



Maryland Health Benefit Exchange Board of Trustees

April 18, 2022

2 p.m. – 4 p.m.

Meeting Held at the Maryland Health Care Commission and via Video Conference

Members Present:

Dennis Schrader, Chair

S. Anthony (Tony) McCann, Vice Chair

Ben Steffen, MA

Dana Weckesser

Robert D'Antonio, PhD

Mary Jean Herron

K. Singh Taneja

Dr. Rondall Allen

Members Excused:

Kathleen A. Birrane

Also in Attendance:

Michele Eberle, Executive Director, MHBE

Venkat Koshanam, Chief Information Officer, MHBE

Tony Armiger, Chief Financial Officer, MHBE

Sharon Merriweather, Principal Counsel, Office of the Attorney General

Heather Forsyth, Director, Consumer Assistance, Eligibility & Business Integration, MHBE

Johanna Fabian-Marks, Director, Policy & Plan Management, MHBE

Welcome and Introductions:

Vice Chair McCann opened the meeting and welcomed all in attendance.

Approval of Meeting Minutes

The Board reviewed the minutes of the February 22, 2022, open meeting. The Board voted unanimously to approve the minutes.

Public Comment

Mr. McCann invited members of the public to offer comment. No comments were offered.

Executive Update

Michele Eberle, Executive Director, MHBE

Ms. Eberle began her remarks by reminding the Board that member Dr. D'Antonio will end his tenure after the May meeting.

She then discussed the recently proposed changes to regulations governing eligibility for premium tax credits intended to address the spousal glitch. She explained that the Affordable Care Act (ACA) as written made tax credits unavailable to spouses and children of people who are offered employer-sponsored coverage, regardless of whether that spousal/child coverage is affordable, since only the affordability of the coverage offered to the employee themselves is considered. The proposed regulation change would take the affordability of such dependent coverage into account when determining eligibility for premium tax credits. She noted that written comments on the proposed rules are due by June 6.

Next, Ms. Eberle noted that the MHBE staff includes an individual from Ukraine and that a drive for humanitarian aid for Ukraine is underway at the agency, to be routed through the St. Andrew Cathedral.

Ms. Eberle then announced that several people associated with the MHBE were recognized on the Daily Record's 2022 Health Care Power List, including Secretary Schrader, former Secretary Sharfstein, and herself. In addition, Venkat Koshanam and his team were given the CIO Award for 2022 in recognition of their accomplishments around automated verification of consumer documents—the fourth time Mr. Koshanam has received this distinction.

Next, Ms. Eberle discussed the expanded tax credits under the American Rescue Plan Act (ARPA) of 2021, noting that the agency expects the credits to be extended in reconciliation. She hoped that the extension will be in place before July for the sake of the rate setting schedule and credited the recent new enrollment to the ARPA tax credits.

Ms. Eberle then noted that the MHBE has many procurements coming before the Board at its May meeting, including an option year renewal of the agency's Akamai licenses.

Next, Ms. Eberle explained that the Board continues to develop its strategic plan. She announced the hiring of a new procurement officer, Tracey Gamble, and shared some highlights of Ms. Gamble's professional history. She concluded her remarks by noting two procurements currently listed on the agency's website: one for fulfillment services at the Consolidated Services Center and the other for actuarial support services.

[Finance and Audit Committee Report](#)

Singh Taneja, Finance Committee Chair

Mr. Taneja shared the Finance and Audit Committee's feedback on the compliance program assessment covering the period of July 2020 to June 2021. He explained that the committee had two recommendations. First, that the Chief Compliance Officer at the MHBE be afforded autonomy and direct lines of reporting to the Board or their designee. The committee intends to draft recommendations in consultation with the Chief Compliance Officer regarding how to implement such structures. Second, that the agency undertake a blended information technology (IT) workforce study.

He noted that Mr. McCann consulted with Board members regarding the potential study and the justifications for it.

Mr. McCann reported that his conversations with Board members indicated broad, strong support for the MHBE's IT operations and leadership. He added that no members mentioned a need for a large overall review of the program, but that members supported approaches including no change, a "low-key" internal review, and the full blended workforce study.

Mr. Taneja cautioned that categorizing all IT resources as "essential and hard-to-find" may not be the correct approach. He pointed out that, on a raw basis, the cost variance between the two methodologies is \$10 to \$12 million, and he urged the Board to consider which IT functions, jobs, tasks, or positions could be fulfilled differently at lower cost.

Ms. Weckesser expressed her comfort with the idea of a review of IT staffing, adding that she would expect such a review would reveal that not all key IT staff are engaged using the same mechanism.

Ms. Herron recommended that the MHBE make no changes to the IT approach and maintain efforts to be prepared for the future.

Mr. McCann, noting the difficulty in adding new permanent state employee positions, suggested that MHBE staff consider this issue in the agency's strategic plan, including concrete ideas for implementation.

Secretary Schrader supported Mr. McCann's proposal, adding that self-assessment is a critical component of the MHBE's work and that the agency's top-notch, innovative technology should not be taken for granted.

Dr. D'Antonio expressed skepticism that changing the staffing model would be to the advantage of the MHBE, given that Maryland's technology is arguably the best in the country. He added that the flexibility afforded by the current model is ideal for responding to potential changes from Congress or to future developments in the pandemic.

Mr. McCann urged the Board to focus on developing a clear mechanism by which the MHBE can measure itself in relation to these concerns.

Ms. Merriweather, counsel to the MHBE, recommended that the Board consider a formal motion on this matter.

Mr. Steffen expressed that all such decisions in the coming years must be driven by the strategic plan and by the will of the Board.

Mr. McCann moved that, as part of the overall strategic plan which presumably will be presented to us [the Board] in June, the staff provide a component dealing with our IT operations and how we can assure that we remain both economically proper, technologically on the cutting edge, and flexible so that we can respond to new challenges, new policies, and new approaches as nimbly as possible. Ms. Herron seconded the motion. The motion was approved.

Standing Advisory Committee (SAC) Report

Dana Weckesser, Board Liaison to SAC

Ms. Weckesser reported that the SAC met on April 14 with a full agenda. A proposal to change the terms of the Co-chairs from one to two years, allowing an overlap of terms to support leadership stability, was approved. SAC members accepted the Co-chair nomination of Jon Frank, a producer with a long history of participation with the MHBE.

Next, Ms. Weckesser announced that the SAC voted to support the recommendations of the Health Equity work group in its final report. She noted that the Board will see the recommendations at its June meeting but that they do not differ significantly from the draft recommendations already submitted and asked the Board to review and reflect on them in preparation.

Ms. Weckesser continued her summary of the SAC meeting, including an update from Ms. Eberle, an update on activity in the Maryland General Assembly, and the establishment of an Affordability workgroup. She explained that the Affordability workgroup would meet from May to August of 2022 in order to assess the first-year results of the young adult subsidy, revisit value plan requirements, and consider how to adjust cost sharing.

Ms. Weckesser concluded her remarks by noting that the SAC discussed ways to enhance and improve the MHBE's monthly data reports.

Policy Update

Johanna Fabian-Marks, Director, Policy & Plan Management, MHBE

Ms. Fabian-Marks began by giving the Board an overview of the state of legislation affecting the MHBE under consideration in Annapolis.

- House Bill 413 was enacted, extending the 1% provider fee through 2028, along with additional requirements for reports and recommendations from the Maryland Insurance Administration, the MHBE, and the Maryland Health Care Commission.
- Senate Bill 632 was sent to Governor Hogan. Originally, a requirement to implement subsidies for small business coverage, the language has been changed to require the MHBE to form a Small Business and Nonprofit Health Insurance Subsidies Program Workgroup with a report due to the General Assembly by October 1, 2022.
- House Bill 1082 was sent to Governor Hogan, allocating money to the University of Maryland Horowitz Center for Health Literacy to establish a Consumer Health Information Hub.
- House Bill 937 was enacted, including a suite of provisions relating to abortion.
 - Establishes an abortion clinical care training program and requires Medicaid and other payers to cover abortion.
 - Requires the MHBE to expand the Young Adult Subsidy program to result in \$0 premiums for those eligible for 0% expected contribution and report on the effect on effectuation and termination for nonpayment. Ms. Fabian-Marks explained that, currently, the prohibition on federal funds paying for abortion services leaves some consumers (whose federal subsidies should cover their entire premium) with a small amount they have to pay each month.
 - Requires the MHBE to study extending last dollar coverage to other enrollees, with a report to the legislature due January 1, 2024.

- Requires the MHBE, in consultation with MIA, to convene a stakeholder workgroup to make recommendations to improve the transparency and accessibility of consumer information about abortion care coverage, with a report to legislature due January 1, 2023.
- Senate Bill 728/House Bill 1035, which would have required the MHBE to submit a 1332 waiver application to allow those ineligible for subsidies to enroll in qualified health plans (QHPs) and would have established a state subsidy program, did not move forward. This was broadly understood to apply to undocumented individuals.

Ms. Weckesser asked how the workgroup referenced in Senate Bill 632 would be formed. Ms. Fabian-Marks replied that, since it is a legislatively mandated workgroup, the MHBE itself will be the convener, inviting applicants from the public to participate. She added that the application is under development and will be shared with the Board and the SAC when it goes live.

Mr. McCann asked how large the subsidy would likely have been, had the state subsidy program been enacted. Ms. Fabian-Marks answered that the MHBE estimates 100,000 people in the state are undocumented and that roughly one third of them would receive the subsidy, for an estimated total cost of between \$100 million and \$200 million.

Ms. Fabian-Marks then gave the Board an update on how the young adult subsidy pilot performed during the recent open enrollment period. She noted that over 30,000 people accessed the subsidy, which is slightly under the projection. Maryland's enrollment growth among young adults was lower than many other states, ranking 38th in the nation, she explained. However, she pointed out that Maryland ranks third in the nation in the share of total enrollment who are aged 26 to 34, suggesting the state had less room to grow.

Next, Ms. Fabian-Marks discussed next steps for the pilot, including an in-depth analysis of young adult enrollment and a proposal to update the 2023 premium assistance parameters due to the effect of the extension of ARPA subsidies. She concluded by announcing that the MHBE does not intend to propose an increase to the 2022 subsidy payments, and that unspent funds will remain available for reinsurance.

Ms. Weckesser asked whether the state tracks how many undocumented people were hospitalized for COVID-19. Ms. Fabian-Marks replied that the Maryland Health Services Cost Review Commission may have that information. Ms. Weckesser asked whether the MHBE has any information regarding vaccination among the undocumented. Ms. Fabian-Marks answered in the negative. Ms. Weckesser stated that the MHBE should consider at least comparing the cost of covering this population to the cost of treating them in hospitals.

Ms. Herron asked whether the MHBE intends to investigate the comparison to other states' enrollment growth among young adults from the point of view of Maryland having already had much of this population covered. Ms. Fabian-Marks replied in the affirmative.

Mr. Steffen asked about carriers' concerns over the extension of the reinsurance program, especially in the light of diminishing federal funding, as seems likely to occur. Ms. Fabian-Marks replied that the carriers broadly support the program's purpose and effect but suggested changes in the funding model to distribute the costs more fairly and equitably among more entities. Carriers also suggested a

program cap or trigger mechanism to limit expenditures. Ms. Eberle added that the MHBE believes it will need all the available program funds in the future and that all the right stakeholders will be present.

FY22 IDIQ Task Order Award Approval

Venkat Koshanam, Chief Information Officer, MHBE

Tony Armiger, Chief Financial Officer, MHBE

Mr. Koshanam presented the MHBE's proposed task order awards for 2022. He began by outlining new initiatives planned for the year, the first of which is a suite of cybersecurity enhancements necessary to implement the Zero Trust Security Model framework. The second initiative will build new disaster recovery capabilities to ensure business continuity. It will accomplish this by standing up a lightweight version of the consumer portal to allow critical consumer requirements to be met in the event of a disaster. Finally, he described a revamp of the MHBE's mobile technology to allow smooth implementation on all platforms.

Next, Mr. Koshanam shared the staffing requirements to support the initiatives. The MHBE proposes to issue ten task orders, of which eight will be 90% federally funded with the other two at 75% federal funding. Mr. Armiger pointed out that the agency already has the funds within the Indefinite Delivery Indefinite Quantity (IDIQ) vehicle to cover these task orders.

Ms. Herron asked whether the proposed task orders would use money the agency has already identified as not being spent. Mr. Armiger answered in the affirmative.

Mr. Taneja asked for the annual cost of the proposed task orders. Mr. Armiger referred him to the Board documents that contain the cost for each position for the current year and next year.

Mr. Taneja asked whether the positions would terminate after next year. Mr. Armiger replied that all positions will terminate after next year when the IDIQ itself expires and must be renegotiated.

Mr. Taneja asked how many total IDIQ positions will be active if these ten are approved. Mr. Armiger replied that roughly 150 positions would be active.

Ms. Weckesser asked where the MHBE's servers will be physically located. Mr. Koshanam replied that MDTHINK, which houses the MHBE's systems, has presence throughout the U.S. and that the proposed lightweight option will use failovers on both the east and west coasts. Ms. Weckesser asked where MDTHINK's servers are located. Mr. Koshanam answered that he would look into this.

Secretary Schrader expressed support for establishing disaster recovery sites, noting that the Maryland Department of Health (MDH) has done similar work. He added that Maryland is undergoing a comprehensive assessment of the enterprise that will result in recommendations that the MHBE should keep in mind. He asked that the Board be given a briefing on the state of MDTHINK.

Secretary Schrader noted that Governor Hogan had established a Chief Information Security Officer (CISO) for the state as part of a broader effort to use data to drive state policy. Mr. Koshanam replied that the MHBE is in touch with the CISO and will continue to work closely with them.

Mr. McCann moved to approve the ten (10) new Task Orders issued under the IT Consulting and Technical Support Services IDIQ contracts for a total amount of \$534,000 with Federal Financial Participation amount of \$409,992 and State Participation amount of \$124,008 in Fiscal Year 2022. Mr. Steffen seconded. The motion was approved.

Maximus Consolidated Service Center (CSC) Not-to-Exceed (NTE) Increase

Heather Forsyth, Director Consumer Assistance, Eligibility and Business Integration, MHBE

Tony Armiger, Chief Financial Officer, MHBE

Ms. Forsyth presented a request to increase the NTE amount of the contract with Maximus for the Call Center. She began by describing the current state of the contract, wherein funding reductions from the state led the Board to approve an original NTE amount that was insufficient to cover costs.

Next, Ms. Forsyth discussed the anticipated future of the contract. She explained that the MHBE expects costs for fiscal year (FY) 2022 to exceed FY 2021 by \$1.5 million, partly due to the Live Chat function not resulting in savings. The Call Center handled a similar number of calls during the comparable period the previous year, but handling this call volume cost more due to higher operational costs, higher escalated cases costs, and extended BATPhone and producer support resulting from the lengthened open enrollment period. She added that no deficiency request is needed since unspent funds are available in other areas, including the Fulfillment Center.

Ms. Forsyth then asked that the Board approve an increase in the total NTE amount for the CSC Contract for FY 22 to \$14,080,469.

Mr. McCann asked how extending the open enrollment period had such a dramatic effect on escalated cases given that the MHBE has experienced such extensions before. Ms. Forsyth replied that extending open enrollment can create more escalated cases due to confusion around coverage start dates but that most of the escalated cases this time had to do with Medicaid as a result of the cybersecurity issue at MDH.

Mr. McCann, noting that the increase is mostly due to Medicaid, asked whether the federal matching funds rate will help. Mr. Armiger replied that, if the issue is around eligibility, federal funds will cover 75% of costs, whereas other types of issues receive 50% federal money. He explained that the case mix usually ends with federal funds covering roughly 60% of costs.

Mr. Taneja asked that the Board be provided with “apples to apples” comparisons between the current and previous years to adequately evaluate the request. He noted that more than the annual budget amount has already been spent and asked whether the MHBE owes any vendors money. Mr. Armiger replied that the agency has an invoice in hand that would exceed the budget once paid.

Mr. Taneja expressed concern that the contract already exceeds what the Board approved, and the agency is asking for more. Mr. Armiger reminded the Board of their discussion when the General Assembly took \$3 million away from the budget – that the funds are available in other areas of the budget.

Mr. McCann moved to approve an increase in the Not to Exceed amount for the Consolidated Services Center contract for Fiscal Year 2022 from \$8,576,256 to \$14,080,469 as presented. Ms. Herron seconded. The motion was approved.

Mr. McCann asked that the Board be provided a new chart showing the total budget adjusted to expected levels with potential problems clearly highlighted.

Medicaid Unwinding Presentation

Debbie Ruppert, Executive Director, Medicaid Office of Eligibility Services

Ms. Ruppert gave the Board an overview of the work of the Medicaid Office of Eligibility Services regarding the upcoming end of the public health emergency (PHE). She explained that Maryland Medicaid implemented a strategic plan at the beginning of the pandemic that leaves the state much better off than others since Maryland opted to continue performing coverage renewals even though it was not possible to remove enrollees from coverage. Whereas states that suspended coverage renewals are facing enormous challenges in processing the backlog, she noted, Maryland has a very clear picture of who will continue to have eligibility after the end of the PHE. Medicaid coordinates closely with its managed care organizations (MCOs) and each local health department in Maryland on outreach regarding renewals.

Next, Ms. Ruppert shared enrollment statistics through March 31, 2022, with more than 1.7 million Marylanders enrolled, mostly in the HealthChoice managed care program (86%) and mostly enrolled with their MCO through the online channel (68%). More than half of renewals (56%) through Maryland Health Connection take place automatically with no intervention by either the consumer or state staff, and the automatic renewal technology is being rolled out to those whose eligibility is determined on factors other than income.

Ms. Ruppert concluded her remarks by showing the breakdown of redeterminations in the pipeline, underlining the relatively manageable nature of the program's plan to process the redetermination backlog given the amount of time set by federal authorities to begin the transactions.

Ms. Herron asked whether the redetermination plan includes provisions for contacting enrollees experiencing homelessness. Ms. Ruppert answered in the affirmative, noting that her office works with their partners and providers especially closely in addressing this population.

Adjournment

The meeting was adjourned.