

beWellnm New Mexico Health Insurance Exchange
Board Meeting Minutes
Friday, July 22, 2016, 8:30AM-11:30PM
CNM Workforce Training Center
5600 Eagle Rock Ave
Albuquerque, New Mexico 87113

Board Members Present:

- Dr. J.R Damron via Phone
- Secretary Brent Earnest
- Ms. Terriane Everhart
- Superintendent John Franchini
- Ms. Teresa Gomez via Phone
- Dr. J. Deane Waldman
- Dr. Larry Leaming
- Ms. Patsy Romero
- Mr. David Shaw
- Mr. Kurt Shipley
- Ms. Eva Jean Fomalont
- Ms. Lisa Lujan

Board Members Absent:

- Mr. Dan Foley

1. Welcome, Roll Call, & Confirmation of Quorum- Vice Chair David Shaw

The Meeting was called to order at 8:33 am. Roll call was taken and a quorum was established.

2. Approval of Agenda- Vice Chair David Shaw

Motion: Director Waldman

Second: Director Shipley

The motion passed by voice vote.

3. Approval of Minutes of the May 20, 2016 NMHIX Board Meeting- Vice Chair David Shaw

Director Romero requested that the proposed draft May Minutes be adopted, but the name for Director Dan Foley be corrected from "David Foley," in the Board Members Present section of the proposed draft.

Motion: Director Romero

Second: Director Leaming

The motion passed by voice vote.

4. Vice Chairman's Remarks- Vice Chair David Shaw

Vice Chairman Shaw welcome everybody and thanked all the guests for attending the meeting. Vice Chairman Shaw stated today's agenda is short but noted important matters will be discussed regarding plan discontinuance with Presbyterian and the impact of the Centers for Medicare & Medicaid Services (CMS) grant fund extension. Vice Chairman Shaw reminded everyone that Open Enrollment 4 begins on November 1, 2016.

5. Matters from the CEO- Ms. Amy Dowd, CEO

Ms. Dowd provided an update on federal oversight. BeWellnm received an extension through December 31, 2016 for the remaining grant funds for CMS approved activities.

Ms. Dowd informed the Board of Directors that beWellnm sent a letter to CMS recently regarding the finalization of the 1.5% rate for leasing and requested information regarding the invoicing process. Ms. Dowd stated CMS responded to the letter within 24 hours and confirmed the 1.5% rate for 2017. Ms. Dowd stated she spoke with CMS yesterday on the invoicing process. Ms. Dowd noted per the conversation with CMS it appears that beWellnm will be billed monthly and noted Ms. Schwing is working closely with CMS on this process. Ms. Dowd stated more information will be provided on this as the matter moves forward.

Ms. Dowd provided an update regarding The Office of Management & Budget (OMB) and CMS site visit scheduled for August. Ms. Dowd reminded individuals that this visit is not an audit but just a site visit, and the two agencies will not only visit the Exchange but they will also visit New Mexico Health Connections as well as another carrier. Ms. Dowd noted Chairman Damron will interview with OMB and CMS during this visit.

Ms. Dowd provided an update on vendor oversight and noted beWellnm has added on-site visits to key vendors. Ms. Dowd noted recently beWellnm visited GetInsured in Mountainview, CA, and Bluespire in Minneapolis, MN. Ms. Dowd noted important discussions were held with both vendors regarding improvement areas and focus on in the future. Ms. Dowd noted discussion was held regarding contracts, the end of grant funds, and how beWellnm will scale moving forward. Ms. Dowd noted both discussions were very productive.

Ms. Dowd discussed risk management at the Exchange. Ms. Dowd noted beWellnm has provided a risk register for all Board Members to view, and this list is reviewed by staff and will be presented to Board Members periodically moving forward.

Ms. Dowd noted that Chairman Damron, Director Waldman, and Director Shipley are continuing their role with the Board of Directors until a successor or reappointment has been given.

Presbyterian has announced they will not be participating on the Individual Exchange for 2017, however Presbyterian will have plans on beWellnm for Small Business. Ms. Dowd

stated beWellnm will take a similar approach to last year, which includes messaging to let individuals know beWellnm is here to support them in finding a new plan. This will also include the roadshow with the Office of Superintendent of Insurance (OSI). Ms. Dowd noted the September Board Meeting will include information from the Office of Superintendent of Insurance on which carriers will be on the Exchange for 2017.

Ms. Dowd stated beWellnm received great coverage for the Albuquerque Enrollment Center grand opening, and she encouraged individuals to stop by and visit.

Ms. Dowd discussed that the beWellnm staff participated in their annual volunteer event at the New Mexico Road Runner Food Bank. Ms. Dowd noted this event was a great opportunity for team building and to give back to those individuals in our community. Ms. Dowd stated she is open to feedback if Board Members can suggest other locations to volunteer.

Ms. Dowd stated the September Board Meeting will include discussion on the 2017 budget, the Open Enrollment 4 outreach plan, and results on annual vendor reviews. Ms. Dowd asked that all Board Members diligently participate in upcoming Committee meetings given these important topics.

Ms. Dowd recognized Natasha Romero, Administrative Assistant, who recently led numerous work streams, including supporting the Board meeting. Ms. Romero has supported the entire beWellnm team and has handled logistics for Board Meetings, including the important task of compliance with the Open Meetings Act.

Ms. Dowd also recognized Director Fomalont for her op-ed article in Albuquerque Business First. Ms. Dowd noted Director Fomalont addressed the value of health Insurance for small businesses and encouraged employee retention. Ms. Dowd reminded everyone as of August 1, 2016, beWellnm's new office address is 7601 Jefferson NE.

6. Matters from the Finance Committee- Director Patsy Romero, Treasurer

Director Romero began by thanking the staff for their hard work with the finances. Ms. Schwing then provided an update on the operating funds and noted there hasn't been any changes since the last board meeting. Ms. Schwing noted all assessments were invoiced and have all been paid by the carriers.

Ms. Schwing noted per Article XIII of the Exchange Plan of Operations the Exchange will make a final assessment after the close of each calendar year based on the actual premiums reported by each carrier in their NAIC statutory filing. Ms. Schwing stated the final assessment is intended to true-up the carriers' share of the annual assessment based on the carriers' actual premiums.

Director Romero provided an update on the Investment Policy. Director Romero noted beWellnm voted to use Bank of Albuquerque for Investment Manager Services at the 2016 May Board Meeting. Director Romero noted the Finance Committee met with the Investment Manager and had them review beWellnm's Investment Policy Statement. Director Romero shared the proposed strategic asset allocation

- 5% Equity
- 70% Core Bonds
- 5% High Yield Bonds
- 5% International Bonds
- 15% Cash/Money Market

Director Waldman noted beWellnm's goal is primarily to protect funding, and then second to make money.

Ms. Schwing noted 15% of the investments will be in cash and that money could be accessed immediately if needed. Ms. Schwing discussed that some money from the operating funds will be invested into short term accounts and that money will also be available.

Motion: Director Romero moves that the Board adopt the proposed beWellnm Investment Policy Statement.

Second: Director Shipley

The motion passed by voice vote.

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

Ms. Miles provided an update on membership for beWellnm for Small Business, which remains steady with 191 employer groups and 1,356 members. Ms. Miles discussed beWellnm for Small Business new features on the website effective June 30, 2016. These new features include a new group plan finder and tax credit information is easily accessible on every page.

Ms. Dowd stated beWellnm looked at other State Based Marketplaces with leading edge SHOP websites before adding new features to beWellnm website. Ms. Dowd stated the new tools will be useful for brokers and small business owners.

Ms. Miles provided updates on the Data Management Reporting System (DMRS) Ms. Miles stated beWellnm has received phase one data from CMS and continues to request phase two data. Ms. Miles noted beWellnm has requested similar data from all carriers. Ms. Miles noted New Mexico Health Connections and Molina have both progressed well, while CHRISTUS is currently working a Business Associate Agreement (BAA) or a Memorandum of Understanding (MOU). Presbyterian has not agreed yet to give beWellnm the data. Director Lujan discussed Presbyterians primary concern has been with the compliance area. Director

Lujan stated once Presbyterian is able to understand how other carriers have aligned with this they will work to get it done.

Ms. Miles presented data slides regarding New Mexico individual effectuated enrollment by age and gender, race/ethnicity, carrier, metal level, and county.

Ms. Miles stated beWellnm has the opportunity to expand reporting capabilities using other data to better understand the demographics and behaviors of insured and uninsured populations in New Mexico. Ms. Miles emphasized the No-Cost Extension allows beWellnm to apply some remaining IT grant funds for this work.

Motion: Director Leaming moves that the Board authorize the CEO to increase the contract value of the data management reporting development contract by \$25,000 for a total not-to-exceed cost of \$110,000.

Second: Director Romero

The motion passed by voice vote.

8. Matters from the Marketing & Outreach Committee- Director Terriane Everhart, Committee Chair

Ms. Wedeen provided an update on Special Enrollment and noted beWellnm has many outreach activities between beWellnm staff and beWellnm partners and organizations. Ms. Wedeen stated that beWellnm continues to do outreach to Southern New Mexico Promotoras, United Way, Catholic Charities, Department of Health, and the Mexican Consulate. Ms. Wedeen discussed due to the grant fund extension from CMS specific contracts can be extended for continued outreach.

Ms. Wedeen stated there is a request to add funding to The Waite Company to support additional activities across the state including events, educational presentations, and school based outreach through the remaining Special Enrollment Period and Open Enrollment 4.

Motion: Director Everhart moves that the Board authorize the CEO to increase the value of the Waite Company contract by \$300,000 for a total not-to-exceed amount of \$3,049,721.

Second: Director Shipley

The motion passed by voice vote.

Ms. Wedeen stated additional funding can be allocated to Bluespire to support building whiteboard videos, journey expansion for both individual and small businesses, and additional website tools for individual and small business consumers.

Motion: Director Everhart moves that the Board authorize the CEO to increase the value of the Bluespire contract by \$200,000 for a total not-to-exceed amount of \$2,738,838.

Second: Director Fomalont

The motion passed by voice vote.

Ms. Wedeen stated grant funding can be added to the Hispano Chamber of Commerce to support additional outreach to the South Valley and Hispanic communities, including a partnership with Centro Sávila.

Motion: Director Everhart moves that the Board authorize the CEO to extend the term of the Hispano Chamber of Commerce contract to December 31, 2016 and increase the contract value by \$55,000 for a total not-to-exceed amount of \$240,000.

Second: Director Fomalont

The motion passed by voice vote.

Ms. Wedeen stated beWellnm can extend and add funding to the Greater Albuquerque Chamber of Commerce to support small businesses with events and newsletters.

Motion: Director Everhart moves that the Board authorize the CEO to extend the term of the Greater Albuquerque Chamber of Commerce contract to December 31, 2016 and increase the contract value by \$26,000, for a total not-to-exceed amount of \$211,000.

Second: Director Fomalont

The motion passed by voice vote.

Ms. Wedeen discussed the Call Center RFP. Ms. Wedeen noted that per CMS beWellnm is required to have call center services. BeWellnm executed a competitive bid for Call Center Services and received three responses. Ms. Wedeen stated the RFP workgroup recommended Unity BPO as the finalist.

Motion: Director Fomalont moves that the Board authorize the CEO to enter into contract negotiation with Unity BPO, for a term December 31, 2018, in an amount not-to-exceed \$1,300,000.

Second: Director Leaming

The motion passed by voice vote.

9. Matters from the Native American Committee- Director Teresa Gomez, Committee Chair

Mr. Atole stated the Native American Advisory Committee (NAAC) has met three times this year with the last meeting being on July 7, 2016 and the next meeting is tentatively scheduled for late October. Mr. Atole stated he is doing ongoing recruitment of new appointments and members. Mr. Atole noted new nominations are being held for new officers.

Ms. Marthell provided an update on Outreach and Enrollment from April 25, 2016 – July 15, 2016.

- Events Attended 22
- Event Attendees 20,789

- Outreach Contacts 1,608
- Postcards Collected 29

Ms. Marthell noted she is very proud of her staff they have attended multiple events and have hit the ground running. Ms. Marthell noted the Enrollment Center opened for appointments on June 13, 2016. Ms. Marthell stated the location of the Enrollment Center brings in a lot of traffic and the Enrollment Counselors are able to give individuals information even if they are not ready to sign up.

- Appointments Scheduled 42
- Completed Appointments 35
- Medicaid Enrollments 8
- QHP Plan Selections 14

10. Matters from the Research Committee- Director Deane Waldman, Committee Chair

Director Waldman stated AIR Lovelace has completed their work and provided a report to beWellnm. Director Waldman noted information regarding the research will be provided at the September Board Meeting. Director Waldman discussed on August 26, 2016 beWellnm and AIR Lovelace will have a forum and beWellnm will be inviting key stakeholders. Director Waldman stated the agenda will include several working sessions to develop improved messaging strategies to reach individuals who are still uninsured.

11. Matters from the Stakeholder Advisory Committee- Dick Mason, Chair

Mr. Mason noted the last Stakeholder Advisory Committee Meeting was held on July 14, 2016 and had discussion regarding the discontinuance of Presbyterian, and Office of the Superintendent of insurance (OSI) provided information regarding rate increases. BeWellnm provided information regarding the Research from AIR Lovelace. Mr. Mason stated that the SAC decided to have a subcommittee chaired by Mike Wallace to look at the research and other materials in depth.

Mr. Mason noted the Stakeholders Advisory Committee received three new memberships from Catholic Charities, The New Mexico Alliance of Health Council, and LULAC and Mr. the next meeting will be held on October 13, 2016. Meetings will be held monthly during Open Enrollment 4.

12. Matters from the Executive Committee- Vice Chair David Shaw

Vice Chair Shaw stated that the Executive Committee has scheduled the CEO annual performance review for August 5, 2016. Vice Chair Shaw stated Ms. Dowd's agreement ends at the end of August and beWellnm's next Board Meeting isn't until September. Vice Chair Shaw stated the Executive Committee will have an opportunity to provide feedback to the Board as well as receive input for the evaluation. However, to bridge the gap between the

end of the agreement and the next Board Meeting, Vice Chair Shaw stated that the Executive Committee has recommended to extend Ms. Dowd's employment agreement through the end of September.

Motion: Vice Chair Shaw moves that the Board extend Ms. Dowd's employment agreement through the end of September.

Second: Director Waldman

The motion passed by voice vote.

13. Matters from the Office of the Superintendent of Insurance (OSI)- Superintendent John Franchini

Superintendent Franchini stated last week The National Association of Insurance Commissioners (NAIC) came into New Mexico to participate in a three day session at the Tamaya Resort. Superintendent Franchini noted 47 out of 56 commissioners participated.

Superintendent Franchini noted that he had learned that states which gave their exchanges back to the federal government have not been successful since that transition. Further, many states are trying to reestablish their exchange using the SBM-FP model.

Superintendent Franchini requested that individuals go visit the new OSI website, as it has been refinished and is easier to use.

14. Matters from the New Mexico Medical Insurance Pool (NMMIP)- Superintendent John Franchini

Superintendent Franchini stated the New Mexico Medical Insurance Pool is moving forward and the Pool is actively trying to change some of the ways it does business. Superintendent Franchini stated the Pool is under a lot of pressure from State Legislators to cut these expenses and eliminate credits.

Superintendent Franchini noted the Pool is developing a plan to decrease membership. Superintendent stated a new plan is being developed and more information will be provided at the September Board Meeting.

15. Matters from New Mexico Human Service Department (HSD)- Secretary Brent Earnest

Secretary Earnest stated HSD is not fully funded and HSD has been making many steps to address the shortfall as best as possible. Secretary Earnest noted provider rate reductions went into effect on July 1, 2016 and another reduction will go into effect on August 1, 2016. Secretary Earnest discussed that HSD has several stakeholder committees in place and they discuss these important topics.

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

Mr. Dick Mason speaking on behalf of himself and asked about the Federal Risk Adjustment program and would like to see what the State of New Mexico can do to support carriers within the state, which may create more stability with the market.

Mr. Joe Martinez with Health Action New Mexico (HANM) congratulated beWellnm on the grand opening at the Albuquerque Enrollment Center. Mr. Martinez noted the atmosphere is wonderful and staff is very educated. Mr. Martinez stated HANM will send individuals comfortably to the new Enrollment Center as well as the Las Cruces Enrollment Center. Mr. Martinez stated HANM is doing a pilot in the border areas with young adults. HANM is holding a lunch presentation with young adults called “kickbacks” which are focused on discussions about health insurance.

Superintendent Franchini addressed Mr. Mason’s comments and noted he is working with CMS face to face within the next three weeks to get the risk corridors taken care of for carriers to pay their risk adjustments.

17. **Other Board Business-** Directors & Ms. Amy Dowd, CEO

Director Lujan requested to make a comment to the public and the Board of Directors regarding the withdrawal of Presbyterian on the Exchange. Ms. Lujan stated that Presbyterian has been serving New Mexicans for well over a 100 years as a non-profit and noted this was a very challenging decision. Ms. Lujan noted the decision to withdraw was made by the Board of Directors for the entire health system and mentioned these members are leaders within the community.

Ms. Lujan noted the decision ultimately came down to the individuals who receive coverage both on and off the Exchange. Ms. Lujan noted 16,000 individuals with coverage off-Exchange from Presbyterian would have had an increase to their rates close to 40% had Presbyterian stayed on Exchange. Further, these individuals do not receive any cost-sharing assistance. Ms. Lujan stated Presbyterians goal was to keep the cost down for individuals who pay the full amount.

Ms. Lujan noted the Presbyterian hospitals and facilities in the rural communities have contracts with all carriers. Ms. Lujan stated in Albuquerque it will be different and transitions will need to take place for these individuals, but Presbyterian will work hard to help individuals transition. Ms. Lujan noted Presbyterians goal is to have a smooth transition. Ms. Lujan noted outreach will begin early and help individuals get in contact with a care manager.

Ms. Romero stated she would like publically thank Xerox for their work since day one and acknowledged that they have provided jobs for individuals in New Mexico.

Vice Chair Shaw stated he serves on multiple boards and wanted to commend Ms. Dowd for the process of the Board Meetings as well as Committee Meetings. Vice Chair Shaw stated he always feels informed about what is going on with beWellnm.

18. Next NMHIX Board Meeting- September 16, 2016 at the CNM Workforce Training Center

Vice Chair Shaw announced that the next Board of Director Meeting will be September 16, 2016 at CNM Workforce Training Center.

19. Executive Session

Vice Chair Shaw moved that the Board move into Executive Session for discussion of threatened or pending litigation in which the NMHIX is or may become a participant, pursuant to NMSA 1978, § 10-15-1(H)(7)

Vice Chair Shaw requested that Ms. Dowd call a roll call vote to approve moving into Executive Session.

Roll Call: Vice Chair Shaw, Secretary Earnest, Director Everhart, Superintendent Franchini, Director Gomez, Director Waldman, Director Leaming, Director Romero, Director Shipley, Director Farrell Lujan.

Absent: Chairman Damron, Director Foley

The Board reconvened and Vice Chairman Shaw noted that no action was taken during Executive Session.

20. Adjournment

Motion: Vice Chair Shaw

Second: Director Leaming

The motion passed by voice vote.