

**IDAHO HEALTH INSURANCE EXCHANGE
DBA YOUR HEALTH IDAHO**

**MARKETPLACE COMMITTEE
MINUTES**

TUESDAY, MARCH 7, 2017

1. COMMITTEE MEMBERS PRESENT

- Mr. Jerry Edgington, Chair
- Mr. Fernando Veloz
- Mr. Tom Shores
- Ms. Janice Fulkerson
- Representative Kelley Packer

2. OTHERS PRESENT

- Mr. Pat Kelly, Your Health Idaho
- Ms. Cheryl Fulton, Your Health Idaho
- Ms. Karla Haun, Your Health Idaho
- Ms. Julie Hammon, Department of Health and Welfare
- Mr. Peter Sorensen, Blue Cross of Idaho
- Ms. Susan Becker, Drake Cooper

3. CALL TO ORDER

Following proper notice in accordance with Idaho Code §74-204, the Marketplace Committee meeting of the Idaho Health Insurance Exchange (dba Your Health Idaho) was called to order by Mr. Jerry Edgington, Chair of the Committee (Chair), at 8:01 a.m., Tuesday, March 7, 2017, at the offices of Hawley Troxell Ennis & Hawley, 877 W. Main Street, Suite 1000, Boise, Idaho. In accordance with Idaho Code §41-6104(8), the meeting was held in an open public forum and was streamed in audio format. Members of the public could access the audio stream by dialing into a telephone number that was included in the notice of meeting posted on the Exchange Board's web site and at the meeting location.

4. ROLL CALL

The Chair called the roll and determined that Mr. Veloz, Rep. Packer, Ms. Fulkerson, and Mr. Shores, were present resulting in a quorum.

Ms. Sweigart and Director Armstrong were absent.

5. APPROVAL OF PRIOR MEETING MINUTES

Motion: Mr. Shores moved to approve the meeting minutes from the December 6, 2016 Marketplace Committee and the December 7, 2016 Outreach & Education Committee meeting as presented. **Second:** Mr. Veloz. **The motion carried.**

6. REVIEW OF AGENDA

Motion: Rep. Packer moved to amend the agenda to include the policy discussion following the Public Affairs RFP. **Second:** Mr. Veloz. **The motion carried.**

7. REVIEW ROADMAP

The Chair reviewed the roadmap and Mr. Shores asked about the pushback on QHP certifications. Mr. Kelly noted that is the fourth item on the agenda today. Mr. Shores asked when agents will be in a position to start recertification. Mr. Kelly said assuming a November 1 start for open enrollment, agent training and recertification would start about the same time as it did last year. The team is working to determine those dates.

8. OPEN ENROLLMENT 2017 UPDATE

Mr. Kelly walked through some key elements of the open enrollment results. He said enrollment by carrier over time which shows how the market share has shifted over time for 2015, 2016, and 2017. 80 percent of enrollments are on three of the five carriers. While shifts among those carriers have occurred over the last year, plan choice across metal tiers is virtually unchanged from 2016. Almost 70 percent of enrollments are silver plans, followed by bronze, with the two combined sharing 90 percent of all enrollments. 84 percent of enrollments receive a tax credit (APTC) and half of those receive a CSR.

9. CUSTOMER EXPERIENCE

Mr. Kelly said for January and February, call volumes are significantly below last year's rate, resulting from the smooth renewal process, smooth redeterminations, successful delivery of 1095-As, and proactive 1095-A corrections.

Mr. Shores asked if we determined where clients that have catastrophic plans will get their 1095-As from. Mr. Kelly said YHI does not generate a 1095 for catastrophic plans. He said he is working on a 1095B memo and will send it out when complete. It is not a requirement for catastrophic plans to receive a 1095-A or B.

The Chair asked about the number of catastrophic plan subscribers and if YHI tracks those. Mr. Kelly said it is less than 800 covered lives.

Mr. Kelly noted that about 76 percent of calls are from consumers, followed by agents at 20 percent, and 4 percent from carriers. Just over 70 percent of customer calls were resolved in a single contact, 17 percent required two contacts, and about 11 percent required more than two. Last year, more than 36 percent of customers needed more than two touches to resolve their issue. In terms of days to resolve, about 25 percent require more than a week to resolve. Since

our SLA with carriers is about seven days, there is a certain percentage of the population that will always require more than seven days to resolve their issue. 75 percent were resolved in less than seven days despite the dependence on third parties for resolution.

Mr. Shores said he has had a number of clients that have had issues with YHI sitting on issues for more than 30 days and this causes issues with premiums and commissions. Mr. Kelly said it is imperative to have details to get to the root cause of these issues, but is happy to investigate once the details are provided.

Mr. Veloz asked how many of these are related to contact with DHW? Mr. Kelly said he would get the detail on that, but the majority would be within YHI.

Mr. Kelly said last year we looked at the reasons people contacted us and the reason why they did not. In 2016, over 60 percent of customers had no contact with YHI. This year about 67 percent of customers never needed to contact YHI to complete their enrollment. About 32 percent are Open Enrollment or Special Enrollment related. Only 1.24 percent are related to 1095-As. YHI took a very proactive approach to 1095-A corrections. Although YHI did issue more corrections than preferred, YHI was proactive in getting those sent out to the customer, even before they had the opportunity to contact YHI.

Mr. Veloz asked about the auto enrollment rate. Mr. Kelly said this year YHI saw a 99% auto enrollment rate.

The Chair asked for an example of the types of issue seen in relation to Special Enrollment Periods (SEPs) given the 31 percent is a significant number. Mr. Kelly said those contacts are centered on eligibility dates.

Mr. Shores asked Mr. Kelly to share the number of enrollments via SEP as compared to open enrollment. Mr. Kelly said it is about 600 cases a month.

Mr. Shores asked about the shift in the verification process from the carrier to YHI and when the change will take place. Mr. Kelly said the SEP Verification CR is scheduled to deploy on March 23 and that will shift most the responsibility to YHI, but the carriers will have the ability to overturn any verifications because it is their financial risk.

The Chair said the carriers are apprehensive about SEP enrollments because of the very high loss ratios. Mr. Shores said the majority of SEPs they have received are fairly standard and wondered where are those losses are occurring? The Chair said the carriers would like to know that as well.

Mr. Kelly continued with the proactive approach to 1095-A processing. YHI generated 74,000 original 1095s prior to the due date. Of those, YHI has seen about a 16 percent correction rate. The important number here is that 443 customers (less than one percent) requested corrections out of the 74,000 originals sent out. That is a tremendous improvement over last year and results from the proactive approach. Just under 5,000 were sent the week after January 31, and these resulted from one carrier that needed their essential health benefit percentage changed in the system. In addition, there was a system error that generated about 5,000 duplicate 1095s for seven days and about 3,800 proactively sent due to reconciliation efforts.

Mr. Kelly said January appeals volume was right in line with the prior year, but we saw a pretty significant reduction on February appeals compared to last year due to reconciliation activities and accurate renewals. Enrollment date changes are the primary reason for appeals. We have had one appeal hearing since the last Board meeting that was upheld and we have had one federal appeal heard and one new federal appeal that hasn't been scheduled yet resulting from an appeal from the last calendar year.

Mr. Shores asked about the impact of an agent or broker on the number of appeals filed. Mr. Kelly said that hasn't changed and the bulk of appeals that go to hearing could have been positively impacted by the involvement of an agent or broker.

10. CUSTOMER EXPERIENCE SURVEY

Ms. Haun said each year YHI conducts a market survey statewide to measure opinions from YHI customers as well as those that went through the system but chose not to enroll. We are surveying what aspects of the plans are a priority for purchasing decisions as well as the reason for purchasing health insurance. YHI is again measuring customer support experience and the value of our advertising and messaging. This year we will also seek to understand what value the exchange has for customers and potential customers if premium assistance is not available. The survey is currently underway and we hope to have analysis for the Board by the end of the month.

Mr. Shores asked if there are questions about the agent experience? Ms. Haun said she would be happy to send the questions, but generally it asks if they use an agent.

Mr. Veloz asked if there are any questions about network adequacy. Ms. Haun said yes. She said we tried to probe further what the main purchase decisions were and where the pain points are.

Ms. Fulkerson asked about the results and since it is after the Board meeting, how will those results be communicated to the Board. Mr. Kelly said YHI will figure out how best to distribute those results and certainly no later than the May/June meetings.

11. PY '18 QHP CERTIFICATION TIMELINE

Mr. Kelly shared the draft QHP timeline which was developed by our partners at the DOI and is predicated on a November 1 open enrollment start date, which was included in the proposed CMS rules. Key elements include notification by carriers at the end of March of their intent to offer 2018 QHP's. YHI will distribute carrier participation agreements at the beginning of June. In August, the proposed rates will be posted on the DOI website and carrier agreements will be due back to YHI. In September, the Board will certify plans and in October final rate increases will be posted to the DOI website. Open enrollment will begin on November 1 and proposed to end December 15.

The Chair said recognizing this is a draft, when carriers sign a participation agreement, are there outs for those carriers up to the September approval timeframe? Mr. Kelly would need to confirm that with the DOI.

Mr. Shores said last year DHW started the APTC redeterminations in August. Is that the plan for this year as well? Ms. Hammon said in August of last year, the process of having the customers notify DHW of any changes started and we anticipate that to be the same. But DHW won't begin to process those redeterminations until after October 1.

The Chair said the December 15, 2017 assumes a January 1 start date. Is it possible that there will be later deadlines for February and March effective dates? Mr. Kelly said using history as an indicator, a January 15 end date would assume a February 1 effective date and anything after would be a March 1 effective date.

12. YHI PUBLIC AFFAIRS

Ms. Haun said Gallatin Public Affairs has been with YHI since inception. Their Idaho presence ends March 31 which necessitates new representation. YHI will need to secure new representation to assist with congressional affairs, state politics and applicable law and policy. In addition to public affairs, we have relied on Gallatin for strategic planning, issue management and message development to address the changing administrative and regulatory aspects, as well as legislative changes. The market research data that was mentioned earlier, benefits from a public affairs perspective as well as it helps us with proper messaging to our various stakeholders and assists us in gaining insight with the presence in Washington D.C. and Idaho to help us navigate the reform proposals. With that, YHI is looking at a Request for Proposals that could be distributed immediately following the March Board meeting, if approved. So, due to the departure of Gallatin, we are asking for approval to issue a new RFP for public affairs and support both for state and federal administrative regulatory and legislative issues.

Rep. Packer asked how YHI will determine what potential respondents to send the RFP to? Ms. Haun said YHI is going to proactively approach all of the known public affairs entities in the market. It is a limited and known group that deal with the statehouse and have a federal presence.

Mr. Kelly noted that the scope is broader than just the release of the RFP. It would include the evaluation and selection of the vendor by the Proposal Evaluation Team, and authorize the Executive Director to execute the contract in an amount not to exceed what is contained in the motion.

Ms. Fulkerson asked what happens between the end of March when Gallatin rolls off and June 1 when the new company begins? Mr. Kelly said we have filled the gap. We have a short-term contract with a local firm to provide local policy feedback and a short-term agreement with Leavitt Partners for federal policy guidance.

Rep. Packer said she sees the need for the federal level policy assistance, but asked why the local assistance would even be necessary with the sine die in just a few weeks? Mr. Kelly said he understands that the proposed date of March 24 for the legislature's departure. There is still policy work locally after this time, particularly around the results of the customer survey and how we integrate that with the policy landscape we have here in Idaho. It is a relatively small amount of work but important to how those federal issues may be perceived in Idaho. Ms. Fulkerson asked who the local firm is. Mr. Kelly said Risch Pisca.

The Chair asked if there is a chance these will stay separate in the future or is the intent to combine it? Mr. Kelly said the Leavitt agreement is month to month and will likely continue through December unless we term early. The way the RFP is written is for local and federal to be within the same agreement.

Motion: Ms. Fulkerson moved that the Marketplace Committee recommend to the Board for approval the release of a Request for Proposal (RFP) for a Public Affairs vendor and authorize the Proposal Evaluation Team (PET) to select the vendor and authorize the Executive Director to execute the contract at an amount not to exceed \$64,000. This amount falls within the approved FY17 and anticipated FY18 Communications and Outreach budget. **Second:** Rep. Packer. **The motion carried.**

13. POLICY UPDATE

Mr. Kelly said there are two topics in the policy section today. One is around the CMS proposed rules and the second is around the bill that came out last night regarding repeal and replace.

The CMS proposed rules include six areas that require YHI's position and our response. Those responses are due today and we were waiting for this meeting so we could incorporate any feedback the Committee members may have.

The first item is the date for open enrollment. CMS proposed a six-week open enrollment period from November 1 through December 15 of this year for Plan Year 2018. It is important to note that those same dates were already proposed for PY 2019, so they essentially moved those dates up in their proposed rules. At this point YHI has talked with DHW, YHI, Agents, broker, carriers and there has been a mixed bag in terms of feedback. There has been general concern from YHI and DHW of starting earlier than November 1. If the start date is firm, most would like it to go longer and if the end date is firm, they would like it to start earlier. From YHI's viewpoint, starting earlier creates a great deal of risk including with the customer experience and potentially higher operating costs. As Ms. Hammon mentioned, the redetermination process doesn't start until October 1 and with that, a number of sequential steps that need to occur. People would be in the system before their redetermination and renewal is complete which would cause some rework and confusion on the customer's part. That is why YHI feels a November 1 start day is most prudent. YHI also feels that a six-week timeline is extremely short, although we understand the reasoning behind the earlier end date is the financial risk carriers incur when customer have a February or March effective date.

The Committee discussed the possible scenarios that could occur with the compressed time, an earlier start date, etc. The agent and broker community would prefer no earlier than October 15 in order to have redeterminations completed. Mr. Kelly said about 80 percent of enrollments happen before the December 15 date and about 90 percent of people that change plans during the open enrollment period, do so prior to that same date. YHI will adjust to whatever dates we are given, however an earlier start would cause issues. But YHI wants to know the effects a December 15 end date might cause the agents, brokers and carriers. YHI will make a recommendation of the start date being no sooner than November 1 and an end date of January 31, and no earlier than January 15.

Mr. Kelly said the second area of focus in the proposed rules include guaranteed availability which allows the issuers to require payment of past due premiums. YHI supports this proposal and was adopted in YHI policy in September of last year. The third area is Special Enrollment Periods (SEP). The HIX technology enhancement release planned for March 22nd enables more efficient validation of SEPs while maintaining carrier flexibility to validate independently. YHI supports these changes but does not support elimination of SEP categories.

Mr. Kelly said the next item is Level of Coverage/Actuarial Value and YHI defers to DOI and notes that changes to the second lowest cost silver will impact the amount of APTC. Next is Network Adequacy and YHI encourages CMS to defer to states on this. The last area of focus in the proposed rules is Essential Community Providers and YHI is deferring to DOI, which is supporting this.

Finally, Mr. Kelly reviewed the replacement bill that was issued last night and YHI is struggling to understand how all of this aligns with the current timelines. There is some work YHI needs to do to determine the risk to YHI and asked to table this discussion until the Board meeting on March 17. YHI will center the scenario planning on the risk related to this proposal. It is not clear how this will affect the state-based exchanges so we would like more time to research this.

14. GETINSURED AUTHORITY TO SPEND

Mr. Kelly said GetInsured is YHI's technology vendor for the HIX and we have some remaining dollars with an authority to spend of \$45.4M, leaving YHI with about \$0.5M in remaining funding. We have six items noted for improvement this year which include password reset, consumer opt-out, the shift of renewals to county based instead of zip codes, some dashboard enhancements, the SHOP redirect that YHI is pushing back on, and some contingency. YHI is asking for an increase in spending authority for a little over \$1M. These funds are included in the grant funds and are included in the proposed FY18 Budget which will go to the Board on March 17. The Finance Committee has reviewed the budget, both OPEX and CAPEX, and these fall in the CAPEX category and it was recommended for approval.

Ms. Packer left the meeting at 9:34 a.m. The Committee maintained its quorum.

Motion: Mr. Veloz moved that the Marketplace Committee recommend to the Board to delegate signing authority to the Executive Director to execute change requests with Vimo, Inc, doing business as GetInsured, in an amount not to exceed \$46,410,464 (exclusive of M&O), which represents an increase of \$1,057,937 over the existing authority, which is included in the proposed FY18 budget and included in the existing grant awards. **Second:** Ms. Fulkerson. **The motion carried.**

15. NEXT MEETING

The next meeting will be held in late May or early June of 2017. Ms. Fulton will conduct a poll to determine the exact date and time.

16. ADJOURN

There being no further business before the Committee, the Chair adjourned the meeting at 9:44 a.m.

Signed and respectfully submitted,



Jerry Edgington, Committee Chair