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BALTIMORE, MD 21202
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Maryland Health Benefit Exchange Board of Trustees

November 20, 2017
1:00 p.m. – 3:00 p.m.
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Members Present

Dennis R. Schrader, Chair
S. Anthony (Tony) McCann, Vice Chair
Linda S. (Susie) Comer
K. Singh Taneja
Ben Steffen, MA
Alfred W. Redmer, Jr.

Members Absent

Michelle A. Gourdine, M.D.
Sastry Dhara

Also in Attendance

Lourdes Padilla, Secretary, Maryland Department of Human Services
Howard Haft, M.D., Interim Executive Director, MHBE
Michele Eberle, Chief Operating Officer, MHBE
Andrew Ratner, Chief Marketing Officer, MHBE
Venkat Koshanam, Chief Information Officer, MHBE
John-Pierre Cardenas, Manager, Individual & Small Group Marketplace, MHBE

Welcome & Introductions

Chairman Schrader welcomed everyone to the Board meeting.

Closed Session Summary

Chairman Schrader issued a summary of the closed session of the Board of Trustees that took place on October 16, 2017. The session began at 3:30 PM with Board members Schrader, McCann, Gourdine, Comer, and Steffen present. Also present were MHBE staff members Howard Haft, M.D., Sharon Street, Trevor Coe, and Cynthia Wilson. The Board approved the minutes of the September 18, 2017 closed session and discussed a litigation matter. The closed session adjourned at 4:00 PM.

Approval of Meeting Minutes

The Board reviewed the minutes for the October 16, 2017 open meeting; no amendments were made. Mr. Taneja moved to approve the minutes; Mr. McCann seconded the motion. The Board voted unanimously to approve the October 16, 2017 minutes. Ms. Comer was not present for the vote.

Executive Director Announcement

Chairman Schrader announced that the Board offered the position of Executive Director of the MHBE to Michele Eberle, currently Chief Operating Officer at the MHBE, and that Ms. Eberle accepted the position. He offered his congratulations to Ms. Eberle and noted that Dr. Haft will remain in his post as Interim Executive Director until December 18, 2017 at which time Ms. Eberle will take over.

Executive Update

Howard Haft, M.D., Interim Executive Director

Dr. Haft began his remarks by noting that the MHBE continues to work closely with the Maryland Department of Health, including weekly leadership meetings to align initiatives. He characterized this partnership—along with that

between the MHBE and the Maryland Department of Human Services—as great examples of cooperation among state entities.

Next, Dr. Haft announced that the MHBE's recent office move was completed successfully. He credited the staff of the agency for the smooth transition.

Regarding the progress of the open enrollment period currently underway, Dr. Haft said it is going very well and that no significant issues have arisen.

Dr. Haft then remarked that the MHBE Annual Report would be issued before the end of November 2017.

Next, Dr. Haft invited the Board to attend an open house event at the MHBE's new office space on December 14, 2017, at 3:00 PM, immediately following the Standing Advisory Committee meeting.

Finally, Dr. Haft offered remarks on the success of the Executive Director search, noting that it has been an extraordinary pleasure to work with Ms. Eberle.

Open Enrollment Update
Michele Eberle, Chief Operating Officer, MHBE
Andrew Ratner, Chief Marketing Officer, MHBE
Venkat Koshanam, Chief Information Officer, MHBE

Ms. Eberle began by thanking the Board for selecting her as the new Executive Director of the MHBE and stated that she was honored to accept the position.

Next, Mr. Ratner explained the progress of enrollments during the current open enrollment period. He stated that new enrollments were up 10 percent over last year and that the combined count of new enrollments with changes to existing enrollments were up nearly 100 percent year-over-year. Website visits, he added, were up 15 percent, and visits to the mobile app were up 110 percent over the previous year.

Mr. Ratner then described media coverage of the activities of the MHBE and its partners, adding that a Telemundo television crew was slated to visit a Connector Entity that very afternoon. He explained several efforts around outreach and digital advertising, providing details of various events and other outreach efforts and specifically thanking the Maryland Insurance Administration for providing members of its staff to be on-hand to assist at recent events.

Next, Ms. Eberle spoke about the enrollment efforts underway by the various Connector Entities. Medicaid enrollments continue year-round, she explained, even while enrollments in qualified health plans (QHPs) are underway.

Ms. Eberle then presented performance statistics from the MHBE Call Center covering the first 11 days of open enrollment. She informed the Board that the volume of calls during that period was 18 percent higher than was forecasted, and that the MHBE is continuing to work on finding out why the forecast was low. She explained that the Call Center handled 89,097 of the 118,538 calls that came into the phone lines during the first 11 days and noted that the callback feature is working well. The average call handle time (AHT) stands at 13 minutes and 30 seconds whereas, in the previous year, an AHT of 21 minutes was considered good. Ms. Eberle pointed to the Salesforce customer relationship management (CRM) system and Maryland Health Connection website improvements as the causes of a shorter AHT. She noted that average speed to answer—a measure of how long a caller waits on hold before being connected with a customer service representative—stands at 7 minutes and 37 seconds, well under the target of 10 minutes. Regarding the transfer of callers to brokers for assistance with plan selection, Ms. Eberle stated that 1,340 such transfers were completed, with 5 of the 30 participating brokers handling the bulk of those cases. She pointed out that the low number of social media inquiries, at 229, is a success since higher social media inquiries are associated with problems with the website. Call Center managers received 143 "kudos" calls during the first 11 days. Ms. Eberle finished her discussion of Call Center metrics by showing the progress of quality assurance along axes including Accuracy of Information, Demeanor, Professionalism, etc., each of which exceeded the target of 90 percent in the most recent week.

Mr. Koshanam then gave an update on the IT aspects of the open enrollment period. He began by describing the Command Center wherein IT staffers monitor MHBE's systems throughout the working day and well beyond. He explained that the Command Center stayed open from 6:30 AM to midnight throughout the first 11 days. Mr. Koshanam informed the Board that upgrades to the technology platform since the last open enrollment period have allowed the MHBE to handle more traffic volume, noting that the system has not yet reached its capacity. He described the constant monitoring and database checks being performed on the system, as well as daily log reviews to identify and fix issues.

Next, Mr. Koshanam described the features in the upcoming Release 20, scheduled for January 26, 2018, including a revamping of the age-out system and a redesign of the income reporting workflow on Maryland Health Connection. He noted that the annual release of 1095 tax forms will take place on January 31, 2018, and that the IT staff are preparing to migrate older platforms at that time.

Commissioner Redmer asked whether the MHBE is collecting information about the average age of those gaining coverage, and whether the agency is comparing that data to last year. Mr. Ratner replied that MHBE does track that information and compare it to the previous year, adding that the agency is satisfied with the progress of enrollments with respect to the age distribution of enrollees and that history has shown that younger people tend to enroll later in the open enrollment period than those who are older.

Commissioner Redmer then asked about the choices being made by those enrollees who are actively changing their plan selection during the open enrollment. Mr. Ratner characterized the majority of those transactions as enrollees changing from one carrier to another by noting that in the previous plan year, Carefirst had two-thirds of QHP enrollments whereas the current open enrollment shows an even split between Carefirst and its competitor.

Commissioner Redmer asked if the MHBE tracks whether consumers are moving from the on-Exchange silver plan to the off-Exchange silver plan due to the recent premium changes. Mr. Ratner replied that the agency has not analyzed that possibility, but that they have noticed a lot of enrollees moving into gold plans, many of whom were previously enrolled in silver plans. Ms. Eberle added that only approximately 400 individuals have cancelled their coverage.

Commissioner Redmer then asked what complaints the Call Center has received regarding the rate increases this year. Ms. Eberle replied that discussion of rates is a normal part of the conversation with consumers at the Call Center and noted that the message to consumers this year has been an encouragement to shop around due to the possibility of a richer benefit being available due to those rate increases. She added that Carefirst has gotten a lot of calls about rates, but not the MHBE.

Next, Commissioner Redmer asked how the rate of calls being transferred to brokers for plan selection compares with the rate from the last open enrollment. Ms. Eberle answered that the rate is down somewhat from last year and that the Call Center intends to do some targeted pushes on the program in order to increase that rate.

Mr. Taneja congratulated the MHBE on the impressive enrollment numbers and asked how many Marylanders who qualify for coverage through Maryland Health Connection remain uninsured. He asked how the agency plans to approach that population. Mr. Ratner replied that roughly 275,000 eligible people remain uninsured in the state. He explained that the MHBE has increased spending on marketing and advertising in outlying areas of Maryland—an effort that seems to be resulting in positive trends in those areas. He noted that people whose income falls outside of the subsidy range are upset about rates, while those who qualify for assistance are feeling positive. As an example, Mr. Ratner described the experiences of Seedco Navigators in the Upper Eastern Shore region where those working primarily in Cecil County are delighted with their ability to enroll consumers with strong subsidies, whereas those working primarily in Harford County have significant challenges due to their consumers, on average, having higher incomes and thus lower subsidies.

Mr. Taneja then asked whether it would be accurate to state that there are another 300,000 to 400,000 uninsured individuals who do not qualify for subsidies in Maryland. Mr. Ratner responded that the agency does not think the number is that high. He noted that, before the first open enrollment in 2013 and 2014, there were 750,000 uninsured Marylanders, some 400,000 of whom got coverage either through the Medicaid expansion or subsidized QHPs. He

highlighted the technological advances undertaken by the MHBE in the subsequent years, such as the mobile app, as having removed barriers to subsidized coverage.

Mr. McCann, noting that the current open enrollment period is much shorter in duration than the previous one, asked whether the comparisons to last year's performance have been adjusted for that differential and whether the agency is on track to outperform last year's results in a shorter time frame. Mr. Ratner replied that, even taking the shorter open enrollment period into account, the current year's progress is far ahead of last year. Dr. Haft added that 95 percent of enrollments have historically occurred during the first 45 days of open enrollment.

Mr. McCann asked how the MHBE handles members of the public who either qualify for minimal subsidies or do not qualify for any subsidies—those for whom off-exchange coverage may be a better choice. Mr. Ratner replied that the agency sends email messages to people in those circumstances to explain that they may be better served by an off-exchange option. He added that similar messaging is present on the website. In response to follow-up questioning by Mr. McCann as to what, specifically, the MHBE instructs those consumers to do, Mr. Ratner stated that they are presented with a general admonition that the consumer should make sure they are getting the best plan, even if that plan is off-exchange.

Mr. Steffen asked how many of the enrollments in the current open enrollment period are unsubsidized. Mr. Ratner replied that he didn't have that figure to hand, but that he would find out and inform the Board. Ms. Eberle confirmed that the system is set up to capture that information and that they would report that figure to the Board.

Chairman Schrader, noting that the MHBE needs to enroll an additional 27,000 people to match last year's total, asked whether the agency thinks that the shortened, 45-day enrollment period will harm progress toward that goal. Mr. Ratner replied that, because the overwhelming majority of enrollments have historically occurred within the first 45 days of open enrollment, the MHBE is confident that the shortened period will not negatively affect enrollment numbers, especially given that a shorter enrollment period leads to more concentrated advertising efforts.

Chairman Schrader asked whether the MHBE measures overall success as year-over-year enrollment growth. Mr. Ratner replied that the main standard of the MHBE's success is the uninsured rate in Maryland. Chairman Schrader agreed, and offered a hypothetical situation in which QHP enrollment declines, but the Maryland uninsured rate also declines; this could be explained by an increase in employer-sponsored coverage. Mr. Ratner agreed with this statement.

Chairman Schrader asked, since the MHBE auto-enrolls a large number of consumers, whether the automatic enrollments tend to persist and lead to the payment of premium for the first month. Mr. Ratner replied that the agency would not have the data necessary to answer that question until February.

Mr. McCann, mentioning that many consumers are confused by the complexity of health insurance pricing, asked how difficult it would be to set up a website that compares plans based on how much consumers pay for drugs, procedures, etc. under that plan. Mr. Ratner responded that such tools do exist, and have been used in other states. He noted that the District of Columbia's exchange published such a tool, but found that very few consumers used it. Mr. Ratner explained that balancing between information complexity and consumer attention span is a continuing challenge for all exchanges.

Mr. Steffen announced that, in his capacity as Executive Director of the Maryland Health Care Commission (MHCC), he intends to provide price comparison information to the public. He noted that the current data available only cover hospital inpatient costs, but that in the future they intend to present costs for other types of services, including outpatient care, pharmacy, and physician services. He added, however, that the best indication of consumer out-of-pocket expenses remains the carriers themselves.

Ms. Eberle remarked that the MHBE is always working to make health and health insurance literacy information more available, simple, and meaningful for consumers. She pointed out that, alongside reducing the uninsurance rate, a major goal of the Affordable Care Act is to reduce the overall cost of healthcare.

Chairman Schrader then announced that he would be attending a meeting of the Health Insurance Coverage Protection Commission on December 5. He said he thought he would be asked why Maryland is doing so well and

asked the MHBE leadership for their thoughts on the matter. Ms. Eberle replied that advanced premium tax credits make the coverage affordable, and if the tax credits are reduced, then coverage may become unaffordable. Dr. Haft added that for those below 400 percent of the federal poverty level (FPL), it is a good story, while those above 400 percent of the FPL who have no insurance experience a lot of pain over the cost of insurance. He noted that the MHBE must continue to work to stabilize the market and increase competition among carriers.

Draft Plan Certification Standards
John-Pierre Cardenas, Manager, Individual & Small Group Marketplace, MHBE

Mr. Cardenas introduced himself to the Board and expressed his thanks to the MHBE staff for their input on the draft 2019 plan certification standards. He then presented a timeline of the standards adoption process that included a number of stakeholder engagement milestones, culminating in the release of the final 2019 issuer letter in January of 2018.

Next, Mr. Cardenas presented the proposed standard on Network Adequacy, which would require carriers to "attest to meeting their respective requirements under the final network adequacy regulation promulgated in COMAR 31.10.44 Network Adequacy."

Mr. Cardenas then presented the proposed standard on provider directories, which would require carriers to submit directory data to the MHBE every two weeks, along with an attestation that the data are "complete, accurate, and up-to-date to the extent feasible." He added that this standard mirrors federal rules. Commissioner Redmer, noting that the provider directory requirements are in regulation, asked why the MHBE should require an attestation and whether there is a separate penalty against carriers if that attestation proves false. Mr. Cardenas replied that there is no separate penalty. Ms. Eberle added that the MHBE will evaluate the crossover between the regulatory duties of the MHBE and the Maryland Insurance Administration, and if it proves to be the case that there is an increase in the administrative burden without any benefit, the MHBE would make other arrangements.

Next, Mr. Cardenas presented the proposed standard on essential community providers (ECPs). The MHBE proposes to remove this standard from the annual plan certification suite and place it instead into the Carrier Reference Manual, an instrument with a longer lifecycle. He added that the MHBE is working with federal authorities to streamline this process to reduce administrative burden. Mr. Steffen asked how the ECP standard applies to Kaiser Permanente. Mr. Cardenas replied that carriers who follow a staff model, such as Kaiser Permanente, are required to follow the alternative standard that, like the federal system, requires the carrier to supply the MHBE with data including survey responses from members.

Chairman Schrader mentioned that there has been concern among local health officers that their local health departments (LHDs) should be considered ECPs and noted that the MHBE has included LHDs in the definition. Mr. Cardenas confirmed the Chairman's understanding. Dr. Haft pointed out that the MHBE does not have the authority to compel carriers to contract with LHDs, to which Mr. Cardenas added that MHBE requires carriers to offer in good faith to contract with LHDs.

Mr. Cardenas then presented proposed standards on 12 further aspects of plan certification, none of which garnered any questions or discussion by the Board.

Standardized Benefit Design Work Group
John-Pierre Cardenas, Manager, Individual & Small Group Marketplace, MHBE

Mr. Cardenas presented to the Board the process, results, and recommendations of the Standardized Benefit Design Workgroup. He began by explaining workgroup membership and the schedule of meetings, including which members of the workgroup attended which meetings. Next, Mr. Cardenas presented the eight policy recommendations considered by the workgroup, along with the voting record for each policy.

Commissioner Redmer asked why the workgroup differed on whether to require plan standardization in the individual versus the small group marketplace. Mr. Cardenas replied that the question considered by the workgroup was whether the introduction of a standardized benefit design requirement would add value. While the workgroup

unanimously believes that standardized plans would be a value-add in the individual marketplace, there was some dissent among members regarding the value of standardized benefit designs in the small group market.

Mr. Steffen asked Mr. Cardenas to expand on the value-add considered by the workgroup. Mr. Cardenas replied that the conversation centered the resources available to consumers trying to understand their choices since the decision of which health plan is best involves a complex series of decisions. The workgroup noted that brokers are very active in the small group market in providing context and decision support, but have far less influence in the individual market.

Mr. McCann wondered whether efforts to introduce standardized benefit designs would be misplaced, noting that the enrollment numbers seem to suggest that consumers are having little trouble understanding their options. Mr. Cardenas replied that it is too soon to say whether the degree of health literacy among consumers is rising.

Mr. McCann asked, based on the fact that the votes were not unanimous, whether an approach that uses a web page to present this information might be sufficient. In response, Mr. Cardenas noted that those members of the workgroup which voted in favor of standardization included representatives from the insurance carriers.

Dr. Haft stated that standardization is good for consumer understanding but bad for competition and innovation—a dichotomy that must be weighed carefully. Mr. Cardenas replied that it is not the recommendation of the workgroup that all plans be standardized. Rather, the workgroup recommends that there be a mix of standard and nonstandard plans.

Commissioner Redmer shared his opinion that it is counterintuitive to recommend plan standardization in the individual market, where there are only two carriers, but not in the small group market, where there is plenty of choice and competition. He predicted that, if the MHBE offers standard plans, consumers will only consider those plans rather than evaluating the nonstandard options that might be a better fit for them. The Commissioner stated that he prefers keeping the plan choices complicated and driving consumers toward expert help.

Mr. Steffen expressed concern that introduction of standardized benefit design requirements will discourage the entry of new carriers into the market—a real concern in a market with only two competitors. He stated that the MHBE should ensure consumers have more choice before it undertakes standardization. In response, Mr. Cardenas clarified that what the workgroup mainly considered standardizing was cost sharing. He added that the concerns expressed by Board members would be incorporated into the recommendation.

Mr. Cardenas then completed his presentation by outlining next steps in the process of releasing the final issuer letter for 2019. He then introduced Kimberly Cammarata, Director of the Health Education and Advocacy Unit of the Maryland Office of the Attorney General, who served on the workgroup. Ms. Cammarata shared with the Board her thoughts regarding her service on the workgroup. She noted that the group demonstrated an appreciation for all opinions and that all participants were treated with respect. She characterized the discussions undertaken by the workgroup as robust, and shared her opinion that more standardization is helpful for consumers.

Closed Session

Mr. McCann moved that the meeting be closed in accordance with General Provisions Article § 3-305(b) to consult with counsel to obtain legal advice about a legal matter.[1] Mr. Steffen seconded the motion. The Board voted unanimously to move into closed session. For topics discussed and actions taken, please see the Statement for Closing a Meeting.[2]

[1] General Provisions Article § 3-305(b)(7) allows a closed session to consult with counsel to obtain legal advice. Article § 3-305(b)(14) allows a closed session to discuss, before a contract is awarded or bids are opened, a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

[2] Statement for Closing a Meeting: http://www.marylandhbe.com/wp-content/uploads/2017/01/Closed-Meeting-Statement-11.20.17.pdf.