

HEALTH EXCHANGE ADVISORY BOARD

Board Meeting

January 11, 2013

With over thirty members of the public in attendance, the meeting was called to order by Co-chair Lisa Guertin at 9:15 a.m. on January 11, 2013, at the Walker Building in Concord, New Hampshire.

Board Members present: Christine Alibrandi, Scott Baetz, Russell Grazier, Lisa Guertin, Lisa Kaplan Howe, Lisa Morris, Beth Roberts, Sandra Ruka, Tim Soucy, Raymond White and Commissioner Nicholas Toumpas.

Board Members absent: Nancy Clark and Beryl McCormack

Co-chair Lisa Guertin opened the meeting for discussion and introduced Deputy Insurance Commissioner Alex Feldvebel who was sitting in for Commissioner Sevigny. The minutes of the December 13, 2012 meeting were approved, moved by Sandra Ruka and seconded by Scott Baetz.

In the interest of time and due to its complexity, all agreed to defer Item 2 a. on the agenda "employee counting" to the next meeting. As a follow up to the December 13, 2012 meeting, Insurance Department Legal Counsel Jennifer Patterson briefly explained that small employers that are non-profit organizations can take the tax credit. Jennifer will forward a link which explains the guidelines for this credit to anyone who is interested.

We continued on to item 3 of the agenda--new developments, actions by the Department, etc. Jennifer reminded us again that states have until February 15, 2013 to decide whether they will implement a Federal-State Partnership Exchange. She explained that if we select a Plan Management Partnership, the New Hampshire Insurance Department will make the recommendation to the Governor, brief the Oversight Committee, and file the Blueprint with the federal DHHS, along with an application for grant funds. In addition, any grant funds awarded would have to be approved by the G&C and Fiscal Committee. She explained that the Consumer Assistance Partnership, which involves both agencies (DHHS and NHID) would be discussed in more detail later in the meeting.

Jennifer also talked briefly about the Essential Health Benefits (services that have to be provided in each individual and small group plan issued on or after January 1, 2014), explaining that the EHB rule issued by the federal DHHS contained errors with respect to the base-benchmark plan selected by NH's joint legislative oversight committee, and that the Department filed a comment/correction letter with the federal agency.

Co-chair Scott Baetz suggested we move on to Item 4, discussion of a potential Consumer Assistance Partnership. Jennifer reviewed the outline on this topic in detail, first explaining the division of tasks between the exchange itself, which would be operated by the federal government, and the partner state. The federal exchange (FFE) would operate the internet portal and call center, award grants to Navigators, train Navigators, and develop generic consumer education materials. The partner state would be responsible for managing Navigators once they had been selected, developing any desired

state specific training materials, developing an in-person assistance program supplemental to the Navigator program, and performing state specific outreach and education.

Lisa Guertin asked what would happen if we chose not to enter a consumer assistance partnership. Jennifer replied that the consumer assistance program would be more limited and that we would have no involvement in regulating Navigators. Russell Grazier asked who the navigators would be. Jennifer replied that it could be a whole variety of groups, trade groups, businesses, different entities. And that we really don't know until grants are awarded by the federal government.

Lisa Morris asked for an example of the process that a consumer would be faced with once the exchanges are operating. Commissioner Toumpas suggested developing a flow chart that would map the exchange from the consumer perspective, showing the different ways of accessing coverage; we could then look at what assets we have to address consumers' needs.

There was a discussion about costs of a partnership and whether they would be fully covered by federal grant funds. Lisa Morris asked whether there are reasons not to do a partnership. Scott Baetz expressed concern about entering into a partnership if grant funds would not pay for the costs, and about the persistence of the grant funding, which ends at the end of 2014. Beth Roberts suggested viewing the partnership as a launch/bridge strategy. Lisa Kaplan Howe noted that the partnership could be designed with the funding duration in mind. Lisa Morris reminded us of the transition to Part A prescription drug coverage – initially a nightmare, but running smoothly within two years. This partnership could have a similar transitional focus.

At this point Alex Feldvebel spoke about the short time line for preparing for the exchange, which will be up and running with enrollment starting October 1st. Lisa Guertin brought the focus back, asking the Departments what they needed from the Board. Commissioner Toumpas spoke for the DHHS and asked the Board members to provide their perspectives. Alex Feldvebel asked the Board to figure out a practical way to do this, what resources would be needed and what would be feasible and beneficial. The central questions now are, what are the needs of the state? What do we do now to assist the populations that will likely use the exchange? What upcoming needs may not be met?

Through the course of the ensuing discussion, each member voiced his or her views on the consumer assistance partnership. As is the Board's practice, the matter was not put to a vote, but rather the dialogue itself was intended to guide and assist the two commissioners.

Lisa Guertin spoke in favor of a consumer assistance model that would work well and simply for all consumers, and that would be designed in a way that was mindful of budget constraints.

Sandra Ruka suggested thinking non-insurance when preparing the model .

Ray White commented that his bias was against doing the consumer assistance partnership; he said that 85% of NH residents have health insurance coverage now, so why redesign the system for the 15% who don't have coverage? Ray noted that we've spent time thinking about the plan management partnership, and there are good reasons to do it. Consumer assistance is a new avenue which, in his view, is ill-defined and unknown.

Russ Grazier voiced his opinion that the present system is not working for all of the 85% and that polls show only a small percentage of insured people think the system is working. Thus, we are not only addressing 15% of the population.

Lisa Guertin pointed out that there are differing philosophical viewpoints on these issues.

Ray White contended that people's dissatisfaction with the private market typically centers on cost, while dissatisfaction with Medicaid centers on the product. Typically people were not dissatisfied with the private market delivery systems.

Lisa Kaplan Howe said the state had the capacity for in-state consumer assistance and that's now it would work best. New Hampshire knows New Hampshire better. Lisa Guertin agreed. Scott replied that this is very complex, and we have a limited time frame to pull it off to have a true impact. Lisa Morris suggested we already have the assets, in place with assisting residents of the state of New Hampshire. Scott Baetz said that he was troubled with the lack of clarity about the overlap between the navigator and producer roles. Lisa Morris said that a navigator is an enhanced benefit specialist role.

After this dialogue, at the request of the board, Jennifer Patterson continued with the outline, explaining the role of the producer, and how New Hampshire has already passed a law to allow producers to enter a portal connection to the Exchange. Jennifer briefly explained the Consumer Services and Market Conduct resources at the NHID and introduced Carol Sideris, Director of Medicaid Client Services at DHHS who walked us through that Division's existing services (also explained in the outline), which include a call center, transportation services, and availability by web (but Carol noted that most contacts were by telephone). Lisa Morris then explained what ServiceLink does and how it also provides services to Medicaid clients.

Scott Baetz asked the Board to think about how they thought the Exchange could help the population. As background, Alex Feldvebel noted that 40% of the population would likely be eligible either for Medicaid or for the tax subsidy, and needed to be made aware that by accessing the exchange, they can get money to buy insurance.

Lisa Kaplan Howe emphasized the importance of proactively reaching people "where they are" using existing resources that know the state. She explained that NH Voices for Health had done a quick survey and that respondents felt NH would benefit from pursuing the consumer assistance partnership.

Chris Alibrandi commented that we would need massive outreach regarding the tax subsidy, particularly to small employers, and emphasized the importance of doing a marketing campaign.

Russ Grazier agreed that outreach was important, as was the use of existing local resources. He suggested some use of print media and direct mail, not just internet outreach.

Lisa Guertin spoke as representing a commercial insurer and said it is important to preserve the producer role, while continuing to augment existing resources.

Scott noted that the need for information is extreme and that this is a significant change for both businesses and individuals. We should view this as a rollout effort, where self-education will not be

enough; there is a continued role for producers. New Hampshire is unique, and it would be foolish not to try to control the process.

Beth Roberts noted that we need a system that supports private industry, and suggested looking to the Massachusetts Connector rollout as a possible model.

Tim Soucy commented about care coordination and care management.

Sandra Ruka replied that we need to make use of existing resources and meet people where they are.

Lisa Morris noted that there are disparate populations with specific assistance needs; given the complexity of the federal system, many people will need help.

[All board members other than Ray White were supportive of the idea of a consumer assistance partnership, so long as it could be funded through grants and would not impose additional costs on NH taxpayers.]

At this point, Lisa Guertin opened the meeting up for public comment.

Tom Weldon, a broker with Eaton & Berube, expressed concern about timing. He felt that the state should go forward with a Plan Management partnership, but was concerned that there were many unanswered questions about the Consumer Assistance partnership. Overall, he felt that the state should maintain control, but go slow if possible.

Jeff Watson, a broker, also expressed concern about the lack of information on the Consumer Assistance partnership.

Mike O'Malley of Lifetime Benefits Group asked when the navigator grants would be given out by the federal government. Jenny replied that we had heard it would be soon and that a federal notice would be issued.

Alex Feldvebel explained that the Consumer Assistance partnership is an opportunity to help shape the producer role. Backing off will give control to the federal government.

Scott then asked for topics for the next Board meeting. Commissioner Toumpas suggested development of a flow chart as discussed earlier in the meeting. Lisa Guertin, Lisa Morris and Lisa Kaplan Howe volunteered to help with this.

Other potential topics included employee counting, the SHOP Exchange, the Plan Management partnership, and an update on the NH DHHS IT system updates as they relate to the Exchange.

The meeting was adjourned at 11:00 a.m.