



Board Meeting Minutes

Conference Call

May 10, 2013

7:30 AM – 8:55 AM

Board members present: Richard Betts, Susan Birch, Steve ErkenBrack, Mike Fallon, Gretchen Hammer, Kevin Patterson, Robert Ruiz-Moss, Jim Riesberg, Arnold Salazar, and Nathan Wilkes.

Staff present: Cammie Blais, Patty Fontneau, Lindy Hinman, Myung Oak Kim, and Laura Villanueva.

Additional members of the public joined by phone.

I. Welcome & Introductions

There were no changes made to the agenda.

II. Discussion on the Level 2 Grant

Gretchen Hammer asked the Board if anyone had questions before beginning the discussion. No one did.

i. Presentation

Patty Fontneau referenced her memo [letter](#) to the Board that highlighted the increase in Assistance Network funding as it had generated much discussion and public comment. While consumer groups had indicated a preference for a more significant increase, there was support for an increase to \$13 million in funding. It was recognized that the federal ask would not be the total amount of funding available for the program.

Rob Ruiz-Moss asked if the increase in Assistance Network funding would offset reductions for other line items. Patty Fontneau called the Board's attention to [Chart 1](#) that showed the original budget request for the line items listed and two options that would either a) leave the grant total the same by reducing different amounts for the line items listed or b) increase the overall grant request by an additional \$2.5 million, with the additional funds allocated to the Assistance Network.

Gretchen Hammer asked the Board for their input if Connect for Health Colorado staff had moved in a direction they were comfortable with and asked for opinions on the two approaches laid out.

Arnold Salazar clarified if the options were limited to either a) supporting a reduction in other line items to accommodate a \$2.5 million increase to the Assistance Network or b) increasing the Assistance Network funding by an additional \$2.5 million and therefore increasing the overall grant request. Patty Fontneau suggested the Board provide feedback on the increase to the Assistance Network budget alone and then discuss the overall grant request after reviewing the remaining charts and information.

Rob Ruiz-Moss commented that an increase of the Assistance Network budget is the right direction for Connect for Health Colorado to take. He asked for confirmation that this would not impact other grant applications and

that the funding would be sufficient. Patty Fontneau reminded the Board that funds received from operations would also be used.

Steve ErkenBrack asked if the stakeholder community included the business community. Patty Fontneau replied that Connect for Health Colorado has talked to the business community about the overall grant but not for this specific line item. She added that there has not been any specific feedback from the business community about the Assistance Network

Sue Birch commented that she would feel more comfortable with a federal grant ask in the \$18-\$20 million range for the Assistance Network alone, but commended staff for increasing to current amount.

Nathan Wilkes agreed with Patty Fontneau's earlier statement that the Assistance Network is an essential component that is also one of the most expensive ways to increase enrollment numbers. He asked if the reductions amount was a ballpark guess or if there was any analysis done by looking at components and figuring out how reductions should be made. Patty Fontneau replied that the numbers were general estimates given the time constraints and the inability to conduct a full market study. However, Patty did clarify that there was certainly logic around the reductions - i.e. more coverage guides would lend itself to less marketing and a decrease in both call center and back office support.

Patty Fontneau moved on to describing [Chart 2](#) in response to Eric Grossman's request to have staff delineate between the "must have" and "nice to have" items. The Chart broke down the dollars into three categories: Implementation, Operations, and Enhancements. Patty clarified that the Enhancement category included both technology enhancements and capital requests.

[Chart 3](#) broke down the Implementation, Operations, and Enhancements categories according to the Federal grant category guidelines.

Finally, [Chart 4](#) showed the additional break down under the Enhancements category.

Steve ErkenBrack commented that he had no questions about the items presented but would like to know about the feedback from the Legislative Implementation Review Committee (LIRC) and the Board's Grant Committee. Gretchen Hammer replied that there was no additional Grant Committee feedback. Gretchen added that she believed the dollar amounts align with previous conversations with staff that date back to January as staff has been consistent in their work.

Patty Fontneau addressed the LIRC question from Steve. Overall, the LIRC was split along party lines on the overall size of the grant request.

Richard Betts added that he would like to keep the request at the \$125 million level based on the split feedback from the LIRC. As Connect for Health Colorado moves from a startup phase to an operations phase, the Board has the fiduciary responsibility to make sure that every dollar is spent wisely. Having the ability to increase the requested amount does not mean Connect for Health Colorado should do so.

Arnold Salazar commented that the Board should be prudent in making sure to not undercapitalize this venture.

Arnold Salazar moved to increase Assistance Network funding to \$18-\$20 million, to be added to the overall Level 2 Grant request at the discretion of the staff. Nathan Wilkes seconded the motion.

Sue Birch cautioned the Board to not make the mistake of underfunding such an essential program.

Steve ErkenBrack commented that while he understood the rationality behind a desire to increase the Assistance Network funding, he opposed the motion. He expressed concern around losing bipartisan collaboration on health care reform by increasing the federal ask to an even higher amount that had already split the LIRC Committee in its current state. Mike Fallon concurred that he could not imagine going back to LIRC with an even larger grant request.

Richard Betts agreed with the comments from Steve ErkenBrack and Mike Fallon. Rob Ruiz-Moss agreed as well.

Nathan Wilkes added that he seconded the motion in order to generate Board comments. While he supports \$18-\$20 million in Assistance Network funding, he thinks that this range is sufficient for a total amount of funding, including outside grants and future revenue. Nathan went on to say he would support some level of increase in Assistance Network funding, possibly in the \$15 million range. Patty Fontneau addressed this comment by stating that with The Colorado Health Foundation grant request and monies from other resources, it would be plausible to reach \$18 million even with the grant request set at \$13 million.

Arnold Salazar commented that he wants to ensure that the Board is giving Connect for Health Colorado the resources it needs. Nathan Wilkes added that the increased grant request should be made with the understanding that Connect for Health Colorado would return any extra funds that were not used.

ii. Public comment

Elisabeth Arenales from the Colorado Center on Law & Policy (CCLP) referenced the [letter](#) the Coalition sent to the LIRC and thanked the Board for considering the increase of funding for the Assistance Network.

Dede de Percin from the Colorado Consumer Health Initiative (CCHI) also referenced a [letter](#) sent to the LIRC. She asked for clarification if the grant would drop all at once or if Connect for Health Colorado would draw down on a portion of the money. Patty Fontneau clarified that the grant is drawn as needed, and segments can be encumbered by the Federal Government. Cammie Blais added that all of Connect for Health Colorado's federal grants are reimbursement grants. No funds are drawn on until there are expenses to pay.

iii. Vote

Vote: The motion to increase the Assistance Network funding to \$18-\$20 million was denied with a vote of 2-5. There were 7 voting members present. (Yes: Arnold Salazar and Nathan Wilkes. No: Richard Betts, Steve ErkenBrack, Mike Fallon, Gretchen Hammer, and Rob Ruiz-Moss).

iv. Additional Discussion

Gretchen Hammer asked the Board if they were ready to move to a discussion on the grant in its totality. Arnold Salazar asked for clarification. Gretchen replied that Connect for Health Colorado staff had presented two scenarios in Chart 1 that either a) increased Assistance Network funding and offset the rest of the budget or b) increased Assistance Network funding and the Level 2 grant ask overall.

Nathan Wilkes moved to support the Option 2 Revision presented by staff that would increase the overall Level 2 Grant request. He recommended increasing funding for the Assistance Network to \$14 million instead of keeping it at the \$13 million as outlined. Arnold seconded the motion.

v. Public Comment

Elisabeth Arenales stated that she would be remiss if she did not comment that maximizing funds for the

Assistance Network would be in Connect for Health Colorado's best interests. Dede de Percin agreed.

vi. Vote

Vote: The motion to increase the Assistance Network funding to \$14 million was denied with a vote of 2-5. There were 7 voting members present. (Yes: Arnold Salazar and Nathan Wilkes. No: Richard Betts, Steve ErkenBrack, Mike Fallon, Gretchen Hammer, and Rob Ruiz-Moss).

vii. Third Motion

Rob Ruiz-Moss moved to support the Option 1 Revision that kept the grant total at \$125 million and increased the Assistance Network funding to \$13 million by reducing other line items, with the caveat that Connect for Health Colorado staff would find line items outside of Marketing and Outreach to offset the reductions. Richard Betts seconded the motion.

Nathan Wilkes asked Patty Fontneau and Cammie Blais to comment if this committed the staff regarding where the reductions would be made. Patty Fontneau replied that adjustments can always be made between grant categories up to \$250,000 without additional approvals from the federal government. The staff would look at the which categories created the least negative impact.

No public comment.

viii. Vote

Vote: The motion to keep the grant total at \$125 million while increasing the Assistance Network funding to \$13 million by reducing other line items was passed with a vote of 5-2. There were 7 voting members present. (Yes: Richard Betts, Steve ErkenBrack, Mike Fallon, Gretchen Hammer, and Rob Ruiz-Moss. No: Arnold Salazar and Nathan Wilkes).

ix. Fourth Motion

Arnold Salazar asked for a motion to approve the entire Level 2 grant with revisions. There was Board discussion around whether or not the previous motion was in fact a vote of approval of the Level 2 grant. Rob Ruiz-Moss stated that his intention with his motion was for a final Level 2 grant vote. Steve ErkenBrack disagreed that a full grant vote was taken and understood it to be a vote on solely an increase of funding for the Assistance Network within the original scope of budget. It was decided that a final vote on the Level 2 grant would be taken.

Arnold Salazar moved to approve the Level 2 grant at \$125 million with the previously agreed upon revisions to increase the Assistance Network funding taken into account. Nathan Wilkes seconded the motion.

Rob Ruiz-Moss added that having been present in the LIRC meeting, he believed \$125 million to be an appropriate grant request.

Steve ErkenBrack stated that he felt that there was not significant input from both sides of the aisle in the negotiations of developing the grant request.

No public comment.

x. *Vote*

Vote: The motion to approve the Level 2 grant at \$125 million with an increase to Assistance Network funding as previously voted on was passed with a vote of 5-2. There were 7 voting members present. (Yes: Richard Betts, Gretchen Hammer, Rob Ruiz-Moss, Arnold Salazar and Nathan Wilkes. No: Steve ErkenBrack and Mike Fallon).

With the motion passing, Gretchen Hammer stated that she and Patty Fontneau would continue the conversation with the LIRC before the final submission.

III. Adjourn

The Board meeting adjourned at 8:55 AM.