



# Maryland Health Benefit Exchange

## Board of Trustees

September 15, 2025

2:00 p.m. – 4:00 p.m.

*Meeting Held via Video Conference*

### **Members Present:**

Meena Seshamani, M.D., Ph.D., Chair

Aika Aluc, Vice Chair

Marie Grant

Katherine Rodgers

Yvette Oquendo-Berruz, M.D.

Ken Brannan

Maria Pilar Rodriguez

JoAnn Volk, M.A.

Douglas Jacobs, M.D.

### **Also in Attendance:**

Michele Eberle, Executive Director, MHBE

Johanna Fabian-Marks, Deputy Executive Director, MHBE

Andy Ratner, Chief of Staff, MHBE

Venkat Koshanam, Ph.D., Chief Information Officer, MHBE

Tony Armiger, Chief Financial Officer, MHBE

Scott Brennan, Director, Compliance & Privacy, MHBE

Tamara Gunter, Director, Consumer Assistance & Eligibility, MHBE

Tisha Payne, Director, Human Resources & Organizational Effectiveness, MHBE

Christopher Randolph, Principal Counsel, MHBE

Nicole Edge, Program Manager, Plan Management, MHBE

Tracey Gamble, Procurement Manager, MHBE

### **Meeting Call to Order and Approval of Minutes**

*Meena Seshamani, M.D., Ph.D., Chair*

Sec. Seshamani called the meeting to order and asked for a motion to approve the minutes of the August 18 public Board meeting. Ms. Grant moved to approve the minutes. Dr. Oquendo-Berruz and Ms. Aluc seconded. All Board members besides Ms. Rodgers voted unanimously to approve the minutes; Ms. Rodgers abstained.

## Public Comment

David Stewart provided public comment on behalf of his organization, Area Health Education Center (AHEC) West, a Connector Entity (CE). He stated that recent budget cuts will be a huge setback for the least served people in Maryland, who have been reached by and trust the state's Connector programs, noting that his program and others will be crippled by the cuts. He emphasized the level of difficulty his program will likely have in making it through this open enrollment period (OEP) and explained that the program will not be able to simply return to where it left off prior to the cuts. Mr. Stewart noted that changes as a result of the budget cuts may further break trust with underserved populations, such as immigrants, and commented on the difficulties the program will likely face if it is to ramp back up following the cuts.

## Executive Report

*Michele Eberle, Executive Director, MHBE*

Ms. Eberle began her executive update by noting that the Centers for Medicare & Medicaid Services (CMS) did not approve the federal funding for the CE program's Medicaid work, which represents half of the program's total funding, leading the MHBE to renew the fiscal year (FY) 25 CE grant agreement with modification rather than issuing a request for application (RFA) for the FY 26 grant agreement. While the FY 25 grant agreement with modification will continue to cover in-person assistance to qualified health plan (QHP) recipients and mixed households, it will no longer cover assistance for Medicaid recipients after September 30. Ms. Eberle noted that local health departments and county departments of social services are funded to assist Medicaid recipients in-person, and the MHBE's Application Counselor Sponsoring Entity Program offers Medicaid enrollment assistance.

Ms. Eberle's federal updates included the possibility of a government shutdown soon and the fact that the federal government understands the premium rate increases that would result from discontinuation of expanded tax credits. She also explained that a ruling in the case *City of Columbus v. Kennedy* stayed the provision of the Final Marketplace Integrity Rule that would have reduced the minimum number of years consumers must fail to reconcile their advance premium tax credits (APTCs) before the credits are no longer granted from two years to one and even challenged whether the existing two-year limit is allowable, so the MHBE will not impose any limitation for the time being.

Ms. Eberle asked for confirmation that the item concerning an update on individual market rates will be pulled from the agenda for the meeting. Ms. Grant replied in the affirmative, noting that the updated rates will be published later this week.

Ms. Eberle concluded her executive update by listing the MHBE's areas of focus: the upcoming OEP, messaging around expanded tax credits, changes regarding Deferred Action for Childhood Arrivals (DACA) recipients, and development of the agency's FY 27 budget.

Mr. Brannan asked for clarification on the change in the CMS CE grant between FY 25 and FY 26. Ms. Eberle suggested that this question be tabled until the presentation on the CE contract extension later in the meeting.

Ms. Volk inquired whether, given Maryland is one of four states who handles exemption processing separately from the federal platform, any change will be made in response to the expanded eligibility

for catastrophic plans for states using the federal platform. Ms. Eberle noted that the proposed expansion beyond those with just a waiver would impact the state reinsurance program (SRP) and risk adjustment, leading the MHBE not to implement the change. She stated that the MHBE has a well-priced Bronze plan with comprehensive coverage.

Ms. Grant commented that expanded eligibility for catastrophic plans is not a meaningful option for addressing affordability challenges in the market.

### Policy Committee Report

*Katherine Rodgers, Board Liaison*

Ms. Rodgers reported on the August 14 meeting of the Policy Committee. Agenda items included briefings by MHBE staff on the 2026 subsidy and SRP parameters, the proposal to delay implementation of the 1332 amendment pursuant to the Access to Care Act to allow individuals to enroll on Maryland Health Connection (MHC) regardless of immigration status, and the federal provisions from the Marketplace Program Integrity Rule and Reconciliation Bill that are going into effect this fall. These provisions include ending the monthly special enrollment period for people under 150% of the federal poverty level, ending the 60-day extension to the baseline 90-days to resolve income inconsistencies, and disenrolling DACA recipients.

### Standing Advisory Committee Report

*Aika Aluc, Vice Chair*

Ms. Aluc noted that the Standing Advisory Committee (SAC) is meeting on September 18 and has a new Co-Chair: Stephanie Klapper. The SAC will receive a final update on the 2026 SRP parameters and will discuss marketing strategy for the 2026 OEP. Ms. Aluc offered to bring any additional items to the September 18 meeting if Board members have suggestions.

### Compliance, Audit, and Privacy Annual Report

*Scott Brennan, Director, Compliance & Privacy, MHBE*

Mr. Brennan reported on the status of the MHBE's Policy Update and Revision Initiative; its Fraud, Waste, and Abuse Report; metrics on its privacy program; and details on external audits, corrective actions, and internal reviews, along with discussing the Office of Legislative Audits (OLA) audit in which the MHBE has been engaged. Detailed slides are available in the presentation for this meeting. The MHBE has updated 70 of its 81 policies, with Mr. Brennan sharing a list of the remaining policies, which are in the advanced stages of being reviewed and updated. Of the eleven Fraud, Waste, and Abuse allegations in FY 25, nine were determined to be unsubstantiated, while one allegation categorized as substantiated and one that would require additional investigative tools to substantiate were forwarded to the Maryland Department of Health (the Department) for further investigation. The Debarment and Sanctions Screening was conducted as usual by running all vendors through the Department of Health & Human Services' Office of the Inspector General's List of Excluded Individuals & Entities.

Mr. Brennan showed charts indicating that the overall number of privacy incidents decreased from FY 24 to FY 25, as well as describing the FY 24 and FY 25 incidences of two common types of privacy issues. He shared a list of the privacy agreements made with the MHBE's vendors and producers to

govern data privacy and privacy reporting, as well as lists of the assessments and trainings conducted in FY 25. Next, Mr. Brennan presented a slide showing the timeline of internal reviews, which resumed in October 2024 after having been paused for the most recent OLA audit and which focus on past audit findings and risk ascertainment. He also showed the timeline for external audits to which the MHBE is subject from federal and state entities. The Maryland Department of Budget & Management (DBM) Recruitment and Examination Division (RED) audit returned four findings, while the OLA audit returned six, and corrective action is underway or complete for all findings.

Finally, Mr. Brennan described the OLA audit in greater detail, noting its 17-month timeframe and sweeping scope. A table explaining the six findings from the audit is included in the materials for this meeting; each relates to policy, consumer assistance, or finance and procurement. The MHBE takes exception to some of the findings and will publish a formal response that will be published with the full report but will also work with OLA to remedy issues found where possible.

### Final State Subsidy Regulations

*Johanna Fabian-Marks, Deputy Executive Director, MHBE*

Ms. Fabian-Marks then presented on the regulations for the state subsidy program. Detailed slides are available in the presentation for this meeting, and the text of the regulations is included in the meeting materials. She explained that the MHBE submitted these proposed regulations both as an emergency action, for which the process is expedited, and through the normal channels to ensure the regulations remain effective after the emergency action expires. During the public comment period, the one comment the MHBE received expressed support for the regulations and the program.

Ms. Rodgers moved to approve the final regulations as presented, and authorize the MHBE to submit them to the Division of State Documents for publication in the Maryland Register. Dr. Oquendo-Berruz seconded. The Board voted unanimously to approve the final regulations.

### 1332 Waiver Update

*Johanna Fabian-Marks, Deputy Executive Director, MHBE*

Next, Ms. Fabian-Marks provided an update on the MHBE's 1332 waiver amendment. Detailed slides are available in the presentation for this meeting. She began by providing background information. In January, the federal government approved the MHBE's application for an Affordable Care Act (ACA) waiver amendment to allow for residents with any immigration status to enroll on MHC, with the intent for the new rules to take effect on November 1, 2025. However, due to the MHBE's increased workload in the next year resulting from the Program Integrity Rule and the Medicaid eligibility changes and work requirements in the budget reconciliation and finance bill passed this summer (H.R.1), the MHBE is requesting the Board's approval of an updated implementation plan that would delay implementation of the new rules until the Fall 2027 OEP for 2028 plans.

Ms. Fabian-Marks noted that the new implementation plan explains that MHBE will put the new rules in place earlier than January 2028 if its resources allow, in which case the agency would discuss with the Board and notify the federal government at least six months prior to the implementation date. She stated that the MHBE has already begun the 30-day public comment period for the new implementation plan, at the advice of federal partners.

Sec. Seshamani asked for confirmation that the change would enable the implementation of the waiver amendment to be put in line to be completed once the agency's work to implement the requirements from H.R.1 is finished. Ms. Fabian-Marks replied in the affirmative.

Sec. Seshamani asked whether the new implementation plan will allow for additional time to implement any new requirements that arise. Ms. Fabian-Marks answered in the affirmative, noting that federal proposals that would have prohibited the waiver amendment were discussed, which was part of the reason the MHBE held off on the implementation of the waiver amendment, but did not pass.

Mr. Jacobs asked how individuals who are not United States citizens currently enroll in coverage. Ms. Fabian-Marks responded that non-citizens who are not legally present cannot enroll through MHC but can enroll directly with carriers off-exchange. They must pay full price, and the waiver amendment included no proposals to change that; rather, the benefit these individuals would gain from enrolling on MHC include the platform's ease of use and consumer assistance features. Legally present non-citizens will experience changes in their eligibility for federal premium tax credits and Medicaid over the coming year but will remain able to enroll on-exchange. Ms. Eberle added that, regardless of enrollment eligibility, anyone can use the MHC's "Get an Estimate" tools and compare plans using the platform.

Ms. Volk expressed concern over taking a binding vote prior to the close of the public comment period on the new implementation plan and asked whether communications with the federal government indicate a willingness to allow an expedited public comment period so that the vote would take place after the public comment period or whether instead voting after the 30-day public comment period was considered. Ms. Fabian-Marks answered that CMS clearly stated a desire for a 30-day public comment period but that the MHBE could bring this item back to the Board in October for a vote at that point instead so that the public comment period can fully elapse first.

Ms. Volk expressed support for this suggestion, noting that additional comments may come in during the remainder of the period that are worth hearing before a vote is taken. Ms. Grant and Ms. Rodgers agreed.

Mr. Jacobs asked if there are other operational considerations that necessitate taking a vote at this meeting. Ms. Fabian-Marks responded that this meeting was chosen mainly to move quickly, as CMS had suggested, but that the MHBE can communicate with CMS regarding the move to an October vote. Mr. Jacobs then agreed with the suggestion to move the vote to the October meeting.

Ms. Rodgers asked whether a motion is needed to defer the vote until the October meeting. Ms. Fabian-Marks replied in the negative. Mr. Randolph agreed, explaining that no action is needed if the matter is not brought to a vote at this time.

## 2026 Individual Market Plan Landscape

*Nicole Edge, Program Manager, Plan Management, MHBE*

A presentation on the individual market plan landscape from Ms. Edge was next on the agenda. Detailed slides are available in the presentation for this meeting. Ms. Edge first showed a map giving the areas each carrier covers, noting that there have been no changes besides Aetna's exit from the

individual market. Of the four participating carriers, CareFirst, United, and Wellpoint operate statewide, while Kaiser covers a number of counties in central Maryland.

Changes to the QHPs offerings in 2026 include Aetna's departure from the market and two additional HMO Silver plans, with deductibles of \$4,500, and one additional PPO Silver plan, with a deductible of \$3,400, from CareFirst. The QHPs and their deductibles and actuarial values (AVs) are otherwise largely unchanged. There are 43 plans in total in 2026.

For dental plans, the plan offerings and participating carriers are unchanged from 2026, with the 11 on-exchange plans available statewide.

Ms. Volk commented that she is pleased the MHBE did not allow the broader variation in AV that would have otherwise been allowed under the Program Integrity Rule. Ms. Eberle noted that the ability to leave AV standards unchanged was a benefit of the MHBE's position as a state-based marketplace.

#### Connector Entity Contract Extension

*Tamara Gunter, Director, Consumer Assistance & Eligibility, MHBE*

*Tony Armiger, Chief Financial Officer, MHBE*

Ms. Gunter then presented the request for an extension for the MHBE's CE grants. Detailed slides are available in the presentation for this meeting. She presented background on the CE program's expansion beyond its original scope to Medicaid enrollment assistance and explained the request for a nine-month extension for the period October 1, 2025, through June 30, 2026, following the previously approved extension lasting from July 1, 2025, until September 30, 2025. She noted that the extension from October through June will ensure uninterrupted consumer assistance operations during OEP 13 but will only cover assistance for private-pay and mixed-household consumers, as federal funding for Medicaid assistance has not been approved.

Ms. Gunter then described the timeline regarding the request for federal matching dollars for the CE grant. The Board approved a three-month extension for the grant in April 2025, after having been notified of the new federal reporting requirements for the grant in March 2025. The RFA for the grant was sent to the Department for review by CMS in April 2025. The MHBE was told in August 2025 that there was a hold on the review process and that additional information was required.

Next, Ms. Gunter described the outreach strategies CE grantees employ. She showed a map indicating that the CEs collectively cover all Maryland counties, then a table containing the budget allocation by region within the three-month extension period from July 2025 to September 2025 and the remaining funds for use in the proposed nine-month extension period from October 2025 to June 2026.

Ms. Volk asked for clarification on what has changed this year regarding the Medicaid funding that has resulted in the removal of that funding for CE grantees. Ms. Gunter answered that this is the first time the MHBE has been required to submit a different proposal for the federal match funding for the CE program, emphasizing that all required items were submitted in a timely fashion but that the new process has caused delays. Ms. Eberle agreed and added that the federal government previously allocated funding for navigators as part of the ACA, but that funding has since been eliminated. She



noted that all items involving Medicaid funding must be sent to the Department, who then sends them to CMS; the extended timeline involved is the reason the MHBE ran out of time to get Medicaid funding approved for the grant beyond September 2025.

Ms. Fabian-Marks noted that the MHBE typically included the navigator program in its annual advance planning document, which was approved by CMS. The requirements that the agency submit its RFA or request for proposal (RFP) for approval before its release and submit the award before its publication are new.

Mr. Armiger stated that these requirements apply only for grants with an amount in excess of \$500,000.

Ms. Rodgers inquired about the magnitude of the decrease in funding compared to in previous years. Ms. Eberle answered that there will be a funding cut of about 50%.

Ms. Rodgers asked whether the CEs have indicated how the cut will affect their ability to carry out their functions. Ms. Gunter replied that they have emphasized the impact will be significant for Medicaid operations specifically.

Ms. Rodgers asked how the CEs will know whether an individual is Medicaid-eligible and how they adapt their services accordingly. Ms. Gunter answered that such individuals will be directed to the four CE programs that are local health departments or departments of human services and have federal funding to assist Medicaid-eligible people.

Ms. Eberle agreed, adding that application counselor programs also provide in-person assistance for Medicaid recipients, and they may use the Call Center. She commented that the MHBE will need to examine how it can continue to serve these individuals outside of the navigator program and noted that pre-committing federal funds is not an option. However, she explained that the MHBE will work with the Department to request approval from CMS for federal funding within the October 2025 – June 2026 extension, as well as submitting the FY 27 RFA with ample time for CMS approval.

Ms. Gunter stated that the RFAs are ready and need only be submitted.

Ms. Volk inquired which CEs are embedded with county departments of health and which are not. Ms. Gunter replied that Lower Eastern Shore Health, HCAM, and the Prince George's and Montgomery County grantees are all connected to local health or human services departments, while AHEC West is not directly connected with one through the grant but has contacts within a local health department. She explained that the MHBE will host a workgroup beginning on September 22 that will discuss best practices to maximize the staffing and resources for the OEP using the \$2.5 million available.

Ms. Volk asked whether the plans for how to operate are different for this OEP given the lack of clarity consumers may have regarding recent changes. Ms. Gunter answered that the focus for CEs is specifically on new enrollments, whereas the MHBE will maintain a list of resources with whom individuals who are already enrolled can consult, including brokers, local departments of health and social services, and application counselors. Mr. Armiger added that the Call Center is another resource available to them.

Mr. Brannan inquired about how the MHBE will collaborate with the CEs to help them weather the changes this OEP and ensure a smooth handoff to brokers. Ms. Gunter replied by emphasizing that the CEs were always meant to hand things off to brokers after enrolling an individual. Ms. Eberle added that CEs' particular processes for involving brokers have varied and that the workgroup will work on how to make those processes more effective. She pointed to Broker Connect as a possible resource to leverage and noted that the handoff to a broker from CEs or the Call Center tends to result in an individual primarily consulting with their broker, freeing up resources at the CEs and the Call Center.

Mr. Brannan referred to the language in the ACA requiring assistance of individuals in public programs as a way of addressing social determinants of health and commented that the CEs were a crucial part of fulfilling that mandate. Ms. Eberle responded that the same purpose has been built into the broker operations program from the beginning.

With regard to the slide showing the budget allocations for the previously approved three-month extension and the proposed nine-month extension, Ms. Rodgers commented that representing the uninsured totals for each region as the percentage of the entire state's uninsured total may give the impression that some regions' uninsured rates are lower than they are. Ms. Eberle noted that the Policy Committee could discuss whether there is a better way to show those totals.

Ms. Grant asked for confirmation that this decision must be made, as the MHBE does not have the money to backfill the Medicaid funding. Ms. Eberle and Ms. Gunter replied in the affirmative.

Ms. Aluc expressed interest in the demographics of the uninsured by region, such as immigration status, race, and ethnicity, in order to better understand the social determinants of health at play.

Ms. Eberle suggested that the Policy Committee examine the outcomes-based practices for grant programs put forward by Results for America that Ms. Gunter's team has worked with.

Ms. Volk moved to approve a modification and extension for a period of 9 months to all of the current FY25 Connector Entity Grant Agreements and a total award for the Connector Entity Grant for a 9-month extension period (October 1, 2025 through June 30, 2026) with a not-to-exceed (NTE) amount of \$2.5 million. Ms. Rodgers seconded. The Board voted unanimously to approve the modification and extension.

#### **AWS Contract Extension**

*Venkat Koshanam, Chief Information Officer*

*Tracey Gamble, Procurement Manager, MHBE*

Finally, Mr. Koshanam and Ms. Gamble presented on a request for an extension of the MHBE's Amazon Web Services (AWS) contract. Detailed slides are available in the presentation for this meeting. Mr. Koshanam gave background on how the MHBE uses the AWS infrastructure, noting that the MHBE uses the MD Benefits Platforms AWS Services to host the production environments for its consumer and worker portals. The MHBE also hosts another AWS platform, to which they have continued to migrate existing tools, including ten lower environments, and to which they have added new ones, such as a disaster recovery portal, stakeholder site, and small business portal. He also



noted the expansion of the artificial intelligence (AI) agent used at the Call Center to automate consumer password reset requests.

Ms. Gamble noted that the Board previously approved a contract with A&T Systems, Inc., for two base years from November 1, 2022, to October 31, 2024, then approved the exercising of an option year from November 1, 2024, to October 31, 2025, with an NTE amount of \$1.5 million, a Federal Participation amount of \$990,000, and a State Participation amount of \$510,000. The MHBE submitted the new AWS draft solicitation for the Department's review prior to submission for CMS approval, as newly required for pre-solicitation of new contracts over \$500,000, in May 2025. Given the limited likelihood that CMS will approve the contract prior to the October 31, 2025, end date of the current contract, the MHBE is asking for a six-month extension through April 30, 2026, while awaiting that approval. She went over the Federal and State Participation amounts for the extension.

Ms. Eberle commented that the MHBE is discussing ways to avoid being placed in the position of needing to ask for an extension in the future, especially for contracts on resources as integral to MHBE's operations as AWS.

Ms. Volk moved to approve a 6-month extension from November 1, 2025 to April 30, 2026 of the Amazon Web Services subscription from A&T Systems, Inc. to ensure continuous operations of the Exchange systems while CMS approves the new Procurement, and to approve an NTE amount of \$1,000,000 for the extension period, with Federal Participation amount of \$660,000 and State Participation amount of \$340,000, pending CMS approval for the contract extension. Dr. Oquendo-Berruz seconded. The Board voted unanimously to approve the contract extension.

### Adjournment

Sec. Seshamani closed the meeting.