

BeWellnm New Mexico Health Insurance
Exchange Board Meeting Minutes
Friday, January 25th, 2019, 8:30AM
CNM Workforce Training Center
5600 Eagle Rock Ave NE Albuquerque, NM, 87113

<p>Board Members Present:</p> <ul style="list-style-type: none">• Dr. J.R Damron• Mr. Damian Esquibel• Ms. Terriane Everhart- Via Phone• Mr. Dan Foley• Bryan Brock on behalf of Superintendent John Franchini• Ms. Patsy Romero• Dr. Dean Waldman-Via phone• Ms. Dr. David Leachman• Teresa Gomez• Brandon Fryar• Mr. David Shaw• Dr. Martin Hickey-Via Phone• Secretary David Scrase-Via Phone	<p>Board Members Absent:</p> <ul style="list-style-type: none">•
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1. Welcome, Roll Call, & Confirmation of Quorum- Chairman J.R. Damron

The Meeting was called to order at 8:31 am. Roll call was taken and a quorum was established.

2. Approval of Agenda- Chairman J.R. Damron

Motion: Director Romero

Second: Director Shaw

The motion passed unanimously.

3. Approval of Minutes of the November 26th, 2018 beWellnm Board Meetings -

Chairman J.R. Damron

Motion: Director Leachman

Second: Director Romero

The motion passed unanimously.

4. Chairman's Remarks- Chairman J.R. Damron

Chairman Damron welcomed everyone to the meeting. The Chairman welcomed the new Board member, Dr. David Scrase, who is the new Human Services Department Secretary.

Chairman Damron noted that the CEO will discuss the 2018 enrollment campaign. The day's discussion also included an update from Mr. Bustamante, Mrs. Schwing, and Director Romero on financials and office space. There was also additional discussion regarding the CEO's performance and contract.

5. Matters from the CEO- Ms. Cheryl Gardner, CEO

Mrs. Gardner welcomed Brent Earnest, the Director of Program Integration for beWellnm.

Mr. Bustamante discussed board terms and officer terms. BeWellnm will be sending a letter to appointing authorities on all member's terms. Additionally, elections for officer positions on the board are anticipated for the March Board meeting, per Chairman Damron.

Mrs. Gardner noted that the upcoming year's budget for beWellnm is usually set in September. However, there have been requests that it be moved to July, which will afford needed time to execute contracts. Mrs. Gardner added that if beWellnm is to remain on schedule for a 2020 individual exchange technology launch, there cannot be any delays. Any significant interruption could potentially delay the launch beyond November 2020. Aligned with the schedule, beWellnm anticipates releasing the RFP in March, and communication will come from Justin Miller regarding a blackout period.

6. Committee Reports

a. Matters from the Stakeholders Advisory Committee-Chair Mike Wallace

Mr. Wallace noted that the Stakeholders' Advisory Committee (SAC) met in January and had recommendations for the Board on SHOP enrollment policies. First, they support allowing employees to choose from any metallic tier. Second, they support changing the contribution requirement to allow for either a percentage or dollar amount. The Committee did not take a stance on whether to lower the minimum contribution or participation rates to zero.

Chairman Damron indicated the recommendations will be discussed and addressed at the next Board meeting.

b. Matters from the Legislative Affairs Committee- Director Foley

Mr. Bustamante indicated the Legislative Committee met earlier in the week to discuss proposed State legislation. The Committee discussed two position statements regarding 1332 waivers and an All Payer Claims Database (APCD).

Mr. Bustamante noted that 1332 waivers, also known as innovation waivers, allow states to revise significant portions of the Affordable Care Act's requirements with the goal of expanding coverage and increasing access. As New Mexico considers a 1332 waiver, the Legislative Committee drafted a statement for the Board to adopt. The statement reads, "The Centers for Medicare and Medicaid

Services (CMS) has issued new rules for use of section 1332 waivers (also known as State Innovation Waivers or State Relief and Empowerment waivers). States may use these waivers to pursue state strategies that differ from the requirements of the ACA but achieve the same broad goals. For example, several states (Oregon, Minnesota, and Maryland) have used 1332 waivers to implement reinsurance programs to stabilize their insurance markets and maintain lower premiums. 1332 waivers may also be used for other state innovations (Medicaid Buy-in), and CMS has issued model concepts for states to consider.” Mr. Bustamante indicated a state must have legislative authority, or potentially a Governor’s Executive Order, for the waiver application to CMS.

Chairman Damron asked if there was any comments or concerns. Director Waldman questioned whether the Board should initiate a 1332 waiver, which it presumably cannot. Director Hickey indicated the 1332 waiver should be supported, especially as it includes beWellnm. Director Waldman requested any ideas from staff or board members that may increase enrollment numbers. Mr. Brock indicated that the Superintendent asked for a group of members, including the Exchange and High Risk Pool, to gather to discuss potential improvements to the enrollment process.

Mr. Bustamante then read the second statement, “All Payer Claims Databases (APCD) can be an important tool for consumers and policymakers to understand the cost of healthcare. APCDs can increase transparency in pricing and cost for consumers, helping them make more informed choices for their own healthcare. NMHIX supports legislation and funding to build an APCD in New Mexico. More than 20 states have, or are implementing, an APCD, and New Mexico has studied the issue, including investments at the New Mexico Department of Health to build out their Health Information System. The Governor’s budget includes \$2 million (potentially up to \$3.8 million) for an APCD through the Department of Health.”

Chairman Damron asked for any further comments, a recommendation by Mr. Foley to approve both statements.

Motion: Director Foley

Second: Director Romero

The motion passed unanimously.

c. Matters from the Native American Committee-Director Teresa Gomez

Mrs. Manring provided the update. She noted that established outreach partnerships have been going for the past year statewide, but particularly focusing on the Mescalero Apache Tribe area, Farmington and Gallup. Mrs. Manring indicated the Native American Advisory Committee will meet in February. Ms. Yazzie, the Native American Liaison, will prepare and send 2019 appointment letters to the Tribal leadership. Ms. Yazzie has also planned roadshows to various Tribal areas seeking support. Planned outreach events include the American Indian Day Reception on January 31st and the American Indian Day at the Legislature on February 1st. Mrs. Manring also provided numbers from the Enrollment Center from November 1st to December 15th.

Enrollment Center and Broker Collaboration

- Total Visits: 1,286
- Completed appointments: 854
- QHP: 736
- Medicaid: 72

d. Matters from the Operations Committee-Vice Chair David Shaw

Mr. Swinson noted the NFP SHOP is in production and the GetInsured (GI) system has been decommissioned. BeWellnm is in the final steps of closing out the relationship with GI. All vendors supporting the transition met all deadlines without any cost overruns. Mrs. Gardner noted that a couple of months ago Director Hickey and Director Waldman stated that they have never seen a technology project be accomplished on time or how they expected. She went on to note that the SHOP transition was both on time and as expected, and thanked Mr. Swinson and the vendors for their hard work.

Mr. Swinson updated the Board on outstanding issues and how the shared services model has benefit beWellnm. Mrs. Gardner noted that memberships were anticipated to drop off due to a variety of factors, including fewer plans to choose. Given this, staff will be bringing potential policies to the Board that might increase enrollment.

e. Matters from the Outreach & Education Committee-Director Martin Hickey

Mrs. Manring notes that enrollment had been down in multiple states due in part to the elimination of the financial penalty, improved economy, and other factors. Mr. Bustamante noted that enrollment had been down approximately 8% from the prior year, but presented data showing that beWellnm had recovered well from losses last year. From July 2018 to the end of open enrollment, beWellnm added 11.4% to enrollment, which outperformed its peer SBM-FP states. Director Gomez asked when updated numbers from CMS would be available. Mr. Bustamante responded that they hopefully will be available in March or April, though staff is pressing to have them sooner.

March or April depending on CMS.

Mrs. Manring provided an update on beWellnm's outreach program. The program includes 265 CMS Certified Brokers and 31 organizations. There were 6 newsletters in 2018 to beWellnm's network of partners, and that frequency will continue through 2019. Partnerships and expanded outreach will also be aimed at Native Americans in the upcoming road show.

Director Romero asked how many people are enrolled in the SHOP program. Mrs. Manring noted that there was a drop off in small business enrollment as well, with 186 groups in 2018 and 154 in 2019. She stated that a primary driving factor for the reduction appears to be limited options and plan transition. BeWellnm is working to identify policy and practice opportunities to expand enrollment. Mrs. Gardner echoed these sentiments. Additionally, the Exchange is continuing its work to become more data driven in a cost-effective way.

Director Waldman asked for the total cost of the SHOP program. Mrs. Gardner stated that it will be \$715,000 for 2019, and will present the historic costs at the next Board meeting.

f. Matters from the Finance Committee-Director Pasty Romero, Treasurer

Mrs. Schwing provided an update on the 2019 Board-approved budget totaling \$40,312,826. Mrs. Schwing noted that beWellnm polled carriers and determined that most would prefer two assessment invoices instead of paying the full assessment at one time. As such, beWellnm will be invoicing the assessment in January and July of 2019. Mrs. Schwing then stated that additional reserve may not be necessary, and the upcoming assessment had been adjusted for the changes in Medicaid Managed Care organizations.

Director Fryer asked if there is a reserve assessment on design, development, and implementation (DD&I) activities. Mrs. Schwing indicated that it is not necessary, but the Board can discuss it further at an upcoming meeting. Mrs. Schwing then provided an update on the Exchange's statement of net position.

Mrs. Schwing indicated the SHOP financial management system is in production and is a significantly improved the system. Improvements include better financial controls over the billing process, audit trails, and system time stamps that allow the system to calculate retroactive changes. These controls have enabled the Exchange to rely on the integrity of the billing process.

Mrs. Gardner indicated staff revisited the Health Management Associates (HMA) contract for any opportunity to leverage it in improving the procurement policy. A proposal was presented to the Board that allows HMA to work with each Board member to identify opportunities for improvement and present a final report at a future date.

Director Romero noted that the Finance Committee reviewed the proposal and wanted it presented for discussion even though they took no position. The cost is already included in the 2019 budget. Chairman Damron agreed with the need of such work.

Motion: Director Romero: Move that the Board authorize beWellnm staff to enter a contract with HMA extending the current contract not to exceed \$49,778.00 for policy and procedure development recommendations for procurement.

Second: Director Waldman

The motion passed unanimously.

Mr. Bustamante presented the Office Space RFP. BeWellnm released a competitive procurement which received one response, but they scored 99 out of a possible 100 points. The need for additional space is necessary due to the individual exchange build. The move would not increase the 2019 budget.

Motion: Director Romero: Move that the Board authorize the CEO to enter into contract negotiations with the finalist for office space and finalize a lease agreement subject to termination options effective three years after the lease signature.

Second: Director Shaw

The motion passed unanimously.

g. Matters from the Executive Committee- Chairman Damron

Chairman Damron discussed the CEO's contract given that it expires at the end of February. The Chairman recommended a one-month extension be put in place while the Executive Committee reviews the CEO's performance and a longer extension be discussed at the next Board meeting.

Motion: Chairman Damron: Move that the Board approve a one month extension on the employee agreement for the beWellnm CEO.

Second: Director Waldman

The motion passed with 12 yays (Damron, Waldman, Everhart, Hickey, Scrase, Esquibel, Brock, Romero, Shaw, Gomez, Fryer, Leachman) and 1 Nay (Director Foley)

Director Foley voted nay due to being unclear on why a longer extension wasn't given.

Motion Passes

7. Agency Reports

a. Matters from the Office of the Superintendent of Insurance-Superintendent John Franchini

Director Brock had no report.

b. Matters of the New Mexico Medical Insurance Pool-Superintendent John Franchini

Director Gomez had no report.

c. Matters from the New Mexico Human Service Department-Secretary David Scrase

Secretary Scrase had no report.

8. Public Comment (1-2 minutes/participant)

No comment was provided.

9. Other Board Business

Mrs. Gardner thanked the Board members for their hard work.

10. Next beWellnm Board Meeting-March 15th, 2019 at the CNM Workforce Training Center

11. **Adjournment**

Motion: Moved by Director Romero

Second: Director Leachman