

**Board Meeting Minutes**

*Connect for Health Colorado Meeting Room*

*East Tower, Suite 1025*

*3773 Cherry Creek N Dr., Denver, CO 80209*

**December 2, 2014**

**8:30 AM – 12:50 PM**

**Board Members Present:** Sue Birch, Steve ErkenBrack, Mike Fallon, Davis Fansler, Eric Grossman, Gretchen Hammer, Sharon O’Hara, David Padrino, Arnold Salazar, Marguerite Salazar and Nathan Wilkes.

**Board Members Joining via Phone:** None

**Board Members Absent:** None

**Staff Present:** Marcia Benshoof, Luke Clarke, Gary Drews, Proteus Duxbury, Kevin Finder, Roxanne Johnson, Karen Phillips, Lynn Pressnall, Taylor Roddy, Alan Schmitz, Lisa Sevier and Adele Work.

Approximately 16 guests attended the meeting in-person and the conference line was available for people to join by phone.

**I. Business Agenda**

- Chair Sharon O’Hara called the meeting to order at 8:30 am and welcomed those in attendance, both in-person and on the phone.
- The minutes from the November Board Meeting were voted on and approved.
- The agenda was reviewed and there were no changes made.
- Disclosure of Conflicts of Interest: None

**II. Contracts**

General Counsel, Alan Schmitz, had no contracts to discuss

**III. Board Development and Operations**

Chair Sharon O’Hara reported that it the Board has been working diligently, interviewing and screening candidates for the CEO position.

**IV. Exchange Development and Operations**

**1. CEO Report**

Interim CEO Gary Drews gave his CEO Report as follows:

- Connect for Health Colorado (C4HCO) is pleased with the improvements that have been made to the system as well as the ongoing collaboration with the Colorado Department of Health Care Policy & Financing (HCPF) and the Department of Insurance (DOI).
- Decision Support tools are up and running for customers.
- 1260 Brokers have been certified to date.
- 670 Health Coverage Guides and Certified Application Counselors are currently working in the field.

- There are 15 storefront Assistance Sites open for business.
- There have been 30,000 inbound calls to the Service Center with 60% of the calls answered within 20 seconds.
- Service Level Agreements (SLA's) are at about 25%. This is due to the volume of calls occurring within the same three hour time block – during the morning hours.
- C4HCO has a staff of 190 in the Call Center with the ability to dial back at any time as needed.
- Primary call drivers to the Service Center are:
  - General information
  - Password resets
  - Life change event assistance
  - Enrollment
  - Questions on Open Enrollment
- As of December 1<sup>st</sup> C4HCO has had 10,700 individual enrollments with 1500 coming in on December 1<sup>st</sup> alone.
  - Approximately 60% of these enrollments are financial assistance
  - Two Thirds are renewals
- C4HCO has been granted a no-cost extension for the existing Level II Grant – about \$15 million.
- C4HCO has invoiced the carriers for \$1.8 million and has received close to one million of that total.
- The system has had a 99.9% up-time rate.
- C4HCO is committed to making sure that all people who start the enrollment process by December 15<sup>th</sup> will have a January 1<sup>st</sup> effective date.

Mr. Drews made a brief statement regarding the State Audit Committee Meeting that is coming up later in the month. C4HCO is committed to continuous improvement in all areas of the company. The company is always open to feedback and C4HCO has had 27 audits and reviews over the last 2.5 years. The company has and will take all recommendations seriously and will implement the changes and improvements accordingly.

Mr. Drews further reported that the Shared Eligibility System is working. Given the complexity of the system, there are some glitches. As these issues are identified, there are joint teams working to expediently solve them. C4HCO's Command Center has conference calls with its partners three times a day, actively searching for solutions as soon as anything develops.

Steve ErkenBrack requested a more trackable view of C4HCO company challenges, such as simultaneous enrollment and the Advanced Premium Tax Credit (APTC). He also requested minutes be provided from the Committee Meetings.

Marcia Benshoof, Chief Strategy and Sales Office, updated the Board on simultaneous enrollments. There are approximately 50 – 150 people a month who have enrollment in a commercial health plan and are reevaluated for Medicaid eligibility. For these people there is an outreach program that helps them with making the best decision for them.

Another situation is a population of approximately 2700 people over the past year who were simultaneously enrolled. A task force has been created to determine the best way to benefit back the premium payment to these customers. C4HCO's role in this as the administrator of the tax credit, is to reach out to them to help them make a decision. The due date for this outreach was December 1<sup>st</sup>. This has been completed and reports on this outreach will be delivered to the carriers on December 3<sup>rd</sup>.

Adele Work, Director of Product Implementation, explained that a part of C4HCO's yearend processing is ensuring the accuracy of the APTC reporting to individuals for tax filing purposes; as well as to the Centers for Medicare and Medicaid Services (CMS) and the Internal Revenue Service (IRS), so that the yearend closeout of books for carriers is reported correctly. C4HCO expects to have these reports complete by mid-January for both the consumers and carriers.

## **2. Finance Committee Report**

Arnold Salazar, Finance Committee Chair, gave a report on the September Statement of Activities and Statement of Financial Position. Mr. Salazar explained that it is the Committee's goal to shift from a grant generated financial statement to a fiscal year financial statement.

Mr. Drews explained on the budget to actual statement the High Risk Pool Reserves, a result of transfer funds from Covered Colorado, will end up being approximately \$4.5 million more than what was originally anticipated.

Mr. Salazar noted the labor & back office expenses for the Call Center have been driven by a 72% higher call volume than what was originally anticipated.

Mr. Drews discussed initial plans for reserves to be addressed in forecast planning. The focus will be to segment a part for growth capital, a part for tech replacement, as well as a portion for the flexibility that is needed for unexpected changes and demands.

Eric Grossman suggested adding an up-to-date trend analysis to the financials as they are presented to the Board. Mr. Salazar agreed, adding that the Finance Committee will work on a report to fit his request by the next Board Meeting.

## **3. 2015 Strategic Planning Framework**

Mr. Drews discussed a proposed framework for the 2015 Strategic Plan with the focus being on sustainability.

Mr. Grossman suggested the Board include a process of measuring compensation and accountability with the forecast. Additionally Mr. Grossman would like to see some interim metrics to evaluate the current year.

Mr. Salazar stated that rather than taking too much time evaluating the current year; it would be better to put more effort and time into working on what the company is to become.

Gretchen Hammer agreed with Mr. Drews' methodology. She also suggested adding Board approved criteria for evaluating new opportunities. This will give the Board the ability to discuss what should guide them.

Ms. Hammer also emphasized that all the suggested categories should culminate in mission fulfillment and financial performance. Adding the importance of C4HCO's statutorily defined mission fulfilling an important public role.

Sue Birch suggested some scenario planning that could prepare for possible market evolution. Ms. Birch also suggested strengthening the policy evolution piece. Finally, a component of the systems and lean processes should be to include the strategic plan in performance evaluations.

Mr. Drews agreed with the suggestions, but cautioned level setting the expectations to what is possible to be accomplished in the first year, second year, etc. It is important to be measured in how robust the plan is originally and allow it to increase over time.

Mr. ErkenBrack cautioned against starting all of this during the Open Enrollment period, suggesting a better focus date would be after February 15<sup>th</sup>. Additionally he suggested going externally for input; such as through advisory committees as well as other state exchanges.

Mr. Salazar acknowledged that C4HCO has been challenged with working to stabilize the organization while at the same time constantly changing it.

#### **4. Board Committee Charters**

Ms. O'Hara asked the Board for comment and input on the Committee Charters over the remainder of the month, so the charters can be discussed at the next Board Meeting.

Mr. Erkenbrack suggested the Board overseeing the audit functions as a part of the committees.

#### **V. Public Comment**

Ms. O'Hara asked for public comment.

Deborah Judy, Policy Director for Colorado Consumer Health Initiative, agreed with Mr. ErkenBrack that C4HCO should look at input from outside groups and consumers for the strategic forecast. Ms. Judy also voiced concern with the APTC reconciliation process. She emphasized getting the 1095 forms correct as much as possible as there will be confusion. Communication will be key to the community.

Ms. Work assured Ms. Judy and the Board that the 1095 process includes noticing, providing additional support and scripting for the Service Center. And, because the IRS will not be increasing resources to help with the questions involving the 1095; the Service Center is anticipating additional volume. Ms. Work also stated that C4HCO is looking at other exchanges for best practices with this new situation.

Dave Sherer, a consumer, explained that he originally signed up with an APTC determination for Denver when he lives in the San Luis Valley. This resulted in him being required to pay a higher premium than expected. Mr. Sherer expressed concern that he has not been able to get this corrected.

Mr. Drews assured him that C4HCO will work with him to correct the APTC and get him set up with the correct premium.

Jackie Sievers, Director of Community Programs at Hilltop Community Resources, commented by phone that there are some challenges the assistance sites in Western Colorado have been having. Enrollments have been low due to system issues and consequently, completion rates have been at 20%.

Ms. Birch reassured Ms. Sievers, that the issues with Medicaid are being worked on. The complexity of the Shared Eligibility System involves many vendors and all are focused on finding the glitches and correcting them.

The Board took a moment to give a public heartfelt thank you for Gretchen Hammer who is leaving the Board for a new position with CMS.

Ms. O'Hara welcomed new Board member David Padrino who is replacing Kevin Patterson as an ex-Officio member of the Board.

## **VI. Executive Session**

Ms. O'Hara entertained a motion to move into Executive Session to discuss the following matters:

1. Relating to the search for a new CEO;
2. Required to be kept confidential under state law; and
3. Contractual Matters

Ms. Hammer seconded the motion. A vote was called for with unanimous approval.

Ms. O'Hara indicated that the Executive Session is permitted pursuant to CRS Sections 24-6-402 (4)(b) and (4)(c).

The Board returned from Executive Session to discuss a contractual issue.

Mr. Drews stated that C4HCO has a need for Colorado Benefits Management System (CBMS) trained personnel in the Call Center to assist in resolving eligibility issues within the PEAK/CBMS System. The issues involve life changes, complex family situations and specific verifications. This request is to fund up to 6 months starting the first of December with an initial cost up to \$300,000.

Mr. Grossman made a motion to approve 6 months of funding and requested a best effort service level agreement be defined, for full time employees with CBMS training for the Call center with a cost up to \$300,000.

Davis Fansler seconded the motion.

Ms. O'Hara called the motion for a vote and was approved as follows:

**Yes:** Steve ErkenBrack, Eric Grossman, Davis Fansler, Sharon O'Hara, Nathan Wilkes.

**No:** Arnold Salazar

**Abstain:** Gretchen Hammer

**Absent:** Mike Fallon

Meeting adjourned at 12:50 pm

Respectfully submitted,

Mike Fallon  
Board Secretary

**Next Meeting**

January 12, 2015 from 8:30 am – 12:00 pm