



Maryland Health Benefit Exchange Board of Trustees

February 20, 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 (by phone)	K. Singh Taneja
S. Anthony (Tony) McCann, Vice Chair	Ben Steffen, MA
Linda S. (Susie) Comer (by phone)	Dana Weckesser
Alfred W. Redmer, Jr.	
Sastry Dhara (by phone)	

Also in Attendance

Lourdes Padilla, Secretary, Maryland Department of Human Services
Michele Eberle, Executive Director, MHBE
Andrew Ratner, Chief of Staff, MHBE
Venkat Koshanam, Chief Information Officer, MHBE
Anthony Armiger, Chief Financial Officer, MHBE
Caterina Pañgilinan, Chief Compliance Officer, MHBE
Betsy Plunkett, Director, Marketing & Web Strategies, MHBE
John-Pierre Cardenas, Director, Policy & Plan Management, MHBE
Heather Forsyth, Director, Consumer Assistance, Eligibility & Business Integration, MHBE
Michelle Compton, Manager, Procurement, MHBE
Rebecca Smith, SHOP Account Manager, MHBE
Sharon Stanley Street, Principal Counsel, OAG

Welcome & Introductions

Secretary Neall was present by phone for the meeting. Mr. McCann welcomed everyone to the Board meeting.

Approval of Meeting Minutes

The Board reviewed the minutes for the January 16, 2018 open meeting. Mr. Steffen moved to approve the minutes; Mr. Redmer seconded the motion. The Board voted unanimously to approve the January 16, 2018 minutes. Mr. Taneja was not present for the vote.

Executive Update

Michele Eberle, Executive Director, MHBE

Ms. Eberle, noting that this is a busy time of year for the MHBE, announced that the agency's budget hearing in the Maryland House of Delegates took place on February 14, 2018, and the hearing in the Maryland Senate is on February 22, 2018.

Next, Ms. Eberle described activity at the MHBE regarding the legislative session. She explained that there has been a great deal of effort by MHBE policy staff, including the drafting of 39 fiscal notes.

Ms. Eberle then announced that four bills would be heard in the Maryland Senate Finance Committee the next day, on February 21, 2018, each of which could potentially impact the MHBE. She provided an overview of the content of those bills, as well as two House bill hearings on March 5, 2018.

With regard to federal legislation, Ms. Eberle explained that federal authorities continue to discuss a reinsurance program, noting that any action on that front would be in the omnibus bill. She added that other federal activity includes legislation on association health plans, as well as rulemaking to extend the limit of short-term health plans to 364 days.

Next, Ms. Eberle announced the formation in Annapolis of a legislative workgroup for Affordable Care Act-related issues, and that the group would meet on Mondays at 3:30 PM. She added that Mr. Cardenas attended the most recent meeting and that the MHBE would present information on 1332 waivers to the group at its next meeting.

Ms. Eberle went on to discuss operational activities at the MHBE, beginning by noting that the agency held open enrollment debriefs with carriers, connectors, and producers. She said that these groups had a good response overall, noting that each partner community shared their opinion that each passing year sees improvements in MHBE operations.

Ms. Eberle announced that call center volume has returned to normal levels, and that all 1095 tax forms for both Medicaid and qualified health plan (QHP) enrollees went out on time.

Next, Ms. Eberle described efforts to develop a memorandum of understanding (MOU) with the Maryland Department of Human Resources for inclusion on the MD THINK platform, as well as efforts to update the MOU with the Maryland Department of Health (MDH).

2019 Plan Year Open Enrollment Dates

Heather Forsyth, Director, Consumer Assistance, Eligibility & Business Integration, MHBE

Ms. Forsyth presented the Board with three options for the open enrollment dates for 2019 and beyond. She explained that the agency considered the following three primary criteria in drafting these options:

- Providing a long period of time for consumers to select plans while not crossing into the next calendar year
- Ending the open enrollment period earlier than in previous years to allow enrollment and billing issues to be resolved before the benefit year begins
- Ensuring that impact on consumer assisters is positive or neutral

Ms. Forsyth presented the first option, an open enrollment period extending from October 15 through December 7 for a total of 53 days. She explained that this option is the staff recommendation due to factors including its being helpful to consumer assisters by leaving more time for reconciliation before the benefit year begins. She noted that this option would require the Maryland Insurance Administration (MIA) to release approved plans and rates two weeks earlier than has been traditional. She added that this set of dates matches those of the annual Medicare open enrollment and that several large employers in Maryland have the same dates.

Next, Ms. Forsyth presented the second option, an open enrollment period extending from November 1 through December 15, for a total of 45 days. She pointed out that the open enrollment period that just ended was originally slated for those dates and that using these dates would not require any changes to the MHBE's IT systems. She explained that this date range puts more pressure on consumer assisters, as well as on IT operations for both the MHBE and the carriers. She characterized option two as the MHBE staff's second choice.

Finally, Ms. Forsyth presented the third option, an open enrollment period extending from November 1 through January 31, for a total of 90 days. This option would provide a very long period for consumers to complete their enrollment, as well as relax some of the time pressures on consumer assisters. Regarding consumer assisters, however, she pointed out that a 90-day period puts a strain on the resources of consumer assistance organizations by requiring them to keep higher staffing levels for a longer period of time. She added that carriers find this option particularly distressing due to the possibility of having to issue plans with effective dates ranging from January 1 through March 1.

Ms. Forsyth then described carrier feedback received on the three options. CareFirst, she explained, preferred option two since it aligns with the dates on the Federally-Facilitated Marketplaces (FFMs) where they sell plans. Kaiser Permanente did not provide written comments.

Mr. Taneja, citing the statistic offered by Mr. Ratner in another meeting that 94 percent of consumers complete their enrollment by December 15, asked what percentage of consumers completed their enrollment by December 7. Ms. Forsyth responded that, since the MHBE has never ended open enrollment on that date, she did not have the data on which to base a response. She added that the agency's experience has shown that a certain portion of consumers will always wait until the last minute. Mr. Taneja followed up by asking whether, given option one, the agency would have the option to extend the deadline. Ms. Forsyth replied that they would. Ms. Eberle added that a large part of the reason for achieving that 94 percent enrollment level is the smooth functioning of the automatic plan renewals between the MHBE, consumers, and carriers.

Mr. McCann asked why option one ends on December 7 rather than December 15. Ms. Forsyth replied that the extra week allows the agency more time to reconcile with carriers to ensure smooth billing and increase the likelihood that consumers will effectuate their coverage by paying their first bill on time. Mr. McCann asked whether this is a critical issue or a "nice-to-have." Ms. Forsyth responded that, while the agency would value having a safety valve, the issue is not critical.

Commissioner Redmer shared his opinion that option two be adopted. He noted that option one would require adjustments that should be avoided. He added that he does not believe that the MIA can advance the rate approval process by two weeks, especially given the likelihood of the plans and rates for 2019 being more laborious to approve given action in the Maryland General Assembly. He concluded his comment by stating that one of his constant efforts is to attract new carriers to the state and that these efforts would be made more difficult by increasing administrative burdens on carriers as would occur with options one or three.

Mr. McCann asked how many days were in the open enrollment period that just ended. Ms. Forsyth answered that the period was originally scheduled for 45 days, but was extended to 52 days.

Mr. Steffen stated that he would like to see a longer open enrollment period. He added that the agency staff should keep the uncertainty of the market in mind, noting that premium rates could rise significantly by next year, and that the MHBE should maintain flexibility on these issues.

Mr. Redmer restated his preference for option two, adding that if the legislature does not take action, premium rates will climb dramatically, and that if the legislature does act, there will be so much press and publicity that no one should remain unaware of the dates.

Ms. Weckesser, noting that the marketing request for proposals (RFP) was on the agenda for the meeting, stated that the agency should plan for a marketing push around the dates.

Mr. McCann asked the Board whether a motion to approve option 2 should be bundled with MHBE staff authority to extend the deadline. Mr. Redmer replied in the negative, asserting that the decision to extend should be left to the Board.

Mr. McCann moved to approve the 2019 plan year open enrollment dates as in option two. Mr. Redmer seconded the motion. The motion was approved with no opposition.

Regulations: Chapters 7, 14, 15, & 16

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

Mr. Cardenas presented an overview of regulations being developed and maintained by the MHBE. He began by explaining that having rules in place reduces questions and promotes stability.

He summarized the content of four particular chapters of regulation:

- Chapter 7 contains rules that govern eligibility standards for enrollment in a QHP and/or a QHP with subsidies
- Chapter 14 contains rules that govern terminations, cancellations, or rescissions of coverage in a QHP
- Chapter 15 containing rules that set standards required of carriers offering QHPs
- Chapter 16 sets standards that individual QHPs must meet.

Next, Mr. Cardenas presented a proposed timeline for the promulgation of the regulations from first presentation of proposed regulations to the Board in May 2018 through final adoption in January 2019.

Ms. Weckesser asked whether the Board would be presented with the regulations one at a time or all at once. Mr. Cardenas replied that the Board would see all of the proposed regulations together.

Mr. Redmer asked what activity related to regulations would take place before May 2018. Mr. Cardenas replied that, since the MHBE has been developing a library of proposed regulations for some years, there is a lot of material on hand to work through. He added that the agency requests that the Board form a policy subgroup in order to review the regulations such that some or all potential issues can be resolved before the presentation in May. Ms. Eberle added that Ms. Weckesser and Mr. Steffen have agreed to participate in the policy subgroup.

Mr. Steffen recommended that the agency float the proposed regulations to stakeholders before formal promulgation. He added that any regulations that are likely to provoke controversy should be brought to the attention of the Board well in advance of the May meeting. Mr. Cardenas agreed with Mr. Steffen. Ms. Eberle added that, since so much work has been done on these regulations over the years, much of the stakeholder feedback is already captured.

Mr. McCann asked whether this regulations process involves the Standing Advisory Committee (SAC). Mr. Cardenas replied that the plan could potentially involve the SAC. Mr. McCann opined that involving the SAC would be wise, and announced that the Chairman would officially designate any involvement by the SAC in this process.

Secretary Padilla asked for a description of the formal comment process. Mr. Cardenas explained that the agency opens the process with a cut-off date. During that time, written comments from the public will be accepted and responded to by the agency. Secretary Padilla asked whether the public could be involved in the process. Mr. Cardenas replied that the MHBE wants to be as transparent as possible and will look into holding public sessions.

Mr. McCann asked whether the Board would have an opportunity to review proposed plan premium rates and associated comments before being asked to vote on them. Mr. Cardenas responded that such an opportunity would occur during the November meeting.

Small Group Health Options Program (SHOP) Future Options

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

Rebecca Smith, SHOP Account Manager, MHBE

Michelle Compton, Manager, Procurement, MHBE

Anthony Armiger, Chief Financial Officer, MHBE

Ms. Smith gave the Board an overview of the performance of the SHOP program, noting that enrollment volume increased by roughly one-third between 2017 and 2018. She announced that the number of small groups enrolled through SHOP increased from 110 in 2017 to 150 in 2018, and covers approximately 900 employees and their dependents. She added that increased interest from producers and carriers indicates further growth to come. She concluded by stating that the MHBE is continually searching for ways to improve the SHOP.

Mr. Cardenas then presented recommendations on the future of SHOP, noting that the Board will not be asked to take a vote during this meeting. He explained that the proposed rule in the 2019 Notice of Benefit and Payment Parameters would relax requirements on SHOP marketplaces that would allow additional flexibility to offer the program with features suitable for Maryland while maintaining the requirement that the MHBE offer a SHOP.

Next, Mr. Cardenas described the background and goals of the MHBE SHOP, including providing relief to employees facing rate increases in the individual market, reducing administrative burden on employers, promoting access to the federal tax credit for small employers, and educating insurance producers on the advantages of SHOP. He explained that the small group insurance market has demonstrated remarkable premium price stability, while the individual market has undergone significant instability, making the small group market more attractive to both employers and employees. He pointed out that the MHBE's overall intention is to reduce barriers to entry for small groups, even though uptake of the federal tax credit for small groups has been low due to the difficulty in qualify for the credit.

Mr. Cardenas then described the ongoing relationship with the SHOP contractor, BenefitMall, including the payment schedule, payment amounts, total contract value, contract end date, and the total enrollment secured under the contract.

Commissioner Redmer, noting that the SHOP program had been floundering until recently, asked why there was such a pronounced uptick in enrollments. Ms. Smith replied that the stability of premium rates drove employer interest which, in turn, led to renewed interest among producers.

Mr. McCann asked for an estimate of the potential maximum number of small groups in Maryland who might enroll through the SHOP. Ms. Smith replied that, in her opinion, at least 300 small groups in Maryland would be interested in SHOP coverage. She added that groups with 10 or fewer employees are likely to benefit the most, given they have the best chance at securing the federal tax credit.

Mr. McCann then asked whether the MHBE has statutory authority to increase the size definition of small groups or take other steps to make the SHOP more attractive to groups with 10 to 25 employees. Mr. Cardenas replied that the tax credit is entirely federal, and is pegged to groups with 12 and fewer employees. He added that the amount of the federal tax credit is calculated by comparing the average salary of the small group's staff with the cost of premium for the group.

Mr. Steffen, citing the \$700,000 contract value and the 900 covered lives, asked whether it would be possible to develop some incentive to BenefitMall to help grow the SHOP. He added that the current contract is not a good value to the state. Mr. Cardenas responded by stating that the MHBE staff recommends not extending the contract with BenefitMall for a second option period. Ms. Compton added that the \$700,000 contract value is a not-to-exceed amount, meaning that it's a ceiling on the possible price of the contract rather than a fixed cost. Mr. McCann asked that the Board be provided with the current cost per household of the SHOP contract. Mr. Cardenas noted that the MHBE has not spent anywhere near the \$700,000 not-to-exceed limit on the SHOP contract.

Mr. Cardenas then formally presented the staff recommendation that the contract with BenefitMall not be extended and added that the MHBE would resume the SHOP direct model, employed before the BenefitMall contract began, in the interim while developing a permanent solution for the future.

Mr. McCann asked for further details on the interim plan. Mr. Cardenas explained that the direct model would be the same employed by the FFMs and as that employed in Maryland in 2014. Mr. McCann asked whether this direct model would be operated by MHBE staff, to which Mr. Cardenas replied in the affirmative.

Commissioner Redmer expressed concern that the agency intends to develop both an interim process and a permanent solution in a very short time frame, to be delivered right at the cusp of the next open enrollment. He stated that he would prefer that the MHBE take more time to develop the SHOP process and present options to the Board in February 2018.

Mr. McCann asked how much of the \$700,000 limit has been spent on the contract. Mr. Armiger replied that the contract has cost roughly \$40,000 per month, meaning roughly \$320,000 has been spent so far and that roughly \$460,000 will be spent by the time the contract ends.

Ms. Weckesser asked why the staff recommends not extending the contract with BenefitMall. Mr. Cardenas replied that their opinion is that the contract does not represent a value-add for the money spent. Ms. Eberle added that the MHBE has experience with the direct enrollment method wherein the MHBE simply provides the small group with an eligibility determination. The small group then enrolls directly with the carrier. She reiterated the recent relaxing of federal rules governing SHOP marketplaces. Ms. Eberle stated that the agency had expected BenefitMall to put forth the effort to publicize and market the SHOP, and they have not done so.

Mr. Dhara shared his experience of using the SHOP to insure his own small business, and stated that the experience was not pleasant and led to him enroll directly through the carrier.

Commissioner Redmer asked for clarification on how MHBE staff have the authority to terminate a contract without Board approval. Ms. Eberle pointed out that the contract would automatically expire if the Board did not decide to extend.

Mr. McCann asked for confirmation that the contract ends on July 1, 2018. Mr. Cardenas clarified that the contract ends on June 30, 2018.

Mr. Taneja asked whether the Board must approve the contract extension, or whether it would be automatically renewed. Ms. Eberle replied that, due to the cost, the Board has to approve the renewal. Mr. Taneja pointed out that the outcome will change whether the Board does or does not come to a decision. The net effect, he argued, is that the Board must decide whether or not to renew. He asked when the decision must be made final. Ms. Eberle replied that the agency would need a decision at least 30 days before the end of the contract.

Mr. McCann noted that several Board members have expressed discomfort at the notion of not renewing the contract. Commissioner Redmer clarified that he does not object to bringing the SHOP function in-house to the MHBE, but rather that the staff have not presented the Board with a plan for doing so. Chairman Neall and Ms. Comer agreed with the Commissioner.

Mr. Steffen asked whether the MHBE staff have discussed this issue and their concerns with BenefitMall, and whether any negotiations are possible or ongoing. Ms. Eberle replied that the MHBE has had difficulty with BenefitMall's ability to meet service-level agreements. Mr. Steffen asked Ms. Eberle to confirm that BenefitMall has not performed well as a contractor. Ms. Eberle replied in the affirmative. Ms. Smith added that a complete review of BenefitMall's performance would be forthcoming in about two weeks.

Mr. McCann began to offer a motion to approve a one-year extension of the SHOP contract and to require the MHBE staff to, on a date to be selected by the Executive Director, present the Board with a plan for going forward.

Commissioner Redmer asked whether the SHOP contract can be terminated if the Board decided to extend. Ms. Eberle responded in the affirmative.

Ms. Weckesser expressed discomfort with the idea of proceeding to extend the contract over staff objections by relating it to a similar situation she had experienced before.

Commissioner Redmer pointed out that the SHOP contract could be canceled with 30 to 60 days' notice, and that the MHBE staff could develop a plan for bringing the SHOP in-house—a plan that could be put into effect at any time during the extension year.

Mr. Taneja, noting that the contract does not end until June 30 and requires only 30 days' notice not to extend, asked why the Board should rush to decide today on this matter. He stated that the Board should allow the staff time to return with a plan for bringing the SHOP in-house. If the Board determines that the plan is insufficient, it could extend the contract at that time.

Mr. Dhara stated that the Board should not vote on extending the contract today and should listen to the staff recommendation.

Chairman Neall, pointing out that the Board and staff have a great deal of work to accomplish in 2018, stated that he did not want to leave loose ends on such matters. While he has not made up his mind about this vendor, he shared his opinion that the decision on how to proceed should be left until after the next open enrollment, leaving the staff free to focus on open enrollment related work.

Mr. McCann asked for the last possible date of notification that the MHBE will not extend the contract. Ms. Compton replied that there is no notification date, nor any clause about notification, in the contract. Mr. McCann asked whether that means the MHBE could decide on June 29 not to extend the contract. Ms. Compton replied in the affirmative, adding that the MHBE has the unilateral right to extend or not.

Mr. McCann withdrew his previous motion and presented a new motion, that the Board will defer action and ask the staff to give, by the May meeting, a plan for bringing SHOP in-house along with recommendations on how to proceed with the SHOP contract. Ms. Weckesser seconded the motion.

Mr. Cardenas stated that the MHBE has models of the direct enrollment process and would share them with the Board the next day. Mr. McCann replied that if the staff is prepared to do so, they should plan to present an outline of the work and all associated impact at the April meeting and that the Chairman should receive a full briefing prior to that time.

The motion passed without opposition.

Compliance Update

Caterina Pañgilinan, Chief Compliance Officer, MHBE

Ms. Pañgilinan gave the Board a report on compliance, including the number and magnitude of privacy incidents and ongoing mitigation strategies. She explained that the majority of trackable privacy incidents occur when verification workers mistakenly upload a document to the wrong consumer's account, adding that these incidents can be traced due to their having taken place through the Maryland Health Connection Worker Portal. By contrast, similar incidents that occur through the Consumer Portal may be invisible to the agency.

Next, Ms. Pañgilinan described a significant decrease in phone incidents, crediting both the introduction of the integrated consumer record management (CRM) system and the close partnership between the MHBE and the call center vendor for the improvement.

Ms. Pañgilinan then explained that an incident response team with representatives from the MHBE IT security staff, reporting staff, compliance staff, and call center staff meets weekly to prioritize and address issues and to close open tickets. She added that newly revised training programs have been implemented for IT staff, as well as in new employee orientation materials.

Next, Ms. Pañgilinan presented a timeline of current and upcoming audit activities, including eight separate audits taking place during calendar year 2018. She explained that the agency has done a great deal of work to address deficiencies noted in previous audits, with the result that the tone of the feedback from auditors has changed from concern that the agency has no system in place to advice about tightening some aspects of the system. For the upcoming audits, Ms. Pañgilinan expressed confidence that the auditors will not identify any glaring gaps or errors, but noted that there is always room for improvement.

Mr. McCann, noting that the MHBE has a number of remedial plans in place as a result of previous audits, asked whether the agency is falling behind on any of them. Ms. Pañgilinan replied in the negative.

Salesforce Licenses Procurement NTE Increase Request

Venkat Koshanam, Chief Information Officer, MHBE

Michelle Compton, Manager, Procurement, MHBE

Mr. Koshanam presented an overview of the Salesforce platform and the types of licenses available. He stated that the MHBE successfully integrated MDH's legacy system with the Salesforce platform primarily in order to facilitate call center operations. The call center accounts for 480 licenses, he explained, with the remainder of user licenses set aside for the IT development team.

Next, Mr. Koshanam provided the Board with context regarding the use of Salesforce by defining it as a cloud platform and explaining that several state agencies in Maryland have been using it. The real reason for using Salesforce, he pointed out, is that it is built for rapid development and deployment, which makes data sharing across agencies easier—coupled with the fact that Salesforce hosts the service with 99.9 percent availability, reducing administrative and technical burdens on the MHBE.

Mr. Koshanam then laid out the various types of Salesforce licenses used by the MHBE. The Lightning Service Cloud license is used for CRM and IT development access. Customer Community Logins are used by the public

when accessing some functions of Salesforce. The MHBE pays \$50,000 per year for 20,000 Customer Community Logins per month. The Enterprise Edition Government Cloud license provides additional security and privacy functions to the overall Salesforce system.

Ms. Compton then presented the Board with the history of Salesforce procurements at the MHBE, explaining that the agency previously had two separate intergovernmental cooperative purchasing agreements (ICPAs). One was for the learning management system (LMS), and the other was for the CRM. The agency's intent is to combine two efforts into a single ICPA, for which additional funds are required.

Mr. McCann moved to approve an increase of the not to exceed (NTE) amount on the Salesforce ICPA #2 with Carahsoft Technology Corporation by \$904,853.99 for a new NTE amount of \$1,607,480.20 to renew licenses related for CRM and LMS projects. Mr. Taneja seconded the motion. The motion was approved with no opposition. Commissioner Redmer was not present for the vote.

Marketing RFP Discussion

Betsy Plunkett, Marketing Director, MHBE

Michelle Compton, Manager, Procurement, MHBE

Ms. Plunkett provided an overview of the current effort to release a request for proposals (RFP) to provide the MHBE with marketing services between July 1, 2018 and June 30, 2019. She noted that they had hoped to release the RFP on February 21 but, due to other factors, are likely to release it within the week.

Ms. Plunkett described the objectives of the RFP to develop a strong, detailed, measurable plan of marketing and outreach, especially targeted to young adults, African Americans, Hispanics, uninsured Marylanders in rural areas, and small businesses that might be eligible for tax credits.

Next, Ms. Plunkett explained that the RFP is divided into eight functional categories and briefly described each one. She then gave an overview of the tasks to be included in the RFP's scope of work.

Ms. Weckesser advised that the marketing plan should include a plan to use data from the carriers about consumer behavior, as well as a big push to get consumers enrolled before the deadline.

Ms. Compton then explained the difference between a firm fixed price (FFP) and a time and material procurement, explaining that the agency wishes to employ a time and material contract for this RFP. She noted that the structure is based on labor hours rather than on fixed dollars per category of work. Mr. McCann asked whether individual efforts under this type of contract would be task ordered or all presented together. Ms. Compton replied that the proposed contract type would not be task ordered.

Mr. Taneja asked for the anticipated budget. Ms. Compton explained that she is unable to give an exact figure since the Governor has yet to approve a budget. Ms. Eberle added that it would be approximately \$2 million.

At this point in the meeting, the power went out in the building, meaning Secretary Neall, Ms. Comer, and Mr. Dhara were no longer present, as they had joined the meeting by telephone.

Other Discussion

Mr. McCann then opened the floor for any other Board members who wished to speak.

Mr. Steffen provided the Board with an overview of two new reports developed by his agency, the Maryland Health Care Commission. He explained that the first report compares the all-payer claims databases in several states including Maryland, Utah, Minnesota, and Oregon. He noted that, among those states, Maryland looked very favorable from a total cost of care perspective. Mr. Steffen cautioned that the comparisons were based strictly on commercial claims and noted that commercial insurers in Maryland do not suffer the cost shift that they do in other states on hospital services due to Maryland's regulating hospital rates. Due to the dominance of CareFirst in Maryland, the rates are on par with Medicare.

Mr. Steffen also noted that Maryland had a higher level of illness among its population than the other states, particularly compared with Oregon.

The second report Mr. Steffen described to the Board looked at the individual health insurance market in depth. He explained that the rate of increase in health care spending did decline, but that the increase is still outpacing the rate of growth. He shared his concern that this disparity in growth rates will accelerate in the next two years.

Adjournment

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