



**Advisory Board**  
HealthSource RI  
One Weybosset Hill / 33 Broad Street  
2<sup>nd</sup> Floor, Conference Room A  
12:00 – 1:30 pm  
Tuesday, December 16, 2014  
Meeting Minutes

I. Call to Order

Members present: Geoff Grove, Advisory Board Chair, Mike Gerhardt, Margaret Holland McDuff, Peter Howland, Linda Katz, Patrick Quinn, and Amy Zimmerman

Staff Members present: Director Christine Ferguson, Amy Black, Olivia Burke, Marti Rosenberg, Lindsay Lang, John Cucco, and Melissa Travis

II. Approve minutes from November 18<sup>th</sup>, 2014 Exchange Advisory Board Meeting – Minutes approved.

III. Open Enrollment Report - Marti Rosenberg provided an overview of open enrollment activities to date. Before Open Enrollment, we started daily “Go Live” calls on November 6<sup>th</sup> to prepare for the soft launch on November 7<sup>th</sup>. These calls are ongoing and include our partners at Optum, Deloitte and EOHHS.

The purpose of the calls is to review the current, high priority issues and problems, and discuss what has been cleared or addressed. Issues, policy questions and solutions are tracked. The team has been organized in this way to allow for information to flow to and from the floor, walk in center, and the field (i.e., Navigators, DHS offices) – thus, solutions to policy questions are disseminated quickly.

Carson Colmore, HSRI training lead is actively involved in the GoLive process and has been successful at getting information out to the floor quickly, so that ongoing training continues on new policy issues, etc.

Director Ferguson added that there a variety of issues and we have been working with the carriers to overcome them. Unfortunately every time we have a fix, we identify another issue. As it is a very large tech system, we

expect to have issues, thus we are trying to keep the enrollment/eligibility system as basic as possible and add consumer support tool onto the HSRI website to take the burden off of the UHIP system.

Chairman Grove asked Director Ferguson to detail one or two of these key issues. In response the Director explained that there were problems with some customers' (approximately 1700) tax credit calculation. These customers received an email asking them to contact us. We have also created a workaround for problems with Identity Proofing.

She continued to discuss the potential problems that may occur in January as customers shift from their 2014 plans into new plans for 2015. We are preparing to help customers who visit the doctor or pharmacist and are told they have no insurance.

Finally, she noted that an issue being discussed nationally and locally will be problems with potential tax issues. Customers will receive a 1095 tax form and we have identified a subset of our customers who may receive incorrect information on those forms. HSRI staff are currently conducting manual work to ensure that the correct information is being reported to the IRS. For example, some people may have gotten more tax credit than they are eligible for (because they might have understated their income). She articulated a strong concern for low-income folks who may not be getting a refund. Thus, HSRI is adding more resources to address the issue.

Finally, Director Ferguson discussed the differences between HSRI and the Federal marketplaces. The deadlines are different – our deadline is December 23<sup>rd</sup> for January 1<sup>st</sup> coverage, whereas the Federal marketplace deadline was December 25<sup>th</sup>. Moreover, the federal marketplaces are doing auto-enrollment for those who did not re-enroll during that time. She noted that according to federal numbers, at least half of their enrollments for 2015 are new enrollments, whereas HSRI's renewal RATE at the time of the meeting was at 40%.

Board member, Linda Katz announced that the RI Health Coverage Project had a health coverage workshop two weeks ago and Carson Colmore from HSRI presented about renewals. She thanked Carson for her participation.

Next, Ms. Katz inquired about what would happen to those who do not renew by the end of December. Director Ferguson responded that while we will continue to reach out beyond the deadline, for those who have not selected a plan by December 31, 2014 or paid for it by January 15, 2015 may have a lapse in coverage. Ms. Katz then inquired about the approximate 2000 Medicaid customers who were due to renew, did not respond and are now receiving notices that they are no longer eligible for Medicaid but will be eligible for a Qualified Health Plan (QHP) on the Exchange. She questioned

the level of information regarding how to enroll in a QHP. With the high demand and high volumes, she voiced her concern for getting 2000 more people in the door.

Director Ferguson confirmed that Marti Rosenberg will work on getting more information from Medicaid regarding the notices and will begin working on the outreach to these customers.

***Open Enrollment Data Update, Olivia Burke, HSRI Data Team***

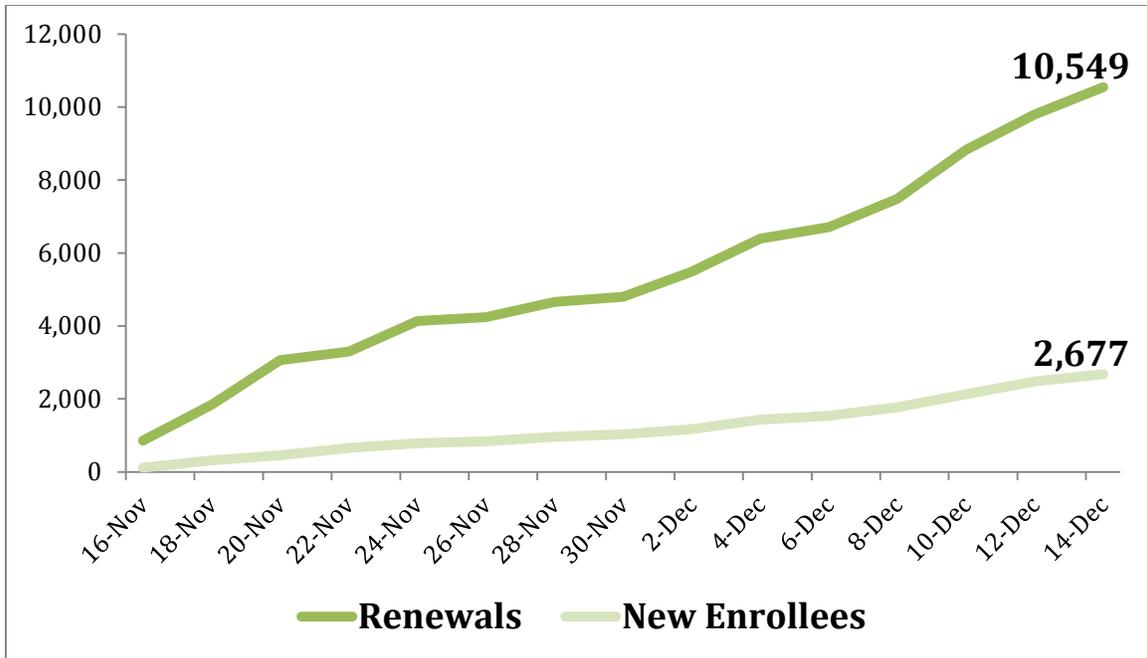
Ms. Olivia Burke explained that during the first Open Enrollment HSRI enrolled over 29,000 individuals through the Individual and SHOP Markets. Other key points included:

- During the first Open Enrollment, HSRI contact center received an average of 10,000 calls a week and 900 walk-ins per week. During the first week of the second Open Enrollment, HSRI received twice the volume of customers that we were receiving on average last Open Enrollment.
- Updated 2015 Renewals Status: As of December 14, approximately 40% of customers have renewed (chosen a plan) for 2015.

Ms. Burke provided the following update on enrollments for 2015 coverage, data as of December 14<sup>th</sup>:

- 10,549 renewals (40% of the 25,288 individuals enrolled and paid at the end of year one – not including SHOP enrollments)
- 2,677 new customers
- Total enrollment: 13,266

She noted that there is a steady increase in the payment rate as the billing cycle comes up (18% so far). This number increases daily as we approach the payment deadline. The table below indicates the steady growth in new and renewing enrollments.



Next, Ms. Burke presented the trends in plan and carrier selection. With new offerings from United Health Care and Neighborhood Health Plan of RI (NHPRI), we are seeing enrollments move from 97% enrolled in Blue Cross and Blue Shield of Rhode Island (BCBSRI) in 2014 to 54% enrolled in BCBSRI, 43% in NHPRI and the remaining 3% enrolled in United. Other observations include:

- 59% of renewing individuals have selected a different plan for 2015 than the one they were enrolled in for 2014
- 39% of renewing individuals have selected a plan with a different carrier than the one they were enrolled with for 2014
- 83% of renewing individuals have selected a plan in the same metal level as the one they were enrolled in for 2014; 5% of renewing individuals bought up by metal level for 2015, while 12% bought down by metal level for 2015
- To date 60% of BCBSRI 2014 renewing enrollees have selected a plan with BCBSRI for 2015
- About one third (32%) of all 2015 enrollees are enrolled in Neighborhood Community or Neighborhood Value (lowest cost silver, second lowest cost silver), with about half (48%) of new customers enrolled in one of the two plans.
- New customers show substantially greater willingness to select NHPRI Community or Value than renewals, while renewals are more likely to select last year's lowest and second lowest cost silver plans than new customers are to chose them this year.

Several Board members asked about the delivery capacity of NHPRI as their market share grows. Director Ferguson noted that while they will not cover services out of their network, their network is reported on the rate sheets and substantial.

Finally, Ms. Burke noted that the week of December 7<sup>th</sup> showed the highest volumes of calls since HSRI's inception.

Mike Gerhardt, Board member asked about the possibility of calling customers back which would limit their hold time. Director Ferguson noted that HSRI has brought in a team from Optum who are implementing adjustments at the Contact Center to better respond to customer needs. This may be one of those options to consider.

### ***Additional Enrollment Updates***

Marti Rosenberg announced that HSRI held a successful Enrollment Fair – a joint effort between HSRI outreach team and all three carriers. We received national attention for the effort. The event was successful with 170 people attending, many of whom enrolled or renewed. There were many helpers there - people could get ask the questions they had of the carriers, then enroll with a Navigator or enrollment assister.

Melissa Travis, HSRI small business sales team announced that for December, HSRI enrolled 301 lives in 29 groups in SHOP. December was our third highest month for number of lives (after January 2014 and October 2014) but it is the highest percentage of the market we have ever had, topping 7.7% we had for May. This can be partly explained by group size. December had the largest average group size for SHOP, with 10.3 lives per group. Our average size from January-November was 7.5 lives per group.

Finally, our team brought in the RI Commerce Corporation to SHOP and the focus on industry groups is starting to pay off.

### ***Director's Report***

Director Ferguson reviewed the recently submitted enrollment targets to CMS. Numbers are as follows: for 2014, the enrollment target for individual is 25,000; 2,500 for SHOP. For 2015, individual target 30,000 and SHOP is 7,000. For 2016, individual target is 36,000 and SHOP is 14,000. By 2018, the targeted enrollment is a total of 85,000 with 50,000 enrolled through the individual Exchange.

Director Ferguson explained that while there is still analysis needed the targets for SHOP assume expansion to larger employers in 2016 (up to 100 employees) and having state employees covered through SHOP.

### ***Budget submission review***

Director Ferguson provided a high level overview of the recent budget submission. She noted that she does not have the certainty with which she'd like to answer some questions. As she explained, like every other state, HSRI has a request with the federal government for an extension of the dollars we will receive -- to extend the funds to the end of calendar year 2015. The response to the request will come out in the next couple of weeks.

One of the components allowing the use of funds until the end of 2015 is the requirement that the state exchange cover certain operational costs. However, the breadth and depth of the boundaries of that requirement haven't been arranged yet with the Federal government. That conversation will be ongoing. The only public information right now about what HSRI can spend is in an FAQ. It says: rent and certain other things.

Every single other state based exchange has a built in revenue stream from all of the members of the small group market and all of the members of the individual market. They set these in 2011 when they passed their quasi-public statutes with the revenue sources attached. Most states are getting this extension, but have money in the bank.

In our case, none of that has happened, so this will continue to be a discussion that will happen with the new Governor and the legislature.

Director Ferguson continued to provide an overview of the HSRI budget submission. The budget submission included a conservative assumption that the cost of the operational component would be between \$4million and \$8 million for fiscal year 2016.

The state budget that was passed did not include the HSRI federal grant for calendar year 2014, thus there will be a supplemental for 2015. \$27 million is the combination of state and federal money to be used in fiscal year 2016.

The Director discussed the difference and tension between having an actual operating budget, using accrual accounting and cost centers, and a state agency budget. As she noted, HSRI is operating like a business with that approach to the budget – but the state budget requirements (i.e., categories, what goes where) does not always make sense for a business.

Board members asked for a review of the “real” operational budget - by cost center, and by area and an updated organizational chart for the January meeting. The Director agreed, but stated she would like to review with the Governor-elect before reviewing at a Board meeting.

A discussion about the decision to create an integrated system followed. A key point was that while it was not a mistake to design an integrated system, the level of difficulty was underestimated - specifically in terms of billing and payment.

Finally, the Board discussed the implications for carriers and the state for having to spend so much money to solve problems with the system.

The Chair asked for public comment, hearing none the meeting was adjourned.

**Next Meeting: Tuesday, January 20, 2015**