners in the connector program.

How many consumers use Assisters

Ms. Forsyth stated that approximately 17% of QHP households have split eligibility, and can therefore benefit from the help of CAW.

Many consumers need direct assistance on more than one occasion, so they are likely to seek help from more than one individual assister.

Ms. Forsyth asserted that many consumers are able to "Self-serve" via the website, however, some SAC members questioned this, and suggested the possibility that the data might be incomplete, since not all interactions with all assisters can easily be captured.

“Hub” Concept

Ms. Forsyth presented a new concept to describe the consumer assistance network: the “Hub”. This new concept fixes the Connector Entity organization (CE) at the center; the CE would provide training, technical assistance, support for those assisters using the consumer portal who do not also have access to worker portal. In this system, Navigators would provide assistance to CAW. Ms. Forsyth explained that the current CE program is built on a regional model that enabled the prime CE to go out and work with community partners for more effective outreach. With the new Hub model, we would expect to see outreach become even more effective than it already has.

Cost comparison between Producers and other Assisters

Mr. Helfenbein asked whether any cost comparison could be made between producers and consumer assistance workers. He mentioned that producers offer a value add, because they are paid by the carriers, not by the Exchange.

Ms. Alborn mentioned that consumer assistance workers were originally funded by HRSA; and are not very important to the federally qualified health centers. She mentioned that her organization has sometimes hired additional CAQ at their own expense.

Ms. Chung added that funding must be available to an organization before it could take on additional CAW hired. Mr. Mukherjee added that CBO and FBO need to pay \$10 or \$11 an hour in order to attract and keep assistors on staff.

Ms. Hershkovitz stated that her organization was asked whether they had the potential to serve as a hub; she added that her organization can do Medicaid enrollments and pass them along, and could also help CAW with access to the worker portal. She expressed concern, however, about the lowest level workers at DHR and DSS and DHMH but down to the lowest level workers, adding that her organization has sometimes gotten pushback not from agency management but rather from the frontline greeters and caseworkers who are not willing to fulfill the portion of their agreement. She further added that although there are not many community based organizational partners, there are 2000 state agency caseworkers, and the majority of our case load is Medicaid.

Ms. Chung added that community based organizations are “most efficient” because they represent the diversity of the state. At her organization, she continued, the staff speak 30 languages, which she felt was probably unlikely to be the case in DSS. She asserted that the state should look to the community level for capacity, in order to ensure equity and cultural relevancy for consumers; the point is to make sure that consumers can choose the right plan and also understand it—in other words, health literacy. She also added for the record that it is “not right” that Mr. Mukherjee concurred with Ms. Chung’s remarks, and added that in the capital region, where he works, funding cuts to CEs resulted in the loss of trained Navigators, and a serious loss of foreign language capacity. He emphasized the importance of ensuring that immigrant families are at a special disadvantage as a result of the loss of culturally and linguistically competent assistors. He mentioned that some immigrants say “they don’t really know what they signed for. There is a serious concern because even after they signed up, they do not use the services” because they don’t understand their plans. Ms. Forsyth asked, why did these families sign up for

plans? Mr. Mukherjee replied that they had been informed about the tax penalty;” they were told that not to do so is a crime, and the immigrant population is very keen to follow the rules. He described this as an “exploding” issue in his region.

Fundraising to support In Person Assistance

Ms. Alborn asked if funding for in person assistance will be available in the future. Ms. Forsyth answered that a funding reallocation might be an option. Ms. Ellis asked for clarification on past and future budgets for this function. Ms. Forsyth answered that the budget last year was \$12 million, and the budget for this year is \$10 million. Ms. Chung added that there was no transitional plan for organizations at the community level “so we just lost”. She added that previously, community organizations “used to be part of the CAC circle but now we are not”. She expressed the hope that community based organizations would be given a chance in the future of the program, because consumers continue to seek services there. She recommended that more discussion about this issue be raised among the SAC. She finally added, it is not only about dollars and sense, it’s about capacity at the community level, but we have been really ignored.”

Ms. Ellis raised the subject of fundraising for in person assistance, because this service is so important. She stated that private funders can be very reluctant to pay for things that they feel are the responsibility of governments. She suggested that in person assistance unlikely to get funding unless the Exchange is a partner in seeking the funding. She felt that it could be helpful if the Exchange were to help explain to the private funders that small agencies need funding.

Ms. Chung asked whether future budgets could minimize administrative costs, and asked if CEs and community agencies could integrate more, or leverage their assets more effectively. She added that she would welcome having producers work side by side with her team at her organization. Ms. Forsyth answered that there is a requirement for funding to be given to a navigator agency. Ms. Chung suggested that it is critical for community based groups to have a voice.

Next steps for this discussion

Ms. Alborn reminded the group that the role of the SAC is to provide input to the Board regarding what CAW can do more of, what could navigators do differently. She also asked for more time to consider this topic.

Mr. Apfel asked for clarification. Ms. Alborn replied that the SAC could contribute ideas about how things could be done differently with the different assister types, how the scope of work for CAW could change, whether or not additional training or access to worker portal could add in terms of efficiency, for example. Ms. Alborn referred back to Ms. Chung’s comments, saying that smaller agencies capacity that is not being used and is much needed. Ms. Alborn acknowledged the reality of resource constraints, but urged the group to think creatively about solutions.

Policy Topics for SAC in FY16

FINAL

Unfortunately, there was insufficient time to address this scheduled topic. The group agreed to return to it at the next meeting.

Public Comment

There were no public comments.

Adjourn

The next meeting of the Stakeholder Advisory Committee will be on Thursday January 14th 2016.