

**Board Meeting Minutes**  
*Connect for Health Colorado Meeting Room*  
*East Tower, Suite 1025*  
*3773 Cherry Creek N Dr., Denver, CO 80209*  
**October 10, 2016**  
**8:30 AM – 12:00 PM**

**Board Members Present:** Peg Brown (proxy for Marguerite Salazar) Steve ErkenBrack, Adela Flores-Brennan, Jay Norris, Marc Reece and Nathan Wilkes

**Board Members Joining via Phone:** Kyle Brown, Davis Fansler and Eric Grossman

**Board Members Absent:** Sue Birch, Sharon O’Hara and Denise O’Leary

**Staff Present:** Brian Braun, Luke Clarke, Christine Gavin, Kate Harris, Judith Jung, Kevin Patterson, Carolyn Pickton, Alan Schmitz, Arba Robinson, Taylor Roddy, Lisa Sevier and James Turner

Approximately 9 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)(e) & (c) and §24-6-402(4)(f) as applicable.

The Board returned from Executive Session at 9:35 am.

**III. Business Agenda**

- The minutes from the September 12, 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 Report**

Peg Brown, Deputy Commissioner of the Colorado Division of Insurance (DOI), and Michael Muldoon, Chief Actuary and Director of Actuarial Services for the Colorado Department of Regulatory Agencies (DORA), gave a brief review of the Wakely Consulting Group’s Consumer

Impact Analysis of Colorado individual exchange renewals. The basis of the report is to better understand how tax subsidies will be affected by the insurance rates filed by carriers. Key findings include:

- Fewer carriers are offering plans through the Marketplace in 2017
  - One new carrier is offering plans in eight counties
- The number of plan options is decreasing in all areas of the state
- Currently 32% of consumers are enrolled in plans no longer offered in their area in 2017
- For non-subsidy eligible enrollees, premiums for plans continuing in 2017 are increasing by 24% on average
  - No Platinum plans are available on the exchange in 2017 Enrollees in Grand Junction and the East region will experience the largest premium increases for auto-renewal
  - Enrollees in Denver, Pueblo and Boulder will experience to lowest average increases
- The second lowest cost silver premium used to determine subsidies is increasing by 19% for eligible enrollees
- Average subsidy per-member per-month (PMPM) increases by 55%
  - The East region and Mesa show the largest increases
  - As a result, subsidized premiums are decreasing by 11% on average
- Approximately 19,350 enrollees appear to be eligible for Cost Sharing Reduction (CSR) plans, but are not enrolled in Silver plans, so are unable to take advantage of CSRs
- 1404 enrollees appear to be eligible for premium subsidies but are enrolled in Catastrophic plans
- There are now 4700 households currently covered through Connect for Health Colorado who can now receive subsidies because the cost of the benchmark plan is higher than their required contribution

Mr. Brown emphasized the importance for consumers to shop for 2017 plans.

## V. CEO Report

Brian Braun, Chief Financial Officer, reviewed the status of the recent organizational changes. Some of the key changes include:

- Enhancing IT and Operations communication to help focus the organization from beyond the next open enrollment into the strategic plan over the coming years.
- Security has moved from IT over to compliance.
- Business Intelligence has move to finance.

James Turner, Chief Technology Officer, updated the Board on a recently negotiated Oracle contract.

- The License covers physical and virtual infrastructure.
- Savings in this/next fiscal year of >\$500,000
- Savings in the following years of >\$1.3M annually
- 2-year Commitment
- Price hold on Oracle products for 2 years

Open Enrollment 4 (OE4) Preparations:

Judith Jung, COO, gave an update on training & certification activities -

- Certifications and re-certifications completed – 595 brokers, 236 HCGs/CACs and 185 dedicated carrier sales reps

Taylor Roddy, Director of Marketing and Outreach discussed Connect for Health Colorado's strategic campaign for outreach to eligible but not enrolled (EBNE) people:

- Segment customer's situation and contact information
- Identify the best channel for enrollment assistance
- Fix most recent enrollments for 2016 and immediately enroll for 2017
- Raise awareness of financial assistance in top counties
- Educate and support counties in the best way to mitigate this issue in the future
- County Partnerships
- Digital media & paid local radio
- Grassroots Outreach

This campaign looks to touch 170,900 potential households, with plans to enroll 8,500 to 13,500 households, which will bring approximately \$1.3M to \$2.1M in revenue, total cost for the campaign will not exceed \$200,000.

Mr. Turner reviewed the status of the technology projects for OE4. There are two projects going live on November 1<sup>st</sup> and March 2017, which relate to verifying a customer's data with the Data Services Hub. Income verification will begin this November 1<sup>st</sup> and Failure to Reconcile (FTR) will start end-of-March 2017. There should be no impact to the initial enrollment process. If a discrepancy is noted, customers will have 90-day period to make attestations or submit documentation, otherwise their APTC will be removed going forward.

Connect for Health Colorado has prepared for this change by:

- Providing needed resources to handle anticipated increases in call and ticket volume from customers seeking assistance.
- Mitigating the need for a verification whenever possible by asking customers additional questions about changing circumstances.
- Evaluating appropriate resourcing for MA site personnel.
- Monitoring of ROP rates and setting contingency plans if levels increase above set rates.
- Developing multi-touch communication and outreach plans to prevent expiration of 90-day ROPs.
- Conducting in-person Open Enrollment Overview meetings statewide.
- Socializing through communications plan and sharing at stakeholder meetings.
- Covering the technical details in multiple carrier meetings and regular calls.
- Developing supporting reports.
- Developing or revising communications, training and job aids to assist staff, channel partners and customers with compliance.

- Developing guidance to reduce level of ROPs by ensuring initial data capture is complete and consistent across all enrollment channels.

Brad Finnegan, with Cascadia Strategies, gave an overview of a draft of the concept paper Cascadia prepared for Connect for Health Colorado around the Eligibility & Enrollment system. Cascadia was asked to do a feasibility assessment of the third option under consideration for the Marketplace's strategic plan.

The third option involves relying on Health Care Policy and Financing (HCPF) and the Governor's office of Information Technology (OIT) for eligibility services, while the Marketplace retains control over enrollment and other functions. Option three is about gaining greater alignment on eligibility processes and systems between Connect for Health Colorado and the state of Colorado.

The three critical factors used in the study include the impact to customer experience, compliance and costs. The proposed changes include moving the application to the state system while maintaining the same questions and Connect for Health Colorado branding. Additional elements to be moved to the state (SES/PEAK or CBMS) are:

- Managing the account
- Noticing
- Interfaces
- Reporting

The non-financial assistance (NFA) application will reside in PEAK, but would not require going through the entire financial application for those not seeking APTC. The design includes only necessary elements to achieve compliance with federal regulations and would mirror the current NFA application.

The estimated cost for this option is \$2.8M - \$5.3M and implementation by open enrollment 6 (November 2018) would require decision-making, approval and funding, and cross-agency coordination and prioritization of changes.

Potential risks include:

- The transition process could result in confusion
- Reduced Connect for Health Colorado authority on eligibility and addressing future audit findings
- Upfront development costs
- Little to no ongoing cost savings
- Unclear end-to-end impact of system changes
- Implementation could cause new system issues or defects
- Complicated system changes
- Long project timeline
- Additional staff training

Potential opportunities include:

- Eased confusion on document upload

- Streamlined communications
- Streamlined application
- Single system of record
- Close integration between the Marketplace & HCPF
- Adhere to CMS regulations
- Addresses compliance issues & audit findings
- Reduced eligibility M&O
- Easier maintenance & changes
- Business process savings
- Potential increased enrollment
- Resolve existing system issues
- Implement changes/fixes during implementation of Option 3
- The Marketplace can focus on shopping and enrollment experience
- Create or modify training/educational materials for knowledge base management

Key Considerations for implementing Option 3 include:

- If removing eligibility functionality, compare costs for remediation with costs for a new enrollment platform
- Providing exceptional enrollment service and tools is imperative to increased enrollment

The roadmap to implementing Option 3 should include risk mitigation strategies, understanding the key functionality of the enrollment platform and comparing costs for system remediation. As well as, gaining clear understanding of roles, responsibilities and MOUs with governance and alignment. Finally, the Marketplace will need to continue to explore ways to better serve customers and partners.

Options 4 & 5 were reviewed as alternative choices and the following was determined:

Alternative 4 SBM-FP:

- SBM using FFM technology
- Fully compliant
- Not able to configure to serve CO
- Difficult to integrate with Medicaid and no integration with CDHS
- Difficult to obtain data for analysis, outreach etc.
- Estimated \$20 million implementation costs, 3% premiums for M&O

Alternative 5 FFM:

- Require state legislative action
- Fully compliant
- Not able to configure to serve CO
- Difficult to integrate with Medicaid and no integration with CDHS
- Estimated \$23 million implementation costs, 3.5 % premiums for M&O

The Board agreed that there needs to be more conversation around how and why the Marketplace would pursue Option 3. There is concern with how it could change the way Connect for Health Colorado does business with its customers.

A full report of the concept paper will be reviewed by the Colorado Department of Health Care Policy and Financing (HCPF) and the Office of Information Technology (OIT), before being brought to both the Policy and Finance & Operations Committees at the end of October.

## **VI. Policy Committee**

Marc Reece gave a report on the Policy Committee's September meeting. The committee reviewed the draft Strategic Plan created by Dan Meuse and discussed the five Areas of Impact introduced in that plan. The Areas of Impact were used to begin creating high level goals for the Board to use to add direction to the organization; as well as, objectives to help the organization achieve the goals. The goals the committee agreed on were:

- Goal 1: Assisting Coloradans to Better Understand Their Coverage and How to Use It
- Goal 2: Advocate to Improve Access to Coverage in Rural Areas of Colorado
- Goal 3: Increase the Number of Consumers Taking Advantage of Financial Assistance
- Goal 4: Improve the Ability of Customers to Attain and Retain the Right Coverage for their needs

Mr. Reece noted the goals all lead to a possible Connect for Health Colorado mission/vision statement change to include: "Become the Marketplace of Choice for All Coloradans".

Ms. Flores-Brennan noted that another possible goal the committee discussed centered around a more internally focused goal, to include employee satisfaction and the overall health of the organization.

Kevin Patterson asked that the Board review the goals as stated between now and the next Board meeting to determine if these will be the organizational goals for creating the strategic plan.

The Policy Committee will create a high-level draft around the goals, allow the Finance & Operations Committee to vet the draft and work on creating a finalized version by the end of the calendar year. The more finalized draft will then go to the Board Advisory Group for further vetting.

## **VII. Finance & Operations Committee**

Nathan Wilkes gave a brief summary of the September Finance & Operations Committee meeting.

Arba Robinson, Internal Compliance and Audit Manager, gave an update on the internal audit plan. The department reviewed past audit findings to determine risk assessments and improve possible areas of concern.

Current external audits include:

- OIG - Response stage of the limited performance audit
- Kunding, Corder & Engle, PC - Planning stage for the yearly financial audit
- Office of the State Auditor - Planning stage for a performance audit
- OIG – Planning stage for a request for additional information

Completed external audits include:

- BKD CPA's & Advisors – External Programmatic Audit
- OIG – Inquiry regarding CMS's Oversight
- Committee on Energy & Commerce – Inquiry from the U.S. House of Representatives  
Committee on Energy Commerce Committee

**VIII. Public Comment**

The following members of the public gave comment:

Rich Gebhardt

Chris Adams

Bethany Pray, Colorado Center on Law & Policy

Brad Niederman, Niederman Insurance

Meeting adjourned at 12:12 pm.

Respectfully submitted,

Davis Fansler

Secretary

**Next Meeting**

November 14, 2016 from 8:30 am – 12:00 pm