

beWellnm
New Mexico Health Insurance Exchange
Board Meeting Minutes
Friday, September 20, 2019, 8:30 AM
CNM Workforce Training Center
5600 Eagle Rock Ave. NE, Albuquerque, NM 87113

Board Members Present:	Board Members Absent:
<ul style="list-style-type: none">• Mr. Colin Baillio• Dr. Mark Epstein• Ms. Terriane Everhart - via phone• Ms. Patsy Romero• Ms. Mona Ghattas• Dr. David Leachman - via phone• Ms. Teresa Gomez• Mr. Brandon Fryar• Chairman David Shaw• Secretary David Scrase• Mr. Dan Foley – via phone• Bryan Brock, on behalf of Superintendent John Franchini	<ul style="list-style-type: none">• Dr. Martin Hickey

1. Welcome, Roll Call, and Confirmation of Quorum - Chairman David Shaw

The meeting was called to order at 8:34 AM. Roll call was taken and a quorum was established.

2. Approval of Agenda - Chairman David Shaw

Motion: Director Shaw

Second: Director Romero

The motion passed unanimously.

3. Approval of the July 19, 2019 Board Meeting Minutes - Chairman David Shaw

Motion: Director Romero

Second: Director Fryar

The motion passed unanimously.

4. Chairman's Remarks - Chairman David Shaw

Chairman Shaw thanked the Board, staff, and committee chairs for all their hard work in preparing for today's meeting. Chairman Shaw recognized three new Board members, Dr. Mark Epstein, President of True Health New Mexico, Colin Baillio, Director of Policy and Communications at Health Action New Mexico, and Mona Ghattas, President of Duran Central Pharmacy.

Chairman Shaw recognized former Board members, Dr. J.R. Damron (Chairman) and Damian Esquibel, for their service on the Board.

5. Matters from the CEO - Mr. Jeffery Bustamante, Interim CEO

Jerri Sais with Bank of Albuquerque (BOKF), provided the quarterly investment update. beWellnm's portfolio has a target asset allocation of 12.5% cash, 80% fixed income, and 7.5% equities. The current balance in the portfolio is \$14.2 million, with a little over 10% allocated to cash, 81% allocated to fixed income, and 8.4% allocated to equities. The portfolio started the quarter with \$13.87 million and ended with an investment gain of \$343,000, which represents a 2.4% return during that period. On a year-to-date basis, through June 30, 2019, the portfolio experienced a 5.9% rate of return. Mr. Sais noted that risks to economic growth have risen in the past year, but BOKF does not expect the economy to move into a recession any time soon, and interest rates are expected to level out. BOKF does not recommend changes to the portfolio policies at this time, and the Board did not request any changes.

Mr. Bustamante provided the CEO update. beWellnm held a successful internal kickoff meeting for the individual exchange build, which included beWellnm staff, the project management vendor, the IV&V vendor, and the technology vendor.

Mr. Bustamante indicated that data from the American Community survey was recently released, indicating an increase in national uninsured rates. The reported rate increase in New Mexico fell within the margin of error. Nonetheless, beWellnm will use the information in carrying out its mission of connecting New Mexicans to coverage.

Mr. Bustamante noted that the federal rule on public charge has been finalized since the last Board meeting. Specifically, the administration will consider how public funds impact immigration status and authorizations. beWellnm is educating its network of partners on the implications and impact of the rule, and is requesting feedback from the partners.

Secretary Scrase discussed what is commonly referred to as the "chill effect" associated with public charge, which refers to situations where individuals who are entitled to benefits (e.g. US citizen children) don't seek them out of fear of negative impact on their immigration status. Director Baillio stated that a clear message regarding the rule should be sent to New Mexicans, particularly via Spanish radio and TV. Secretary Scrase noted that HSD circulated an op ed regarding the issue, in areas outside of Albuquerque.

Mr. Bustamante indicated that beWellnm is exploring hosting a state exchange summit for 2020, which might include states such as Nevada, New Jersey, Maine and Pennsylvania, as well as SBE-FP partners. The summit would include a discussion of how the exchanges can help one another, particularly in

transitions from healthcare.gov to state-based exchanges.

Mr. Bustamante next provided an analytics overview, noting that being a data-driven organization is key to beWellnm's long-term success. beWellnm has a partnership with UNM, which is reviewing updated data from carriers and looking at utilization, enrollment, and attrition. beWellnm is also conducting survey research; an executive summary will be provided at the November Board meeting. With information provided by HSD, beWellnm is working on some pilot projects, which include outbound calls to New Mexicans who may have transitioned off of Medicaid and onto the Exchange. beWellnm will provide Open Enrollment, individual exchange build, and legislative updates at the November Board meeting.

Mr. Bustamante recognized staff members Aryn Fitzwater, Policy and Compliance Specialist, for assistance with training; Anita Schwing, CFO and Deputy CEO, and Natasha Romero, Office Manager, for successfully completing the Chief Procurement Officer Training; and Ana Leyba, Enrollment Counselor, for all of her hard work and for going above and beyond her job duties to assist across the board.

6. Committee Reports

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

Director Gomez recognized Juliet Yazzie and the beWellnm staff for their service to the New Mexico Native American population.

Ms. Yazzie provided the Native American Committee update. The Native American Advisory Committee met on September 3, 2019, with the next meeting scheduled for Tuesday, December 3, 2019. The Native American Road Show will wrap up in September. beWellnm met with governors and presidents in numerous tribes, pueblos and nations across the state. Ms. Yazzie summarized outreach and enrollment events that were either hosted or attended by beWellnm in July and August, including Just Move It finales, Enrollment Days, Mescalero Environmental Fair, Eastern Agency Division of Behavioral and Mental Health Services Mini Conference and Health Fair, the Eastern Navajo Fair, First Nations Back to School Celebration, 41st New Mexico Conference on Aging, Health and Enrichment Fair (Albuquerque), 7th Annual Health Fair (Santo Domingo), Gallup Indian Medical Center Outreach Day, and Health Insurance Benefits Outreach and Education Fair in Zuni Pueblo.

beWellnm has successfully utilized Facebook and Instagram to promote Enrollment Days. It has produced videos to promote Native American enrollment. The videos are available on beWellnm's YouTube channel. beWellnm has also developed a new Native American fact sheet, which reflects the ten essential health benefits of a QHP and addresses frequently asked questions. beWellnm is working on a side-by-side document, which will compare Indian Health Services covered benefits with marketplace covered benefits, and will identify the additional services that may be obtained through a marketplace plan.

The directors discussed potential barriers to coverage, including reliance on Indian Health Services (IHS), a lack of education regarding benefits available outside of IHS, and the cost of premiums. The directors also discussed options to assist with premiums and other costs of coverage, including tribal sponsorships. Secretary Scrase recommended a pilot project on tribal sponsorships.

Director Gomez noted that beWellnm has been able to build a relationship with IHS clinics to identify eligibility for marketplace plans and Medicaid, and to educate Native Americans on the benefits of having both private insurance and IHS benefits, where available.

b. Matters from the Operations Committee - Director David Leachman

Mr. Kevin Swinson provided the Small Business Health Options Platform (SHOP) update. In August, NFP implemented the upgrade to SHOP in order to incorporate the Board-approved policy changes, including full choice (the ability to shop for plans both vertically and horizontally), allowing employers to choose either a percentage or dollar amount contribution, removal of the minimum contribution amount, and removal of the participation requirement. The changes, which are effective October 1, 2019, were incorporated and tested successfully. The directors discussed the structure and success of SHOP nationally and the potential effects on SHOP of the new HRA rule allowing HRAs to be used to fund both premiums and out-of-pocket costs associated with individual health insurance coverage.

i. Discussion and Possible Action on Office Network & IT Services

Mr. Bustamante indicated that beWellnm extended the end date of the Office Network and IT Services contract during the November 2018 Board meeting. However, it did not add enough funds to the contract extension. Staff recommends increasing the contract not-to-exceed by \$30,000 for services rendered in 2019.

Motion: Move that the Board authorize the CEO to increase the Office Network & IT Services contract not-to-exceed by \$30,000.

Motion: Director Romero

Second: Director Fryar

The motion passed unanimously

Mr. Bustamante next provided the individual exchange technology update and reviewed the Weekly Status Dashboard. The contract is in place, the internal project initiation meeting was held this week, beWellnm will be meeting with HSD next week, and the external Stakeholder kick-off meeting will be held on October 10th.

Mr. Swinson indicated that beWellnm held an internal project kick-off meeting earlier in the week, which included beWellnm, PCG, HMA, hCentive, and NFP. He further discussed the upcoming external stakeholder kick-off meeting. The project will go live in 25 months.

c. **Matters from Outreach & Education Committee** - Director Martin Hickey

Ms. Maureen Manring provided an update on Open Enrollment, which starts on November 1st and runs through December 15th. Outreach activities have increased in advance of Open Enrollment, and includes continued work with churches, civic groups, school groups, medical providers, clinics, etc. throughout the state. The beWellnm outreach team has a strong presence at health and job fairs. The team continues with phone calls to identify interested providers and additional outreach opportunities resulting from both continued dialogue and electronic communications. beWellnm also is increasing its outreach to small business owners in advance of Open Enrollment.

beWellnm's Media Road Shows have started and will continue into October. The CCIIO Open Enrollment Readiness Review will take place on September 25th. beWellnm also has partnered with HSD to have Medicaid enrollment staff at Open Enrollment events. The Open Enrollment kick-off event for agents and brokers is scheduled for October 3rd. beWellnm, carriers, and Office of Superintendent of Insurance will be present. beWellnm will continue its social media campaign and its marketing tagline, "Because you Just Never Know." The marketing campaign focuses on awareness, education, enrollment, and retention.

Ms. Manring stated that new outreach activities include recent meetings with Enrollment Counselor/Navigator organizations. Additionally, Holy Cross Hospital has added messaging in invoices and billing statements encouraging cash and fee-for-service patients to seek the assistance of Enrollment Counselors. The outreach team also presented to the Hospital Association, opening the door for further presentations to billing and financial counselors.

Ms. Manring stated that there are currently 23 enrollment events scheduled across the state. To accommodate consumers during Open Enrollment, the Customer Engagement Call Center will be open Monday through Friday, from 8:00 AM to 6:00 PM; Saturdays by appointment; and Sundays from 9:00 AM to 1:00 PM. Consumers may book appointments through beWellnm's website. CMS is working on a "crosswalk" solution for consumers who are currently enrolled in Christus plans.

i. **Discussion and Possible Action on Outreach and Education Services**

Motion: Move that the Board authorize the CEO to extend the term of the Waite Company contract through December 31, 2020 and to increase the contract not-to-exceed by \$3,444,650.

Motion: Director Epstein

Second: Director Fryar

The motion passed.

ii. **Discussion and Possible Action on Plan Comparison Tool**

Mr. Bustamante indicated that this item was placed on the agenda to ensure compliance with the Open Meetings Act in the event Board action was needed. However, no Board action is requested at this time. The plan comparison tool (Consumers' Checkbook) is up and running and beWellnm believes it will be available during Open Enrollment for plan year 2020.

e. **Matters from the Finance Committee** - Director Brandon Fryar, Treasurer

Director Fryar provided a summary of the Finance Committee meeting, which included a discussion of the investment portfolio, implementation of the Procurement Code and Sunshine Portal Transparency Act, and contract extensions. Because the Exchange is now subject to the Procurement Code, the Finance Committee recommends extinguishing the Board Procurement Policy. The committee also reviewed beWellnm's financial statements and check registers.

i. **Discussion and Possible Action on Proposed Changes to the Plan of Operation**

Ms. Anita Schwing provided an update on the implementation of SB294, which amends the original legislation (SB221) by stating that the Exchange is a governmental entity for purposes of the Gift Act, the Sunshine Portal Transparency Act (SPTA), the Whistleblower Protection Act, and the Procurement Code. beWellnm staff has completed Chief Procurement Officer training and is in the process of updating its internal procedures to ensure compliance. The committee recommends that the Plan of Operation be amended to state that the Exchange will follow the New Mexico Procurement Code and applicable provisions of the New Mexico Administrative Code (NMAC). Given the comprehensiveness of the Procurement Code and NMAC regulations, the Board Procurement Policy is unnecessary.

Ms. Schwing stated that beWellnm is waiting to meet with the Department of Information Technology (DoIT) to discuss how beWellnm will comply with the SPTA, since beWellnm is not part of the state general fund budget. In the meantime, documents required by the SPTA are posted on the beWellnm website and the information is accessible to the public.

SB294 requires the Board and the Exchange to implement performance-based budgeting and submit annual budgets to the Department of Finance and Administration (DFA) and the Legislative Finance Committee (LFC). The 2020 budget approved by the Board in July was submitted to DFA and LFC on August 26, 2019. beWellnm plans to develop baseline metrics for the 2020 budget in order to submit a performance-based budget to the Board for 2021.

Ms. Schwing noted that SB294 requires the Exchange to cover directors and employees under a surety bond, in an amount that the Director of Risk Management division of the General Services Department prescribes. The Risk Management division is evaluating beWellnm's current coverage to assess what additional coverage is needed.

Motion: Move that beWellnm cease to use the Board Procurement Policy and update the Plan of Operation to reflect compliance with the New Mexico Procurement Code and open a public comment period for October 2019.

Motion: Director Fryar

Second: Director Romero

The motion passed unanimously.

ii. **Discussion and Possible Action on Human Resources Services**

Ms. Schwing stated that beWellnm recommends extending the Human Resource services contract, which covers general HR services, trainings, employee assistance, staffing and recruiting, and compensation studies. Extending the contract is less expensive than hiring a full-time staff member.

Motion: Move to extend the contract through December 31, 2020, with an increase in the contract not-to-exceed of \$100,000.

Motion: Director Fryar

Second: Director Romero

The motion passed unanimously

iii. **Discussion and Possible Action on General Counsel Services**

The current contract for general counsel services ends on December 31, 2019. This contract will reach the 4-year limit under the Procurement Code on May 4, 2020. The not-to-exceed on this contract will be short for 2019. beWellnm budgeted \$120,000 but based on the current level of spending, it recommends increasing the not-to-exceed to \$180,000. beWellnm also recommends extending this contract to April 30, 2020.

Motion: Move that the Board authorize the CEO to extend the general counsel services contract to April 30, 2020, and increase the not-to-exceed by \$60,000 for 2019 and \$50,000 for 2020.

Motion: Director Fryar

Second: Director Romero

The motion passed unanimously.

iv. **Discussion and possible Action on BOKF**

Ms. Schwing stated that beWellnm recommends extending the investment management services contract. beWellnm is pleased with the services of this vendor. Ms. Schwing noted that investment management services for specific state agencies are excluded from the Procurement Code. beWellnm recommends pursuing the same exemption for its investment management services. In the meantime, beWellnm recommends extending this contract to July 31, 2020, which is the 4-year limit, and increasing the not-to-exceed by \$40,000.

Motion: Move that the Board authorize the CEO to extend the term of the BOKF, doing business as Bank of Albuquerque, contract through July 31, 2020, with an increase to the contract not-to-exceed in the amount of \$40,000.

Motion: Director Fryar

Second: Director Romero

The motion passed unanimously.

Ms. Schwing noted that the Finance Committee conducted a detailed review of the financials and circulated them among the Board.

f. Matters from the CEO Search Committee - Director Martin Hickey

Chairman Shaw provided the update. The candidate pool has been narrowed from 23 to 3 candidates. Interviews will be scheduled soon.

7. Agency Reports

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

Mr. Brock provided the update on behalf of the Superintendent. Paige Duhamel, Health Care Policy Manager, indicated that the OSI is implementing legislation passed earlier this year, including legislation on surprise billing. The OSI also is working to stop market bifurcation and has released a rule on MEWAs. The OSI is seeing a proliferation of accepted-benefit policies that are marketed in a way to draw people from fully insured coverage. The OSI is working on regulations related to that type of coverage, in the hopes of connecting New Mexicans with appropriate coverage.

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

Mr. Brian Brock provided the update. The Pool met recently and was presented with an actuarial report that included a recommendation for rates for the upcoming year. Rates need to be approved by OSI; however, the general overall rate increase will be roughly 3%. Things are going well and the Pool does not expect an assessment on participating companies. Medical management is still a high priority.

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

Secretary Scrase stated that HSD has hired Abuko Estrada as Coverage Innovation Officer. Mr. Estrada will work to identify and connect with remaining uninsured New Mexicans. HSD has also contracted with Urban Institute to further define the uninsured population.

Effective October 1, 2019, an additional \$78.5 million in funding will be allocated to Medicaid rate increases for behavioral health providers and to federally-qualified health centers. HSD also plans to reimburse providers for presenting cases to Project Echo.

Per HB480, HSD is forming the Graduate Medical Education Expansion Review Board. The group held a retreat this month and outlined vision, mission, and goals.

Secretary Scrase discussed a study that HSD conducted on the "cliff effect," and how HSD and the Exchange can support those who go off Medicaid and onto the Exchange, possibly with some sort of premium.

Secretary Scrase also stated that several cabinet secretaries met with the Governor to discuss funding for the 4 priorities of the behavioral health collaborative.

Finally, there will be a tribal consultation in October in Gallup to develop an IMCE, which allows HSD to work with Navajo tribe and a carrier to develop culturally-sensitive and benefit-specific managed care opportunities for tribal members who are in Medicaid fee-for-service.

8. Public Comment

Barbara Webber with Health Action New Mexico expressed concern over silos in the health care system across the state, the potential “public charge cliff,” and the rising older adult population in New Mexico, which is not being attended to. She also expressed support for the Governor’s anticipated initiatives and commitment to tackle health care and poverty in New Mexico.

9. Other Board Business - Directors and Mr. Jeffery Bustamante, Interim CEO

Mr. Bustamante requested that Board members fill out the required Conflict of Interest forms.

10. Next beWellnm Board Meeting: November 15, 2019 at the CNM Workforce Training Center.

11. Adjournment

Motion: Director Gomez

Second: Director Romero

The motion passed unanimously.