



Maryland Health Benefit Exchange Board of Trustees

June 16, 2015
1:00PM – 4:00PM
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Members Present

Van Mitchell
Tony McCann
Linda Sue Comer
Kenneth Apfel, M.P.A.
Michelle Gourdine, M.D.

Thomas Saquella, M.A. (by phone)
Al Redmer
Ben Steffen, M.A.
Sam Malhotra

Also in attendance: Carolyn Quattrocki, Executive Director at the Maryland Health Benefit Exchange (MHBE).

Opening

Secretary Mitchell welcomed everyone to the Board meeting.

Approval of Meeting Minutes

The Board reviewed the minutes for the May 19, 2015 Board meeting; no amendments were made. Mr. Apfel motioned to approve the minutes, which was seconded by Commissioner Redmer. The Board voted unanimously to approve the May 19, 2015 minutes.

Closed Session

Secretary Mitchell announced that the Board would not be moving into a closed session during this meeting.

General Updates

Ms. Quattrocki announced that this is the annual Board meeting, which is when the Board schedules the Board meetings for the next year. The Board will continue to meet on the third Tuesday of every month, and the MHBE will post the schedule online soon. Ms. Quattrocki reported that Mr. Apfel will be the Board liaison for the Standing Advisory Committee (SAC), and that the SAC is currently scheduling their meetings for the next year. Ms. Quattrocki noted that the Board was provided a list of 2014 and 2015 contracts for review for the annual meeting, and the list will be posted online. Ms. Quattrocki notified Board members that ethics filings for members who have been on the Board for more than one year are due soon. New members have 30 days from the date of their acceptance of membership to submit an ethics filing.

Connector Entity Year 3 Renewal

Leslie Lyles Smith, MHBE Director of Operations, provided an overview of the Connector Entity program, and sought Board approval for the year three contract renewal. She explained that the state is divided into six regions, with a Connector Entity for each region. For year three, each Connector Entity was asked to include the following in their plans: health and insurance literacy, training and quality assurance, handling of escalated cases and appeals, and overlapping catchment areas. Connector Entities will also serve as consumer assistance hubs, which will allow them to help assistance workers who do not have access to the worker portal. Connector Entities will provide services to seniors and coordinate with the Senior Health Insurance Program.

Ms. Lyles Smith provided a brief overview of each region's plan for year three. The capital region is planning to develop a staff deployment strategy based on data analysis to determine areas and communities where high rates of uninsured remain. The central region is planning to continue to staff enrollment sites in Baltimore, Pasadena, and Reisterstown and reduce the number of formal partners in order to have more control. The lower shore region is planning to focus outreach on specific populations and expand office hours during the next open enrollment. The southern region is planning to continue to provide staff at local libraries and outreach efforts within local communities. The upper shore region is planning to retain successful partnerships, and focus on training to prepare navigators for the next open enrollment. The western region is planning to collaborate with the rural health association, focus on the far western counties, and work with the University of Maryland Extension in developing tools for navigators. Ms. Lyles Smith explained that the MHBE accepted the Connector Entities' proposals after review. Overall, the proposals were good and only a few Connector Entities needed to explain their proposals. The Connector Entity program manager at the MHBE is responsible for ensuring that the Connector Entities performance is adequate through quarterly reports, site-visits, follow-up, mandatory training, and regular status meetings.

The MHBE has allotted \$12 million for the Connector program for 2016. Ms. Lyles Smith provided a brief overview of a chart showing the funding allocation by Connector Entity.

- Secretary Mitchell asked whether the numbers of encounters reported by Connector Entities are available. Ms. Lyles Smith responded that encounters are self-reported by Connector Entities on a quarterly basis, so these data are available in each quarterly report.
- Secretary Mitchell asked how the Connector Entities' workload changed during the second year. Ms. Lyles Smith responded that, currently, Connector Entities are handling more Medicaid cases.
- Secretary Mitchell asked about the change in encounters and call center interactions this year. Ms. Lyles Smith responded that there have been no significant changes other than an increase in volume. After the first open enrollment, there were less calls and encounters. However there has been little decline after the second open enrollment due to the increase in Medicaid cases.
- Secretary Mitchell asked how the reduction of the Connector Entities' funding will affect them, specifically asking about their vulnerabilities. Ms. Lyles Smith responded that the main concern is the Connector Entities' ability to adequately distribute their staff. Some Connector Entities had to reduce their support and navigator staff, while most tried to reduce only support staff. As a result, there may be less hours at certain locations such as local Departments of Social Services (DSS).
- Secretary Mitchell asked whether the Connector Entities' encounters are assessed as an aggregate or by region, and whether data are available, that indicate whether some regions did not have the expected volume. Ms. Lyles Smith responded that they assessed the Connector Entities' data on the aggregate level, and it is difficult to assess performance because it is not possible to determine how many uninsured remain. She noted that the MHBE feels confident that no Connector Entities are performing poorly.
- Mr. Apfel asked whether the projections for the quarterly metrics have been reduced because of the decrease in funding. He also asked about the proposal is for encounters and enrollment goals for 2016. Ms. Lyles Smith responded that, originally, the MHBE did not require Connector Entities to set goals for enrollment; however, some Connector Entities chose to set their own goals. She noted that the MHBE does not have the necessary information to determine if there is a reduction in enrollment goals, though the Connector Entities may not be able to reach as many people with less staff.
- Mr. Apfel commented that it would be helpful to have a performance-based system for future contracts and to have more information. Ms. Lyles Smith agreed and noted that the MHBE is working on enhancing the system to enable performance assessment.
 - Ms. Quattrochi added that the MHBE intends to enhance their system for better tracking and performance assessment. At the end of this year, the MHBE will be in a better position to assess the Connector Entity program because the Connector Entities will be more stable. The hope is that the MHBE will have better information about who has enrolled in qualified health plans (QHPs) and the remaining uninsured by that time.
- Commissioner Redmer commented that the Connector Entities are scaling back their efforts due to limited resources but they are still targeting small businesses, which are also served by the producer community at no cost to the MHBE. Ms. Lyles Smith responded that the MHBE is trying

- to improve the relationship between the Connector Entities and producers, and provide better support to producers.
- Commissioner Redmer asked what will happen in years four and five. Ms. Lyles Smith responded that more data and consumer input would be needed to develop plans for future years.
 - Commissioner Redmer recommended that the MHBE start developing plans soon so they will be well prepared.
 - Dr. Gourdine commented that it is logical for Connector Entity funding to continue to decrease over time. She suggested that the MHBE take action to reduce consumer reliance on intensive consumer assistance, and make the enrollment and renewal process more consumer friendly.
 - Secretary Malhotra asked whether the MHBE has the technological tools in place to use the data in the IT system to identify outliers and trends in order to better direct the MHBE's limited resources. Ms. Lyles Smith responded that she believes the MHBE has that information available on the aggregate level; system enhancement would be needed for that information to be available on the regional level.
 - Ms. Quattrocki added that the MHBE staff is working on developing a dashboard for the website, which would display some of this information on the Maryland Health Connection (MHC) website.
 - Secretary Malhotra commented that it is important that the MHBE be able to gain insight from enrollment data to make better decisions.
 - Mr. Steffen commented that the metrics used in the quarterly reports could be aligned with provider and payer performance measures, and asked whether the quarterly metrics are standardized. Ms. Lyles Smith responded that within the past year the MHBE has standardized the consumer satisfaction survey as well as data reporting.
 - Mr. Steffen asked about the results of the Connector Entities' consumer satisfaction surveys. Ms. Lyles Smith responded that the survey results are generally good.
 - Mr. Steffen asked if the MHBE is confident that the surveys are independent and reliable. Ms. Lyles Smith responded that the MHBE hopes to standardize site visits, and noted that review of documents and measures is part of the site visits.
 - Secretary Mitchell asked if all of the Connector Entities are performing on the same level or if there are standouts. Ms. Lyles Smith responded that the volume of encounters varies among the Connector Entities, but all performed similarly in terms of consumer satisfaction. She noted that the larger Connector Entities have more sophisticated operations, and the smaller Connector Entities have required more assistance, which is something to consider moving forward.
 - Commissioner Redmer asked what is being done to secure personal information for walk-ins and enrollments. Ms. Lyles Smith responded that ideally, personal information will go directly into the IT system, and there will be no paper applications. Connector Entities are required to sign confidentiality and Health Insurance Portability and Accountability Act (HIPPA) forms.
 - Caterina Pañgílinan, Chief Compliance Officer (COO) at the MHBE, added that the MHBE requests that Connector Entities maintain documents securely, and one Connector Entity is examining a Cloud solution. The MHBE has ensured that all Connector entities have IT security and privacy procedures training. She noted that many Connector Entities were already HIPPA compliant, and the MHBE reinforces the systems in place.
 - Ms. Quattrocki agreed that a work plan is needed for the coming years and consumer self-reliance should be improved. She noted that there will always be a need for some consumer assistance and that Connector Entities and navigators assist many consumers, including QHP enrollees and Medicaid recipients, and perform needed outreach. She noted that the Connector Entities have done great work and continue to fulfill an important need.
 - Mr. Apfel commented that these Connector Entities did not exist three years ago, so a lot of work has been done in a short time period to establish them. He noted that the Connector Entities are now moving towards the next step of institution building.
 - Secretary Mitchell asked that MHBE staff present a possible work plan or options for the Connector Entities in future years to the Board by December 2015.
 - Ms. Quattrocki agreed with this suggestion and added that the Board could solicit input from the Exchange Implementation Advisory Committee to receive stakeholder feedback. Secretary Mitchell agreed with this suggestion.

Secretary Mitchell noted that the proposal before the Board is to renew the Connector Entity program for year three for an amount not to exceed \$12 million.

Mr. Apfel motioned to adopt the recommendation, which was seconded by Dr. Gourdine. The Board voted unanimously to adopt the recommendation.

Scan-Optics Procurement Update

Jonathan Kromm, Deputy Executive Director at the MHBE, provided an overview of the proposed Scan-Optics procurement. He explained that Scan-Optics is a document management system that provides document-scanning services. The original procurement with Scan-Optics was on an emergency basis, as it was part of the Deloitte IT Solution. The MHBE is planning to switch the document management platform from FileNet Content Manager to an enterprise content management system (ECMS) later in 2015, which is a platform used by other state agencies. Until the MHBE is ready to make this transition, it is easier and less expensive to continue the procurement with Scan-Optics. The MHBE staff is recommending a sole source procurement with Scan-Optics for July 15, 2015 through July 14, 2016 at an amount not to exceed \$638,672.78. Mr. Kromm noted that the not-to-exceed amount is based on projections using the past few months as a guide, which include both open enrollment and Medicaid redeterminations.

- Commissioner Redmer asked how the price for this procurement compares to the price in the general market. Mr. Kromm responded that there is not a lot of variation in price among other vendors, but that the greatest cost comes from integrating the document management system with the IT system.
- Secretary Mitchell asked if the IT team is working on switching to ECMS for next year. Mr. Kromm responded that the MHBE is working with the Maryland Department of Human Resources (DHR) to switch over to ECMS, and will provide the Board an update on this transition soon.
- Secretary Mitchell asked if there is a termination clause in this contract that would allow the MHBE to cancel the contract if Scan-Optics' services are no longer needed. Mr. Kromm responded that there is a clause that allows the MHBE to terminate the contract for cause.

Commissioner Redmer motioned to adopt the recommendation, which was seconded by Dr. Gourdine. The Board voted unanimously to approve the recommendation.

Level Two Helpdesk Procurement Update

Mr. Kromm provided an overview of the proposed procurement with QSSI for the level two helpdesk. QSSI was awarded a contract to provide operations and support services in September 2014 through a competitive bid process for an amount not to exceed \$1.7 million. The initial contract period was for October 2014 through June 2015, with an option for a six-month extension. The proposal is to adopt the option for a six-month extension. Mr. Kromm reported that as consumers have become more comfortable with the IT system since the first open enrollment, case escalations have changed from problems with the IT system, to problems regarding QHP eligibility or Medicaid. The MHBE has asked QSSI to adjust staffing levels in order to have less call representatives and more business analysts who can resolve cases. The goal over the next six months is to reduce the number of escalated cases, and train assistance workers to handle a greater variety of cases at point-of-service. The MHBE will continue to modify work processes until an intensive level two helpdesk is no longer necessary.

- Commissioner Redmer asked how the call center would be able to reach a point when case escalation is no longer needed. Mr. Kromm clarified that case escalation will always be necessary, but the goal is to reduce the number of cases requiring escalation so they can be handled without a level two helpdesk.
 - Commissioner Redmer asked how the case escalation process would work under the new procurement. Mr. Kromm responded that instead of call agents, there will be more business analysts who have greater access to the IT system to resolve problems.
 - Commissioner Redmer asked about the different backgrounds of agents and business analysts. Mr. Kromm responded that agents are call center representatives who have been trained to handle certain problems, such as password lockouts. Business analysts

receive more in-depth training about back-end functions of the IT system, including transactions with carriers or Medicaid, and function as system analysts.

- Commissioner Redmer asked if there are any long-term plans to handle case escalation. Mr. Kromm responded that the long-term plan is to integrate some of the functions of the level two helpdesk with project management office functions, and to utilize existing staff at the call center and Connector Entities to handle escalated cases. The MHBE has been training call center representatives and navigators to fix problems that do not require additional system access. The MHBE will also develop staff specializations to handle specific issues. For example, there could be a team that focuses on 834 data transactions.
- Mr. McCann commented that the Board was given a letter from QSSI describing changes to make the level two helpdesk more efficient. He asked whether the MHBE accepted those changes. Mr. Kromm responded that he has given an overview of these changes in his presentation, and they include the staffing modifications.
 - Mr. McCann expressed concern that the MHBE is relying heavily on certain vendors and that a gap in service could result in major problems. He asked what contingencies are in place in the event the MHBE needs to quickly switch vendors. Mr. Kromm responded that many operations of the MHBE require specialized processes that make it difficult for a new vendor to take over. The MHBE is closely supervising the vendors and documenting the processes to reduce the reliance on specific vendors.
- For staffing concerns, Secretary Malhotra commented that the MHBE can request a detailed transition plan from a current vendor if the MHBE decides to select a new vendor.
 - Mr. McCann expressed concern that there can be large gaps in service when vendors are changed.
- Secretary Malhotra commented that the procurement with QSSI seems like a two-year contract. Mr. Kromm clarified that this is a nine-month contract with a six-month extension.
- Secretary Mitchell commented that it would be helpful for the MHBE to have a plan that details how the MHBE would handle a change in vendors. Mr. Kromm responded that those plans are in development.

Secretary Mitchell noted that the motion before the Board is whether to approve a six-month extension of the contract with QSSI and a modification of the scope of work.

Commissioner Redmer motioned to approve the proposal, which was seconded by Ms. Comer. The Board voted unanimously to approve the recommendation.

Upcoming Issues

Mr. Kromm provided an overview of two issues that will be discussed at the next Board meeting. The MHBE is considering modifying the contract with QSSI to expand staffing to include call center agents that currently serve the Department of Health and Mental Hygiene (DHMH). QSSI has been providing four agents to handle escalated Medicaid cases. The MHBE would bring a proposal for QSSI to expand their staffing and for DHMH to provide payment for that expansion through a memorandum of understanding. Mr. Kromm will provide more information at the next meeting including a cost proposal.

- Mr. McCann commented that the implication is that Medicaid is currently not paying for the escalated Medicaid cases being handled by the MHBE. Mr. Kromm responded that the MHBE is currently paying for these cases, but it has not budgeted for these cases for 2016.

Mr. Kromm reported that the second issue is a contract modification with Sir Speedy. The volume of notices being printed and mailed by Sir Speedy is higher than expected, and the costs are close to the not-to-exceed amount. The MHBE is requesting a cost proposal and suggestions for a contract modification from Sir Speedy that will be presented to the Board to expand the not-to-exceed amount.

- Secretary Mitchell noted that Sir Speedy was part of the Connecticut IT solution, and asked if there was a long-term plan to switch vendors. Mr. Kromm responded that the MHBE is planning to switch to the competitively bid fulfillment center in a few months.
- Commissioner Redmer asked what is driving the increase in cost. Mr. Kromm responded that the increase in cost is due to a larger number of cases, including more Medicaid cases, as well as a two-cent increase in postage.

- Secretary Mitchell asked whether the contract with Sir Speedy ends in October. Mr. Kromm clarified that the contract ends on July 31, 2015.
 - Secretary Mitchell asked whether the contract would be over budget before July 31. Mr. Kromm confirmed that the contract would be over budget. He noted that the MHBE is currently considering adding \$200,000 to the budget. The MHBE is also working with DHMH and DHR to develop mechanisms to control costs, such as encouraging paper billing and not printing duplicates.
 - Secretary Mitchell commented that more electronic notices could be sent to offset the costs because many people including Medicaid recipients have access to the internet and smart phones.
- Commissioner Redmer asked if the MHBE will switch to the fulfillment center after July. Mr. Kromm confirmed that the MHBE is planning to do this.

Mr. Kromm reported that he will discuss the broader procurement plan at a future meeting.

Consolidated Service Center

Ms. Lyles Smith provided an updated on the consolidated service center. She reported that Eric Rubin, President of Health Operations at Maximus will assist with the presentation. The consolidated service center is located on Lord Baltimore Drive in Woodlawn, Maryland, and can accommodate up to 344 staff. Maximus also has the ability to expand staffing in Denver, Colorado, which can serve as a backup disaster recovery site. Ms. Lyles Smith provided an overview of the service center's hours; during open enrollment, the center is open on weekends. The service center handled calls; resolved escalated cases; and provided customer service support for insurance brokers, ancillary support staff, and back office services. The service center transferred to the Cisco telephony system in October 2014, which included voice interaction technology and integrated with the TelStrat Engage call and screen recording system. Previously, the service center was using Maryland's telephony system, but Maximus used Cisco system--wide so they asked to switch the telephony system. Currently, the service center is using the Oracle customer relationship management (CRM) system but will migrate to an advanced Cisco enterprise platform on September 1, 2015, which will give the MHBE greater capacity and disaster recovery functionality.

Ms. Lyles Smith provided an overview of the service level measurements, which are incorporated into the service level agreements. Maximus's quality assurance team monitors 30 calls per day and 12 calls for each customer service representative per month. The quality assurance team also provides coaching and incentive programs. Ms. Lyles Smith also described the criteria for quality monitoring. She then provided an overview of statistics for the past open enrollment periods, illustrated through a variety of graphs.

- Secretary Mitchell asked what the metrics would be if the MHBE had used the original request for proposals (RFP). Ms. Lyles Smith responded that the original RFP had less staff, so the metrics would have been worse. She noted that a table comparing the projected volume of calls to calls received shows that the call volume was much higher than predicted, so the staffing level in the original RFP would have been insufficient.
- Secretary Mitchell commented that the table shows the MHBE originally predicted that call volume would decrease after the first open enrollment. Ms. Lyles Smith responded that originally the MHBE predicted that the calls would decrease after the first open enrollment as consumers became more comfortable with the new system. However, that did not turn out to be the case.
 - Ms. Quattrochi added that exchanges across the country also experienced an unexpected increase in call volume. Connecticut did not have fewer calls during the second year even though it had a functioning IT system since the first open enrollment.
- Secretary Malhorta asked what caused the significant decrease in the average speed to answer a call from the first open enrollment to the second open enrollment. Ms. Lyles Smith responded that the decrease was largely a result of an increase in staffing. Mr. Rubin added that Maximus had more time to plan for the second open enrollment so they were able to have more staff and a better strategy.
- Secretary Mitchell asked whether there were conversations with DHMH and DHR regarding projections or call volumes related to Medicaid. Ms. Lyles Smith responded that the MHBE had

preliminary discussions regarding the original plan to incorporate the enrollment broker services into the contracts, so all Medicaid services would be under one house, but there were no conversations related to projections.

- Dr. Gourdine commented that it was interesting that other states that did not have a problem with their IT systems during the first open enrollment are also having an increase in call volume. Ms. Quattrocki responded that the exchanges are a very new program, and it is taking longer for people to become familiar with the program than expected.
- Secretary Mitchell commented that it would be helpful to identify which calls to the customer service center are from consumers and which are from brokers. Ms. Lyles Smith responded that the MHBE identifies the broker calls, but they make up a minority of calls.
 - Secretary Mitchell asked if there was a large amount of broker calls during the first year. Ms. Lyles Smith responded that there was a large number of calls from brokers, but it was still far less than the number of calls from consumers.
 - Mr. Rubin added that Maximus runs six state exchanges and two federal call centers, and is seeing the trend of high call volume in both state and federal exchanges. He noted that buying health insurance is new for many consumers, so they have a lot of confusion and a higher need for consumer assistance. He noted that higher interaction with consumer assistance leads to higher enrollment rates.
- Secretary Malhorta asked whether Maximus is operating call centers or IT systems in the other state exchanges. Mr. Rubin responded that Maximus does not build IT systems but runs different pieces of technology in these states. For example, Maximus runs the Maryland phone system and in New York, Maximus integrated the phone system into their IT system.
- Mr. Steffen asked what the service level agreement for the abandonment rate is. Ms. Lyles Smith responded that the service level agreement for the abandonment rate is 5 percent.
 - Mr. Steffen commented that the abandonment rate only decreased from 35 percent in 2014 to 29 percent in 2015. He noted that a high abandonment rate contributes to a higher call volume and emphasized that the call center should focus on reducing the abandonment rate. Ms. Lyles Smith agreed that this is an important issue for the MHBE to address.
 - Ms. Lyles Smith added that the MHBE is working with Maximus to reduce the average call handle time, which will allow the call center to answer calls more quickly.
 - Mr. Steffen commented that the average handle time has met the service level agreement of 20 minutes, and asked whether consumers are receiving a sufficient answer during that time. Ms. Lyles Smith responded that if the handle time can be improved even more than the will help improve the other metrics.
- Secretary Mitchell asked whether Maximus is seeing similar results at the call centers in other states. Mr. Rubin commented that other states have also faced challenges in achieving the proper staffing levels, which affects the metrics. He noted that a study showed that consumers in Maryland are more patient, and will wait longer for a call to be answered.
- Mr. McCann asked if a consumer who does not get a sufficient answer will be asked to call back or if the case will be escalated to a supervisor or the helpdesk. Mr. Rubin responded that it depends on the situation. If the consumer needs more time to make a decision, then the consumer will call back, or if necessary, the case can be escalated to a supervisor or the helpdesk.
 - Secretary Malhotra asked if there is a way to measure the number of consumers who call back. Mr. Rubin responded that he would have to check whether this is possible through the system. He noted that the quality monitoring form for call center representatives may be able to assess first call resolution.
- Commissioner Redmer asked whether the call center can track unique phone numbers. Ms. Lyles Smith responded that the call center can track this, and 30 percent are repeat callers.
 - Secretary Malhotra commented that the MHBE could track calls through case numbers. Ms. Lyles Smith responded that QSSI's quality assurance team reviews a call and the CRM system together so it can determine if a consumer has called multiple times.
- Mr. Apfel commented that buying health insurance is confusing and daunting, so consumers will always need the call center.

- Secretary Mitchell asked if the new Cisco phone system will allow call center representatives to quickly pass a consumer to a broker if the consumer needs additional assistance to choose a QHP. Ms. Lyles Smith responded that a workgroup is examining this issue, but it would not be easy to implement.
 - Ms. Quattrocki added that the MHBE is putting together a small group of brokers to work on this issue.
 - Mr. Rubin agreed that integration of brokers into the call center is a great idea, and added that Maximus is working on this issue.
- Mr. McCann asked whether the number of calls monitored is enough to be statistically significant. Mr. Rubin responded that 12 calls are monitored for each representative each month, and the representative receives an average score.
 - Mr. McCann asked whether the kinds of questions in the 30 calls monitored a day can be checked against the entire call volume. Ms. Lyles Smith responded that the MHBE is considering have a mechanism that allows the MHBE to monitor calls.
- Secretary Malhorta commented that the MHBE can do a better job of equipping Maximus with accurate projections of call volume so Maximus can effectively plan. Ms. Lyles Smith responded that while the original projections of call volume were inaccurate, Maximus has a more sophisticated process to project call volume based on better data. The MHBE hopes that over time the gap between projections and actual call volume will be much smaller.
 - Secretary Malhorta asked whether Maximus or the MHBE owns the data from the call center. Ms. Lyles Smith responded that both own the data. Mr. Rubin added that the MHBE will have access to the data so the MHBE will be able to calculate projections.

Ms. Lyles Smith continued to provide an overview of the tables, including the call center staffing by month since August 2013. She noted that the year-over year-call volume table shows that call volume has consistently increased, and call volumes for each month in 2014 to 2015 is higher than the previous year. The table of year over year comparison of calls offered and handled with staff shows that there have been more staffing and more calls handled during 2014-2015.

- Dr. Gourdine asked what “calls offered” meant. Ms. Lyles Smith responded that calls offered are all calls that go into the system, but it does not mean that they are answered. Ms. Lyles Smith noted that generally, calls offered and calls handled are closely related. However if there is not enough staff, the gap between the two will be larger.
- Secretary Mitchell asked what the call center expenditures were in 2013. Ms. Lyles Smith responded that, for this fiscal year, the expenditures are \$24 million; last year it was closer to \$20 million.
- Secretary Mitchell asked how many Medicaid calls DSS, DHR, and the MHBE are receiving combined. Secretary Malhorta responded that the DHR has their own call center, and he can get the statistics. Ms. Quattrocki noted that these agencies may be handling different kinds of Medicaid cases.
 - Secretary Mitchell commented that he would like to see the overall trend of Medicaid calls.

Ms. Lyles Smith provided an overview of a table showing QHP and Medicaid enrollment in 2015, as well as tables showing the flow of the interactive voice response and a typical call. She then reported on the four options for the call center for fiscal year 2016. The first option is to continue the current budget of \$15,002,136, which would not guarantee good services levels. The average abandonment rate is expected to be 75 percent. The second option is to expand the budget to \$24,113,758, with an expected abandonment rate of 14.6 percent. The third option is to expand the budget to \$29,149,414, with an expected abandonment rate of 7.31 percent. The fourth option is to expand the budget to \$33,130,626, with the best service level and an expected abandonment rate of 2.44 percent. Ms Lyles Smith noted that there are several factors that affect call volume and spending including:

- Broker support
- Volume of Medicaid redeterminations handled by other agencies
- Rate of resolution of open verification tasks by DSS offices
- Number of passive renewals requiring reduced consumer assistance
- Enhancements to the IT system that reduce the number of calls

Ms. Lyles Smith reported that reducing the call center hours during open enrollment would lead to a projected yearly savings of \$460,949. The next steps for the MHBE is to staff the call center as appropriate, finalize the service level agreements, and execute the contract amendment.

- Secretary Mitchell asked if the reduction of operating hours would result in 960 less hours for the year. Mr. Rubin responded that the reduction of 960 hours is only during open enrollment, which is 11 weeks. He noted that a reduction in hours does not mean that there will be a reduction in calls.
- Secretary Mitchell asked about the approximate hourly cost of the call center. Mr. Rubin responded that it depends on the day as the staffing level and call volume varies.
 - Secretary Mitchell asked for the average weekday cost. Mr. Rubin responded that he will calculate it and get back to the Board.
- Commissioner Redmer asked about penalty amounts Maximus has paid for failing to achieve their service level agreements over the past year. Ms. Lyles Smith responded that the penalties have been close to \$200,000.
- Commissioner Redmer asked who is responsible for training the call center representatives. Ms. Lyles Smith responded that the MHBE provides the training materials, but Maximus conducts the trainings for their staff.
- Commissioner Redmer asked about the length of the lease term for the Lord Baltimore location. Mr. Rubin responded that the lease term is concurrent with the contract and ends in 18 months.
- Commissioner Redmer asked about the projected reduction in calls due to passive renewals during the next open enrollment. Ms. Lyles Smith responded that she does not know the number, but believes it is included a chart of projections she can send to the Board.
 - Ms. Quattrocki added that the MHBE does not know how many passive renewals there will be. She noted that Connecticut did not have the expected reduction in call volume during their second open enrollment when passive renewals were available. The MHBE hopes that the average length of calls will be shorter.
- Mr. McCann commented that he did not fully understand the numbers quoted in the options. He asked whether the estimated low service levels for the recommended option, with a budget of \$15 million, included the effects of passive renewals. Ms. Lyles Smith responded that the MHBE calculated a call volume projection for all options, and did incorporate a conservative estimate for passive renewals.
 - Mr. McCann asked whether the service levels quoted for the \$15 million option would be the same if the MHBE makes a reasonable assumption regarding passive renewals. Ms. Lyles Smith confirmed that the service levels would be the same because the options do include projections for passive renewals.
- Mr. Steffen asked whether the call center representatives in 2015 are the same call center representatives employed during 2014. Mr. Rubin responded that Maximus does measure employee attrition. Generally, there is higher attrition during open enrollment because it is a more stressful time, and more representatives are hired. Currently, there is a core group of representatives who have been with the call center since the beginning. The other representatives have higher attrition rates because of the high call volume. He noted that during the peak month of this past year, there were 900,000 calls, and this year the projected peak volume is 120,000 calls in a month.
 - Ms. Lyles Smith added that the MHBE is working with Maximus to improve staffing by converting temporary representatives into full-time employees in order to reduce the attrition rates and be more efficient.
 - Mr. Steffen asked if there were any service level agreements regarding attrition. Ms. Lyles Smith responded that there are no service level agreements for attrition, but the MHBE is considering including a threshold for training hours for Maximus for the next contract period.
- Mr. Apfel asked what the goal was regarding the call center during this meeting. Secretary Mitchell responded that he asked Mr. Rubin to give background information on the call center and Maximus to the new Board members and then the Board will convene again next week.
- Mr. Apfel suggested that paradigm shifts for Medicaid are needed to reduce call volume and improve service levels.

- Secretary Mitchell agreed with this, and commented that this was one of the reasons he asked Secretary Malhorta to be on the Board. Secretary Mitchell noted that the DHR, Medicaid, and the MHBE are working together to manage the Medicaid redeterminations.
- Secretary Malhorta asked if the MHBE has to go through the Board of Public Works to execute contracts. Secretary Mitchell responded that it is not required at this point.
- Secretary Mitchell commented that it is good for the MHBE to move away from sole source procurements in the future, which will show that the MHBE is a mature organization. He commented that the Board may want to consider whether to request the Maryland legislature to incorporate the MHBE into the state system in the future.
- Mr. McCann commented that he is uncertain how to proceed because the option with the most feasible budget has low service levels and a high abandonment rate.
 - Secretary Mitchell asked Ms. Quattrocki to create a one-pager describing the large items in the budget so the Board can better understand the budget. Several members agreed that this would be helpful.
- Mr. McCann asked whether some costs should be allocated to Medicaid, and how that would affect the budget. Secretary Mitchell responded that Medicaid and the MHBE's funding ultimately come from the same source. He further commented that the MHBE will have to determine how much of DHR's savings could be passed to the MHBE.
- Commissioner Redmer commented that he has heard consistent stories about long wait times for the call center. He asked whether there is a way to identify a base level of call center representatives for the whole year and develop other solutions to meet the demand of Medicaid redeterminations.
 - Secretary Mitchell responded that the Board approved a contract for the level two helpdesk at the last meeting, which is part of the call center and helps manage the high call volume. DHR and other agencies operate call centers that can handle Medicaid cases. The MHBE is looking at this entire system to identify duplicative process and options to better handle Medicaid redeterminations.
- Secretary Malhotra commented that there are ways to process map these systems to identify problem areas and duplicative processes.
 - Ms. Quattrocki added that Medicaid's move from a paper-based system to an electronic system has created confusion and added complexity to the Medicaid redetermination process.
- Dr. Gourdine asked how much of the call volume is due to the Medicaid eligibility expansion. Ms. Lyles Smith responded that the MHBE knows the number of Medicaid expansion enrollees and can determine the types of calls received regarding Medicaid renewals. However, there is no way to identify which kind of Medicaid enrollees are calling the call center.
 - Ms. Quattrocki added that approximately 900,000 Medicaid recipients were transferred into the new Medicaid system, and 375,000 Medicaid enrollees were due to the expansion.
- Secretary Mitchell noted that a one-pager describing the budget would be helpful for the Board.
- Ms. Lyles Smith emphasized that time is off the essence for this procurement because the call center is a larger operation that needs time to plan and to implement Board decisions.
- Mr. McCann asked how the MHBE would pay for the \$24 million option. Secretary Mitchell responded that the budget for fiscal year 2016 is very tight, and he is not confident that the MHBE can receive an extra seven million dollars from Medicaid.
- Secretary Mitchell noted that the Board will make a decision early next week and appreciates Maximus's patience.
- Mr. Apfel asked what other states are doing to address high call volume. Secretary Mitchell asked if other states' call center contracts end on June 30.
 - Mr. Rubin responded that other states contract terms vary; he will try to get some data regarding the other states' approaches.
- Secretary Mitchell commented that the Board approved the marketing budget of \$2.5 million during the last meeting and \$12 million for the Connector Entities during this meeting, which together is a sizeable portion of the MHBE's \$35 million budget.
- Mr. Rubin invited the Board members to see the new telephony system in September.

Compliance Plan

Ms. Pañgilinan provided an overview of the MHBE's updated compliance plan. Ms. Pañgilinan explained that the previous compliance plan centered on the internal operations of the compliance committee, which focused on tasks rather than steps. The updated compliance plan creates a framework for the MHBE to follow so that it is in compliance with several complicated regulations, both at the state and federal levels. She explained that the compliance plan provides seven sections in which the MHBE can work, with Board oversight, to ensure that the MHBE has the appropriate structure, policies, and resources to effectively manage its funding. The compliance plan focuses on reducing fraud, waste and abuse, and improving consumers trust in the MHBE by protecting personal information in the IT system. The compliance plan also addresses the reporting of fraud, waste, and abuse and improving transparency.

- Secretary Malhotra asked whether the MHBE has access to the Office of the Inspector General (OIG) within DHMH. Ms. Pañgilinan responded that the MHBE works closely with both the OIG within DHMH. The MHBE also works with the Center for Consumer Information and Insurance Oversight regarding Affordable Care Act (ACA) monitoring requirements.

Ms. Pañgilinan noted that the MHBE wants to improve the monitoring system to identify and correct problems on an ongoing basis. The plan sets out monitoring requirements for QHPs and Connector Entities. The compliance plan also addresses risk assessment. Ms. Pañgilinan explained that the MHBE developed the compliance plan based on best practices and in response to federal and state law. She is requesting the Board approve the compliance plan.

- Mr. Apfel asked who developed the compliance plan. Ms. Pañgilinan responded that the MHBE researched best practices, and examined DHMH's practices and health care industry changes over the past 10 years.
- Mr. McCann asked whether the MHBE has to pay for contractors' compliance requirements. Ms. Pañgilinan responded that the ACA sets out contract requirements; last year the focus was on IT security. The MHBE now has contract monitoring in effect which gives a baseline and allows the MHBE to develop strategies to improve.
- Mr. McCann asked whether personnel practice relates to whether they are providing appropriate training and personnel performance. Ms. Pañgilinan responded that this is included in the compliance plan.

Mr. McCann motioned to approve the compliance plan, which was seconded by Mr. Steffen. The Board voted unanimously to approve the compliance plan.

Addressing Meaningful Difference in MHC Plan Offerings

Michele Eberle, Executive Director of the Maryland Health Insurance Plan (MHIP) and Interim Director of Plan Management at the MHBE, provided an overview of meaningful difference. She noted that the presentation is informational and does not require a vote. Under federal regulations, each QHP offered for sale by an issuer in a federally facilitated marketplace (FFM) must be considered meaningfully different from other plans, which means that a consumer would be able to identify one or more material differences between the plans. Ms. Eberle then provided an overview of the varying approaches used by states participating in the FFM.

Ms. Eberle reported that Maryland has 57 QHPs across the 5 metal levels, with 10 point-of-service plans, 8 exclusive provider organizations, 28 health maintenance organizations, and 11 preferred provider organizations. The deductible amounts for these plans range from \$500 to \$6,600. She also provided an overview of charts showing the breakdown of QHPs in the small group market. The MHBE will receive the 2017 QHPs from carriers soon. Then, the MHBE will review all of the plans offered on MHC for meaningful difference focusing on cost sharing, provider networks, covered benefits, and plan types. The MHBE will also review approaches for meaningful difference from other states to determine best practices and develop options for Maryland. The MHBE will present information regarding meaningful difference to the SAC and other stakeholders, and then will present options to the Board for the 2017 QHP certification standards.

- Secretary Malhotra asked why the MHBE decided not to include a meaningful difference standard in the QHP certification standards similar to the FFM. Ms. Eberle responded that it is not a

requirement for state-based marketplaces but is instead an option, and the MHBE may decide to adopt the federal meaningful difference standard in the future.

- Ms. Quattrocki added that historically the MHBE has decided not to adopt the FFM standard, but instead chose to limit carriers to offer four plans per metal level. She noted that the Board will be able to decide whether to stay with current approach or adopt a different meaningful difference standard.
- Secretary Malhotra asked whether there is a cost benefit between the current standard and the federal standard. Ms. Quattrocki responded that cost will be included in the proposal but the important consideration is the best interests of Maryland consumers.
- Secretary Malhotra asked if a consumer who purchases a plan through MHC and moves out of state would lose his or her insurance. Ms. Quattrocki responded that the consumer would lose their Maryland QHP.
 - Secretary Malhotra asked if a consumer with a QHP through the FFM moves out of state would lose his or her insurance. Ms. Eberle responded that the consumer would lose his or her insurance, which Ms. Quattrocki confirmed.
- Mr. Steffen commented that the original logic was that a carrier should not have more than four plans per metal level. He added that there is evidence that too much choice can lead to consumer indecision and commented that it is important for the MHBE to consider other options for this issue beyond the federal standard.
- Mr. Apfel commented that previously the concern was that too many plans would confuse consumers and be difficult to upload to the IT system. He asked about the timeline and the plan for stakeholder engagement. Ms. Eberle responded that the MHBE staff will present the Board will a preliminary plan for the QHP certification standards in November, because typically the certification standards are finalized in March. Before the certification standards can be developed, the federal regulations need to be released, and the federal government has historically been late. The MHBE has not developed a plan for stakeholder engagement yet.
- Secretary Mitchell asked Commissioner Redmer about the small group marketplace. Commissioner Redmer responded that the rate increases have been in the single-digits.
 - Secretary Mitchell asked about the effects of the small group marketplace on the small business population. Commissioner Redmer responded that he did not know.
- Mr. Steffen added that the data in the all-payer claims database shows that the small business marketplace is stable. The big issue for 2016 is the mandate for employers with more than 50 employees to provide insurance.

Updates

Secretary Mitchell welcomed Tony McCann and Secretary Malhotra to the board. Ms. Quattrocki reported that the MHBE has hired a Chief Financial Officer, Carolyn Ellison, who previously worked with the Department of Budget and Management. She also noted that Ms. Lyles Smith is leaving the MHBE, and she thanked Ms. Lyles Smith for her dedication, leadership, professional knowledge, and her contributions. Ms. Lyles Smith thanked her staff and Ms. Quattrocki for their support, and wished the MHBE the best.

Adjournment

Commissioner Redmer motioned to adjourn the meeting, which was seconded by Mr. McCann. Secretary Mitchell adjourned the meeting.