

Board Meeting Minutes
Connect for Health Colorado Meeting Room
East Tower, Suite 1025
3773 Cherry Creek N Dr., Denver, CO 80209
January 9, 2017
8:30 AM – 11:30 AM

Board Members Present: Adela Flores-Brennan, Kyle Brown, Sharon O’Hara, Marc Reece and Nathan Wilkes

Board Members Joining via Phone: Sue Birch (joined at 10:20 am), Davis Fansler, Jay Norris, Denise O’Leary, and Marguerite Salazar (left after 9:30 am)

Board Members Absent: Steve ErkenBrack and Eric Grossman

Staff Present: Brian Braun, Traci Butzen, Luke Clarke, Beth Deines, Kate Harris, Judith Jung, Ian McMahon, Kevin Patterson, Carolyn Pickton, Taylor Roddy, Lisa Sevier and James Turner

Approximately 10 guests attended the meeting in-person and the conference line was available for people to join by phone.

I. Call to Order

- Board Chair Adela Flores-Brennan, called the meeting to order at 8:30 am and welcomed those in attendance, both in-person and on the phone.

II. Executive Session

Ms. Flores-Brennan entertained a motion to move into Executive Session to discuss matters concerning sensitive and confidential issues around a personnel matter. A vote was called for and passed with unanimous approval.

The Executive Session is permitted pursuant to CRS §24-6-402(4)(f).

The Board returned from Executive Session at 9:30 am.

Ms. Flores-Brennan gave a brief, high level overview of the renewed CEO performance goals for the coming fiscal year. The goals include:

- Organizational stability and capacity; focused on policy development and staffing – 30%
- Customer service and technology; focused on improving the customer experience and better serving the clients – 25%
- Stakeholder relationships; focused on external communications and relationships with the organization – 20%
- Budget; focused on long term sustainability and fiscal management – 20%
- Medicaid cost allocation recovery; focused on recovery costs the organization accrues with enrolling people in Medicaid – 5%

Ms. Flores-Brennan called for a motion to approve the CEO performance goals.

Sharon O’Hara motioned for approval. Denise O’Leary seconded the motion. There was no public comment.

Ms. Flores-Brennan called the motion to a vote. The motion was unanimously approved as follows:

Yes: Davis Fansler, Adela Flores-Brennan, Jay Norris, Denise O’Leary, Sharon O’Hara and Nathan Wilkes

No: None

Abstain: None

It was noted for the record that Marc Reece had stepped out of the room prior to the vote.

III. **Business Agenda**

- The minutes from the December 12, 2016 board meeting were voted on and approved.
- There were no changes to the agenda.
- Disclosure of Conflicts of Interest: none.

IV. **Board Report**

None.

V. **CEO Report**

OE4 Update

An update was given to the board on open enrollment four (OE4).

- Currently enrollments are 18% ahead of last year.
- Records set this open enrollment:
 - Over 12,000 enrollments in one day
 - Over 1,000 enrollments in one hour
- System performance has not greatly been affected by these record numbers.

James Turner, CTO, discussed some ongoing issues with the system.

- \$0 issue, where customers receive a message during the process stating they were eligible for \$0 in advanced premium tax credits (APTC). This is due to an integration failure between PEAK and Connect for Health Colorado. The issue has been fixed and is being monitored.
- Due to an eligibility rule interpretation issue, 2017 enrollment has caused a change to the last month of 2016 for some customers. Outreach to these customers has been completed.
- Due to the 15th of the month rule, CBMS is incorrectly determining that people are eligible for Medicaid. This has affected approximately 20 customers and a work around is being considered.
- Changes to a customer’s income by a medical assistance (MA) has affected 2017 eligibility for some people (approximately less than 100). This is still under investigation to determine a workaround.
- Customer’s receiving “case closed” messaging causing a delay in receiving eligibility. This is being worked through with a ticketing and resolution process.

Mr. Turner reviewed the attestation process for customers who complete their enrollment after December 15th, but will still be allowed a January 1st, 2017 coverage start date.

- Enrollment completed after December 15, 2016
 - Valid reasons include technical reasons and delayed eligibility determination.
- Attestation for January 1, 2017 coverage and reason
- Attestation approved/rejected
- Enrollment flows to carrier

Judith Jung, COO, gave an update on the service center's December performance levels:

- Percentage of calls answered in less than five minutes – 68%
- Average wait time – five minutes
- Average handle time – 19 minutes
- Top call drivers:
 - Enrollment assistance
 - Eligibility assistance
 - Technical support
 - Account corrections
 - Verifications
 - Coordinating with carrier

Taylor Roddy, Director of Marketing and Outreach, reported on the marketing for OE4:

- Eligible but not enrolled (EBNE) results:
 - Had 115,000 contacts for EBNE
 - Performing well above industry standards in terms of engagement on the email campaign
- Paid media efforts – Spanish:
 - 12M impressions served
 - 69,000 clicks to the website
 - Over 400 clicks to call
- Paid media efforts – English:
 - 21M impressions served
 - 163,000 clicks to the website
 - Video performing above standard at 1.73% (.4% is best practice)
 - Display performing above standard at .10% (.09% is best practice)
- In outreach efforts, key influencers in the communities have been identified and have reached more than 57,000 in video views, 62,000 in post and campaigns and have over 9,000 followers across social media channels.
- Balance of information on general health insurance and literacy
- In January, the focus is on the tax time tools, quick cost and plan finder tool, and Weekly stakeholder communications

Goals & Opportunities

Brian Braun, CFO, reviewed how the organization is looking toward possible opportunities that may occur with the current conversations happening through federal and state entities:

- Expand the customer base
- Embrace financial assistance alternatives/changes

- Support transparency
- Support alternative plan solutions
- Expansion of services to other states

The next step in the planning process is to finalize the goals. The senior staff will bring back suggested goals to help inform where the strategic plan may need to be augmented with all the possible changes coming forward. Once this has been established, the strategic plan can be vetted through the advisory groups for their input.

OIG Audit Update

An update on the Office of Inspector General's (OIG) report has been released. The report dates back to 2013 and 2014 and includes \$9.7 in recommended refunds, which represents approximately 5% of the original start-up grant from the federal government.

- 50% of the recommended refund has been previously reallocated.
- Many of the findings originated from mixed advice received early on regarding allowable expenses and have been corrected once rules were clarified.
- Expenditures in the report were supported by relevant documents including public procurement processes.
- Since the period covered in the audit processes and procedures have been improved.
- There are ongoing conversations with the Centers for Medicare and Medicaid Services (CMS) regarding next steps and whether any repayment or reallocation is required.

VI. Finance & Operations

Steve Corder and Tiffany Knight of Kunding, Corder and Engle, P.C. reviewed the A-133 and financial audit for fiscal year 2016.

- An unmodified or clean opinion has been given for the financial statement audit for the fiscal year ending June 30, 2016.
 - It has been determined that there is no concern about the financial viability of the organization going forward.
 - The auditors are required to use one year of reasonable time to determine the organizations viability, which at the time of the report is one year from the end of the audited year.
 - Next year the auditors will need to ensure that the organization will be financially viable for one year after the date that the financial statements are released.
- Ms. Knight gave an overview of the financial statements as of June 30, 2016:
 - Cash is \$4.7M
 - Accounts receivable balance is \$12.7M
 - Capital assets are \$30.8M
 - Purchases are \$6.2M
 - Depreciation is \$12.6M
 - Liabilities total \$4.3M
 - Total net position is \$56.2M
 - With an unrestricted net position of \$25M
 - A footnote has been added which addresses the recent OIG report noting that a significant portion of the mentioned expenditures in the report had been previously

identified and were reduced. Additionally, Connect for Health Colorado believes there is sufficient documentation to support the expenditures that are being questioned.

- There was one finding in the audit in the area of procurement suspension and debarment, management believed contracts were related to sole source providers and therefore a noncompetitive proposal process was allowed. Management was unable to provide sufficient records detailing the process and document the final conclusion. It was noted that since this time, new procurement procedures have been implemented which address this issue.

Ms. Flores-Brennan called for a motion to issue the financial statements for fiscal year 2016.

Marc Reece motioned for approval. Denise O’Leary seconded the motion. There was no public comment.

Ms. Flores-Brennan called the motion to a vote. The motion was unanimously approved as follows:

Yes: Davis Fansler, Adela Flores-Brennan, Jay Norris, Denise O’Leary, Sharon O’Hara, Marc Reece and Nathan Wilkes

No: None

Abstain: None

VII. Legislative Update

The board’s legislative approach was reviewed and Mr. Patterson stated that the organization is conducting educational outreach to the legislators. Currently, Connect for Health Colorado plans to take a position of observance unless there is an introduction of any bill’s that could threaten the continued existence of the Marketplace.

VIII. Public Comment

The following members of the public gave comment:

A.J. Earl IV, Broker

Chris Adams, Broker

Brad Niederman of Niederman Insurance

Meeting adjourned at 11:34 am.

Respectfully submitted,

Davis Fansler
Secretary

Next Meeting

February 13, 2017 from 8:30 am – 12:00 pm