



Maryland Health Benefit Exchange Board of Trustees

April 17, 2017

1:00 PM – 3:00 PM

Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Board Members Present

Dennis Schrader, Chair
Tony McCann, Vice Chair
Al Redmer
Ken Apfel

Michelle Gourdine, M.D.
Linda Sue Comer
Benjamin Steffen
Tom Saquella

Board Members Absent

Sastry Dhara

Also in Attendance

Jonathan Kromm, MHBE Acting Executive Director; Michele Eberle, MHBE Chief Operating Officer; Venkat Koshanam, MHBE Chief Information Officer; Andrew Ratner, MHBE Director of Marketing and Strategic Initiatives; Anthony Armiger, MHBE Director of Finance; Sharon Street, Assistant Attorney General for MHBE; Juliana Bell, Assistant Attorney General for MHBE; Caterina Pañgilinan, MHBE Chief Compliance Officer; Subramanian Muniasamy, Chief Technology Officer for MD THINK Program, Department of Human Resources

Approval of Meeting Minutes

February 21, 2017 Open Session:

Motion by Dr. Gourdine; Second by Mr. Saquella; None Opposed

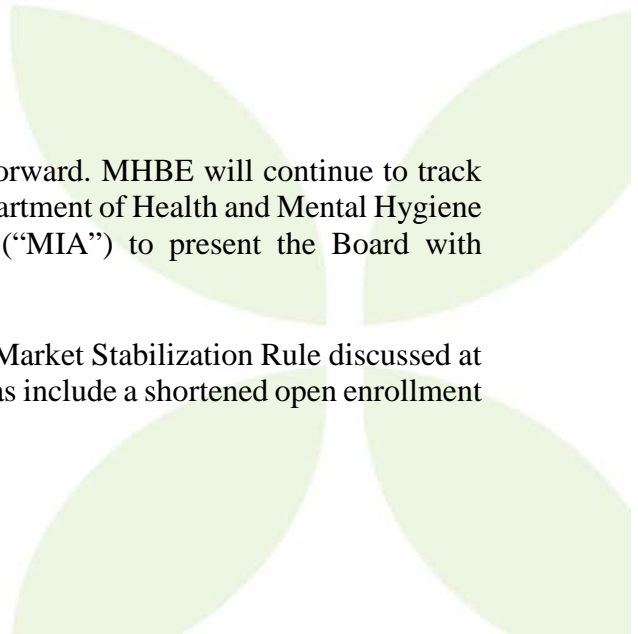
Executive Update

Jonathan Kromm, MHBE Acting Executive Director

Policy & Plan Management

The American Health Care Act (“AHCA”) did not move forward. MHBE will continue to track and keep the Board apprised. MHBE will work with the Department of Health and Mental Hygiene (“DHMH”) and the Maryland Insurance Administration (“MIA”) to present the Board with analysis and options.

The Centers for Medicare and Medicaid Services (“CMS”) Market Stabilization Rule discussed at the last meeting became final last week. Two key impact areas include a shortened open enrollment



period for 2017 – 6 weeks, running from November 1 – December 15 – and certain special enrollment period (“SEP”) verifications. MHBE will have internal meetings to discuss options and timeframes this week.

The Standard Benefit Design workgroup convened for its first meeting on March 20. The group includes 10 members representing carriers, the producer community, and the consumer advocate community. The first meeting was on March 30. The workgroup is expected to have recommendations prepared by fall.

Carrier benefit forms have already been filed with MIA. Rates are due from carriers to MIA by May 1. Carrier certification documents are due to MHBE by July 1.

Mr. Kromm and Mr. Redmer met previously with producers to discuss the future of carrier commissions in the individual market. MHBE will continue to meet with MIA to consider options and will report back to the Board.

Consumer Assistance

Mr. Redmer previously requested that MHBE survey consumers to determine who decided not to renew and why. Preliminary findings show that plan rate increases were a big reason for attrition. MHBE will continue to analyze and follow up with the Board on other factors.

MHBE’s mobile app surpassed 100,000 downloads last week.

A call center Request for Proposal (“RFP”) went out recently. MHBE has received responses back. The review committee will start work shortly and will report to Board in June with its evaluation and recommendations. A separate fulfillment RFP is under review and will be posted shortly. MHBE expects to have both contracts in place by the end of the current fiscal year.

MHBE staff met with Connector Entities following Open Enrollment (“OE”) 2017 and received recommendations for improvements and steps forward to feed into preparations for next open enrollment. The renewal packages for Connector Entities were returned April 14th. Healthy Howard is not renewing for Midwest and Southern regions. MHBE will post a new Request for Application (“RFA”) this week for a new Connector Entity for those regions.

Appeals & Grievances

MHBE has received 44% fewer complaints this year as compared to last year.

Mr. Steffen inquired whether MHBE has more specificity regarding the number of people who enrolled through the mobile app. Mr. Kromm responded that MHBE will provide a breakdown to the Board, but generally the numbers show that the app is being used more for account management than end-to-end enrollment.

IT Update

Subramanian Muniasamy, former Chief Information Officer for MHBE, has moved on to the Department of Human Resources (“DHR”) to oversee the MD THINK Project. MHBE’s current PMO Director, Venkat Koshanam, will take his place. Mr. Koshanam has adeptly assumed the

position within a couple weeks of one of MHBE's most challenging releases. Mr. Kromm thanked Mr. Muniasamy for his service to the agency and wished him luck in the new role, where he will be working closely in partnership with MHBE.

IT Update

Venkat Koshanam MHBE Chief Information Officer

Mr. Koshanam thanked the Board and Mr. Muniasamy and introduced himself.

Mr. Koshanam presented the IT Dashboard. Some highlights include: MHBE successfully completed its technology migration project with only minor performance issues; in April, MHBE will implement the Public Assistance Reporting Information System ("PARIS") interface; July will begin Phase 1 of the Salesforce CRM implementation; in August, the Health Benefit Exchange ("HBX") system is set to allow Medicaid Managed Care Organization ("MCO") plan shopping and provider directory integration.

Key functionalities that will be affected by MHBE's upcoming IT activities include operational efficiency, compliance, and cost savings. In June 2017, for example, MHBE will implement a non-employer-sponsored-insurance ("ESI") minimum essential coverage ("MEC") call for Medicaid, which is anticipated to lead to a \$10-20 million savings for the Medicaid program.

Mr. McCann inquired whether there are any problems left to fix in the legacy system from Connecticut. Mr. Koshanam responded that, in the latest system migration, IT found certain problems with code and queries, most of which are tied to the legacy system and are being worked through.

Chair Schrader asked how the Board should interpret the IT dashboard for the purpose of governance. Mr. Koshanam responded that the dashboard shows MHBE's continuing work priorities; M&O are maintenance and operations projects; enhancements are new initiatives for which MHBE has a 90% federal funding match; and special projects – i.e. the mobile app – are initiatives that are not part of MHBE's day-to-day operations.

The technology migration that MHBE completed on April 2 appears to be very stable, so the agency is moving the stabilization phase up from June to early May. MHBE will migrate infrastructure to the cloud in 2 phases: Phase 1 – Requirement Gathering and Proof of Concept – to be complete by September; Phase 2 – Development – includes all operational systems and is on track to be completed by the end of December.

MCO shopping is on time for implementation with the end of August as the go-live date. Chair Schrader noted that the Exchange is not just narrowly scoped to handle Qualified Health Plans ("QHPs"), it is developing a vital infrastructure that can be utilized state-wide. Mr. Kromm clarified that many of the policy and financial decisions on this project are coming from DHMH and the Medicaid program, not MHBE. Mr. Kromm recommended that DHMH programmatic staff come to a future Board meeting to discuss the impact of their work. Chair Schrader concurred and recommended certain individuals that may be willing to present.

Mr. Koshanam next reported on the status of the Salesforce customer relationship management (“CRM”) integration and the learning management software (“LMS”) implementation. Phase 1 of the CRM integration is to migrate the legacy Oracle software into Salesforce. Salesforce will eventually integrate with the HBX. The LMS implementation will provide help to the Training Department and will integrate with the Salesforce CRM.

Mr. Koshanam then reported briefly on MHBE’s involvement with the MD THINK campaign. MHBE will fund upgrades through DHR via memoranda of understanding (“MOUs”) and will request an IDIQ-NTE increase of \$2.5 million in May for DDI work in FY2018. MHBE expects a cost savings over their current contract and as MHBE scales up with DHR’s infrastructure.

Mr. Kromm added some additional context. This is an opportunity for MHBE and is mutually beneficial for MD THINK. Staff will talk more about this at the next Board meeting and will prepare a proposal for the Board in advance. Much of the work will be leveraged for MD THINK, but development work is not coming out of the MHBE budget since MHBE has a federal government match.

MD THINK Program Overview

Subramanian Muniasamy, Chief Technology Officer, DHR

Mr. Muniasamy provided a high level overview of the MD THINK Program and how MHBE will integrate. Maryland is the first in the nation to attempt to modernize and bring together siloed health and human services systems in this way. This will not be a single system, but rather multiple, interconnected systems. If a consumer goes to one agency for a benefit, the information will be available to the other agencies.

The systems involved include the DHR-CSEA CSES; DHR-SSA CHESSIE; DHR-FIA/DHMH CARES and Cottage Apps; MHBE MHC; and DJS ASSIST. These include the Child Welfare System and Child Support Systems.

MD THINK will implement 12 major projects to achieve the future state, taking an agile approach with multiple releases through the duration of the program. Items 1, 2 and 3 on the Program Roadmap relate to cloud setup. The base infrastructure is expected to be implemented by September. Non-production work will occur before OE; production work will occur afterwards. By the end of June 2018, the goal is to have consumer and worker portals on a shared system. The entire project is expected to conclude by December 2019.

Mr. McCann noted that it is important to not create roadblocks to the integration of additional healthcare systems, including those focused on mental health and substance use disorder benefits and veterans’ benefits, and corrections. Mr. Muniasamy replied that DHR is putting in place operating procedure to allow for such an expansion of system functionality. Secretary Schrader further noted that there is a steering committee whose goal is identify opportunities to integrate.

Mr. Apfel requested that Mr. Muniasamy use the dashboard model to demonstrate where roadblocks may be in implementation. Mr. Muniasamy responded that a separate presentation is being created with a dashboard.

Chair Scharder reiterated that is a modular implementation using Medicaid IT architecture. Chair Schrader requested a quarterly report on the program's progress.

The Advance Planning Document (APD) is approved and the Program Road Map & Solution Architecture are finalized. MD THINK will be hiring and plans to start setup on July 1. Cloud infrastructure setup work and the configuration team/software procurement are in progress.

Mr. McCann stated that it would be helpful to understand backup plans if something were to go wrong, i.e. hot sites and cold sites.

Mr. Steffen asked how the program will affect MHBE procurements from last summer. Mr. Muniasamy responded that they will continue, and that the program is looking at whether licenses can be shared.

Marketing Update

Andrew Ratner, MHBE Director of Marketing and Strategic Initiatives

Mr. Ratner introduced Melissa Morales, Vice President of GMMB, MHBE's contracted marketing firm. MHBE will be requesting an NTE amount for the GMMB contract for FY2018.

MHBE's call center polled callers to ask how they learned about MHC. The full breakdown of responses is available on the FY17 Awareness slide of Mr. Ratner's presentation.

Regarding strategy, as Google algorithms change based on search scoring, MHBE is well positioned and adapting. One of MHBE's goals this year was to simplify the website. Outcomes showed that the Consolidated Service Center (CSC) was offered 130,000 fewer calls. This decrease is attributed to the mobile app, improvements in the IVR menu, and improvements to the website. The CSC reduced average call handle time by 1:23 compared to a year earlier.

MHBE also sought to improve user experience in FY17. The mobile app was a hit: 100,000 downloads, 3,000 daily views of inbox notices, 300 daily document uploads, and 50 enrollments per day. 65% of the usage came from the Medicaid population.

MHBE was named the "Best Technology Campaign" for 2017 by the American Marketing Association of Baltimore.

For the goal of growing enrollment and awareness, MHBE shifted strategy from a 100% conversion-aimed campaign in digital media to a 60/40 conversion/awareness campaign to cast a wider net after surveys indicated lack of awareness on financial help. As a result of strategy shift, clicks from ads to MHC.gov tripled (from 160,000 to 585,000). MHBE also performed an e-mail "chase campaign" which resulted in a 30% increase vs. the non-email group. E-mail subscribers to MHC.gov updates increased 10% to 500,000. The MHC.gov consumer blog now has 19,000

subscribers, up from 6,000 last summer. MD had the 3rd highest ratio of new enrollments in the U.S. at 40%. Lastly, MHBE started an internal blog called “The Classroom” to push content to consumer assistance workers.

MHBE also targeted the uninsured in FY17, with multiple events aimed at young invincibles, African Americans, and Hispanics – populations that are disproportionately uninsured. MHC’s enrollments among the 18-34 age group ranked 5th in the nation. African American and Hispanic enrollments were 18% and 12% of all enrollments.

Chair Schrader inquired about MHBE’s hook/sales pitch. Mr. Ratner replied that “money talks” - the Marketplace is only place to get financial assistance is the biggest message.

MHBE also strove to meet potential enrollees where they live, work, pray and play. In addition to directly reaching the community through 3 major statewide efforts involving libraries, colleges, and faith institutions, MHBE received significant free/earned media from local news stations.

MHBE completed a customer post-enrollment satisfaction survey. Less people responded compared to prior years, but the results were promising, with consumers showing a better understanding of the application and higher likelihood of recommending MHC to a friend or colleague this year compared to last.

Mr. Steffen requested breakdowns in survey respondents by spoken language. Mr. Ratner replied that he would get back to the Board with that information.

Mr. Ratner presented the preliminary timeline for MHC’s FY18 marketing campaign. Among the agency’s priorities, MHBE hopes to reach out more to self-employed and occupational groups. The Marketing Team will prepare for a shorter OE starting in October – paid advertising will be in a more concentrated time frame. The media planning strategy will be to shift resources to the time period before OE starts and also around the enrollment deadline. Thirty days into OE consumers will only have 15 days left to sign up.

Major areas of budget planning for MHBE include Media Planning and Buying (50%), Collateral Development (12.2%), Advertising Creative Services (12.1%), Outreach and Education (10.2%), Communications and Marketing Planning and Support (8.8%), Online Marketing and Digital Design (4.3%) and Social Media (2.4%).

Chair Schrader asked whether MHBE has data on the number of consumers who maintain enrollment year over year and the rate of attrition. Mr. Ratner replied that there was slight fall off of new QHP enrollments this year, and we have breakdowns geographically. Mr. Kromm added that attrition is generally higher in this market than others, but MHBE’s rate is on par with federal and other exchanges. Chair Schrader followed by asking if any of MHBE’s marketing efforts will help reduce the rate of attrition. Mr. Ratner responded that there are a number of variables, including rate increases, but the key thing is to get the word out about tax credits which can offset those rate increases.

Mr. Steffen noted that having 40% of all enrollments be new enrollees suggests churn in the market and asked if there are any studies showing why consumers are coming and going, and if they are dropping coverage, where are they getting covered elsewhere. Mr. Steffen suggested that the Board focus on affordability going forward, since that seems to be a main contributor to the churn. Mr. Ratner added that it is important to remember that Maryland's uninsured rate used to be near 14%, and it's now down around 6% - we don't want to walk back from that.

Mr. Apfel asked what the time consumers spent on the site means in terms of MHC's performance. Mr. Ratner responded that the time reflects how long consumers are on the site obtaining information. Once consumers access the application, it's a different analytic.

Mr. McCann asked if an NTE for a later year for the GMMB contract can be changed, given the market uncertainty. Mr. Ratner responded that this NTE does not take future years into account. Mr. Kromm added that there is some flexibility to come back to Board, but if there is a crisis, it would be hard to find new revenue.

Mr. Steffen moved to approve Option Year 2 of the GMMB contract NTE for \$2.2 million (FY 18). Mr. Apfel seconded the motion. Chair Schrader inquired whether the contract will need to be rebid in the future. Mr. Kromm responded that it would, probably in the January time frame.

The motion passed by unanimous consent.

Compliance Report

Caterina Pañgilinan, MHBE Chief Compliance Officer

Ms. Pañgilinan impressed to the Board that it is important for MHBE to continuously build from one audit to the next in order to build compliance tools and find ways to improve. MHBE has completed the financial component of its independent external audit for PY16. MHBE was cleared of all findings from the previous year, with the exception that MHBE was asked to tighten up controls for contingencies in the invoicing process.

Today, MHBE started the programmatic component of the independent audit, which is expected to be done by May 15. This audit will review compliance with operational, eligibility and enrollment and privacy controls. Many corrective actions previously put into place have already improved MHBE's overall performance.

The Privacy Impact Assessment (PIA) is due at end of June. The PIA is a precursor to MHBE's authority to connect to the Federal Data Services Hub. An on-site independent audit of IT Security and Privacy controls is projected to occur in August.

The IRS will be performing a three-day review on MHBE's safeguards for federal tax information (FTI). A few new requirements were put into place this past fall. MHBE is already addressing those, has some already put into place, and has a plan to implement the rest. It is important with MHBE's new security stack that the agency is able to show how it protects consumer information as it flows through the system.

Ms. Pañgilinan noted that MHBE's ability to document all of the agency's processes is a challenge. MHBE must work on improving manuals to mitigate this risk area.

The U.S. Government Accountability Office (GAO) audited Maryland's, Idaho's, and Rhode Island's compliance with regulations related to the functions of the exchanges, with particular emphasis on eligibility, enrollment and fraud waste and abuse controls. GAO was at MHBE on site in February. MHBE expects a preliminary report to be issued within the next month and a half, with the final report scheduled for mid-summer. Importantly, GAO was looking at how the Center for Consumer Information & Insurance Oversight (CCIOO) performs oversight of the exchanges. The report will likely have an overview of MHBE's operations, but will incorporate findings for all of the audited entities rather than single out one exchange.

MHBE addressed all of the requirements that we are required to for the Maryland Office of Legislative Audits.

Year-to-date, MHBE has received 6 calls to their hotline related to fraud waste and abuse. Two calls about Medicaid were transferred to the DHMH Office of Inspector General. Four calls were related to customer satisfaction. One regarded a consumer wanting her records deleted, which MHBE was unable to accommodate.

Mr. Redmer commented that MIA has a robust fraud division and would like to be made aware if there are any incidents to report from MHBE.

Mr. Saquella asked how long the legislative audit would take. Ms. Pañgilinan responded she is not sure, typically they will be on site for multiple months, but the agency is a much better place this time.

Mr. Steffen asked about whether MHBE had any specific indication of abuse of special enrollment periods (SEPs). Ms. Pañgilinan responded no, not at this time. That was a focus of the GAO audit, and MHBE had not been advised of any findings. Mr. Steffen followed up, inquiring whether MHBE has any data on the number of people who used SEPs. Mr. Kromm responded that yes, MHBE is doing that work now.

Chair Schrader announced that Mr. Apfel is leaving the Board. Mr. Kromm thanked Mr. Apfel for his service and invited everyone to have cake after the meeting. Mr. Apfel was critical in turning a number of the "red lights" on the dashboard to green, and the agency benefited greatly from his guidance and expertise.

Mr. Apfel thanked the Board and expressed his joy for having been involved. Every chair, board member, Executive Director, and staff member has been committed to the core mission of driving down the uninsured rate.

Closed Meeting

Mr. McCann moved to close the meeting for the purpose of: (1) discussing a personnel issue, pursuant to General Provisions Art., § 3-305(b)(1), to discuss the appointment, employment,

assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of an appointee, employee, or official over whom it has jurisdiction, and (2) consulting with counsel regarding litigation matters, pursuant to General Provision Art., § 3-305(a)(7) to consult with counsel to get legal advice on a legal matter. Mr. Saquella seconded the motion. All voted in favor of the motion. Thereafter, the meeting moved into closed session at 3 pm.

