

Board Meeting Minutes

Connect for Health Colorado Meeting Room

East Tower, Suite 1025

3773 Cherry Creek N Dr., Denver, CO 80209

February 9, 2015

8:30 AM – 12:00 PM

Board Members Present: Peg Brown (sitting in for Marguerite Salazar), Steve ErkenBrack, Davis Fansler, Eric Grossman, Sharon O’Hara, David Padrino, Arnold Salazar and Nathan Wilkes (started on the phone, arrived at 8:43 am).

Board Members Joining via Phone: Sue Birch and Mike Fallon

Board Members Absent: None

Staff Present: Marcia Benshoof, Luke Clarke, Gary Drews, Proteus Duxbury, Cheryl Ierna, Roxanne Johnson, Michelle Kahler, Linda Kanamine, John Neumeier, Karen Phillips, Lynn Pressnall, Sharon Roberts, Taylor Roddy, Alan Schmitz, Lisa Sevier and Adele Work.

Approximately 18 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 January Board Meeting; as well as the Finance and Operations Committee Meetings were voted on and approved.
- The agenda was reviewed and one change was made to remove the scheduled break.
- Disclosure of Conflicts of Interest: None

II. Contracts

General Counsel, Alan Schmitz, had no contracts for review or approval.

III. Board Development and Operations

Following the Board’s decision on its Legislative Approach Policy, staff has now included a redlined Policy revision for review.

Davis Fansler requested the mission be added to the introduction of the Policy.

Steve ErkenBrack asked for further clarification on paragraph three of the recommendations that states:

If the Executive Committee is unable to convene in a timely manner, the CEO has the authority to go to either the Policy Committee Chair, who will then help determine whether a position and/or public testimony is warranted.

Mr. ErkenBrack asked that the additional option of the Board Chair be added as well.

Chair Sharon O'Hara stated no motion is needed and the Board is satisfied with the Board Legislative Approach Policy as discussed.

Ms. O'Hara then discussed the Policy Committee Charter draft, stating she has received comments on the draft; however, she has not had a chance to update the charter. She will edit and forward the Charter draft by the end of the week giving the Board time to review before the next Board meeting.

Ms. O'Hara then stated that regarding the CEO search, the Board is wrapping up the final portion of reference and background checks, which are expected to be completed by the end of the week. On Monday, February 16th, at 7:30 am the Board will have a call-in meeting in order to make a finalist selection.

IV. Marketplace Development and Operations

1. CEO Report

Interim CEO Gary Drews gave his CEO Report as follows:

- Connect for Health Colorado has reached over 132,000 submitted enrollments - on target for the year end.
- The Marketplace is preparing for a big end of Open Enrollment weekend.
- Approximately 50% of the Marketplace customers are receiving financial assistance.
- The average amount of Advanced Premium Tax Credit (APTC) awarded has decreased by 16% due to the drop in the cost of the second lowest priced silver plan.
- The amount of gross premiums has declined by 2%.
- Broker sales are well ahead of last year.
- Connect for Health Colorado continues working to help the customers having issues with eligibility as well as those that have encountered problems with renewals.
- Strategic Planning continues. A number of input sessions have been arranged including one planned for today's meeting.
- The Marketplace is working with other state based exchanges looking at group purchasing possibilities to lower costs.
- Currently there are five audits and reviews happening simultaneously.
- The Marketplace is interviewing for a staff auditor position as well as hiring outside resources to better prepare for audits.
- Service Center costs are rising. These trends were discussed last September with expectations around renewals and 1095's. There were also unanticipated challenges with eligibility and APTC reductions and impact on renewals. There will be an Operations Meeting this week to discuss these costs.
- Connect for Health Colorado is working with the Colorado Department of Health Care Policy and Financing (HCPF) to address system improvements needed for improving the customer experience.

- The No Wrong Door Policy, a part of the Affordable Care Act, has been a challenge, but the Marketplace is working with its partners to make this work.
- As of today the website has had 2.1 mil unique home page visitors and over 600,000 calls and chats to the Service Center. Thank you to all the Service Center staff handling these calls and chats.
- 107,000 1095 tax forms went out to customers, another first for the organization.
- Today we will provide a follow up from the feedback that was received during the last Board meeting. This feedback was priceless for the Connect for Connect for Health Colorado.
- The Marketplace is still searching for a CFO, a COO and other staff. There is a focus on identifying the positions that will be needed going forward. Currently the level of staffing is on the low side and consequently everyone is working at a high-pressure pace that is not sustainable.
- Connect for Health Colorado is submitting a grant application to the Colorado Health Foundation for \$2.5 mil for the funding of Health Coverage Guides and the Assistance Network for the next year.

Mr. ErkenBrack inquired if one of the eligibility concerns for the Marketplace and its partners is the simultaneous enrollment issue that occurred last year. Sue Birch, Executive Director of HCPF assured the Board that simultaneous eligibility is one of HCPF's top priorities to address.

Mr. ErkenBrack discussed the Supreme Court case King vs. Burwell, which, though it will not directly affect the state based exchanges; it does affect the Affordable Care Act (ACA). Specifically whether subsidies will be available to the Federal exchange. With this, Mr. ErkenBrack cautioned going too far into strategic planning until there is more knowledge as to whether the fundamental rules around the ACA are going to change. On the other hand, Mr. ErkenBrack thinks that Colorado is in a unique position, in that if this does happen the Federal Government may look to the state exchanges to see what they are doing.

Mr. ErkenBrack then spoke to the ongoing audits, which should be expected for an organization like Connect for Health Colorado. He suggested reaching out to the carriers as they deal with large number of audits and they may have some valuable input.

However, he is concerned that the Marketplace is not adequately staffed. Mr. Drews concurred, stating that one of the top systemic issues the organization is facing is that it is under-staffed and this goes back to when rate charges were determined and the budget was set accordingly.

Arnold Salazar agreed that not only is the Marketplace understaffed to deal with some of the unexpected challenges; but also there are upper management roles that remain open. Additionally, many resources have been shifted to the Service Center to handle much of the manual needs due to the No Wrong Door Policy. Mr. ErkenBrack added that while the Marketplace wants to be lean and effective, at this point it is too lean.

Mike Fallon noted that while administrative fees may be lower than other exchanges; there is the Broad Market Assessment, carrier donations and leftover funds from Cover Colorado as revenue sources.

The Marketplace Leadership team presented the [Enrollment Update](#).

Mr. ErkenBrack discussed last year's issue with reconciling the APTC and whether this has been resolved for the current year. Marcia Benshoof, Chief Strategy and Sales Officer, explained that for the purpose of this first year of 1095's, Connect for Health Colorado asked the carriers for the numbers they invoiced to their customers.

Technically the Marketplace is the source of record; however, first and foremost of importance is what the customer experienced. Additionally a request was made to the carriers to allow a look-up file to give the Service Center the ability to compare the 1095 to what the carrier invoiced. This allows the Service Center to work with the customer to help explain and work through any discrepancies.

Adele Work, Director of Product Implementation, added that next year the Marketplace will have the Carrier Coordination Teams and one of their key activities is to make sure the Marketplace is reconciled with the carriers on a regular basis.

There are some issues with getting information to the Marketplace from the Shared Eligibility System (SES) when a person reports a life change event. From carrier to us the information flow is going to be better; but working from what the customer reports through the SES to us is where additional reconciliation will have to be built.

Ms. Benshoof then explained that through marketing, scripting and key messaging the Marketplace is trying to emphasize the importance of the customer reporting any change to their income, as it will improve the accuracy of their APTC and tax information.

Ms. Birch stated that people are finding their APTC to be different from what they originally expected. Ms. Work explained that while some of that may be due to the shift in the Marketplace, the majority of the issues seem to be because the income that is entered is incorrect. There are various types of income that this directly affects such as seasonal, self-employment and multiple source income. The system is not asking questions that make it easy to answer when a person has a non-steady income. Then the income is not being captured correctly and therefore the APTC is not correct.

Ms. Birch asked about how the 1095's were determined for last year's customers that were simultaneously enrolled. Ms. Benshoof explained that the customers who were retrospectively simultaneously enrolled last year were individually contacted and given a choice of choosing a commercial plan at full premium or going through Medicaid, with a decision due date of December 1st. This due date was to ensure a correct 1095 for the customer.

On an ongoing basis, Connect for Health Colorado performs a process of identification outreach with people who are Medicaid eligible and have commercial coverage or they are about to be Medicaid eligible. However, due to Open Enrollment and the launch of the SES, the Marketplace has not been

able to do this outreach since November. There is a plan to continue with this in partnership with HCPF beginning in March and the use of the SES greatly reduces the possibility of simultaneous enrollment

Proteus Duxbury, CTO, stated that the Marketplace just passed an IRS FTI security audit with flying colors. Adding that they congratulated Connect for Health Colorado on being one of the leading states in this area.

V. Finance Committee Report

Arnold Salazar gave a brief report on the Finance Committee. Stating that the Finance Committee reviewed the November Financials, Service Center budget issues, enrollment and contracts. The Committee plans to go over the Finance and A133 audits at the next Finance Committee meeting and will report back to the Board on this at March's Board Meeting.

VI. Public Comment

Ms. O'Hara opened the meeting for public comment.

George Swann, a retired Hospital Administrator, offered to some ideas to better share reports and metrics on the Marketplace website.

Deb Judy, Policy Director with the Colorado Consumer Health Initiative, requested that in regards to simultaneous enrollment issue, the consumers be kept informed with how this will continue to be resolved. Additionally, she encouraged the streamlining of the eligibility process so that the next Open Enrollment goes more smoothly.

Laurie Hindman, Human Resources Manager for EnergyLogic, stated that EnergyLogic is a small company that has been using the Marketplace SHOP. Currently they are having an issue with a couple of their employees that are not able to get family coverage from within SHOP. Mr. Drews assured Ms. Hindman that she will be contacted after the meeting and the issue will be addressed immediately.

Nathan Wilkes added that he was aware of some customers who had signed up for dental but were not showing up as being insured. Ms. Work stated that there are a couple of dental carriers that the Marketplace has not received effectuation records from as of yet. The Carrier Coordination Teams are working with these carriers to resolve this situation.

VII. Long-Range Strategic Planning

Mr. Drews explained that the audience and Board members are going to split up into small groups to discuss value propositions for Connect for Health Colorado. Members of the audience have an opportunity to participate by completing the online form and submitting it to the Board email account.

Mr. Drews further explained that it is important to identify the value the Marketplace brings to its various customers including the consumers, small businesses and carriers. If the value propositions can be more clearly defined, Connect for Health Colorado can better determine best ways to utilize resources and focus.

The three questions being asked during this exercise are:

1. What is Connect for Health Colorado's value proposition today?
2. What should the value proposition be in 3 to 5 years?
3. How does the Marketplace get there?

Ms. O'Hara then explained that the meeting will break out into groups so there is no need for the people on the phone to remain.

Meeting adjourned at 11:45 am

Respectfully submitted,

Mike Fallon
Board Secretary

Next Meeting

March 9, 2015 from 8:30 am – 12:00 pm