



Maryland Health Benefit Exchange Board of Trustees

June 18, 2018

2:00 p.m. – 4:00 p.m.

Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Members Present

Robert R. Neall, Chair	K. Singh Taneja (by phone)
S. Anthony (Tony) McCann, Vice Chair	Ben Steffen, MA
Linda S. (Susie) Comer (by phone)	Dana Weckesser

Members Absent

Alfred W. Redmer, Jr.	Sastry Dhara
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Also in Attendance

Lourdes Padilla, Secretary, Maryland Department of Human Services
Michele Eberle, Executive Director, Maryland Health Benefit Exchange (MHBE)
Andrew Ratner, Chief of Staff, MHBE
Venkat Koshanam, Chief Information Officer, MHBE
John-Pierre Cardenas, Director, Policy & Plan Management, MHBE
Heather Forsyth, Director, Consumer Assistance, Eligibility & Business Integration, MHBE
Betsy Plunkett, Director, Marketing & Web Strategies, MHBE
Aaron Jacobs, Director, Organizational Effectiveness and Human Resources, MHBE
Sharon Stanley Street, Principal Counsel, Office of the Attorney General
Caterina Pañgilinan, Chief Compliance Officer, MHBE
Tony Armiger, Chief Financial Officer and Acting Procurement Officer, MHBE

Welcome & Introductions

Secretary Neall welcomed everyone to the Board meeting.

Approval of Meeting Minutes

The Board reviewed the minutes for the May 21, 2018 open meeting. Mr. McCann moved to approve the minutes. Ms. Weckesser seconded the motion. The Board voted unanimously to approve the minutes of the May 21, 2018 open meeting.

Secretary Neall read the following closed meeting summary:

“The Board of Trustees met in closed session on May 21, 2018. The session began at 3:38 PM with Board members Robert Neall, Tony McCann, Ben Steffen, K. Singh Taneja, and Dana Weckesser present. Also present were MHBE staff members Michele Eberle and Cynthia Wilson and Assistant Attorneys General Sharon Street and Trevor Coe. The Board approved the minutes of the November 20, 2017 closed session and was updated on a litigation matter. The closed session adjourned at 3:57 PM.”

Executive Update

Michele Eberle, Executive Director, MHBE

Ms. Eberle stated that this is the annual Board meeting, during which the MHBE staff propose dates for the next year's meetings. She stated that the proposed meeting schedule for the coming year is the same as the current year, with the same location and time. Mr. McCann asked whether the Board needed to have a meeting in December 2017. Mr. Steffen responded in the affirmative. Mr. McCann requested that the MHBE staff set a tentative date for a meeting in December 2018. Ms. Weckesser moved to approve the 2019 Board meeting dates and times as presented. Mr. Steffen seconded the motion. The Board voted unanimously to approve the Board meeting dates.

Ms. Eberle announced that the MHBE's IT staff will relocate to the Pratt Street location at the end of June. She then provided an update on hiring, stating that there was one promotion internally, and that a new procurement manager is starting on July 5, 2018. There is also a new Board member starting next month, Dr. Rondall Allen, the Dean of the School of Pharmacy and Health Professions at the University of Maryland, Eastern Shore.

Next, Ms. Eberle provided policy updates. The MHBE finished all 1332 waiver hearings, submitted the 1332 waiver application, and received acknowledgement of receipt of the application by the Centers for Medicare & Medicaid Services (CMS). Ms. Eberle stated that CMS has up to 45 days to deem the application complete. The MHBE included the CMS checklist with the application and included page numbers for each part of the checklist in order to speed up the process.

The Secretary of the United States Department of Health and Human Services (HHS) confirmed that the Administration will not prevent issuers from silver loading in 2019, which will have a positive impact on premiums. Ms. Eberle also stated that Pennsylvania's premium increases will only be 4.9 percent. The MHBE is optimistic about Maryland's premium increases.

Ms. Eberle explained that the MHBE has started holding regional forums as a way to connect with elected officials, stakeholders, and communities to strategize on how to reach the remaining uninsured. The MHBE has held forums in Hagerstown and Salisbury and will have two more.

Finally, Ms. Eberle noted that there was an IT release on May 24, 2018, with two more scheduled: one in June and one major release in July.

Agency Fiscal Year 2018 Accomplishments

Andrew Ratner, Chief of Staff, MHBE

Mr. Ratner summarized the MHBE's accomplishments for the fiscal year and explained the five focus areas for the MHBE to achieve its goals: customer service, organizational strength, accountability, "telling our story," and agency engagement.

Mr. Ratner provided a summary of customer service achievements. User experience testing changes have been going on through the last two months, and the MHBE will provide the Board with a "before and after" presentation prior to the next open enrollment. Mr. Ratner highlighted that the BATphone program has continued to evolve. Mr. Ratner continued with accountability achievements and highlighted that, although overall enrollment decreased, there were improvements in target areas that previously had lower enrollment. Mr. Ratner explained that the MHBE is working with state and Internal Revenue Service (IRS) data to target areas with the most people who paid the penalty with messaging to encourage enrollment.

Mr. Ratner provided an overview of the organizational strength and "telling our story" focus areas. Mr. Ratner explained that the MHBE began conducting forums earlier in the year to get feedback prior to open enrollment. He also stated that polling has shown that free, in-person consumer assistance is a strength. He stated that the MHBE is one of the leading state agencies on social media. Twitter use is up 14 percent. Mr. Ratner emphasized that the MHBE continues to do great work digitally and with social media. Mr. Ratner summarized agency engagement and explained that the MHBE website had its highest level of traffic outside of open enrollment when the 1332

application materials were online. Mr. Ratner thanked the Board for their assistance and leadership.

Annual Compliance Report

Caterina Pañgilinan, Chief Compliance Officer, MHBE

Ms. Pañgilinan provided a Quarter 4 update and explained that she will be providing a full annual report at a later date. Ms. Pañgilinan provided an overview of privacy incidents and stated that there was a 15 percent increase in mis-loaded documents, although the actual number of incidences was low. The MHBE is working with its partners at the Maryland Department of Health to improve in this area. The MHBE has incorporated these issues into a best practices training. The MHBE had a 44 percent decrease in customer service representative (CSR) errors. The MHBE worked with partners at Maximus to improve best practices and decrease CSR telephone incidents. The MHBE has also focused on improving data use agreements.

Ms. Pañgilinan emphasized that the MHBE has improved and enhanced IT security training. Ms. Pañgilinan stated that, in terms of breach notifications, the MHBE decreased the amount of time to investigate and close reports. The MHBE trained 1,500 individuals, producers, and certified application counselors. Ms. Pañgilinan presented information on reporting types by entities. Ms. Pañgilinan explained that the MHBE is not only hoping to decrease the number of incidents, but also to catch them before any impact on the consumer occurs. In terms of fraud, waste, and abuse, she stated that there are five more reported instances year-to-date than in the last compliance report.

Ms. Pañgilinan provided an overview of the MHBE's continued efforts to build policy and procedures. The MHBE is enhancing contract monitoring and moving towards the audit process. The MHBE continues to develop schedules for investigating internal and external departments. Ms. Pañgilinan noted that the agency has been incredibly busy with audits. She commended the IT and audit teams for successfully completing multiple reviews at the same time. Ms. Pañgilinan stated that the only formal audit currently underway is the IT security audit with Office of Legislative Audits (OLA), and the MHBE anticipates having preliminary discussion notes in approximately one month. The MHBE just underwent financial and compliance audits and anticipates having the report in four months.

Ms. Pañgilinan explained that the MHBE just completed the state-based marketplace annual reporting tool and cleared two findings from last year. The MHBE is working with the Center for Consumer Information and Oversight (CCIO) to clear the incarceration review finding. Ms. Pañgilinan anticipates that the MHBE will have the verification of employer-sponsored coverage implemented in August. Ms. Pañgilinan stated that the MHBE cleared one finding from the Independent External Finance and Programmatic Audit for Plan Year 2017.

Secretary Neall asked if there is a significance to the colors on the bar chart, and Ms. Pañgilinan explained that yellow is due next week and blue is current. Secretary Neall asked what the problem is with the incarceration review. Ms. Pañgilinan explained that the issue is with the data. Currently, the MHBE asks people to attest as to whether they were incarcerated. When the self-attestation was implemented, they did not ask enrollees who automatically renew their coverage to attest if they were incarcerated. Ms. Pañgilinan explained that she believes the MHBE will receive federal approval to not require people to come back to attest that they are not incarcerated.

Secretary Padilla asked if the MHBE should address incarceration for passive renewals. Ms. Pañgilinan explained that the MHBE does not require passive renewals to come back into the system.

Mr. McCann asked if there are any findings that the MHBE has agreed with on prior audits that have not been completely implemented. Ms. Pañgilinan explained that the MHBE is still in the process of implementing the incarceration review and verification of employee-sponsored coverage changes. The MHBE implemented a manual process, and the systems approach will be implemented in September.

Mr. McCann asked if there are areas in which the MHBE is in complete disagreement with auditors on findings. Ms. Pañgilinan explained that the MHBE just went through discussion sessions with OLA on findings and are implementing recommendations. Ms. Pañgilinan added that if the MHBE has an issue with findings, they discuss the issue with OLA. Mr. McCann asked if the MHBE has any issues with other entities, and Ms. Pañgilinan responded in the negative.

Mr. Steffen asked whether the incidents report is in reference to personally identifiable information or personal health information. Ms. Pañgilinan responded that the MHBE has had no incidents involving personal health information to date.

Mr. Steffen asked how security audits of vendors are being conducted. Ms. Pañgilinan stated that the MHBE is awaiting a SOC 2 Type 2 audit from the call center. Conduit has provided reports, but not a SOC 2 Type 2. All new contracts now require SOC 2 Type 2.

Proposed Amendments to Procurement Policies and Procedures

Tony Armiger, Chief Financial Officer and Acting Procurement Officer, MHBE

Mr. Armiger provided a summary of the proposed changes to the procurement policy and procedures. Mr. Armiger provided an overview of the eight changes, which included the addition of another method of submitting bids electronically to the MHBE's designated email address. This gives the MHBE two methods of submission: mail and email. Mr. Armiger continued by explaining the change that would allow the MHBE a cleaner way to procure a lease in the event that it is in the agency's best interest. Mr. Armiger explained that the majority of the changes to the procurement policies have to do with master contracting. Mr. Armiger provided a detailed explanation of the master contracting changes and added that the award of a task order is not subject to a bid protest. Mr. Armiger outlined the rest of the changes to the procurement policies and highlighted that the last change is to correct a citation.

Secretary Neall pointed out the following section:

"4) Section III –Change F to be:

"The Executive Director shall report to the Board of Trustees, at the next regular meeting of the Board following the award of any task order:

(a) the Contractor(s) to which any task order has been award, and (b) the amount of the task order."

Secretary Neall stated that line *"(a) the Contractor(s) to which any task order has been award"* should read *"(a) the Contractor(s) to which any task order has been awarded"* instead.

Secretary Neall asked if electronic submission will have its own section in the policies in order to emphasize it as the best practice. Ms. Eberle replied that the MHBE has requested to receive electronic submissions in recent procurements. Mr. Armiger added that, last year, the MHBE received only electronic submissions.

Mr. Taneja asked if the final approval of a lease is still subject to the approval of the Board. Mr. Armiger responded in the affirmative.

Mr. McCann moved to approve the proposed amendments to the Board of Trustees' Procurement Policies and Procedures as presented. Ms. Weckesser seconded the motion. The Board voted unanimously to approve the motion.

Mr. Armiger highlighted the annual list of contracts provided through May. The MHBE will provide a full list for fiscal year (FY) 2018. Ms. Weckesser asked why some of the amounts are empty. Ms. Eberle responded that the amounts are empty because they are IDIQ task orders. The MHBE will provide the amounts at the next meeting.

IT Procurements

Tony Armiger, Chief Financial Officer and Acting Procurement Officer, MHBE

Venkat Koshanam, Chief Information Officer, MHBE

Mr. Armiger provided an overview of upcoming IT procurements. The first is for the Akamai subscription renewal. The MHBE will request to approve the Corticon renewal at the next Board meeting. Mr. Armiger explained that Akamai is for security, among other things. He provided the amount for the procurement, a breakdown of special

and federal funds, and the license period.

Mr. McCann asked how many bids the MHBE received. Mr. Armiger responded that the MHBE received three bids.

Mr. McCann moved to approve an amount of \$428,566.20 for the purchase of Akamai software subscription services from Carahsoft Technology Corporation for a twelve (12) month period from July 31, 2018 to July 30, 2019. Mr. Steffen seconded the motion. The Board voted unanimously to approve the motion.

Mr. Armiger provided an overview of the Corticon renewal and stated again that the MHBE will request Board approval for the renewal at the July Board meeting. Secretary Padilla asked if the MHBE is renewing and also putting out an invitation for bid (IFB). Mr. Armiger explained that the IFB is for the renewal. Secretary Padilla asked if the renewal is for one year, and Mr. Armiger responded in the affirmative.

Mr. McCann asked about the projection for unobligated funds. Mr. Armiger responded that it will be more than last year due to underspend in the call center. Mr. McCann asked if the Board has the authority to move funds around. Mr. Armiger stated that the MHBE already made a budget amendment to move money to IT.

Reinsurance Regulation Timeline

John-Pierre Cardenas, Director, Policy & Plan Management, MHBE

Mr. Cardenas provided an overview of the regulations process for the reinsurance program and chapter regulations, and highlighted a few outstanding items. Mr. Cardenas stated that the Wakely report is due on June 30, 2018.

Mr. Cardenas outlined the chapter regulations timeline and stated that the MHBE proposes a one-month review period for these regulations. Mr. Cardenas emphasized that there is a first round of floating the regulations with stakeholders, a review and adjudication period where the MHBE incorporates comments, and then a second review period. Mr. Cardenas explained the submission process for the chapter regulations and provided a high-level overview of the timeline. Secretary Neall stated that the process Mr. Cardenas outlined is the standard non-emergency process, and Mr. Cardenas emphasized that if the Board decides that emergency regulations are necessary, the staff will respond to that decision. Mr. McCann asked if the MHBE will require Board approval between Christmas and New Year's.

Mr. Steffen asked if the regulations are in draft status today and would not return to the Board until August. Mr. Cardenas responded in the affirmative. Mr. Steffen asked if the MHBE thinks they need until August to complete their work. Mr. Cardenas responded that the chapter regulations are lengthy, and he predicts there will be quite a bit of feedback from stakeholders. Mr. Cardenas stated that he believes one month is sufficient time because the MHBE is releasing four chapters at once. Ms. Weckesser added that stakeholders may not have time during the summer to review. Ms. Eberle clarified that the chapter regulations and the reinsurance regulations are not the same, and the reinsurance regulations could be done on an expedited timeline. Secretary Neall emphasized the importance of separating the reinsurance regulations from the chapter regulations. Mr. Cardenas added that the MHBE is under statutory obligation to adopt reinsurance regulations by January 2019.

Mr. Cardenas provided an overview of the reinsurance regulations timeline. Mr. McCann emphasized the positive session with the Standing Advisory Committee on June 14, 2018, in which important issues were raised. Mr. Cardenas continued with an overview of the four upcoming public hearings and stated that the MHBE can provide agendas for the hearings at the next Board meeting. Secretary Neall asked why the MHBE is holding four hearings. Mr. Cardenas responded that there are four large groupings of subject areas to cover. Secretary Neall asked about the logistics of the hearings. Mr. Cardenas answered that the MHBE will follow public hearing rules. Secretary Neall emphasized the importance of being flexible for the public. Mr. Cardenas stated that the MHBE will leverage the Maryland Insurance Administration's hearing process.

Mr. Cardenas stated that the proposed timeline would be amended if the Board determines that an emergency regulation schedule is necessary. Mr. Cardenas thanked the Board for their active engagement, specifically the policy subcommittee. Mr. Steffen asked where the draft proposed regulations are located. Mr. Cardenas responded

that the proposed regulations will be posted tomorrow.

Consolidate Service Center FY19 Forecast

Eric Rubin, President, Health Operations, Maximus

Eric Stewart, Director of Data Sciences and Operational Research, Maximus

Mr. Rubin and Mr. Stewart presented on capacity planning for the call center. Mr. Rubin stated that Maximus is still working through the forecast. Mr. Stewart stated that understanding the methodology will help them serve the members in Maryland. The forecast methodology is built from years of experience. Mr. Stewart provided a high-level explanation of the methodology and stated that they focus on collecting assumptions. Mr. Stewart stated that they use discrete advanced simulation and model every call that comes into the call center. Mr. Stewart explained that they can optimize and run different scenarios in order to test out new theories and find better performance. Mr. Stewart added that this allows them to build profiles of customers and build performance in anticipation of different factors specific to Marylanders.

Mr. Stewart continued by highlighting the volume forecast and staffing model and explained that the staffing model will meet the needs identified in the volume forecast. Mr. Stewart then highlighted a gap that he attributed to a lack of precedent and historical information. Mr. Stewart explained that they continually revise the model and the process. Mr. Stewart stated that there is quite a lot of alignment with the prior year beyond the open enrollment period. Mr. Stewart highlighted that the programmatic changes are behind the fluctuations in the call volume. Ms. Eberle added that the assumptions are important.

Mr. Rubin provided the staffing forecast for Open Enrollment 6 compared with prior years. Mr. Rubin provided the estimated and actual wait times and stated that the goal is to cut wait times in half. Mr. Rubin emphasized that the abandonment rate is directly tied to wait time. He explained that the courtesy callback will be implemented and will be enabled at three minutes. Mr. Rubin added that the system calls the person back, and the only time that the courtesy callback will not be enabled is toward the end of the day.

Secretary Neall noted that the customer still has the option to wait on the line. Ms. Weckesser asked for clarification on what is meant by end of day. Mr. Rubin responded that the courtesy callback would not be enabled for the last two hours of the day. Secretary Padilla asked where the callbacks are within the statistics and how long it took for the call center to call a person back. Mr. Rubin responded that the hourly data contain the courtesy callbacks, but they are not presented in the data here. Mr. McCann asked about the industry standard for waiting times and lost calls and asked if that would apply to this situation. Mr. Stewart responded that standard wait times vary widely and that they try to keep wait times in single digits, under five minutes.

Mr. McCann asked if there are assumptions in the model to account for declining calls due to the mobile application. Mr. Stewart did not recall a meaningful change in call volume because of the mobile application on its own. Ms. Eberle added that the MHBE considers costs when establishing the threshold for wait times.

Mr. Rubin added that they model for a year and redo the forecast about once per month. Mr. Rubin stated that they want to maintain quality and that the standard went up in the new contract. Mr. Rubin emphasized that they have been hitting that new quality standard and do not want to compromise on quality. Mr. Rubin provided an overview of how Maximus develops their staff plans, turns them into hourly schedules, and begins recruiting. Mr. Rubin provided a summary of awards and compliments on call center performance.

Ms. Eberle asked Mr. Rubin and Mr. Stewart to speak to the pilot program. Mr. Rubin explained that Maximus is using the BATphone technology with remote agents, and it has been extremely successful. He added that they will roll out more agents, and it offers the opportunity to have people answering the phones in any part of the state.

Mr. Steffen asked about the staffing mix trends in previous years. Mr. Rubin responded that the staffing trend was about 10 percent lighter last year, and the agent to full-time employee ratio is 2 to 1. Mr. Steffen asked why the agent to full-time employee ratio varies so dramatically from month to month. Mr. Rubin responded that training is going on behind the scenes, and the model treats each employee differently based on experience. Mr. Steffen asked

about retention from year to year and how it compares to other vendors. Mr. Stewart responded that retention is industry standard or better.

Adjournment

Mr. McCann moved to adjourn the meeting. Ms. Weckesser seconded the motion. The Board voted unanimously to adjourn the meeting.