



## Maryland Health Benefit Exchange Board of Trustees

January 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  
Thomas Saquella  
Michelle Gourdine, M.D.

Benjamin Steffen  
Al Redmer  
Ken Apfel  
Linda Sue Comer

### **Board Members Absent**

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; Greg Yaculak, MHBE Chief Information Security Officer; Sharon Street, Assistant Attorney General for MHBE; Juliana Bell, Assistant Attorney General for MHBE; John-Pierre Cardenas, MHBE Manager of Individual and Small Group Marketplace Programs; Gregory James, Acting Secretary of Department of Human Resources.

### **Opening & General Updates**

Chairman Schrader introduced himself, thanked former Secretary Mitchell, called the meeting to order, and expressed that he is looking forward to working with the Board and MHBE staff.

### **Approval of Meeting Minutes**

Chairman Schrader solicited a motion for approval of the meeting minutes for the November 21, 2016 meeting. Moved by Dr. Gourdine. Second by Mr. Apfel. Motion passed unanimously.<sup>1</sup>

### **Executive Update**

*Jonathan Kromm, MHBE Acting Executive Director*

---

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

Mr. Kromm welcomed Chairman Schrader and thanked him for his efforts in getting up to speed so quickly.

#### Review of December Events

Mr. Kromm reported on the progress of Open Enrollment (OE4) and stated that enrollments were tracking closely to last year. He reported that call center volume and customer service representative performance have also been steady. Mr. Kromm also reported on activity from the connector entities, Application Counselor Sponsoring Entities (ACSEs), and 35 new Certified Application Counselors (CACs) during OE4.

Mr. Kromm reported that MHC's callback function was triggered for the first time, which overall was pretty successful with several hundred callbacks. In response to Board questions, Mr. Kromm stated that MHBE would report to the Board in half a year regarding ideas to handle the spike in volume during open enrollment deadlines.

#### Upcoming Events

Mr. Kromm reported that 1095 tax forms to be sent before end of next week. MHBE will report to the Board on the progress of sending tax forms at the next meeting.

Mr. Kromm reported that as MHBE gets closer to the end of its fiscal year, it will renew and begin procurement cycles starting in March, April, or May.

Mr. Kromm reported on the final outreach projects for OE 4.

MHBE is reviewing the Governor's newly-released budget and will update the Board as quickly as possible. Tony Armiger, MHBE Director of Finance, will analyze the budget and send a report in the new couple of weeks.

There was Board discussion regarding call center inquiries and the conversion rate. Mr. Kromm responded that the agency will do a breakdown after enrollment, which will calculate only a rough conversion rate. Some inquiries are people shopping for new plans then deciding to stay in current plans. Chair Schrader followed up, asking how many of the call center inquiries are seeking coverage under Medicaid expansion. Mr. Kromm responded that, even at height of Qualified Health Plan (QHP) enrollments, the majority of MHBE's inquiries and enrollments are for Medicaid.

There was Board discussion regarding Evergreen Health Co-Op enrollees the status of Evergreen. Mr. Redmer reported that the Maryland Insurance Administration is working hard to put together a long term plan, and the first step is expected to be completed and made public later today.

#### **IT Update**

*Subramanian Muniasamy, MHBE Chief Information Officer; Anthony Armiger, MHBE Director of Finance*

#### Release Updates

Mr. Muniasamy requested on behalf of MHBE's IT Team an IDIQ NTE Increase Request for FY17 of \$2,490,000. This increase is for implementation of 2 new projects: (1) Managed Care Organization (MCO) plan selection through MHBE; and (2) Updating Salesforce into learning management system (LMS) training platform. Implementation is expected within 6-8 months. Part of the NTE is a reallocation from training budget to IDIQ, while part is for system enhancements. State fund participation is about \$597,000.

Board inquired about continued federal participation, and current state expenditures for the project. Mr. Muniasamy reported that the CRM Salesforce integration with DHMH will create one system so all workers can access the same information with added functionality allowing consumers to choose Medicaid MCO's directly through the system.

Board discussed more issues surrounding the proposed projects. Chair Schrader noted that the Board will come back in May/June for a more complete discussion on license costs, and confirmed that MHBE will not ask for more money for development.

Mr. McCann moved to approve the requested increase in the NTE for FY 2017 for CRM and MCO integration in the amount of \$2,490,000.00. Mr. Saquella seconded the motion. The motion passed with unanimous consent.

### **Operations**

*Michele Eberle, MHBE Chief Operating Officer*

Ms. Eberle reported two Requests for Proposal (RFPs) are forthcoming: Consolidated Services Center (CSC) contract, including services related to MCO selection, primary care physician (PCP) selection, and health assessment for Medicaid. MHBE plans to release the CSC RFP February 1, 2017. Proposals will be due March 8, 2017. Board approval will be requested by June 19. And the award date is expected to be July 1.

. Ms. Eberle stated that the RFP will require work to be done by October 1 to leave buffer time. Chair Schrader noted that the Exchange is becoming a major provider for the Medicaid program in terms of service. Mr. Kromm added that, from architecture perspective, MHBE's current projects are in the spirit of the MD Think campaign.. Mr. Gregory stated he would be available to update the Board on MD Think.

### **Compliance, Privacy, and Security**

*Caterina Pangilinan, MHBE Chief Compliance Officer; Greg Yaculak, MHBE Chief Information Security Officer*

Ms. Pangilinan reported that MHBE issued a TORFP for its annual independent external audit which conforms to CMS's revised requirements allowing units of State government to utilize their State's Comprehensive Annual Financial Report (CAFR) in lieu of part of the financial review.

MHBE has 4 upcoming audits. There will be a GAO eligibility and enrollment audit on site in February regarding MHBE's 2015 enrollment and eligibility data. MHBE is also performing an independent external programmatic audit. Further, MHBE will undergo an OLA audit within next 5 months. Lastly, MHBE will be audited for compliance with 1075 IRS Safeguards. This happens

every few years and will occur in April. There are some new requirements, but MHBE is on track with preparations.

There have been no findings of fraud at MHBE for this reporting year.

Mr. Yaculak reported that MHBE must complete a number of steps to obtain the authority to connect data with CMS. MHBE completed its Annual Security and Privacy attestation. MHBE worked with CMS to complete the PIA. The agency performed an Annual Independent Risk Assessment (ISRA), which is a very lengthy review of security practices. MHBE's IRSA was approved by CMS. The POA&M is a method of assessing all security risks throughout the organization, like a corrective action plan. MHBE is in good standing with CMS here for its POA&M. MHBE must also complete an IRS safeguard security report because we receive federal HUB information, and must remain up to speed with all IRS actions.

Upcoming, MHBE must update system security plan. CMS instituted new guidelines this past year, so MHBE will update its plan and make adjustments before November. MHBE is already ahead of schedule and has implemented new controls. MHBE must also complete a Security Assessment Report (SAR). MHBE will procure and independent agency to conduct a security assessment, including a review of security and privacy controls, based on MARS-E v. 2.0 guidelines. The deadline is November 1.

After further Board discussion, Mr. Apfel and Chair Schrader congratulated the staff for being so diligent.

### **Plan Certification**

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

Mr. Kromm thanked Mr. Saquella, Mr. Redmer, and stakeholders for their engagement on MHBE's 2018 Plan Certification Standards.

Mr. Cardenas provided a brief background of the Plan Certification Standards. MHBE first presented the standards to the Board in November. The standards were then released plan for public comment. MHBE also release its annual issuer letter. MHBE received 9 sets of comments – 3 from issuers, 2 from state agencies, and 4 from other stakeholder groups. Mr. Cardenas presented the final proposed Plan Certification Standards, Mr. Cardenas stated that most of the finalized standards were a compromise between stakeholder positions and take into account future uncertainty.

Ms. Eberle explained that MHBE spent a lot of time talking to stakeholders about different approaches. Some stakeholders recommended making no changes due to uncertainty in the market, while others asked MHBE to keep making changes. Ms. Eberle acknowledge that it is important to compromise, since stakeholders do not want to expend financial resources if there's uncertainty about the Exchange's future.

Finally, Mr. Cardenas announced that the final issuer letter will be released, with Board approval, in late January.

After Board discussion regarding how MHBE would calibrate the network breadth indicators, Mr. Kromm stated that MHBE will work with stakeholders to develop language for describing network breadth categories to consumers to minimize bias and misinformation. MHBE will analyze 2017 network data to generate 2018 labels and language. The Board discussed whether government should be involved in the marketing of plans and whether the network breadth categories would be meaningful. Mr. Kromm stated that before indicators and guidance are released to the public, MHBE can bring them back to the Board for further discussion.

Chair Schrader solicited a motion for approval of the 2018 Plan Certification Standards. Mr. Saquella so motioned. Mr. McCann seconded the motion. After additional discussion, the motion passed by unanimous consent without objection.

**Adjournment**

There being no further business before the Board, the meeting was adjourned at approximately 2:44 PM.

