

Board Meeting Minutes
Connect for Health Colorado Meeting Room
East Tower, Suite 1025
3773 Cherry Creek N Dr., Denver, CO 80209
August 12, 2013
8:30 AM – 12:00 PM

Board members present: Richard Betts, Susan Birch, Peg Brown, Ellen Daehnick, Steve ErkenBrack, Mike Fallon, Eric Grossman, Gretchen Hammer, Sharon O’Hara, Kevin Patterson, Arnold Salazar (via phone), and Nathan Wilkes.

Staff present: Camisha Bailey, John Barela, Marcia Benshoof, Cammie Blais, Jessica Dunbar, Adela Flores-Brennan, Patty Fontneau, Johanna Hermes, Lindy Hinman, Kyla Hoskins, Myung Oak Kim, Gary Schneider, Lisa Sevier, Jed Summerton, Heather Taber, Laura Villanueva, and Adele Work.

Approximately 30 people attended the meeting in person and additional people joined by phone.

I. Business Agenda

The July 8, 2013 Board meeting minutes will be approved at the next Board meeting.

There were no changes made to the agenda.

There were no disclosures on any new conflicts of interest.

II. Board Development and Operations

1. Board Chair Report

a. Vice Chair and Committee Assignments

Gretchen Hammer asked the Board if they had any comment or concerns about the [proposed new structure](#) for the Board Committees of the Connect for Health Colorado Board. As presented, every Board member would serve on only one committee, with the exception of Board leadership that would also serve on an Executive Committee.

Steve ErkenBrack moved to adopt the Committee structure as outlined in the memo. Ellen Daehnick seconded the motion.

No further Board discussion.

i. Public comment

No public comment.

ii. Vote

Vote: The motion was unanimously approved. There were 9 voting members present.

Gretchen Hammer reminded the Board that Richard Betts was resigning as Vice Chair. The Articles of Governance stated that nominations could be taken at the Board meeting to fulfill the remainder of his term.

Steve ErkenBrack asked for feedback on nominating Mike Fallon as Secretary and moving Arnold Salazar into the Vice Chair position. Arnold Salazar stated that he was open to moving into the Vice Chair position or staying as Secretary depending on Mike's thoughts. Mike Fallon replied that he would be willing to serve as Secretary. Ellen Daehnick echoed Steve's comments that this level of diversity would serve Connect for Health Colorado well and would be a great representation of the Board.

Gretchen Hammer asked for motions as the Articles of Governance stated that nominations for Board positions require separate motions.

Richard Betts moved to appoint Arnold Salazar as Vice Chair of the Board. Ellen Daehnick seconded the motion.

No further Board discussion.

iii. Public comment

No public comment.

iv. Vote

Vote: The motion was unanimously approved. There were 9 voting members present.

Steve ErkenBrack moved to appoint Mike Fallon as Secretary of the Board. Ellen Daehnick seconded the motion.

No further Board discussion.

v. Public comment

No public comment.

vi. Vote

Vote: The motion was unanimously approved. There were 9 voting members present.

III. Exchange Development and Operations

1. CEO Report

Patty Fontneau gave a brief update on Connect for Health Colorado operations:

- Release 6 of the technology solution was delivered on time and is currently being tested.
- The IRS visit in both Colorado and the Phoenix data center went well. C4HCO received positive feedback.

- Over 1200 Agents/Brokers have signed up for training, far exceeding our expectations.
- Close to 400 Health Coverage Guides have signed up for training.
- The permanent call center office space is set to open in the next week.
- C4HCO met with CMS to for a pre-operational readiness review and received high marks. The actual operational readiness review will take place in the beginning of September.
- Auditors meet with the Finance Committee and will attend an upcoming Board meeting towards the end of the audit to discuss results.

2. Rules and Regulations Review Committee Update

a. Update on Federal Regulation

Gretchen Hammer asked if the Board had any questions on the [update](#) on Delay of Employer Shared Responsibility Requirements. There were none.

b. Recommendation on IRS Reporting Requirements

i. Presentation

A [summary](#) of the IRS Notice of Proposed Rule Making on Information Reporting for Affordable Insurance Marketplaces was provided to the Board for review before the meeting. John Barela walked the Board through the [proposed comments](#) and [recommendation](#) for Board approval.

Richard Betts asked how other states are responding to the requirements and if there was any discussion of trying to bring into the mix other departments that may be able to provide the information requested (i.e. the Department of Labor for the employment record data). John Barela replied that the focus has been on what is needed to provide health insurance and that some of the new requirements are not as relevant.

Ellen Daehnick asked John to expand on what other states are doing. John Barela replied that while we have not contacted other states to provide us with specific information, there have been informal conversations that indicate Colorado is not an outlier on this issue.

Gretchen Hammer asked about the submission due date. John replied that it was in early September, but comments would be submitted by end of August.

As this was a recommendation from the Rules and Regulations Review Committee, no additional motion was needed.

No further Board discussion.

ii. Public comment

No public comment.

iii. Vote

Vote: The motion was unanimously approved. There were 9 voting members present.

Before moving on to the next agenda item, Patty Fontneau spoke to Ellen Daehnick's earlier question about

where other states stood on this issue. Patty shared with the Board that when there is a proposed rule that would greatly affect Connect for Health Colorado operations, states often work together to submit feedback. For minor questions or comments, it is less likely that C4HCO will add the extra burden of work on staff to collaborate with other states.

3. IT & Implementation Committee Update

a. Recommendation on Appeals for Individual Responsibility Exemption, SHOP Eligibility and QHP Decertification

i. Presentation

Kyla Hoskins [presented](#) to the Board on Part 1 of the Appeals recommendation. Part 2 will be discussed during the August 26th Board meeting. This discussion covered:

1. Small Business Exchange Eligibility: handled by Connect for Health Colorado.
2. QHP Decertification: handled by the Division of Insurance and Connect for Health Colorado.
3. Individual Responsibility Exemption: staff recommended this be delegated to HHS.

Sharon O'Hara asked Peg or Kyla to speak to the coordination with the DOI on QHP decertification. Peg Brown replied that the DOI would have to follow the rules of due process. Patty Fontneau added that Senate Bill 200 clearly states that Connect for Health Colorado does not replicate the functions of the DOI, so a ruling would be made first by the DOI on state requirements and only then by Connect for Health Colorado on the Exchange requirements.

Next, Kyla Hoskins outlined the [recommendation](#) on the Individual Responsibility Exemption Appeals Process. She referenced a previous Board decision made in June 2012 to delegate the issuance of the Exemptions to HHS. She then walked through the advantages and disadvantages of delegating the appeals of that exemption to HHS.

Mike Fallon asked Kyla to give examples of exemption appeals. Kyla Hoskins replied that religion, financial hardship, and American Indian recognition are just some of the examples.

Patty Fontneau commented that this is a situation where the federal government is making the initial determination, and staff felt that to handle the appeals of these particular determinations would put us in a difficult position. Although staff recommends delegating to HHS for the first year, we will reevaluate as needed. The IT and Implementation Committee has unanimously voted to bring to the Board the staff recommendation.

Sharon O'Hara asked if a timeline could be added to the recommendation to ensure that we are not locked into delegating to HHS. Steve ErkenBrack commented that the recommendation could be modified to include a time frame.

Sharon O'Hara moved to accept the staff and IT & Implementation Committee recommendation to delegate the Individual Shared Responsibility exemption appeals to HHS, with the added note that this policy would be reevaluated in 2014. Nathan Wilkes seconded the motion.

No further Board discussion.

ii. Public comment

No public comment.

iii. Vote

Vote: The motion was unanimously approved. There were 9 voting members present.

b. Recommendation on Stand-Alone Vision Due Diligence

i. Presentation

Marcia Benshoof [presented](#) a recommendation on the due diligence approach for stand-alone vision.

Gretchen Hammer asked if VSP was the only carrier highlighted because it was the only one interested. Marcia replied that VSP is the only carrier interested in moving forward with this interim solution

Marcia Benshoof noted a few items that had come out of discussion with the IT & Implementation Committee, including the statistic that there was a greater than 90% acceptance rate on completed application and that Connect for Health Colorado will require vision carriers to not use customer lists for marketing. Marcia also noted that VSP has agreed to include on their cobranded page a link that will allow folks to return to the Connect for Health Colorado website. She concluded with a recap of the [recommendation](#) that asked for the Board to approve the due diligence, contracting, and implementation of an interim vision insurance plan as presented. The IT and Implementation Committee had met two weeks prior and voted to move this recommendation forward to the Board.

Sharon O'Hara asked if there was a cost for the portal. Marcia replied there was not. Sharon asked Marcia to expand on why this was an interim plan. Marcia replied that initially Connect for Health Colorado had planned to sell stand alone vision products in 2014. Guidance was received from CCIIO at the end of March that stated that ancillary products could be sold through a separate and distinct program. This interim solution was introduced until a separate program could be developed. The plan is to incorporate vision, and possibly other products, in 2014.

Nathan Wilkes asked if there had been any discussion around analytics or reporting requirements. Marcia replied that we would receive reports and that information would be available immediately.

Mike Fallon asked what the costs were for an individual person. He wanted to make sure that we are not sending consumers to a place that is simply going to make a profit off of our customers, especially since there is a lack of competition available. Marcia replied the cost was about \$165 per year, which included the standard \$120 annual hardware or contacts benefit and a \$150 annual exam benefit.

Gretchen Hammer asked if carriers could be added during the open enrollment period. Patty Fontneau replied that it would not be feasible to add carriers - medical, dental, or vision - during the open enrollment period. Gretchen asked that in the instance a vision carrier made such a request, that staff bring it before the Board.

As this was a recommendation from the IT and Implementation Committee, no additional motion was needed.

Eric Grossman asked that an exit strategy be written into the contract. Marcia replied that it would be included.

ii. Public comment

Denise O'Malley from the Colorado Eye Care Specialists IPA shared that there were other vision options available but that were not insurance policies so they did not meet the criteria set by the Board. Some doctors she works

with do not agree with the lab and materials requirements that VSP sets and feel that these requirements take the control of their patients' care out of their hands. Although Denise stated that she would support VSP as a choice for now, she asked that the Board consider looking at more than just insurance vision plans in the future.

iii. Vote

Vote: The motion was unanimously approved. There were 9 voting members present.

c. Income Verification Deferral

i. Presentation

Kyla Hoskins [presented](#) on considerations given the flexibility recently provided for income verification. Kyla first reviewed the process of verifying income. If applicants fail reasonable compatibility and do not provide a reasonable explanation, they will be provided 90 days to verify their self-attested information with supplemental items. If they have qualified for APTC and do not respond, their APTC will be removed after 90 days. Kyla concluded with the recommendation from the IT and Implementation Committee that Connect for Health Colorado implements the current "status quo" option and the current technology approach for October 1st. Staff would continue to evaluate ways to take advantage of the procedural flexibilities provided by the new regulations and implement them if there is an opportunity to reduce operational load and increase efficiency in the first year.

Sharon O'Hara asked what would happen if an honest mistake was made on an application. Kyla replied that if the discrepancy was due to user error, they will be able to resolve this error during the 90 day period.

Eric Grossman added that the IT and Implementation Committee had a very robust conversation around this issue, especially given that the federal government is planning on using the statistically significant sampling approach. The compromise was to move forward with the currently developed approach and continue to evaluate after go-live if a more efficient system could be implemented.

Mike Fallon added that the federal government approach opened itself up to potential fraud. He cited Medicare as an example of an organization with low overhead because they do not evaluate every claim. Although the federal way may save organizational dollars, it may end up negatively affecting the cost of health care, which is not in line with our goals. Mike reiterated his support for the recommendation as outlined.

As this was a recommendation from the IT and Implementation Committee, no additional motion was needed.

No further Board discussion.

ii. Public comment

No public comment.

iii. Vote

Vote: The motion was unanimously approved. There were 9 voting members present.

4. Finance Committee Update

a. Operational Dashboard Discussion

Lindy Hinman introduced the discussion [document](#) that focused on the key performance indicators (KPI) and the metrics behind each indicator. When finalized, Lindy anticipates using this document to review with the Board on a regular basis. Lindy asked the Board to provide their feedback on this document as a starting point.

Gretchen Hammer asked for more reporting on how the mission of providing access, affordability, and choice is being met. A quarterly look at how Connect for Health Colorado is delivering on this mission and goal would be helpful.

Lindy addressed Gretchen's comments by sharing that the data Gretchen was seeking would be available on a more detailed level. Moving forward, Lindy noted that this information could be made more visible for the Board.

Richard Betts asked how the KPI captures the effectiveness of our marketing and if we are reaching the audience we want to reach. Lindy asked for suggestions on how to work this into a KPI. Richard asked if regional focus groups would be costly.

Eric Grossman shared that while he did work closely with Lindy on this document, he does think it is a living document that can be tweaked as needed in order to ensure that it makes sense for our organization. Eric also stated that he thought a metric capturing cash flow should be at KPI level as the net operating ratio does not reflect this. Cammie Blais stated that staff is working to come up with a proposed list of financial metrics and will continue to have this discussion at the Finance Committee level.

Gretchen Hammer concluded the discussion by asking Board members to email any comments to Lindy directly so she could incorporate in time for the next Board meeting.

5. Updates from the DOI

a. Stand Alone Dental

Peg Brown provided a document and gave an [update](#) on off-Exchange stand-alone dental plans and the details of the requirement for them to be Exchange certified. Steve ErkenBrack asked if Peg was comfortable that there will still be a level playing field for all of the carriers within the State of Colorado. Peg replied yes.

Steve ErkenBrack asked how multi-state carriers would be affected and if different standards would apply to them. Peg Brown replied that a multi-state carrier could only offer plans on the Exchange.

Gretchen Hammer asked that since Senate Bill 200 states that services must not be duplicated, was a formal memo needed that stated Connect for Health Colorado concurs with the DOI's work on this matter. There was Board discussion and it was decided that a memo would not be needed.

b. Rates

Peg Brown provided a [document](#) and gave a brief summary of the carriers and plans approved by the DOI for sale via Connect for Health Colorado in 2014. Overall, 13 carriers and 242 medical plans were approved. The DOI is very pleased with the number as they believe it reflects a wide variety of choice. Peg noted that the example

rates were for a 27-year-old non-smoker and that comparison to past or current plans would not be accurate as these were all new plans.

6. Technology/Operations

a. Implementation Update

Adele Work gave a technology [update](#) and presented the new [implementation checklist](#). She reviewed the technology systems and key interfaces, the high level schedule, the status of key CGI deliverables, the current C4HCO status dashboard, key implementation risks, and concluded with the three critical criteria items for system adjustments made between now and go-live.

Eric Grossman asked about the severity level of the defects noted on the C4HCO status dashboard. Adele Work replied that there were less than half a dozen critical defects and that our UAT lead was in the process of meeting with subject matter experts to confirm that the priorities were accurate. She confirmed that testing was going well and that defects were being identified and corrected as would be anticipated during the testing process.

Sharon O'Hara asked about the red status of the State Interfaces. She asked Sue Birch to comment if HCPF also saw it as red status. Sue replied that HCPF is on track and is very confident that PEAK will be ready for October 1st. She indicated that the state did not have this item highlighted as red – it was marked yellow, trending green.

Ellen Daehnick thanked Adele for this overview and commented that this presentation addressed her question from the last Board meeting about the risks from a technological perspective. However, she noted that she still would like to see risks from a business perspective and what our plans is if things go wrong. Patty Fontneau shared that this would be discussed in the next Board meeting after the discussion made its way through the Operations committee.

Eric Grossman asked when the code would be frozen. Adele Work replied mid-September.

b. Live Demo

Adele Work [introduced](#) the live demo for the Small Employer Enrollment. She reminded the Board that no real data would be shown as it was all test data. Mike McKethan proceeded to walk the Board through the registration process.

Ellen Daehnick asked if all employees are uploaded to the system regardless if they will have coverage or not. Adele Work replied yes – in this section, all employees are loaded. Gretchen Hammer asked what happens if an employer is not sure if an employee will add a dependent to the plan. Adele replied that an employer can enter in the information and an employee can choose to waive coverage for dependents.

Richard Betts asked how an out-of-state employee would be handled. Adele replied that a primary Colorado worksite is one criteria and the system allows for an out-of-state employee to be added. The difficulty comes in coverage areas for the plan (i.e. an employee works in Durango but lives in New Mexico). An employer would see all the plans available for coverage in that area.

Ellen Daehnick asked if the rates displayed were monthly or annual. Adele replied that monthly rates were shown.

Adele Work had Mike show the Board how an employer created an account, how a plan and participation rate was selected, and how emails were generated and sent to employees. The employer's information was transferred into an individual account for them and employees are given a participation code in order to access their account. Adele noted that this approach limited security issues.

Due to the shortage of time, the SHOP demo will be completed in the next Board meeting.

7. Training Demo

Due to the shortage of time, the training demo was postponed to the next Board meeting.

IV. Adjourn

The Board meeting adjourned at 12:20PM.