



Maryland Health Benefit Exchange Board of Trustees

January 17, 2023

2 p.m. – 4 p.m.

Meeting Held at the Maryland Health Care Commission and via Video Conference

Members Present During Open Session:

Dennis Schrader, Chair

S. Anthony (Tony) McCann, Vice Chair

Ben Steffen, MA

Dana Weckesser

Maria Pilar Rodriguez

Kathleen A. Birrane

K. Singh Taneja

Mary Jean Herron

Dr. Rondall Allen

Also in Attendance:

Michele Eberle, Executive Director, Maryland Health Benefit Exchange (MHBE)

Johanna Fabian-Marks, Director of Policy and Plan Management, MHBE

Becca Lane, Senior Health Policy Analyst, MHBE

Shirelle Green, Procurement Officer, MHBE

Andrew (Andy) Ratner, Chief of Staff, MHBE

Tony Armiger, Chief Financial Officer, MHBE

Venkat Koshanam, Chief Information Officer, MHBE

Tracey Gamble, Procurement Manager, MHBE

Sharon Merriweather, Principal Counsel, MHBE

Meeting Call to Order

Mr. McCann called the meeting to order. The Board presented Secretary Schrader with an award recognizing his service to the MHBE.

Executive Update

Michele Eberle, Executive Director, MHBE

Ms. Eberle congratulated the Board on a successful Open Enrollment Period (OEP). She explained that the MHBE is shifting focus to ensuring that consumers who may lose Medicaid coverage when the Medicaid continuous enrollment provision expires on May 1 are auto-renewed in Medicaid or enrolled into qualified health plans (QHPs). She noted that Ms. Fabian-Marks and Commissioner

Birrane are currently presenting to the Maryland House Government Operations Committee and will present to the Maryland Senate Finance Committee later in the week.

Ms. Eberle also reminded the Board that Dr. Laura Herrera Scott will become the Secretary of the Maryland Department of Health (MDH) on January 18, 2023, noting that she has been in contact with the transition team.

Open Enrollment 10 Wrap-Up *Andy Ratner, Chief of Staff, MHBE*

Mr. Ratner thanked MHBE staff, stakeholders, the administration, and state and federal legislators for their work toward the OEP. Then, he presented on data gathered during the OEP. Detailed slides are available in the presentation for this meeting. He stated that over 182,000 people were enrolled, a new record, and noted that growth likely would have been even larger if not for the Medicaid continuous enrollment provision continuing to keep consumers on Medicaid. He noted that many will no longer be eligible for Medicaid once that provision expires in the spring, adding that MHBE intends to contact these enrollees in partnership with MDH.

Mr. Ratner presented on the MHBE's progress on health equity this OEP. Black and Hispanic enrollment increased over last year, with Hispanic enrollment up 20% in the past four years. New enrollments were down from last year, while renewal enrollments were up, and a greater portion of Maryland's enrollees were "new" than in other states. Dental enrollments were similar to last year.

Mr. Ratner continued, noting that enrollments among people aged 18-34 were down slightly but that enrollments among people aged 26-34 were up slightly. He reminded the Board that this was the second year of the young adult subsidy pilot. Over 31,000 young adults enrolled with that additional subsidy, which averaged about \$35 per month; about 6,000 of them were new customers.

Mr. Ratner concluded by noting that usage of the Maryland Health Connection (MHC) desktop site remained flat, while mobile usage increased greatly. He remarked that the MHBE has been on the right track in meeting consumers where they are regarding technology use.

Mr. Steffen asked whether MHBE received any feedback regarding consumers noticing surprising increases in their premiums. He cited anecdotal evidence pointing to consumers having this experience. Mr. Ratner replied that the MHBE is still reviewing the data but noted that there was larger growth in unsubsidized populations than in subsidized populations. Ms. Eberle added that automatic renewals were also higher.

Ms. Herron remarked that it becomes more difficult to make incremental gains in enrollment among certain populations as open enrollment approaches. She asked about the MHBE's impact on the uninsured population. Mr. Ratner responded by noting the pandemic's adverse impact on the availability of up-to-date survey data. He stated that the latest data show Maryland's uninsured rate at 6% and noted that data from the 2021 American Community Survey showed a gain of nearly two percentage points in the proportion of the population with public health insurance but showed a roughly equivalent loss in private health insurance, likely due in part to job loss.

Mr. Taneja referenced a previous presentation to the Board that showed much higher uninsured rates in rural areas of Maryland than in other areas. He asked whether the MHBE has seen enrollment growth in those areas during this OEP, noting that efforts had been directed toward increasing enrollment there. Mr. Ratner answered that the MHBE is still analyzing the data but noted that results appear to be mixed, with some areas seeing growth while others experienced major declines. He theorized that these drops could be due to increasing Medicaid enrollment and stated that it will be difficult to gauge the overall picture of enrollment in Maryland free from the influence of the Public Health Emergency for another year or two.

Commissioner Birrane pointed out that the enhanced subsidies under the American Rescue Plan Act (ARPA) have helped keep consumers renewing but expressed uncertainty over what will happen when the ARPA subsidies expire. She stated that the MHBE will need to convene a commission to plan for how to adapt when the ARPA subsidies are no longer active because affordability will become a more acute concern for consumers. She added that having a micro-analysis of the uninsured by demographic factors would be helpful when those data become available.

Dr. Allen noted that Mr. Taneja and Commissioner Birrane covered the items he hoped to discuss. He also asked where the uninsured are concentrated in Maryland. Mr. Ratner replied that, in raw numbers, they are concentrated in Maryland's population centers: Montgomery and Prince George's Counties. When measuring the proportion of the population that is uninsured, the highest concentrations are in Western and Southern Maryland.

Policy Committee Report

Dana Weckesser, Board Liaison

Ms. Weckesser presented on the Policy Committee's January 4, 2023, meeting. The Committee met to discuss provisions in the bylaws relating to an Advisory Process Committee as well as Board meeting frequency and whether meetings should be in person, hybrid, or online. The Committee looks forward to bringing the Board recommended updates to the bylaws in the coming month. She shared one specific item from the Committee's discussions: the Committee seeks to recommend holding the June annual Board meeting in person at a rotating series of locations around the state, as it would allow for Board training, relationship building, and engagement of local residents and legislators at the location of the meeting. A proposed agenda will be presented to the Board in advance of the June meeting.

Finance and Audit Committee Report

Singh Taneja, Chair

Mr. Taneja thanked Secretary Schrader for his service to the MHBE and the state. He reported on the Finance Committee's December 12, 2022, meeting. The Committee reviewed financial statements, which were generally within the budget. Mr. Taneja then pivoted to discuss the MHBE's procurement process. He expressed that it is important that the Board be made aware of allegations made against the procurement process. He gave a list of the complaints and allegations made against the MHBE, consisting of the following: legislative affairs audit findings in 2015; audit findings and several complaints in 2017; several complaints in 2018; a confidential internal investigation in 2019; and two complaints in 2021. He explained that these complaints alleged irregularities in the Indefinite Delivery,

Indefinite Quantity (IDIQ) process, steering contracts through predetermination of a selected source, nepotism, retaliation, ineffective oversight, and corruption.

Ms. Herron asked about the purpose of this presentation, noting that some of these issues have already been addressed through corrective action plans, and others were unfounded or could not be investigated. Mr. Taneja replied that he will state his point after listing the allegations.

Mr. Taneja continued by quoting language from the complaint documents that describes the specific allegations: procurement malfeasance, consultants being hired to work in information technology (IT) without proper qualifications, refusal to hire qualified US citizens and permanent residents, hand-picking of staff, a lack of checks and balances in the procurement process, and deficiencies in ethics reporting.

Next, Mr. Taneja discussed corrective actions that have been taken. He noted that the most recent complaint was reported to the Office of the Attorney General (OAG) and shared with the Office of Legislative Affairs. Internal investigations were conducted, resulting in adjustments made to internal procurement processes. An issue involving failure to pay overtime was resolved, and MHBE staff provide annual certification to auditors stating that they have no knowledge of instances of fraud or non-compliance. Mr. Taneja echoed Ms. Herron's point that, in some cases, MHBE management lacked the investigative capabilities to follow up on claims.

He concluded by explaining his perception of the Board's role for maintaining compliance: to be aware of allegations and potentially respond by tasking someone with seeking OAG review; seek another branch of government or another auditor to conduct an independent audit, especially for the cases where MHBE management could not investigate; or involve the Board of Public Works.

Secretary Schrader thanked Mr. Taneja for bringing this information to the Board. He expressed concern over the unique way that the MHBE has handled procurement. Since the issues involving the Call Center, he has felt the Board has taken on a great deal responsibility given that the Board does not have oversight by the Board of Public Works or reviews by the Board of Contract Appeals, unlike agencies with similar governance structures such as the Stadium Authority. He remarked that this makes periods when challenges arise particularly difficult. He suggested a review of MHBE's procurement policies but commended MHBE management for their work on compliance.

Mr. McCann summarized comments he sent to the Board prior to the meeting expressing his personal view on the compliance issues Mr. Taneja described. He outlined the challenges that MHBE has overcome, describing a complex, early transition the agency made from proprietary software to an open source system, as well as noting the challenges involved in transitioning from a focus on the desktop MHC site to mobile compatibility, which required a major software upheaval. He underscored that these transitions were done while the MHBE continued to operate at full capacity and stated that they often coincided with other challenges, such as issues involving the Maryland Total Human Services Integrated Network (MD THINK) and the pandemic. He argued that the allegations that MHBE was hiring unqualified contractors are incompatible with the agency's track record of success throughout these challenging transitions.

Mr. McCann continued by addressing the specifics of several allegations: he noted that the Compliance Officer found no support for the claim that MHBE was steering contracts or the allegation

that people who submitted complaints faced repercussions. He acknowledged that an investigation uncovered shortcomings in the procurement process. He also made the distinction that these complaints involve the procurement process, not the IT process itself. He contended that investigating complaints falls under the responsibilities of MHBE's management and noted that there is a mechanism in place to identify corrective actions for complaints that the Compliance Officer finds to be valid. He explained that there is also a process for review of corrective action plans, though he noted that he has suggestions for strengthening the process.

Mr. McCann then listed the entities that subject MHBE to audits and oversight, including the Maryland General Assembly, the Centers for Medicare & Medicaid Services, the US Department of Health and Human Services, and the MDH. He stated that the Board is extensively informed about contracts and developments regarding compliance. He concluded by arguing that MHBE has a system by which the Board is notified of this information, action is taken to address deficiencies, and relevant agencies are notified of complaints that are found to be justified.

Compliance Report

Andy Ratner, Chief of Staff and Acting Chief Compliance Officer, MHBE

Mr. Ratner thanked Mr. Taneja for his comments. He stated that around a dozen of the complaints that have come in over the last eight fiscal years have centered on the IDIQ process, which is expected given that the majority of staffing is secured through the IDIQ. He stated that it is unnecessary to repeat all of the allegations given that they have all been investigated and either found to be unsubstantiated or addressed through corrective action plans, noting that a complaint having been made does not imply that there is truth to it. He added that auditors have reviewed complaints and staff assurances that they are unaware of any non-compliance.

Mr. Ratner then discussed the findings that have been made regarding deficiencies in MHBE's IDIQ process and summarized the corrective actions being taken in response. One finding centered on interview panels, review, and reporting. In response, the MHBE committed to the following steps: the MHBE should determine and adhere to a policy regarding the size and personnel makeup of request for response (RFR) evaluation panels; panels should review RFR finance proposals before reaching selections; panels should review memoranda of combined financial and technical rankings before reaching final selections; and panels should report why candidates were deemed not to meet minimum or preferred technical qualifications.

The second finding was related to Procurement Officer involvement. The corrective action plan to address this issue includes the following: the Procurement Officer should determine the need for a best and final offer, and the evaluation panel chair should inform the Procurement Officer of the selected awardee.

The final finding centered on master contractor ownership information, in accordance with Maryland Code State Finance and Procurement Article §13-221. The recommended course of action in response to this finding is that the MHBE should document and implement a mechanism to ensure that all vendors follow the State Finance and Procurement Article §13-221, which requires that any business who enters into an agreement with a state agency and will receive at least \$200,000 in a calendar year must file with the Secretary of State a list of the names and addresses of resident agents of the business, its officers, and anyone with beneficial ownership of the business. This requirement should be built into the RFR and the request for proposals and should be verified by the

procurement officer when accepting proposals as responses. Mr. Ratner concluded by adding that some of these steps have already been put in place, noting that Ms. Green has been involved in the most recent IDIQ process and that the MHBE will flesh out how to implement these action steps at an internal meeting taking place on January 27, 2023.

Ms. Weckesser asked whether the purpose of the requirement laid out in State Finance and Procurement Article §13-221 is to check for potential conflicts of interest. Ms. Merriweather responded that she is unsure but that the purpose of checking for conflicts of interest would make sense. She added that state agencies need to understand exactly who contractors are, as the identities of the business owners may not be clear, and she noted that there is a similar rule requiring businesses to report if any of the owners are debarred.

Ms. Weckesser asked whether the requirement is part of the process of vetting contractors. Ms. Merriweather responded in the negative, stating that the requirement may not take effect before the contract is signed given that sometimes the agency does not know that the amount will be over \$200,000.

Ms. Weckesser asked whether contractors are required to report potential conflicts of interest. Ms. Street replied in the affirmative.

Mr. McCann suggested establishing a database of contractor documents so that they can automatically be checked for discrepancies.

To Ms. Weckesser's question regarding the intended purpose of the requirement laid out in State Finance and Procurement Article §13-221, Mr. Taneja added that the law was passed in 2015 to report political contributions made by contractors and ensure that no one makes political contributions to gain favorable treatment during the procurement process.

Commissioner Birrane clarified that the Board is completely open to any concerns regarding its activities. She stated that the intent of today's discussions on the allegations of deficiencies in the procurement process is to highlight the thorough scrutiny and evaluation that complaints undergo and noted that these issues are inevitable given the MHBE and the Board's statuses as public entities. She gave assurances that individuals should feel free to bring concerns forward and that complaints will always be taken respectfully and reviewed dispassionately and thoroughly.

Secretary Schrader acknowledged that Board meetings are designed for Board-member-to-Board-member discussion, meaning that if any Board member wants to bring up an issue, it must be discussed in a public meeting. He cautioned against being reluctant to have these conversations. He also thanked MHBE staff for producing the corrective action plans and working through the Finance and Audit Committee. He noted that the findings Mr. Ratner addressed highlight weaknesses in the agency's internal control structure, which needs constant review.

[2024 Final Plan Certification Standards](#)

Johanna Fabian-Marks, Director of Policy and Plan Management, MHBE

Ms. Fabian-Marks presented on the final 2024 plan certification standards. Detailed slides are available in the presentation for this meeting. She reminded the Board that draft standards were discussed at the November 2022 Board meeting, and they were shared with stakeholders and the Standing Advisory Committee, after which a public comment period followed before the recommended standards being presented today were finalized. The recommended final 2024 Value Plan standards are an exception: there will be an additional public comment period for these, and they will be shared with the Board in February 2023.

The first proposed standard for 2024 requires that carriers include a link to the plan contract in the Summary of Benefits and Coverage (SBC). Ms. Fabian-Marks reminded the Board that the SBC, a required document, currently has a space where carriers can provide a plan document but noted that MHBE would like to require carriers to provide a direct link. The only comment received on any of the proposed standards was about this standard: one carrier had a concern about when they would be able to implement this change given when they receive approved forms. MHBE responded that they would work with the carrier on implementation timing. Ms. Fabian-Marks stated that the lack of any other comments on the proposed plan certification standards speaks to the fact that the standards were given to stakeholders in advance to assess feasibility.

The next proposed plan certification standard, a unanimous recommendation of the health equity workgroup, was to require National Committee for Quality Assurance (NCQA) health equity accreditation. Ms. Fabian-Marks indicated that the MHBE would work with carriers who have similar certifications but that those organizations would need to transition to the NCQA accreditation.

The final proposed plan certification standard was a set of new requirements for adult vision plans being offered starting in 2024. No comments were received, and no changes were made, since this standard was brought before the Board in November 2022.

Ms. Fabian-Marks then described the proposed changes to Standard Plan design, which the Board will not be asked to approve until February 2023. She gave background on the Federal Actuarial Value (AV) Calculator, explaining that tweaks needed to be made to keep plans in an acceptable range as calculated by the 2024 Federal AV Calculator. Specifically, three of the six plan designs were too generous—one Bronze plan and two Silver variations. The MHBE first tried increasing the maximum out-of-pocket amount (MOOP), which brought the 94% Silver CSR plan into compliance but was insufficient for the other two plans in question.

For the additional changes needed, the MHBE worked with the Maryland Insurance Administration to develop two options. Option 1 would increase the specialist copay for these plans from \$80 to \$90 and increase the generic drug copay from \$20 to \$25; Ms. Fabian-Marks noted that Maryland law mandates that, for any drug with a lower retail cost than the copay, consumers are charged the retail price rather than the copay. Option 2 increases only the specialist copay: to \$110 for Silver plans and to \$125 for Bronze. Ms. Fabian-Marks indicated that the MHBE's recommendation is Option 1, which would likely have a lower impact on consumers. She noted that they are seeking comments on these options through the end of the month and welcome Board feedback as well.

Mr. Steffen referenced a bill that was submitted in 2021 but did not pass that would have mandated setting copays for physical therapists (PTs) at primary care rates. The argument for the bill was that existing PT copays were excessive and deterred consumers from seeking care. He stated that specialists would similarly be upset with the proposed increase to specialist copays. Ms. Fabian-Marks replied that the Workgroup felt strongly that PT, occupational therapy, and speech therapy copays should be at parity with primary care copays; under the proposed standards, all of these, along with mental health and substance use disorder outpatient visit copays, are at lower rates, separate from the specialist category, ranging from \$0 to \$35.

Ms. Herron expressed concern about the increase to generic drug prices “pricing consumers out” so that they could not afford to fill their prescriptions. She asked if the MHBE has received feedback on the price sensitivity between \$20 and \$25. Ms. Fabian-Marks replied that the Affordability Workgroup is sensitive to concerns regarding the generic drug copay and tried to keep it low. She added that Gold plans and Silver variations for low-income consumers, which together constitute 70% of on-exchange enrollment, have lower generic drug copays ranging from \$0 to \$10.

Ms. Eberle commented that the acceptable AV ranges present a challenge for Maryland and other states seeking to price plans based on health equity. She noted that MHBE is looking to submit comments to the federal government suggesting that it reevaluate the concept of AV and whether it still serves its intended purpose.

Mr. McCann moved to approve the new plan certification standards for plan year 2024 as presented, with the exception of the proposed value plan designs, which are still pending public comment. Ms. Weckesser seconded. The Board voted unanimously to approve the plan certification standards.

Approval of Minutes

Mr. McCann asked the Board to vote to approve the minutes for the November 21, 2022, meeting.

Ms. Weckesser proposed a change to the minutes correcting the name of the committee for which she is a reporter.

The Board voted unanimously to approve the minutes as amended.

IT Procurements

Venkat Koshanam, Chief Information Officer, MHBE

Shirelle Green, Procurement Officer, MHBE

Tracey Gamble, Procurement Manager, MHBE

Mr. Koshanam thanked Secretary Schrader and Mr. McCann for their support of MHBE’s IT efforts. He presented first on the IT IDIQ contract, beginning with background on MBHE’s efforts over the last seven years to move most of its IT operations in-house. Over 90% of MHBE’s IT staff is under the contract in question, with 98 Master Contractors under the current contract.

Ms. Green introduced herself before continuing the IT IDIQ Contract presentation. Detailed slides are available in the presentation for this meeting. The current contract expires in June 2023, and the MHBE seeks to have recommended awardees for contracts ready in April or May for a start date of

July 1, 2023. Ms. Green presented the ten functional areas that have been in use for the last seven years, to which there are no changes this year. She showed the timeline of the procurement process. The MHBE started a review of the request for proposals (RFP) in May 2022, and the RFP was open from October 12, 2022, to November 28, 2022. 144 proposals were received, out of which 29 were eliminated, leaving the 115 recommended awardees. Ms. Green explained that Ms. Gamble presented the recommendations and the financial proposals to the evaluation committee. After these steps were taken, Ms. Green personally handled the evaluation process, which involved checking for debts to the state and checking references. The MHBE hopes to start sending out recommendations for award on January 18, 2023.

Next Ms. Green described the timeline of the IT IDIQ Contract: there is a three-year base contract with two one-year options. She stated that it was a competitive process and noted that she and Ms. Gamble, along with the evaluation committee, personally reviewed the technical proposals.

Ms. Green presented the MHBE's request to the Board: the MHBE requests the Board to approve the proposed Master Contractor awardees to provide IT Technical and Support services under the IDIQ contract for the base period from July 1, 2023 to June 30, 2026, and for the two option years from July 1, 2026 to June 30, 2027 and July 1, 2027 to June 30, 2028.

Ms. Eberle asked for confirmation that no money is tied to the contracts at this point. Ms. Green confirmed, explaining that, following the Board's approval, the MHBE will put out a request for resumes (RFR) to the Master Contract awardees.

Mr. Schrader asked for confirmation that Ms. Green's office will handle the issuing of the RFR, selecting candidates, and issuing task orders. Ms. Green responded in the affirmative.

Mr. Schrader asked the size of Ms. Green's staff. Ms. Green replied that she is not the manager but that her staff consists of herself and her manager, who oversees her activity.

Mr. Steffen asked whether, during the RFR review process, Ms. Green sees the personnel that contractors will propose, asking what firms are being evaluated on if not the proposed personnel. Ms. Green replied that the proposals they receive include detailed descriptions of companies a contractor has worked with in the past and services they have provided. She cited the references that contractors provide as additional evidence backing up their past performance.

Mr. Taneja asked about how many of the recommended Master Contract awardees overlap with the existing vendors whose services MHBE already employs, inquiring whether Ms. Green anticipates a large number of shifts from one vendor to another or the selection of many new vendors. Ms. Green answered that there will not be a large shift because the current contract expires and because no one will be awarded until July 1, 2023. She also pointed out that RFRs will not be issued for all ten functional areas at once. She gave assurances that the best price and the candidates that are most advantageous to the state will be selected.

Mr. Taneja expressed concern that shifts could occur and the workflow could be disrupted because many new Master Contractors are selected and many of the existing workers leave. Mr. Koshanam responded that, in the previous IDIQ process, some sub-vendors became primary vendors. He noted that this was not a large shift, affecting only 10 to 20 people. He noted that this is expected and stated

that he views it as an opportunity to seek better talent, especially given the way that technology has changed, along with the skillset required from IT contractors. He assured the Board that they will assess which candidates can meet MHBE's current needs and its projected needs for the coming years.

Ms. Eberle clarified that a candidate's price alone does not determine whether they are most advantageous to the state and should be selected. Ms. Green agreed, noting that the technical qualifications and the financial proposal must be right as well.

Mr. McCann asked whether the MHBE pays sub-contractors directly or whether the money is passed through the prime contractor. Mr. Koshanam replied that the latter is true.

Mr. McCann asked how the MHBE knows how much sub-contractors are paid. Mr. Koshanam answered that they generally do not know. He referenced an initiative conducted by MHBE's Chief Financial Officer several years ago to ensure contractors are paid above minimum required labor rates. However, he underscored the need for rates to be competitive when it comes to technical positions and noted that prime contractors usually take on these contracts. He noted that the MHBE monitors the vendor rate for certain services.

Ms. Herron expressed concern about the loss of institutional memory and disruption as the MHBE switches contractors. She pointed out that there is often time needed to ramp up as institutional knowledge is lost and new contractors have to figure out how things were done. She stated that they should have processes in place to mitigate disruptions. Mr. Koshanam replied that there are systemic controls in place, including not being tied to a specific vendor and keeping qualified staff on to have a continued presence with MHBE.

Mr. Taneja referenced allegations that there were vendors with financial interests in multiple contracts, noting that he sees these claims as likely being substantiated. He asked whether it is possible to isolate and exclude vendors who present as competitors but actually have the same ownership. Ms. Green replied that she looked through all 144 proposals, including delving into Maryland State Department of Assessment and Taxation (SDAT) reports on the candidates, and has not come across that kind of situation.

Mr. Schrader expressed the necessity of establishing internal controls to ferret out this strategy and other types of prohibited conduct by candidates. Ms. Green agreed and noted that this may be addressed in the meeting on January 27, 2023, regarding the implementation of corrective action plans. She remarked that she has seen dubious things before but that she cannot eliminate candidates based solely on a suspicion; however, she noted that the MHBE is attempting to put controls in place.

Mr. McCann moved to approve the vendors recommended for award as Master Contractors under the IDIQ contract for IT technical support and IT services support for the base period from July 1, 2023 to June 30, 2026, and for the two option years from July 1, 2026 to June 30, 2027 and July 1, 2027 to June 30, 2028. The Board voted unanimously to approve the Master Contractor awardees.

Next, Mr. Koshanam presented the Board with a preview of another contract renewal coming soon: MHBE's Salesforce contract. He gave background on MHBE's use of the Salesforce platform, which

has expanded from initially providing the MHBE with a Customer Relationship Management (CRM) system to allowing the agency to build a variety of internal applications (a detailed list can be found in the presentation for this meeting).

Ms. Gamble continued the presentation. She explained that the MHBE entered into an intergovernmental cooperative purchasing agreement with Carahsoft in 2021 for one base year and two option years. The MHBE has started the process of renewing for the second option year. Ms. Gamble presented a comparison of license costs between 2022 and 2023 and a summary of Salesforce costs over the last three years, which are available in detail in the presentation for this meeting. MHBE's Salesforce cost in 2022 was \$1,167,000, and in 2023 the cost is expected to decrease to \$1,111,010, a savings of over \$50,000. She stated that she will present the recommendation for award for the Board's approval at the February 20, 2023, Board meeting.

Mr. Schrader asked who the intergovernmental cooperative purchasing agreement with Carahsoft was sponsored by. Ms. Gamble replied that it was sponsored by the US General Services Administration.

Mr. Schrader asked for confirmation that the MHBE contracted for only the Salesforce license, not for wraparound services involving the development of applications using Salesforce. Ms. Gamble responded in the affirmative.

Mr. McCann asked whether the savings in comparison to the 2022 Salesforce cost is due to the fact that some activities that previously demanded that MHBE use Salesforce are now handled by MD THINK. Mr. Koshanam responded that it is due to a reduction in the number of calls that the Call Center takes, which has occurred as a result of technology improvements.

Mr. Steffen asked for the value of the software development that MHBE does using the Salesforce licenses. Mr. Koshanam replied that it is close to a \$1,000,000 cost. He commented that, counting only the CRM solution, the cost would be roughly halved, but licenses would cost the same amount.

Mr. Steffen asked for confirmation that the licenses include both end user and developer licenses. Mr. Koshanam responded that the Service Cloud Enterprise Edition and Government Cloud licenses, shown on the license costs comparison slide, are the full licenses. He also pointed out the Customer Community Logins license category, which he cited as a cost-effective way to measure logins without purchasing full, developmental licenses.

[Motion to Enter Closed Session](#)

Mr. McCann moved to meet in closed session pursuant to General Provisions Article §3-305-1 to discuss performance, resignation, and other personnel matters that affect one or more specific MHBE employees. Ms. Weckesser seconded. All present members voted to meet in closed session.

[Adjournment](#)

Mr. McCann moved to adjourn the meeting. The Board voted unanimously to adjourn.