

Colorado Health Benefit Exchange
Board Meeting Minutes

Mile High Room
COPIC
7351 E. Lowry Blvd.
Denver, CO 80230

March 26, 2012
8:30 AM – 11:00 AM

Board members present: Jim Riesberg, Nathan Wilkes, Steve ErkenBrack, Gretchen Hammer, Mike Fallon, Sue Birch, Arnold Salazar, Richard Betts, By phone: Beth Soberg

Staff present: Patty Fontneau, Jessica Dunbar, Myung Kim, Gary Schneider, Amy Berenbaum

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

I. Board Agenda

Clarifications to the March 16th board meeting minutes were added to define SOW and MSA and to specify that insurance documents must only be retained for five years, not seven years.

Vote: The minutes from the March 12th and March 16th board meetings were unanimously approved by the board with seven voting members present.

There were no additions made to the agenda and no board members had any conflicts of interest to disclose.

II. Board Development and Operations

1. Board Chair report

Gretchen Hammer reported the she is pleased and comfortable with COHBE's approach to policy decisions. The process seems to be working well and allows the public to provide input. The report on metrics at the last board meeting was helpful and appreciated. Gretchen will be traveling to Craig on March 30th to speak at the Craig Chamber of Commerce.

2. Report from CEO/ED

Patty Fontneau reported that she and Gary Schneider were in Washington, D.C. during the last board meeting for the first of three Establishment Gate Reviews as required under the grant guidelines. COHBE finalized the PMO contract with North Highland and Adele Work began last week as the project manager. John Barela was hired for the Health Plan Manager position and will be joining COHBE at the beginning of April. COHBE's evaluation team is continuing to focus on service and technology vendors. The approval of the service and technology contract will be handled in a future board meeting. COHBE selected a new location at Colorado Blvd. and Cherry Creek North Drive and plans to move on May 1st. COHBE asked health plans to come speak at the next board meeting to share their perspectives. An approach to advisory

groups that incorporates learnings from the 208 Commission will be discussed in more detail at the next board meeting.

3. Presentation on ACA Implementation Fund Project

Staff from Colorado Consumer Health Initiative, Colorado Center on Law and Policy, and the Colorado Public Interest Research Group gave a [presentation](#) describing the ACA Implementation Fund Project and their approach to gathering consumer feedback on the Exchange. A series of recommendations were shared with the board based on the information gathered from consumers around the state.

Insurance terms like “deductible” and “coinsurance” were an area of confusion and there was open conversation during focus groups about these terms. Consumers want terms simply defined on the Exchange website and an easy way to compare health plans. About 70% of the participants had coverage, but they were not asked about their current health care needs. Whom consumers trust for reliable information varies, but many considered providers, clinic staff, associations, Health and Human Services staff, and local health departments to be trustworthy sources of information. There were mixed opinions about whether the Exchange should only connect people with health coverage options or whether it should also connect people with other assistance programs.

Board members asked about regional and ethnic variations as it related to consumer feedback on the Exchange. People in some regions expressed a heightened concern about choice and a desire to be able to go outside their community for services. People from various ethnic groups (especially Spanish-speakers) wanted more personal interaction and assistance to help guide their decision making process when selecting a health plan.

In the future, board members felt it would be helpful to capture feedback from consumers who are high and low utilizers of health care services.

Sue Birch emphasized the importance of conducting heavy outreach and education over the next 24 to 30 months and mentioned that HCPF will be holding a summit on May 14th and 15th at the Park Meadows Marriott.

4. Presentation from DOI on Actuarial Value and Cost Sharing Reductions Bulletin

John Barela gave a [presentation](#) about DOI’s [comment letter](#) regarding HHS’ Actuarial Value and Cost Sharing Reductions Bulletin. The actuarial values of equivalent plans will be standardized across carriers. Health Reimbursement Accounts (HRAs) and Health Savings Accounts (HSAs) will be treated the same in terms of actuarial value.

The actuarial value of all plans sold both inside and outside the Exchange will be required to fall into the de minimis ranges around the metal levels. The whole market will have to transition in January 2014 to make all plans fit within the de minimis variation bands. Additionally, plans might have to change annually to stay within the 4% bands, which could be a burdensome process. Small employers have additional administrative costs when changing plans as compared to individuals and we don’t want de minimis variation to become another reason for small employers to drop coverage or self-fund.

Steve ErkenBrack suggested the board make a different recommendation than what was stated in the DOI comment letter on the bulletin related to applicable de minimis variation rules inside

and outside the Exchange. He felt strongly that rules should be the same inside and outside the Exchange. He motioned to have the Rules and Regulations Review Committee discuss the bulletin further so the board can decide if it wants to develop a separate comment letter to HHS.

Public comment: Elisabeth Arenales, from the Colorado Center on Law and Policy, asked about the possibility of the Exchange offering two multi-state plans. John Barela responded that the DOI is considering this, but multi-state plans would need to use the same calculator to determine actuarial value as Colorado.

Vote: With seven voting members present, the board unanimously voted to have the Rules and Regulations Review Committee discuss the Actuarial Value and Cost Sharing Reductions Bulletin. The committee will meet at 4:30pm on Tuesday, April 3rd.

III. Exchange Development and Operations

a. Policy Issues

a. *List of Policy Issues and Timeline*

The COHBE staff shared a [working list of policy issues](#). Beth Soberg suggested that COHBE gather feedback from carriers about the policy issues so COHBE's approach aligns well with the time required for carriers to create plans and have them go through the certification process.

Public comment: Diane Dunn, a health IT consultant, commented that the Data Advisory Work Group came up with several ideas for policies regarding evaluation which could form a new section or could fit under the Quality Assurance/Improvement section (G8).

b. *Payment Options and Premium Aggregation*

The board discussed the payment options and premium aggregation documents for the [Individual Exchange](#) and the [SHOP Exchange](#). Premium aggregation is a minimum function of a SHOP, while it is optional for the Individual Exchange. The Exchange must allow a qualified individual to pay any applicable premium owed by such an individual directly to the QHP issuer.

Steve ErkenBrack commented that he would like to hear from consumers and carriers about what they want COHBE's approach to be.

Arnold Salazar asked for more clarification about what COHBE's options are legally.

Nathan Wilkes pointed out that the decision about payment options and premium aggregation is inter-related to COHBE's approach to financial sustainability. The decision made by the board on premium aggregation and payment options will have to balance customer service (choice), control, and complexity.

Public comment:

Marc Reece, from the Colorado Association of Health Plans, clarified that section 155.240 of the law stipulates that the Exchange must allow individuals to pay the QHP directly.

Elisabeth Arenales, from the Colorado Center on Law and Policy, commented that the cost-benefit analysis for individuals will depend on administrative efficiency. She emphasized that it is important to consider the self-sufficiency of the Exchange when making this decision.

Bob Semro, from the Bell Policy Center, commented that he is not sure about the costs associated with building this solution, but stressed that COHBE should take into account the potential cost of the options.

Jim Riesberg pointed out that [CCIIO's Regulatory Impact Analysis](#) contains a section on payment options and premium aggregation that would be helpful to review. Gretchen Hammer commented that, given what we know about the diverse needs of our state, it is important to consider what approach would work best for Colorado. Richard Betts commented that it is also important to consider what the value proposition is to carriers.

Beth Soberg asked if COHBE is putting together a list of questions for health plans to address at the April 9th meeting and Patty Fontneau responded that COHBE will send a list of questions by March 30th.

Meeting adjourned: 11:00am