

Board Meeting Minutes
Connect for Health Colorado Meeting Room
East Tower, Suite 1025
3773 Cherry Creek N Dr., Denver, CO 80209
June 13, 2016
8:30 AM – 12:00 PM

Board Members Present: Steve ErkenBrack, Adela Flores-Brennan, Eric Grossman, Sharon O’Hara, David Padrino, Marc Reece, Marguerite Salazar and Nathan Wilkes

Board Members Joining via Phone: Sue Birch, Davis Fansler and Jay Norris

Board Members Absent: Denise O’Leary

Staff Present: Gabriela Aguilar, Nyle Boyd, Brian Braun, Luke Clarke, Christine Gavin, Jason Green, Kate Harris, Cheryl Ierna, Kevin Patterson, Carolyn Pickton, Taylor Roddy and Lisa Sevier

Approximately 13 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 a 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 9:06 am.

III. Business Agenda

- The minutes from the May 9, 2016 Board meeting were voted on and approved.
- The agenda was reviewed and no changes were made.
- Disclosure of Conflicts of Interest: none.

IV. Board Development and Operations

A report was given on the June Colorado Health Insurance Exchange Oversight Committee meeting. The following topics were discussed:

- Carrier transitions
- Rate increases, available plans by county and the impact of the APTC on premiums
- SHOP and improvements for enrollment

- Review of the fiscal year (FY) 2017 budget
- The strategic plan process for the organization

V. Marketplace Development and Operations

Kevin Patterson, Chief Executive Officer, reviewed the action items brought forward from previous Board meetings. The completed items were noted and will be removed from the action items list.

The Board was updated on the carrier transitions, including the addition of a new carrier, Bright Health plans. It was noted that Colorado’s insurance coverage throughout the state is complex and the carrier changes are part of a market correction which will continue to change.

Judith Jung has joined Connect for Health Colorado as the new Chief Operating Officer.

The strategic plan process will be the focus for the staff once the FY 2017 budget is approved and will include feedback from stakeholders through the committees and board meetings.

Mr. Patterson announced that this month celebrates the 5-year anniversary of SB 11-200 being signed into law. A 5 Years Strong Campaign is being launched on social media channels in honor of the anniversary. There will be daily postings of the achievements of Connect for Health Colorado, but most importantly, the campaign will honor the thousands of people across the state who have had a hand in the organizations success for the past five years.

Action Item

- *Add the information requests that came from the legislative oversight committee to the action items list for the Board.*

Action Item

- *Provide a list of the number of carriers available on the Marketplace by county, for the August board meeting.*

VI. Public Benefit Corporation

Luke Clarke, Director of Communications, gave an update on the Public Benefit Corporation. Public conversations for the Public Benefit Corporation began the previous Wednesday with a stakeholder meeting. Consumer advocates as well as brokers attended the meeting. Discussion during the meeting was focused on defining what the public benefit will be and the best way to measure the benefit. Barbara Yondorf chaired the meeting as the third party representative leading this part of the endeavor.

The Board had some concern with the financial implications of a nonprofit owning a for-profit entity as opposed to setting up a separate nonprofit corporation. It was explained that once the public has voiced their thoughts and concerns, the organization will have a more clear understanding as to whether the Public Benefit Corporation should be a for-profit corporation or a separate non-profit corporation.

Action Item

- *Provide the Board with a brief history and timeline around the decision to create the Public Benefit Corporation.*

Action Item

- *Incorporate the Public Benefit Corporation in the strategic plan.*

Action Item

- *Update the legislative oversight committee on the current process of the Public Benefit Corporation.*

VII. Finance & Operations

Brian Braun, CFO, gave an update on the FY 2017 Budget with the Board, noting that except for a few adjustments, the budget has not changed much since it was reviewed at the last board meeting. Additionally, the budget has been discussed in the last two Finance & Operations Committee meetings, as well as with the legislative oversight committee.

- Broad assumptions include –
 - 3.5 % carrier fee
 - Special fee assessment will end December 31, 2016
 - 10% growth in effectuated enrollment
 - Tax credit donations – \$5 million
 - Grant funding for the Assistance Network
 - Modest growth in SHOP
 - No new revenue sources were included in the operating income
 - Capital expenditure reserve for capital investment, primarily technology improvements
- High level summary of the budget month-by-month
 - Significant drop in customer service operations costs
 - Technology drop in expenditure
 - General administrative expense reductions
- Results should be a better than break-even year
- Monthly projected cash position
- Potential additional revenue
 - Carrier fees – reviewing for discrepancies
 - Public Benefit Corporation
 - Medicaid cost allocation
 - Technology savings
 - Customer service operations savings
 - General and Administrative savings
- Projected revenues and expenditures over 24 Months
- Areas of risk – enrollment and expenditures
- Make collection period gap shorter – to a 60-day cycle

The Finance & Operations committee recommended the FY 2017 budget for approval by the Board.

Ms. Flores-Brennan called for discussion of the recommendation. There was none.

Ms. Flores-Brennan called for public comment. There was none.

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

Yes: Steve ErkenBrack, Davis Fansler, Adela Flores-Brennan, Eric Grossman, Jay Norris, Sharon O’Hara, Marc Reece and Nathan Wilkes.

No: None

Abstain: None

VIII. Policy Committee

Sharon O’Hara updated the board on the Policy Committee’s actions:

- Continuing to develop and enhance the public participation policy
- Recruitment has opened for advisory groups
 - Applications being taken until June 23, 2016

The Board Legislative Approach has been amended to allow, during time constraints, the CEO to respond to legislation with full knowledge of the Board, but independent to the Board.

Ms. O’Hara made a motion for the Board to approve the amended Board Legislative Approach. Marc Reece seconded the motion.

Ms. Flores-Brennan opened the motion for discussion. There was none.

Ms. Flores-Brennan opened the motion for public comment.
Cindy Sovine-Miller gave public comment.

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

Yes: Steve ErkenBrack, Davis Fansler, Adela Flores-Brennan, Eric Grossman, Jay Norris, Sharon O’Hara, Marc Reece and Nathan Wilkes.

No: None

Abstain: None

IX. Public Comment

The following people had public comment:

Meagan Fearing, Broker

Brad Niederman on behalf of the Colorado State Association of Health Underwriters (CSAHU)

AJ Ehrle IV, Broker

Appendix Attached

The Master Level Certification Program was discussed and the Board determined to bring the program before a committee for review.

Action Item

- *The Master Certification Program will be delayed, to be reviewed on a committee level.*

Meeting adjourned at 11:32 am.

Respectfully submitted,

Davis Fansler
Secretary

Next Meeting

July 11, 2016 from 8:30 am – 12:00 pm