



**Maryland Health Benefit Exchange
Standing Advisory Committee**

Thursday April 12, 2018

2:00 – 4:00pm

Maryland Department of Transportation
7201 Corporate Center Drive, Hanover, MD 21076

Members Present

Sheebani Patel
Ken Brannan
Holly Mirabella
Alvin Helfenbein
Jacqueline Roche

Vincent DeMarco
Deborah Rivkin
Anna Davis
Virginia Alinsao
Laurence Polsky

Leni Preston
Lisa Skipper
Evalyne Ward
David Stewart
Sandy Walters

Others Present

John-Pierre Cardenas
Joseph Fitzpatrick

Kimberly Cammarata
Anthony McCann

Andrew Ratner
Bill Wehrle

Welcome & Introductions

Alvin Helfenbein called the meeting of the Standing Advisory Committee to order. A vote to approve the minutes for the January 11, 2018, SAC meeting was held and approved, provided that the attendance section was amended to accurately represent attendance.

Mr. Helfenbein then introduced Michele Eberle, who provided an Executive Update for MHBE.

MHBE Executive Update

Ms. Eberle welcomed the members of the SAC to the first meeting since January. Ms. Eberle informed the SAC that MHBE executive staff had recently traveled to Denver for the NASHP Annual Conference. While there, agency officials from other states praised the work MHBE has performed in relation to the operation of the Exchange and the Section 1332 Waiver, particularly the innovative idea of enforcing the health insurance industry fee to help fund the state reinsurance program.

Ms. Eberle also noted the hard work performed by MHBE staff during the legislative session. Ms. Eberle stated that MHBE was successful in preserving its budget, and noted that MHBE's departmental bill (SB111) passed through both chambers of the General Assembly with unanimous support.

Finally, Ms. Eberle reported that Maryland enjoyed a successful open enrollment period, with enrollment increases in the African-American, Hispanic, and rural populations. In February, the Board of Trustees voted in favor of holding this year's open enrollment period from November 1 through December 15, 2018.

Presentation on Marketing Request for Proposal

Betsy Plunkett led a presentation and discussion for the SAC regarding the marketing department's recent RFP. She began by noting the timeline of the RFP, which was issued on February 21, 2018, and closed on March 21, 2018. Ms. Plunkett stated MHBE was currently in the evaluation process of the RFP, but was on track to present the award decision to the Board of Trustees during the May 21, 2018, meeting. Ms. Plunkett explained that the overall objective of the Marketing RFP was to increase coverage for uninsured Marylanders. Specifically, MHBE wanted a vendor who could (1) minimize gaps in awareness and health insurance literacy among groups with high uninsured rates (*i.e.*, young adults, African-Americans, and Hispanics), (2) continue the current success MHBE has experienced with reaching uninsured Marylanders in rural areas, and (3) reach out to Maryland small businesses that may be eligible for tax credits. Ms. Plunkett further identified eight categories that MHBE was considering in evaluating the proposals. These categories are: Marketing and Communications Strategy Support; Advertising Creative Services; Media Planning and Buying; Online Marketing and Digital Design; Social Media; Outreach and Education; Collateral Development; and UX Texting/Web Design Support.

Some members in attendance at the meeting noted their preference and satisfaction with the performance of the current vendor. Given that the proposals were under review and evaluation, Ms. Plunkett declined to identify which entities had applied in response to the RFP or note any current preference from MHBE. She did note that MHBE was satisfied with the work of the current vendor. Mr. Stewart noted that recent federal action, especially concerning public charge rules, may create issues and confusion for consumers, and stressed the importance of proactively reaching out to vulnerable communities. Ms. Eberle noted that the budget for the connector entities was unchanged from last year.

2018 Legislative Session in Review

Kris Vallecillo provided the SAC with a review of the 2018 General Session, noting certain bills that affected the MHBE. First, Mr. Vallecillo noted that the 2018 General Session set a record, with 3,127 bills and joint resolutions introduced. Of these, 890 bills were passed and 142 had already become law. Next, Mr. Vallecillo spoke about MHBE's departmental bill, SB 111, which allowed the MHBE to perform background checks on IT contractors who had access to consumers' federal tax information. Mr. Vallecillo also discussed the Secure and Accessible Registration Act, noting that the MHBE had successfully requested that the bill be amended to remove a requirement that the Exchange share the personal information of consumers who opted out of the voter registration process.

Mr. Vallecillo finished his presentation by introducing the two bills underlying the Section 1332 Waiver Application: HB 1795 (Maryland Health Benefit Exchange – Establishment of a Reinsurance Program) and SB 387 (Maryland Health Care Access Act of 2018). HB 1795 directs MHBE to file an application to implement a state reinsurance program with certain parameters, while SB 387 imposes 2.75% on carriers to provide part of the funding for the state reinsurance program. SB 387 also authorizes the Maryland Health Insurance Coverage Protection Commission to study different approaches and plans to health insurance coverage, including a Basic Health Plan, a Medicaid Buy-In plan, merged markets, and reestablishing an individual mandate.

Establishment of a State Reinsurance Program

John-Pierre Cardenas explained the concept of a state reinsurance program, and discussed the requirements of HB 1795 in depth. First, Mr. Cardenas reviewed the current state of the individual market's performance in Maryland. He noted that the average monthly premium had skyrocketed since 2014, and would continue to do so unless a market stabilization effort was undertaken. Mr. Cardenas then reviewed reinsurance programs in general, explaining the different kinds of reinsurance programs, their general structure, and noting early successes with CMS's Transitional Reinsurance Program. Next, Mr. Cardenas discussed HB 1795. Mr. Cardenas noted that Wakely Consulting Group had been retained to perform the actuarial modeling portion of the 1332 Waiver Application, while the Hilltop Institute would prepare the narrative portion.

In response to a question from Mr. Walters regarding what would happen if Maryland's waiver application was denied, Mr. Cardenas replied that it was possible that a special session of the General Assembly may need to be called. Mr. Cardenas explained, however, that MHBE was working closely with CMS, and that CMS has encouraged states to submit waivers and follow previously approved models.

Mr. Stewart asked what effect, if any, approval of the waiver would have on silver plans/"silver loading" and prices in his community. Ms. Eberle responded that, per MHBE communications with CMS, the federal government indicated that if they were to make any changes with regard to silver plan requirements, it would have to go through the public comment process. Ms. Eberle did note, however, that new carriers entering the state could have an impact on the CSR load.

Ms. Preston asked what the timeline is in regard to hearings and public comments. Ms. Eberle explained that MHBE planned to release the waiver application for public comment in mid-April, with the goal of submitting the application by mid- to late-May. MHBE has been working with, and will continue to work with, CMS to ensure that the application is complete and can be quickly approved. Ms. Preston also asked if the pass-through funding was only available for 2019. Mr. Cardenas responded that Maryland would request all five years permitted under the waiver window. Finally, Ms. Preston asked how risk adjustment would intersect with the reinsurance program. Mr. Cardenas responded that MHBE had reached out to CMS about this topic, and is awaiting their reply. Mr. Cardenas noted, however, that MHBE intends to have a robust and open regulatory process that will involve feedback from the SAC.

General Questions and Concerns for Future Meetings

Mr. Stewart expressed concern about bundled consumer assistance, and the need for more certified assistance counselors. He requested that the SAC think about how we can address this issue. Ms. Preston echoed his concerns. Ms. Eberle responded that she would present this issue to the Board of Trustees, and discuss potentially establishing a workgroup.

The SAC then discussed the issue of fraudulent entities selling insurance. Mr. Fitzpatrick noted that the MIA was investigating these and similar claims, and expressed that this issue also exists at the federal level. Ms. Cammarata encouraged people who learn of these fraudulent insurance plans to file complaints with the MIA and Health Education and Advocacy Unit of the Maryland's Office of the Attorney General.

Meeting Adjourned