

BeWellnm New Mexico Health Insurance Exchange
Board Meeting Minutes
Friday, September 16, 2016, 8:30AM-12:30PM
CNM Workforce Training Center
5600 Eagle Rock Ave
Albuquerque, New Mexico 87113

Board Members Present:

- Dr. J.R Damron
- Secretary Brent Earnest
- Ms. Terriane Everhart
- Superintendent John Franchini
- Ms. Teresa Gomez Via Phone
- Dr. J. Deane Waldman
- Dr. Larry Leaming Via Phone
- Ms. Patsy Romero
- Mr. David Shaw
- Mr. Kurt Shipley
- Ms. Lisa Farrell Lujan
- Mr. Dan Foley

Board Members Absent:

- Ms. Eva Fomalont

1. Welcome, Roll Call, & Confirmation of Quorum- Chairman J.R. Damron

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

2. Approval of Agenda- Chairman J.R. Damron

Motion: Director Shaw

Second: Director Waldman

The motion passed by voice vote.

3. Approval of Minutes of the July 22, 2016 & August 31,2016 NMHIX Board Meeting- Chairman J.R. Damron

Motion: Director Romero

Second: Director Shipley

The motion passed by voice vote.

4. Chairman's Remarks- Chairman J.R. Damron

Chairman Damron welcomed everybody and thanked all the guests for attending the meeting, and announced that Director Fomalont will be absent. Chairman Damron noted that today's agenda includes major items such as the marketing and outreach plan for Open Enrollment 4, approval of the 2017 budget, and an update from the New CEO Search Committee along with

other important items. Chairman Damron commented that the uninsured rate in New Mexico has declined for the third year in a row according to the U.S. Census Bureau. In 2013 the uninsured rate in New Mexico was 18.6%, and in 2015 the rate dropped to 10.9%. Chairman Damron stated this is a huge accomplishment for New Mexico and beWellnm. Chairman Damron thanked the Board of Directors, beWellnm staff, Office of the Superintendent of Insurance, New Mexico Human Services Department, and stakeholders for their dedication.

Chairman Damron announced that a lunch will be provided today in room 103 and encouraged everyone to join to show their appreciation for Ms. Dowd.

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

Ms. Dowd provided an update on federal oversight, announcing that the 2018 draft payment notice was recently released. Ms. Dowd stated beWellnm is focusing on the proposed 3.0% lease rate for 2018, and the Centers for Medicare and Medicaid (CMS) have suggested there may be flexibility with that rate. Ms. Dowd noted there are no proposed changes for Navigators, but there will be some changes to Special Enrollment Periods. Ms. Dowd anticipates that insurance carriers and other stakeholders will comment on the risk adjustment changes. Ms. Dowd noted the comment period is open until October 6, 2016. Superintendent Franchini asked that the Board consider the potential of New Mexico taking over the risk adjustment program in the future.

Ms. Dowd noted the lease agreement between the Exchange and Healthcare.gov is in progress. BeWellnm's general counsel and staff have reviewed a draft of the agreement and provided feedback. CMS is currently incorporating beWellnm's feedback into the final lease agreement. Ms. Dowd believes that the Exchange will be able to keep the lean operating model in place at a low cost with this agreement.

Ms. Dowd provided an update on the site visit with Office of Management & Budget (OMB) and CMS. Ms. Dowd thanked Chairman Damron for meeting with them during their visit and representing the Board. OMB and CMS were very pleased with New Mexico and had discussions on the New Mexico Model and best practices.

Ms. Dowd noted that, per the Plan of Operation section 4.4.3, beWellnm is required to review and evaluate the performance of the vendors. This process has been completed and noted all vendors are meeting expectations or exceeding expectations.

Ms. Dowd discussed a new process for individuals with a discontinued plan this year, called crosswalking. Individuals who choose not to shop and make a selection or disenroll on the Exchange will be automatically enrolled into a new plan. Ms. Dowd noted that CMS will be deciding what plans individuals are mapped to, and this will only affect a small amount of individuals. BeWellnm has provided input on how CMS can best support New Mexicans. Ms. Dowd noted beWellnm will be conducting training to support partner awareness of this process. Individuals with a discontinued plan will have their current coverage until December 31, 2016.

Ms. Dowd stated the beWellnm and OSI Roadshow schedule is available and events are open to the public, agents, and brokers. Ms. Dowd noted all items in the detailed CEO transition plan have been handed over successfully. Ms. Dowd stated if there are any items outstanding at a later time she will be available to the Exchange.

Ms. Dowd recognized Board and Staff members who participated in the Marketplace Forum. Ms. Dowd stated the Forum was successful with the combined efforts of Director Waldman and Chairman Damron staff Linda Wedeen, Debra Gassoway, and Natasha Romero.

Mr. Bustamante provided an update on the New Mexico Medical Insurance Pool Transition Advisory Committee (NMMIP TAC.) Mr. Bustamante noted this committee met several times in 2016 to identify recommendations to the Board on how to support individuals transitioning from the Pool to beWellnm. Mr. Bustamante noted the Pool has decreased in size by 70% since 2014, and the Pool anticipates 400-500 individuals will transition to beWellnm during Open Enrollment 4.

Mr. Bustamante discussed the proposed recommendations to the Board. BeWellnm and NMMIP will have information on-hand to assist any potential transitioning members. Information includes a list of documents for Pool members to bring when they meet with a Broker or Enrollment Counselor, a list of contacts for each carrier to be shared with Pool members, and a list of lead brokers that are familiar with the Pool population.

Mr. Bustamante noted beWellnm enrollment counselors will coordinate with Brokers to assist current members in choosing a plan that will facilitate smooth transition and continuity of care.

Secretary Earnest stated he feels these recommendations are good practices but expressed concern over the transition plan. Superintendent Franchini agreed with Secretary Earnest but noted coverages will be changing and the Pool will be transitioning to HMO plans. Superintendent Franchini noted this is a three year process and suggested that the committee may be able to help next year with more recommendations.

Director Gomez stated she fully supports the transition plan and recommendations, while also noting the Pool is very cognizant of individuals needs especially those on active treatment plans.

Motion: Chairman Damron moves that the Board support the transition plan and accompanying recommendations as presented today, and consider the New Mexico Medical Insurance Pool Transition Advisory Committee statutory obligation fulfilled and concluded.

Second: Director Waldman

The motion passed by voice vote.

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

Ms. Wedeen discussed beWellnm's consumer centric enrollment and engagement ecosystem which includes awareness, education, enrollment, and retention. Ms. Wedeen stated the Exchange is working with K2MD to change the messaging based on consumer insight through forums, markets assessments, and surveys.

Ms. Wedeen noted social media platforms have been working well for beWellnm. Ms. Manning, with beWellnm, has been working with brokers to encourage greater participation with beWellnm, and recently formed a Broker Advisory Committee.

Ms. Wedeen noted the Exchange held a two hour Open Enrollment kickoff workshop with key vendors, where they discussed overall challenges. The Exchange will have weekly status meetings with all partners during Open Enrollment. Media and advertising will include television, audio, billboards, bus stop ads, online ads, print, sponsorships, and more.

Ms. Wedeen noted general outreach will be done by beWellnm staff and the Waite Company. The Exchange will be conducting its own roadshow, which is separate from the beWellnm and OSI Roadshow. In November beWellnm will visit fifteen cities and in January beWellnm will visit 10 counties to focus on the remaining uninsured based off the CMS data. Also, Tele-townhalls will be held in December.

Ms. Wedeen stated the outreach goals for this year will include increased focus on retention, building new partnerships with advocacy groups, utilizing key stakeholders and key leaders to influence the hard to reach populations, and utilizing adjusted messaging developed through the feedback from the market assessment and forum to promote assistance and education.

Ms. Wedeen discussed new features and enhancements to the beWellnm website. The beWellnm website is now mobile friendly. Two to three minute how-to whiteboard videos will be posted on the website, which will help individuals understand fundamentals of coverage and show them how they can use their insurance.

Ms. Wedeen discussed that beWellnm will now be able to know how individuals came to the beWellnm website and their experience will be personalized accordingly. Brokers and counselors will be able to provide journeys to their clients and this feature will help individuals stay connected to their broker or agent. Ms. Wedeen noted the plan finder has been updated to now include subsidy calculators and will now include a projected tax penalty calculator. Also, agents and brokers will now have their own referral page where they will have access to the plan finders, subsidy calculators, and view events on the calendar.

Ms. Wedeen stated the 2017 website goals will be to increase usage, time on website, and clicks. BeWellnm receives analytics on all of this information.

Ms. Wedeen discussed the communication plan and noted beWellnm will be doing an additional outreach event to focus on areas with high rates of uninsurance, according to Public Use Microdata Areas (PUMA). Ms. Wedeen noted beWellnm will be doing Hispanic outreach media

events through December, and small business media opportunities will be continuing through December.

Ms. Wedeen stated the 2017 communications & PR goals will be to have 10 desk side briefings for Hispanic outreach, 10 reporter briefings for beWellnm for small business, and overall earned media for all areas of at least 75 stories.

Ms. Wedeen stated beWellnm will continue on doing surveys, and the recent enroller survey was just completed. Ms. Wedeen noted that a small business awareness benchmark survey is being done currently with follow-up anticipated for the spring. BeWellnm will also conduct a 2017 retention survey which will focus on individuals who keep their or insurance or why individuals may choose to disenroll.

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

Director Waldman stated the Market Assessment Forum was completed and beWellnm has received information that was useful. Director Waldman noted the Forum was a great success and the tone focused on individuals working together to reach consumers and educate them. The Colorado and Nevada Exchanges were represented and contributed on their thoughts and insights. Director Waldman thanked Ms. Wedeen and staff for the success of the event, and noted all information from the forum is on the beWellnm website. Chairman Damron commented that the forum was well attended and had great presenters.

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

Mr. Atole stated that he communicating with Tribal Leadership regarding ongoing representation on the Native American Advisory Committee (NAAC). Mr. Atole also noted that the beWellnm Native American outreach staff has attended 15 outreach events across the state and this has helped generate appointments for the walk-in center.

Mr. Atole provided an update on outreach and Enrollment from July 6, 2016 – August 30, 2016.

- Evented attended 14
- Outreach contacts 1,417
- Postcards collected 27
- Completed appointments 77
- Medicaid 18
- QHP 33

Director Gomez acknowledge Ms. Dowd for her services and support in regards to Native American engagement and enrollment.

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

Ms. Miles provided an updated on beWellnm for Small Business. Membership remains steady at 188 employer groups and 1,330 members. Ms. Miles recognized Ms. Manning who held the first Broker Advisory Workgroup meeting focused on small business and the individual exchange. Ms. Miles stated this meeting gave beWellnm and brokers the opportunity to get together to share information to improve the customer experience. Ms. Miles noted nine brokers attended and beWellnm has vetted out a few quick fixes within a couple of days of the meeting. Ms. Miles stated some long term recommendations will be presented to the proper committees when appropriate.

Ms. Miles noted that the State Base Marketplace Federal Platform (SBM-FP) lease agreement indicates that New Mexico will be required to handle some aspects of the appeals and grievances process. More information will be presented at a future Operations Committee and Board of Directors Meetings.

Ms. Miles noted the call center has been transitioned over to the Operations department effective immediately, and the contract with UnityBPO has been executed. BeWellnm is working closely with UnityBPO and XEROX on transition activities meeting are being held twice a week, with UnityBPO on track to go on October 1, 2016. Ms. Miles noted all call center employees will be certified application counselors.

Ms. Miles noted that UnityBPO will provide beWellnm with daily call center activity reports with the average speed to answer and abandonment rate outlined as Service Level Agreement items (SLAs), and subject to penalty if UnityBPO doesn't meet agreed upon standards. Ms. Miles noted other reports will be provided weekly and monthly. Ms. Miles stated in addition to reports beWellnm will be provided a desktop and mobile phone application to access real time data.

Ms. Miles shared a dashboard in regards to data from CMS and 2014 US Census data to show potential and current members by county, as well as a dashboard showing Presbyterian enrollees by county in the individual exchange.

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

Director Romero noted the Finance Committee and staff spent hours looking at the budget to determine that beWellnm is running a very efficient and responsible operation. Director Romero stated the Exchange reviewed insurance policies and noted the insurance policies are adequate.

Ms. Schwing noted the 2017 budget excludes all federal funds and federal funding will be exhausted by December 31, 2016. Ms. Schwing noted the Healthcare.gov lease payment is expected to be invoiced monthly at the rate of 1.5% of exchange premiums. The Exchange has budgeted based on June, 10, 2016 CMS enrollment data. Ms. Schwing reminded Board Members there is no contingency estimated in the budget for an estimation error on enrollment or premiums. The budgeted lease amount might not be sufficient to cover the entire year but noted this is the best estimation beWellnm could provide. The core 2017 budget is lean and its

12.5% lower than the 2016 operating budget and it 6% lower than the 2016 operating projection. Ms. Schwing stated the 2017 budget is \$13,722,230. Ms. Dowd stated it isn't a negative thing if beWellnm budgeted incorrectly due to this leasing fee being a new process. Ms. Dowd noted she has instructed staff to discuss leasing costs at future board meetings.

Secretary Earnest noted that approximately 80% of the budget is coming from Medicaid funding, and beWellnm needs to continue to watch this process so it may become more efficient and effective.

Motion: Director Romero moves that the Board approve the fiscal year 2017 budget as presented today in a total amount of \$13,722,230.

Second: Director Waldman

The motion passed by voice vote.

Ms. Schwing provided an update on the quarterly financials.

11. Matters from the Stakeholder Advisory Committee- Mike Wallace, Committee Vice Chair

Mr. Wallace noted the next Stakeholder Advisory Committee (SAC) Meeting is scheduled for October 13, 2016. Mr. Wallace stated the SAC created a research workgroup to review research information, including the market assessment, to help shape and support outreach efforts. The Research Committee discovered areas of improvement such as messaging, confusion with consumers bouncing from beWellnm to Healthcare.gov, and conflicts with premium increases. Consumers also have challenges with Indian Health Services (IHS) due to limited specialty services, access, and wait times.

Mr. Wallace stated the research workgroup developed recommendations to help with some challenges. The recommendations are for beWellnm to provide more education on basic health-care literacy, provide more information to call center employees, advocate for more effective distribution of 1095 forms, and continue discussing what the term affordability means. Mr. Wallace noted many recommendations are in progress at beWellnm.

12. Matters from the Executive Committee- Chairman J.R. Damron

Chairman Damron noted beWellnm had a Special Board of Directors Meeting on August 31, 2016 to identify an Interim CEO, develop a transition plan, and to appoint a Search Committee for the new Chief Executive Officer (CEO).

Director Romero noted the first task was to find a vendor to support the process and stated the committee unanimously selected REDW. Director Romero noted the Committee had concerns given that REDW is beWellnm's external auditors. Director Romero assured the Board of Directors that beWellnm's general counsel and REDW have confirmed there is no anticipated conflict of interest, and REDW provided a letter to the same extent.

Motion: Director Romero moves that the Board select REDW to facilitate the search process for a new Chief Executive Officer, direct staff to finalize an agreement with the selected vendor, and designate the Chair as signatory to the agreement.

Second: Director Shaw

Discussion:

Chairman Damron asked Director Romero what the cost will be for this type of services.

Director Romero stated the contract is under \$50,000.00, but if REDW anticipates any additional cost they will contact the Committee before providing the service. The Committee will be moving forward as quickly as possible with a new CEO potentially in place by January 2017. The Committee has chosen Ms. Schwing to be the signatory authority for this contract.

The motion passed by voice vote.

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

Superintendent Franchini provided an update on the 2017 qualified health plans (QHPs). Presbyterian is no longer on the individual exchange but will be on the small business market. Carriers on the individual exchange include CHRISTUS Health Plan, Molina Healthcare, New Mexico Health Connections, and Blue Cross Blue Shield. There will be a total of 57 plans available, and all plans are HMOs. Superintendent Franchini noted he is happy with the costs although there was a rate increase. Superintendent Franchini noted many individuals who receive assistance from the federal government will have a very little rate increase.

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

Superintendent Franchini noted the Pool plans to cut costs and improve plans while maintaining the quality of care. The Pool is also aiming to transition all plans from PPOs to HMOs and the Pool has selected a new plan management vendor who specializes in managed healthcare.

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

Secretary Earnest noted that there are no updates at this time.

16. Public Comment

Dick Mason spoke on behalf of himself and thanked Ms. Dowd for her leadership. Mr. Mason stated he is concerned that the New Mexico Medical Insurance Pool asked that Superintendent Franchini continue to keep the state legislature educated on why the pool is important for New Mexico. Mr. Mason suggested that beWellnm expand their work with state agencies for outreach.

Barbara Webber with Health Action New Mexico thanked Ms. Dowd for her services. Ms. Webber stated she had concerns regarding beWellnm's approach to community based outreach and asked that beWellnm increase focus on this area. Ms. Webber also suggested that beWellnm focus on youth outreach.

Sarah Coffey with Southwest Womens' Law Center reiterated Ms. Webber's comments regarding community based outreach. Ms. Coffey noted her agency is very supportive of the enrollment counselors and acknowledges their amazing work in the community.

Joe Martinez with Health Action New Mexico stated beWellnm is lacking on the ground outreach and notes that beWellnm has the opportunity to correct this by reengaging the same vendors from last year to provide this outreach. Mr. Martinez noted Health Action New Mexico is committed to the success of beWellnm.

Colin Baillo with Health Action New Mexico stated 21% of the Exchange marketplace is made up of 18-34 year olds and actuaries say this number should be around 35% for a healthy marketplace. Mr. Baillo urged the Exchange to tackle a strategy for young adults. Mr. Baillo noted that Health Action New Mexico has done research regarding tax credits and discovered that individuals with assistance could actually be paying lower premiums than last year. Mr. Baillo stated it would be helpful for the Exchange to identify individuals with plans off the Exchange that may be eligible for tax credits.

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

Director Shaw stated he would like to take this opportunity to publically thank Ms. Dowd for her service, and commend her on how she led beWellnm locally and nationally. Director Romero echoed Director Shaw's comments and stated Ms. Dowd will be missed by all. Superintendent Franchini thanked Ms. Dowd for getting New Mexico to be nationally known as an outstanding state that implemented the exchange. Director Everhart has echoed all comments about Ms. Dowd and thanked her for putting New Mexico on the map and for supporting all New Mexicans. Director Gomez reiterated her earlier comments thanking Ms. Dowd for her support in regards to the Native American program. Director Gomez announced on a personal level that her doctor told her there is no evidence of disease and she is now in remission. Director Leaming stated it has been an honor and a privilege working with Ms. Dowd.

Ms. Dowd provided a few final words of inspiration to the Board of Directors, staff, partners and key stakeholders.

Chairman Damron presented Ms. Dowd with an appreciation gift from the Board of Directors. Chairman Damron stated Ms. Dowd has been a true leader and he has enjoyed working with her for the past two years.

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

Chairman Damron announced that the next Board of Directors Meeting will be held on Friday November 18, 2016 at CNM Workforce Training Center.

19. Executive Session

Motion: Chairman Damron moves that the Board move into Executive Session for discussion on limited personnel matters regarding the annual CEO performance review pursuant to NMSA 1978 Section § 10-15-1(H)(2)

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)

Second: Director Romero

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

The Board reconvened and Chairman Damron noted that no action was taken in regards to the items mentioned for Executive Session.

Mr. Miller clarified that two items were discussed in Executive Session and now the Board will discuss items regarding the CEO performance review.

Motion: Director Romero moves that the CEO Ms. Dowd be awarded a performance bonus in the amount of 7% of her annual salary.

Second: Director Shaw

The motion passed by voice vote.

Director Waldman stated Ms. Dowd leaves the Exchange with all of their accolades.

20. Adjournment

Motion: Director Waldman

Second: Director Shaw

The motion passed by voice vote.