



Public Private Insurance Partnership

NEW MEXICO HEALTH INSURANCE ALLIANCE

**Report to the
New Mexico Health Insurance Exchange**

April 29 & 30, 2013

www.nmhia.com

Conflict of Interest Policy

Purpose

- Provide guidance to the Board principles of governance as they apply to NMHIA.
- Ensure that the NMHIA activities remain transparent to the public.
- Provide guidance with respect to the identification, disclosure and resolution of potential and actual conflicts of interest.
- Protect NMHIA and the public interest of individuals and small businesses seeking health care coverage through NMHIA when a conflict of interest arises.

Definitions

- A. Conflict of interest means performing an official act which may have a direct economic benefit on a business or undertaking in which a Board member has a direct or substantial financial interest. The purchase of insurance through NMHIA does not constitute a conflict of interest.

- B. Financial interest means a substantial interest held by a Board member (or committee member with Board-delegated powers) which is:
 - 1. An employment relationship with an organization, business or professional practice.
 - 2. An ownership interest in a business;
 - 3. A creditor interest in an insolvent business;
 - 4. An employment or a prospective employment for which negotiations have begun;
 - 5. An ownership interest in real or personal property;
 - 6. A loan or any other debtor interest; or
 - 7. A position of director or officer in a business.

- B. Official act means any vote, decision, recommendation, approval, disapproval or other action, including inaction, which involves the use of discretionary authority.

Governing Principles

A. General

- 1. The Board, not the staff, will be responsible for excellence in governing.**
- 2. The Board will:**
 1. regularly monitor and discuss its own process and performance.
 2. annually review and update its operational and financial plan
 3. monitor its progress in completing the goals in the plan.
 4. continually develop the knowledge and understanding of its members of the business and operations through
 1. new Board member orientation
 2. on-going education of Board members and
 3. periodic Board discussion of process improvement.
- 2. The Board will govern with an emphasis on**
 - (a) responsible oversight,**
 - (b) strategic leadership, rather than administrative detail,**
 - (c) encouragement of diversity in viewpoints,**
 - (d) collective rather than individual decisions, and**
 - (e) proactively, rather than reactivity.**
- 3. The Board will lead NMHIA through the careful establishment of broad written policies, and preparation and monitoring of its operational and financial plan**

Remaining Sections

- **Ethical Conduct**

- No Board member will accept remuneration > \$50 in the form of cash, or gift certificate, loan, discount or travel expenses from any third party that would tend to influence the Board member's independent judgment on matters coming before the Board.

Conflicts of Interest

- Identification of Potential and Actual Conflicts
- Disclosure of Potential and Actual Conflicts
- Participation and Voting
- Enforcement
- Periodic Review
- Statement Pertaining to Conflicts of Interest

Exchange First Year Options

State-based Exchange

State operates all Exchange activities; however, State may use Federal government services for the following activities:

- Premium tax credit and cost sharing reduction determination
- Exemptions
- Risk adjustment program
- Reinsurance program

State Partnership Exchange

State operates activities for:

- Plan Management
- Consumer Assistance
- Both

State may elect to perform or can use Federal government services for the following activities:

- Reinsurance program
- Medicaid and CHIP eligibility: assessment or determination*

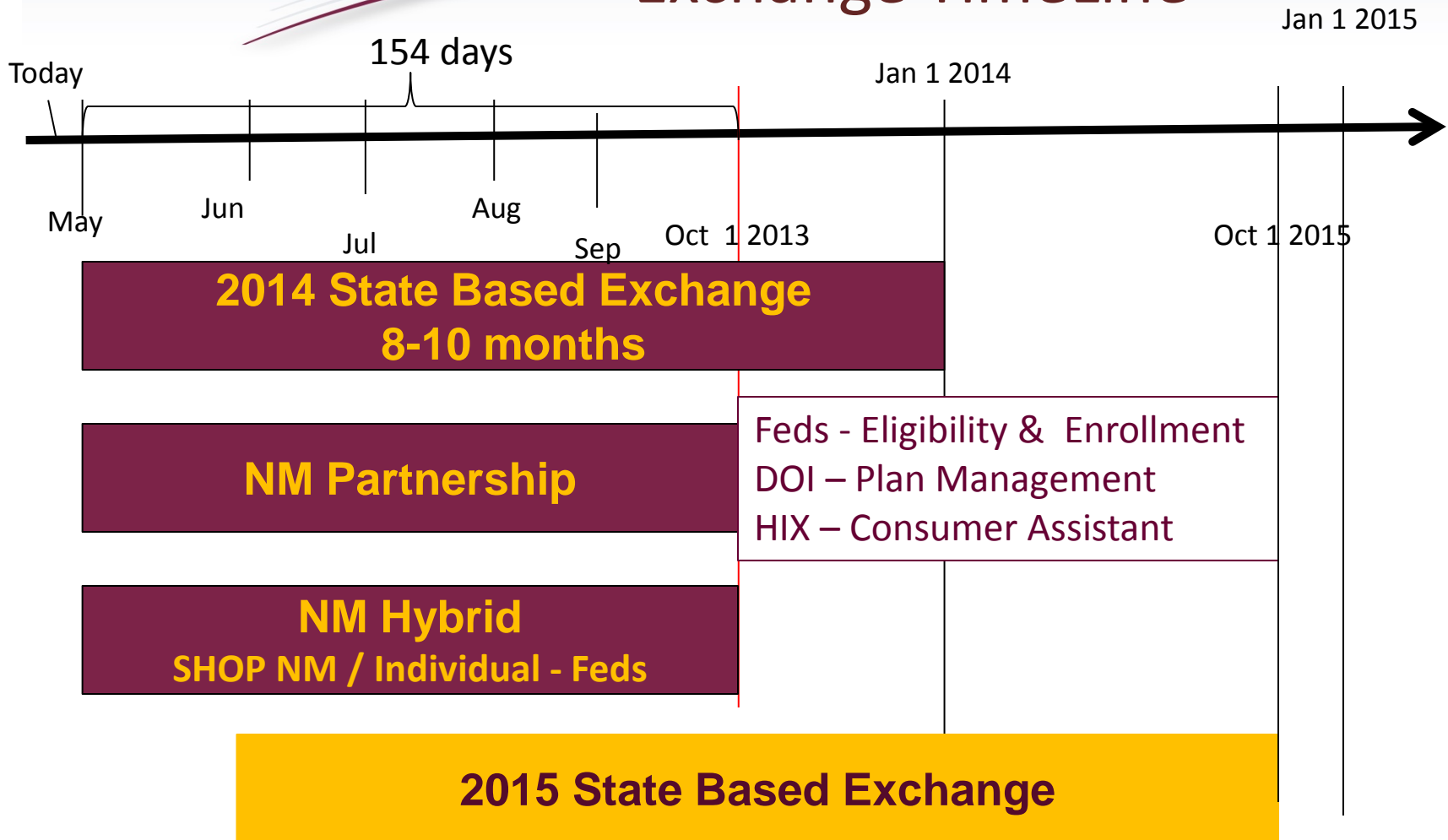
Federally-facilitated Exchange

HHS operates; however, State may elect to perform or can use Federal government services for the following activities:

- Reinsurance program
- Medicaid and CHIP eligibility: assessment or determination*

*Coordinate with Medicaid and CHIP Services (CMCS) on decisions and protocols

Exchange TimeLine



Previous NMHIA Board & Committee Structure

New Mexico Health Insurance Alliance Board of Directors

Finance Committee

- Quarterly Review of Financial Statements against projected budgets
- Premium rate review (rates produced by External Actuary.
- Annual approval of operational budgets and assessments
- External Annual audit oversight

Operations & Benefits Committee

- Review of existing benefit plan designs
- Revision of benefit categories
- Compliance with federal and state laws
- Review of operations and workflow from member and carrier perspective

Marketing

- Recommendations for and review of Marketing and public relations campaign
- Review of Marketing Budget
- Review of outreach efforts

Executive Committee

Oversees Executive Director

Functions as an oversight committee between standing committee meetings, when necessary

Human Resources Committee

Review of board policies regarding employees

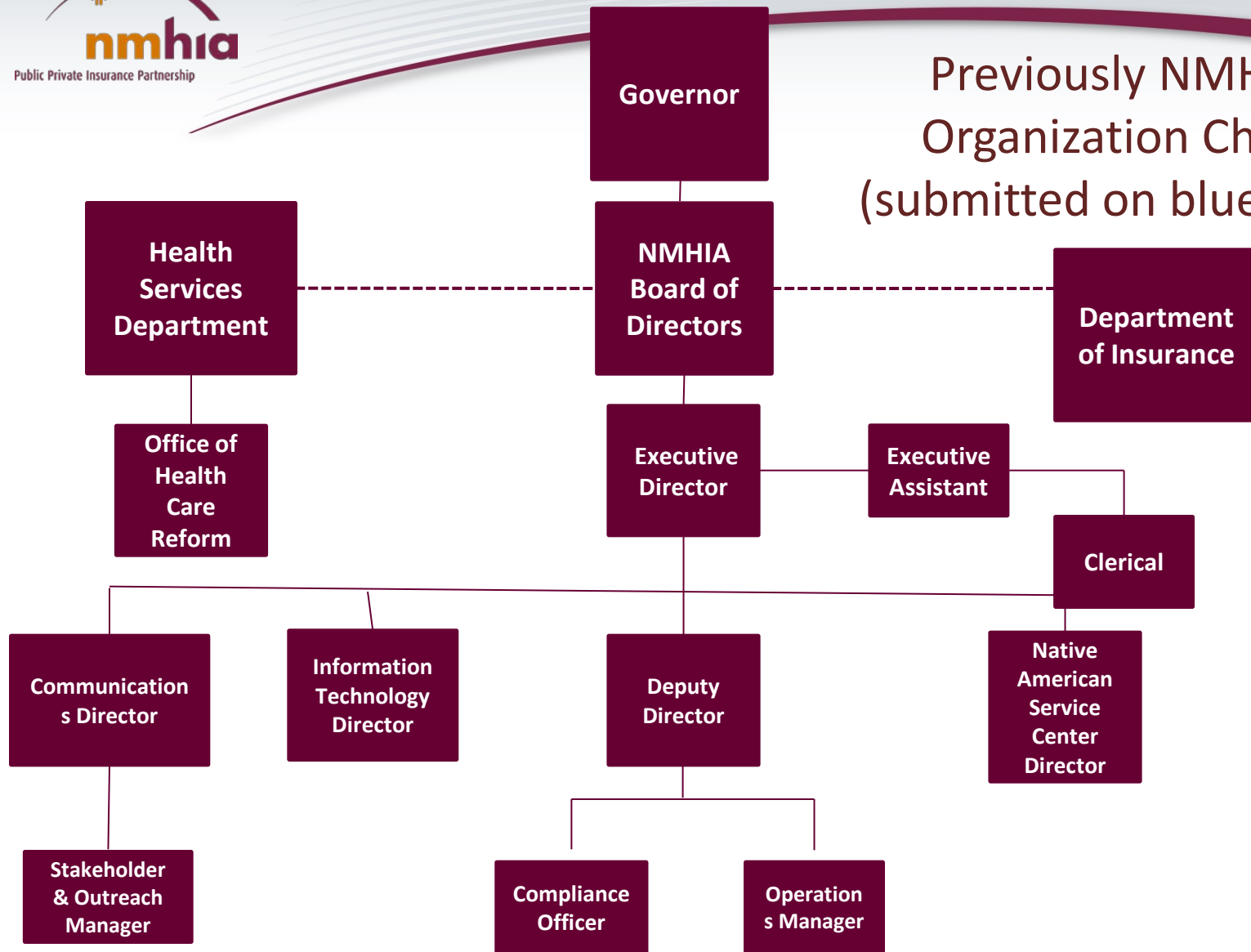
Appeals & Grievances

Address member appeals and complaints

Statutory Advisory Committees

- **Native Americans - On & Off Reservation**
 - **Qualified Employer representatives**
 - **Low income and underserved advocates**
 - **Transition Committee (Active members from NMHIA and NMMIP)**
 - **Health Insurers**
 - **Health Care Providers**
 - **Brokers and Agents**
 - **Medicaid and State Agencies**
- **Appointments**
- ATF members continue/ New members appointed
 - Group centered vs. Issues center
 - Meeting frequency and engagement with the board

Previously NMHIX Organization Chart (submitted on blueprint)



2013-2015 “Working” Budget Prior to negotiations/updates

Working NMHIX Budget	CY 2013	CY 2014	CY 2015
Description	Projected	Projected	Projected
Total Income	\$ 102,440,323	\$ 26,794,876	\$ 26,345,023
Expense			
Total Consulting/Board Expenses	\$ 300,000	\$ 440,000	\$ 390,000
Payroll Expenses	\$ 2,262,108	\$ 2,761,164	\$ 2,843,514
General	\$ 546,962	\$ 635,426	\$ 647,121
Marketing Expenses	\$ 2,620,000	\$ 2,100,000	\$ 1,665,000
Operations Expenses	\$ 1,087,750	\$ 810,482	\$ 2,035,482
Project Consulting	\$ 87,870,942	\$ 18,020,000	\$ 17,040,400
Subtotal	\$ 94,687,762	\$ 24,767,072	\$ 24,621,517
Gross Receipt Taxes	\$ 7,752,561	\$ 2,027,804	\$ 1,723,506
Grand Total	\$ 102,440,323	\$ 26,794,876	\$ 26,345,023

2013 – 2015 NMHIX Draft Budget Framework (For review and discussion purposes)

Working NMHIX Budget		CY 2013	CY 2014	CY 2015
	Description	Projected	Projected	Projected
Total Income		\$ 41,491,316	\$ 35,266,650	\$ 23,535,685
Expense				
Total Consulting/Board Expenses		\$ 290,000	\$ 425,000	\$ 375,000
Payroll Expenses		\$ 825,968	\$ 1,860,683	\$ 1,916,189
General		\$ 454,267	\$ 581,434	\$ 546,017
Marketing Expenses		\$ 2,820,000	\$ 2,140,000	\$ 1,665,000
Operations Expenses		\$ 3,017,750	\$ 1,990,482	\$ 2,090,915
Consulting Expense		\$ 31,368,946	\$ 25,961,887	\$ 15,834,172
Subtotal		\$ 38,776,931	\$ 32,959,486	\$ 22,427,293
0.07	Gross Receipt Taxes	\$ 2,714,385	\$ 2,307,164	\$ 1,108,392
Grand Total		\$ 41,491,316	\$ 35,266,650	\$ 23,535,685

IT & Systems Integration RFP



NEW MEXICO HEALTH INSURANCE ALLIANCE

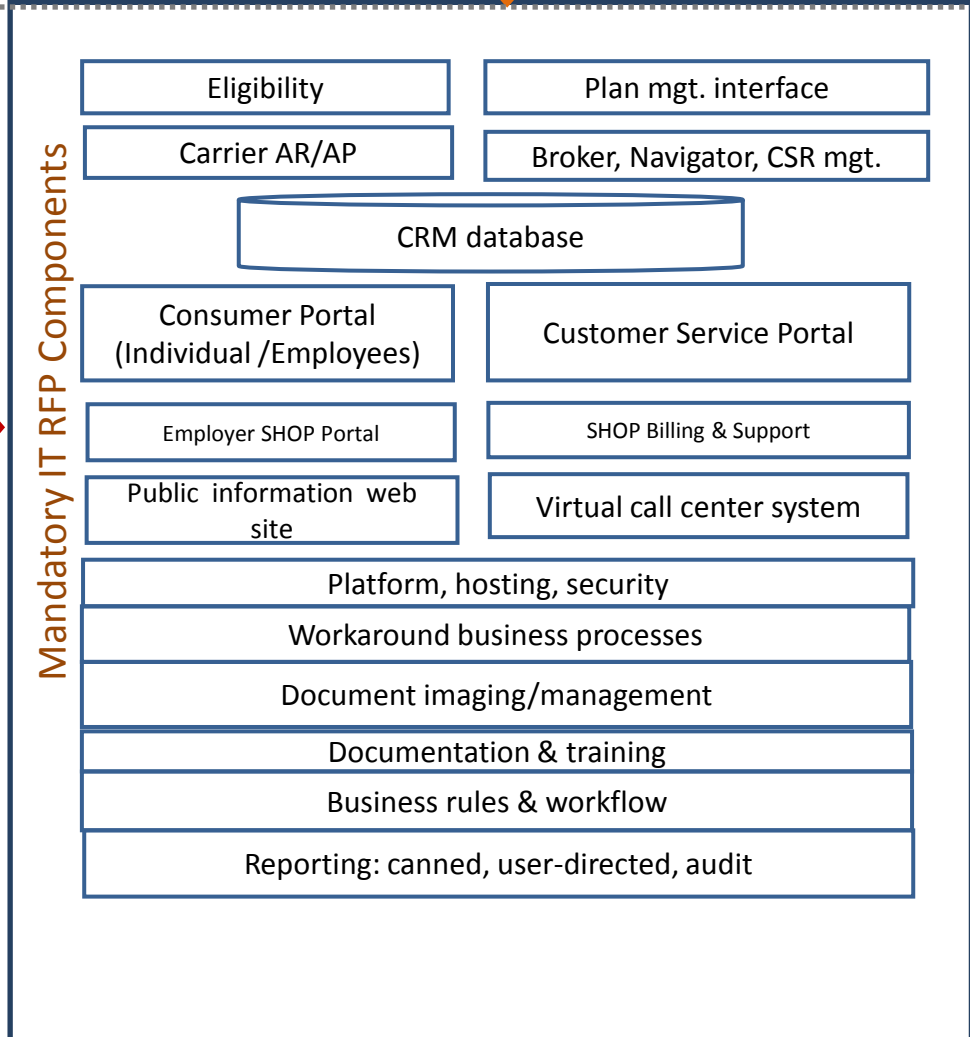
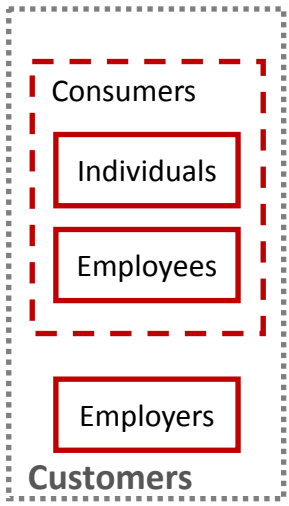
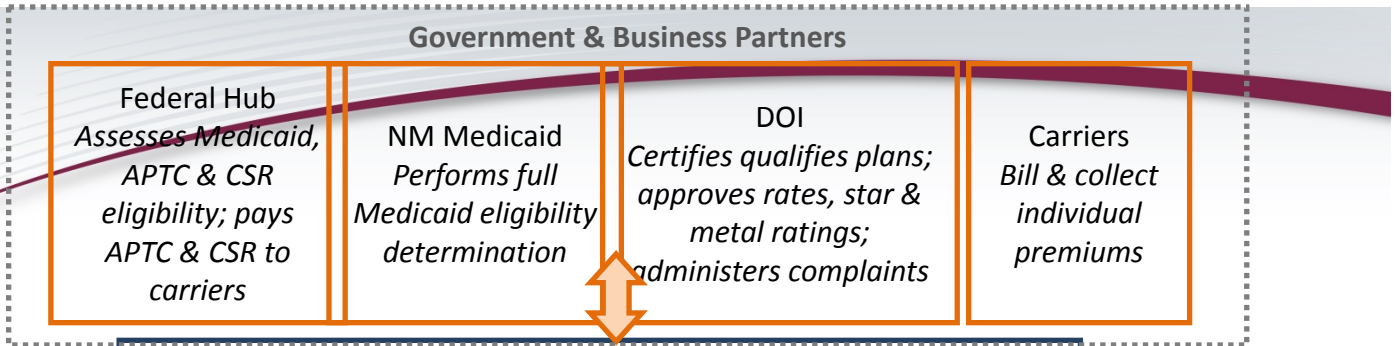
REQUEST FOR PROPOSALS

For Information Technology and Integrated Services
New Mexico Health Insurance Exchange

Addendum #5 RFP CLARIFICATIONS

Submit Preliminary Response By: December 17, 2012
Revised Proposal Due Date: December 28, 2012
www.nmhia.com/nmhix

NMHIX Vision



Systems Integration Services Evaluation Committee

- **Evaluation Committee**

- Celia Ameline (Board member & Medical billing software engineer)
- Jones (Retired IT Infrastructure Manager)
- Sean Pearson – HSD CIO
- Aaron Ezekiel, DOI attorney
- Karthik Valluri, DOI IT Manager
- John Atkins – CPO New Mexico Health Connections
- Carla Walton – (IT and Benefit Consultant)
- Bob Drelick – Lovelace CIO
- Mike Wallace – Delta Dental
- Raj Shethia – Lovelace _____ ????
- Steve Christ – (Retired Employee Benefit Consultant)
- Cory Hennek – BCBS Financial Manager
- Claudia Vargas=Sitrick – NMHIA
- Mike Nunez - NMHIA

Vendor Interview/Presentation Format

- **Introductions - project management team, and key subcontractors.**
- **Describe project management and/or integration experience (including identified subcontractors).**
- **Identify staff dedicated to NMHIX vs. the core HIX platform staff**
- **Demonstrate your solution**
- **Demonstrate your approach and capability to interface with Medicaid, SERFF/carriers, and Federal Data Hub.**
- **Describe your models to prove the identity of the member interacting with the Exchange.**
- **Describe options for setting up back-office operations such as premium aggregation, broker fees, and Exchange user fees or assessments.**
- **Discuss your cost assumptions and thought processes used in the development of your cost proposal for year 1, 2 and operational years 3-5.**
- **Discuss thoughts about deliverable work products and deadlines.**
- **Discuss thoughts about performance penalties, access to source code, and other proposed contractual provisions.**
- **Discuss key differentiators that NMHIA should consider in selecting its Exchange vendor.**
- **Close with your business plan and value proposition for NMHIA.**

NMHIX Positioning for BAFOs

“Must Haves”

- Lower cost
- Reliability
- Depth of Bench and Subject matter experts
- Team
- Defined Contributions
- Strong CRM
- Predictable Cost of Out Years

“Would Like to Have”

- Flexibility
- Choice

Final Instructions to Vendors

- **Leverage other state’s documentation, artifacts, and system development to the greatest extent possible.**
 - Propose assuming NMHIX generally accepts system development to date (estimated at ~ 65% complete)
- **Propose long term maintenance and operation scenarios that minimize NMHIX IT support effort**
- **Request a “Bucket of hours” for unanticipated system changes**
- **Contract efficiently and timely**

Alliance Executive Director Report

Financial Highlights

Enrollments

Web Stats

NMHIA Financial Highlights

YTD February 2013

NMHIA 2012 Actual Vs. Budget	Actual Feb 2013	Budget Feb 2013	Over/ (Under) YTD Budget
Total Premiums Invoiced			
Premiums Invoiced	\$ 3,611,427	\$ 3,723,974	-3.0%
Administrative Fees (3.5%)	\$ 126,401	\$ 114,483	10.4%
Risk Adjustment Reserve	\$ 384,153	\$ 439,429	-12.6%
Commissions	\$ 1,281	\$ 1,862	-31.2%
Premiums Paid to Carriers	\$ 3,099,592	\$ 3,168,201	-2.2%
Total	\$ 3,611,427	\$ 3,723,974	-3.0%
Administrative Fees (3.5%)	\$ 126,401	\$ 114,483	10.4%
Commission Income	\$ 1,281	\$ 1,400	-8.5%
Investment/Misc Income	\$ 2,218	\$ 1,583	40.1%
Total Administrative Income	\$ 129,900	\$ 117,466	10.6%
Total Adm Income - % to Total Premiums	3.6%	3.6%	
Expenditures			
General/ Board	\$ 6,000	\$ 19,500	-69.2%
Administrative	\$ 94,255	\$ 132,382	-28.8%
Marketing	\$ 6,271	\$ 36,667	-82.9%
Operations	\$ 52,691	\$ 43,667	20.7%
Total Expenditures	\$ 159,216	\$ 232,216	-31.4%
Net Income/(Loss)	\$ (29,316)	\$ (114,750)	-74.5%

NMHIX Financial Highlights – YTD February 2013

NMHIX 2013 Actual Vs. Budget	Actual Feb 2013	Budget Feb 2013	Over/ (Under) YTD Budget
Total Premiums Invoiced			
Grant Revenue	\$ 37,654	\$ 1,600,000	\$ 1,562,346
Interest Income	\$ 58	\$ -	\$ (58)
Total	\$ 37,713	\$ 1,600,000	\$ (1,562,287)
Expenditures			
General/ Board	\$ 2,921		
Administrative	\$ 27,021		
Consulting	\$ 6,976		
Marketing	\$ -		
Operations	\$ 794		
Miscellaneous			
Total Expenditures	\$ 37,713	\$ 1,600,000	\$ (1,562,287)
Net Income/(Loss)	\$ -	\$ -	\$ -

Total Covered Lives April 2013

Total Covered Lives - Apr 2013											
Carriers	HMO	PPO	Hybrid HMO	HDHP	Total 2013	HMO	PPO	Hybrid HMO	HDHP	Total 2012	Increase/ (Decrease)
BCBSNM	652	1281			1933	632	991			1623	19%
Lovelace	329	48	116	63	556	391	15	36	21	463	20%
Presbyterian	962	171	598		1731	1056	118	604		1778	-3%
UHC		378			378		149			149	154%
Total	1943	1878	714	63	4598	2079	1273	640	21	4013	15%
Primary Insured					2817					2527	11%
Dependents					1781					1373	30%
Total					4598					1486	209%

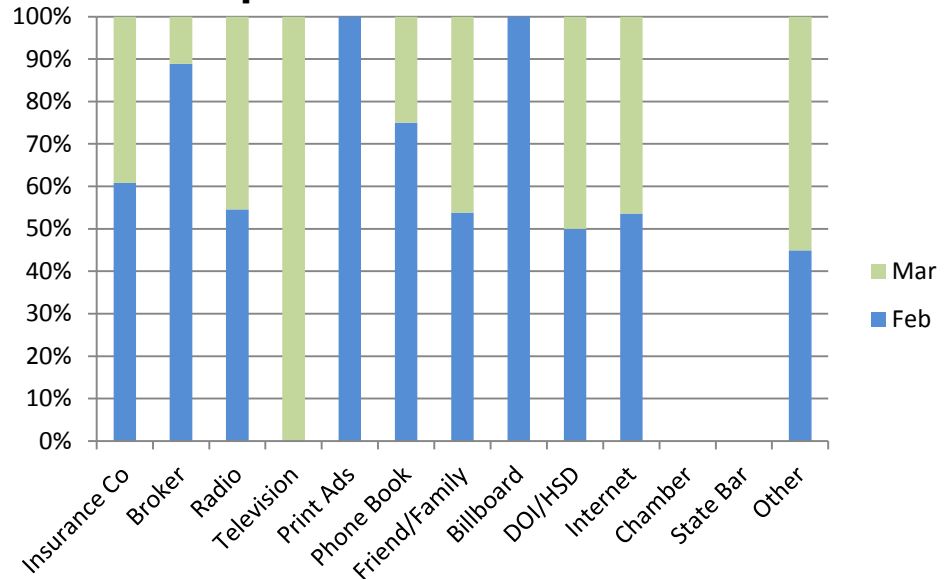
Year over Year Enrollment and YTD					
Year	Primary	Dependents	Total	% Individual	% increase (decrease)
2007	3,245	2,375	5,620	42%	-4%
2008	2,777	2,191	4,968	44%	-12%
2009	2,205	1,854	4,059	46%	-18%
2010	2,220	1,567	3,787	41%	-7%
2011	2,221	1,563	3,784	41%	0%
2012	2,739	1,706	4,445	38%	17%
2013*	2,817	1,781	4,598	39%	3%

* YTD Apr 2013

February & March 2013 Marketing Results

**February / March 2013
100% Comparison Chart**

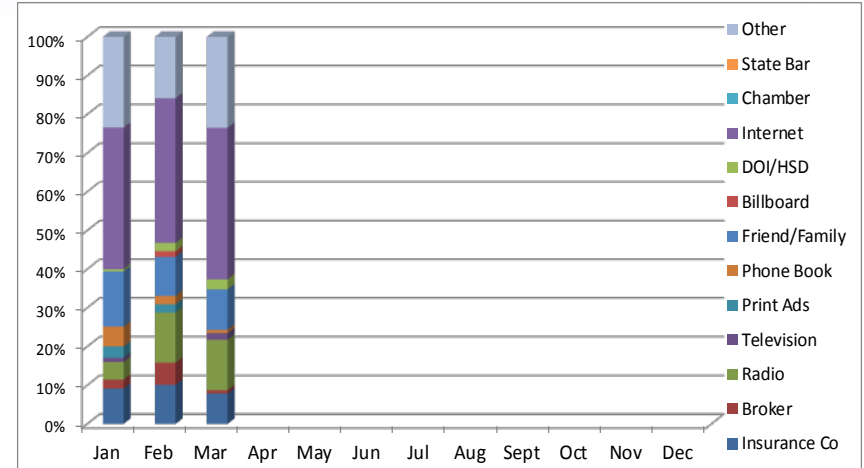
Chart Source	Feb	Mar
Insurance Co	14	9
Broker	8	1
Radio	18	15
Television	0	2
Print Ads	3	0
Phone Book	3	1
Friend/Family	14	12
Billboard	2	0
DOI/HSD	3	3
Internet	52	45
Chamber	0	0
State Bar	0	0
Other	22	27
Total	139	115



2013 vs. 2012 Marketing Results

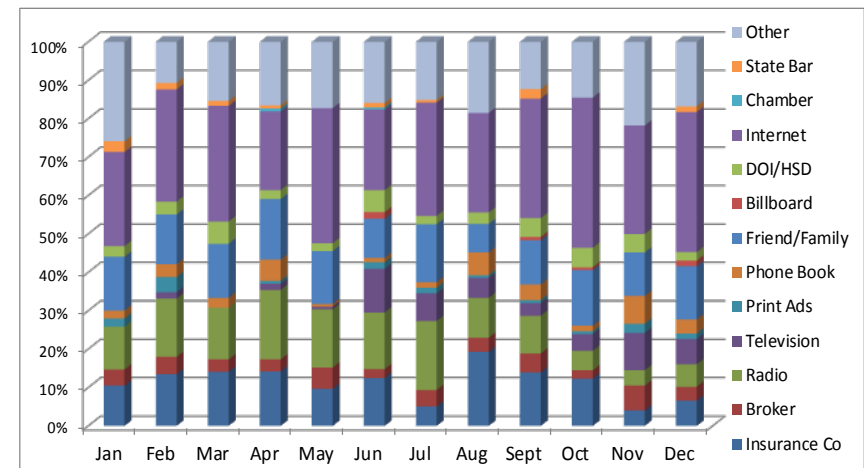
2013

Chart Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total #	Total %
Insurance Co	16	14	9										39	9%
Broker	4	8	1										13	3%
Radio	8	18	15										41	10%
Television	2	0	2										4	1%
Print Ads	5	3	0										8	2%
Phone Book	9	3	1										13	3%
Friend/Family	25	14	12										51	12%
Billboard	0	2	0										2	0%
DOI/HSD	1	3	3										7	2%
Internet	64	52	45										161	38%
Chamber	0	0	0										0	0%
State Bar	0	0	0										0	0%
Other	41	22	27										90	21%
Total	175	139	115	0	0	0	0	0	0	0	0	0	429	100%



2012

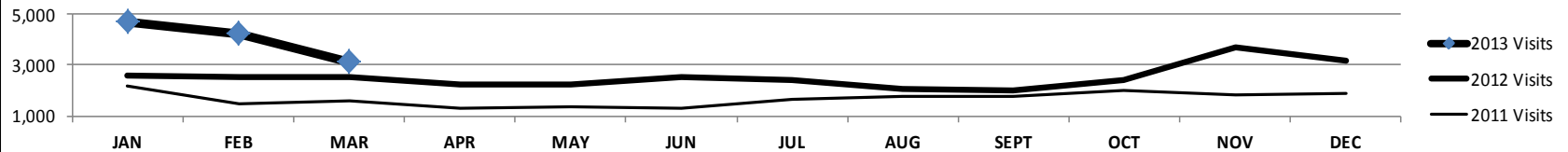
Chart Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total #	Total %
Insurance Co	15	24	22	18	14	22	7	26	17	17	5	9	196	11%
Broker	6	8	5	4	8	4	6	5	6	3	8	5	68	4%
Radio	16	27	21	23	22	26	25	14	12	7	5	8	206	12%
Television	0	3	0	2	1	20	10	7	4	6	12	9	74	4%
Print Ads	3	7	0	1	0	3	2	1	1	1	3	2	24	1%
Phone Book	3	6	4	7	1	2	2	8	5	2	9	5	54	3%
Friend/Family	20	23	22	20	20	18	21	10	14	20	14	19	221	13%
Billboard	0	0	0	0	0	3	0	0	1	1	0	2	7	0%
DOI/HSD	4	6	9	3	3	10	3	4	6	7	6	3	64	4%
Internet	35	52	47	26	51	37	41	35	38	54	35	50	501	29%
Chamber	0	0	0	1	0	1	0	0	0	0	0	0	2	0%
State Bar	4	3	2	1	0	2	1	0	3	0	0	2	18	1%
Other	37	19	24	21	25	28	21	25	15	20	27	23	285	17%
Total	143	178	156	127	145	176	139	135	122	138	124	137	1720	100%



Web Stats 2013 vs. 2012-2011

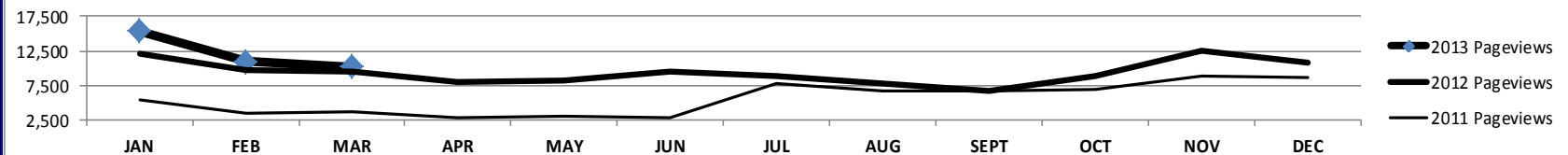
VISITS

YEAR	SOURCE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN-DEC AVG
2013	Visits	4,704	4,248	3,125										4,026
2012	Visits	2,611	2,525	2,521	2,259	2,209	2,537	2,420	2,081	2,022	2,422	3,676	3,195	2,540
2011	Visits	2,188	1,460	1,585	1,310	1,337	1,300	1,654	1,789	1,747	2,022	1,804	1,871	1,672



PAGEVIEWS

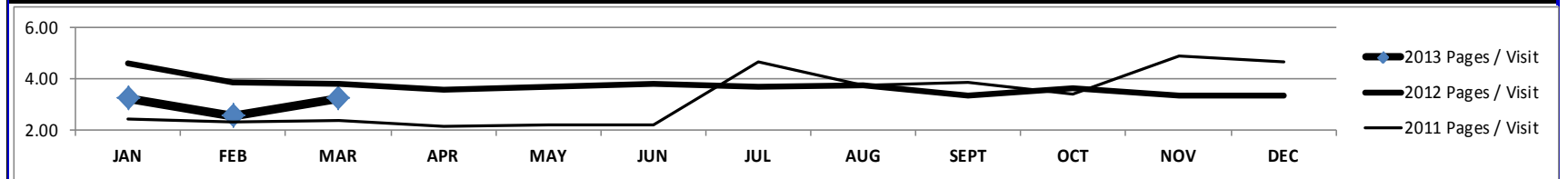
YEAR	SOURCE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN-DEC AVG
2013	Pageviews	15,339	10,963	10,226										12,176
2012	Pageviews	12,041	9,779	9,606	8,065	8,133	9,612	8,913	7,868	6,725	8,831	12,435	10,781	9,399
2011	Pageviews	5,382	3,419	3,738	2,823	2,959	2,867	7,746	6,706	6,741	6,923	8,897	8,736	5,578



Web Stats 2013 vs. 2012 & 2011

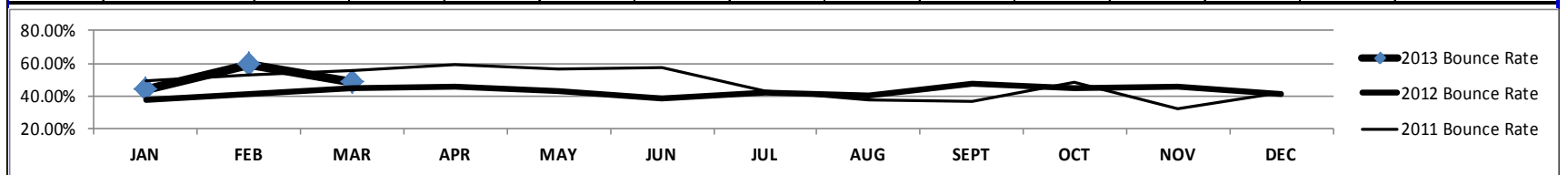
PAGES/VISIT

YEAR	SOURCE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN-DEC AVG
2013	Pages / Visit	3.26	2.58	3.27										3.04
2012	Pages / Visit	4.61	3.87	3.81	3.57	3.68	3.79	3.68	3.78	3.33	3.65	3.38	3.37	3.71
2011	Pages / Visit	2.46	2.34	2.36	2.15	2.21	2.21	4.68	3.75	3.86	3.42	4.93	4.67	3.25



BOUNCE RATE

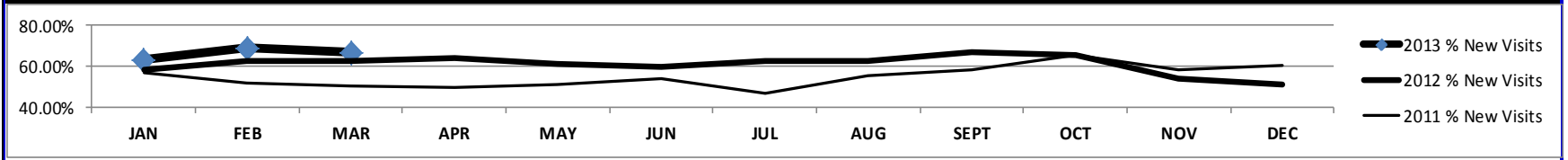
YEAR	SOURCE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN-DEC AVG
2013	Bounce Rate	44.07%	59.25%	48.61%										50.64%
2012	Bounce Rate	37.88%	41.15%	44.74%	45.55%	42.78%	38.63%	41.78%	40.08%	47.28%	44.92%	45.59%	41.47%	42.65%
2011	Bounce Rate	49.73%	53.01%	55.39%	58.78%	56.32%	57.46%	42.68%	37.23%	36.81%	47.97%	32.65%	42.06%	47.51%



Web Stats 2013 vs. 2012 & 2011

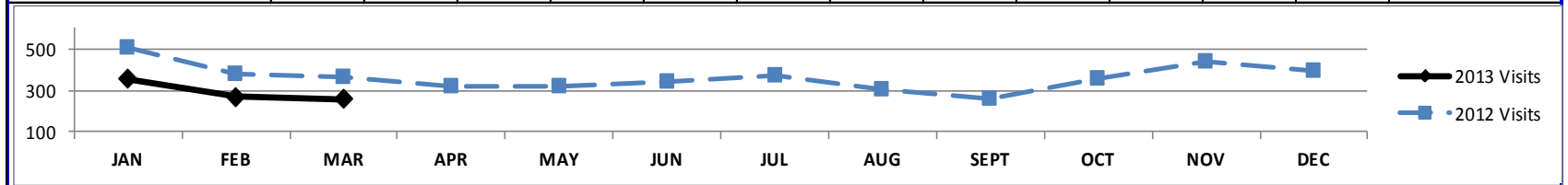
% NEW VISITS

YEAR	SOURCE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN-DEC AVG
2013	% New Visits	63.18%	69.07%	66.69%										66.31%
2012	% New Visits	58.33%	62.65%	62.95%	63.79%	61.52%	59.87%	62.77%	62.57%	66.62%	65.36%	54.19%	51.42%	61.00%
2011	% New Visits	57.18%	51.99%	50.35%	49.54%	51.08%	54.15%	46.98%	55.62%	58.44%	65.83%	58.59%	60.45%	55.02%

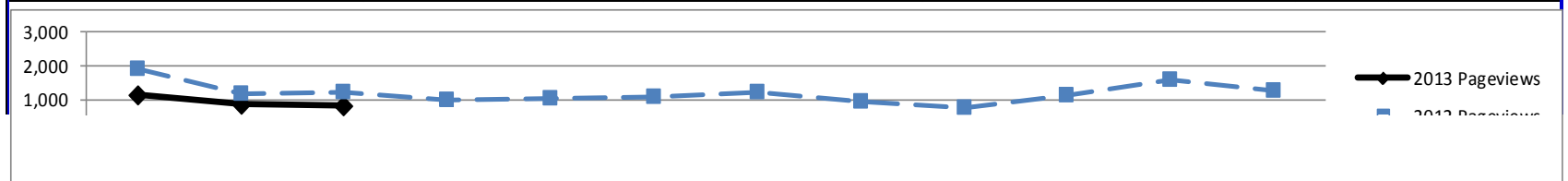


Web Stats 2013 – Broker % of Website Total

VISITS														
YEAR	SOURCE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN-DEC AVG
2013	Visits	356	269	257										294
2012	Visits	503	377	364	317	321	340	368	305	259	358	437	397	362
2013 % of Website Total		6%	6%	8%										7%
2012 % of Website Total		19%	15%	15%	14%	15%	14%	15%	15%	13%	15%	12%	12%	15%



PAGEVIEWS														
YEAR	SOURCE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN-DEC AVG
2013	Pageviews	1,134	842	804										927
2012	Pageviews	1,912	1,181	1,196	960	1,024	1,081	1,199	948	747	1,114	1,558	1,244	1,180
2013 % of Website Total		7%	8%	8%										8%
2012 % of Website Total		16%	12%	13%	12%	13%	12%	13%	12%	11%	13%	13%	12%	13%



Social Media Click-Through

2013 Monthly Report					
2013 Alliance Social Media City / Face Book	Impressions	Clicks	Click % to total Impressions	Total Cost	Cost / Click
January	4,610,800	947	0.02%	\$ 1,317	\$ 1.39
February	9,996,268	2,222	0.02%	\$ 3,000	\$ 1.35
March	3,027,663	641	0.02%	\$ 749	\$ 1.17
April	0	0	div/0!	\$ -	div/0!
May	0	0	div/0!	\$ -	div/0!
June	0	0	div/0!	\$ -	div/0!
July	0	0	div/0!	\$ -	div/0!
August	0	0	div/0!	\$ -	div/0!
September	0	0	div/0!	\$ -	div/0!
October	0	0	div/0!	\$ -	div/0!
November	0	0	div/0!	\$ -	div/0!
December	0	0	div/0!	\$ -	div/0!
Grand Total	17,634,731	3,810	0.02%	\$ 5,066	\$ 1.33

2013 YTD Report						
2013 Alliance Social Media City / FaceBook	Impressions	%	Clicks	Click % to total Impressions	Total Cost	Cost / Click
Alamogordo	930,094	5%	171	0.02%	\$ 405	\$ 2.37
Clovis	1,846,322	10%	416	0.02%	\$ 484	\$ 1.16
Farmington	1,863,421	11%	421	0.02%	\$ 512	\$ 1.22
Hobbs	1,570,524	9%	411	0.03%	\$ 512	\$ 1.24
Las Cruces	2,456,752	14%	440	0.02%	\$ 557	\$ 1.27
Roswell	1,694,791	10%	398	0.02%	\$ 552	\$ 1.39
Ruidoso	1,110,833	6%	231	0.02%	\$ 373	\$ 1.61
Taos	1,386,398	8%	341	0.02%	\$ 505	\$ 1.48
ABQ	2,353,809	13%	441	0.02%	\$ 527	\$ 1.19
Santa Fe	2,421,787	14%	540	0.02%	\$ 639	\$ 1.18
Grand Total	17,634,731	100%	3,810	0.02%	\$ 5,066	\$ 1.33

2012 Social Media Click-Through

2012 Monthly Report

2012 Alliance Social Media City / FaceBook	Impressions	Clicks	Click % to total Impressions	Total Cost	Cost / Click
January	1,773,523	730	0.04%	\$ 3,797	\$ 5.20
February	1,977,841	667	0.03%	\$ 3,797	\$ 5.69
March	1,746,925	695	0.04%	\$ 2,786	\$ 4.01
April	2,240,048	838	0.04%	\$ 2,786	\$ 3.32
May	2,119,502	545	0.03%	\$ 2,786	\$ 5.11
June	1,848,791	530	0.03%	\$ 2,786	\$ 5.26
July	1,910,095	622	0.03%	\$ 2,786	\$ 4.48
August	288,677	194	0.07%	\$ 2,036	\$ 10.49
September	2,478,616	632	0.03%	\$ 2,786	\$ 4.41
October	3,307,247	695	0.02%	\$ 2,786	\$ 4.01
November	2,424,232	674	0.03%	\$ 2,786	\$ 4.13
December	1,590,184	429	0.03%	\$ 2,527	\$ 5.89
Grand Total	23,705,681	7,251	0.03%	\$ 34,445	\$ 4.75

2012 YTD Report

2012 Alliance Social Media City / FaceBook	Impressions	%	Clicks	Click % to total Impressions	Total Cost	Cost / Click
Alamogordo	271,906	1%	349	0.13%	\$ 3,940	\$ 11.29
Clovis	378,669	2%	371	0.10%	\$ 4,230	\$ 11.40
Farmington	297,799	1%	344	0.12%	\$ 2,964	\$ 8.62
Hobbs	245,134	1%	363	0.15%	\$ 840	\$ 2.31
Las Cruces	320,163	1%	353	0.11%	\$ 4,140	\$ 11.73
Roswell	721,756	3%	163	0.02%	\$ 3,770	\$ 23.13
Ruidoso	210,762	1%	488	0.23%	\$ 3,530	\$ 7.23
Taos	134,798	1%	161	0.12%	\$ 1,764	\$ 10.96
ABQ	163,693	1%	39	0.02%	\$ 1,076	\$ 27.59
Facebook	20,961,001	88%	4,620	0.02%	\$ 8,191	\$ 1.77
Grand Total	23,705,681	100%	7,251	0.03%	\$ 34,445	\$ 4.75

Project Management Solicitation & Proposal Analysis

Project
Management
Services
RFP

NEW MEXICO HEALTH INSURANCE ALLIANCE

REQUEST FOR PROPOSALS

Project Management Services

New Mexico Health Insurance Exchange (NMHIX)

Addendum # 3
RFP Update & Revised Scope of Work

Revised Schedule of Events

Action	Responsibility	Date
Issuance of RFP	NMHIA	11/2/12
Acknowledgement of Receipt Form	Offerors	11/7/12
Bidders Conference	NMHIA, Offerors	11/9/2012
Deadline to Submit Questions	Potential Offerors	11/12/2012
Response to Written Questions/RFP Amendments	NMHIA	11/15/2012
Submission of Proposal	Offerors	11/21/2012
Submission of Revised Cost Proposal	Offerors	12/6//2012
Proposal Evaluation & Selection of Finalists	Evaluation Committee	12/7/2012
Vendor Interviews	Evaluation Committee	12/14/12
Best and Final	NMHIA, Offerors	12/17/12
Finalize Contract	NMHIA, Offerors	12/28/12
Contract Award	NMHIA	1/2/2013
Dates of award are subject to change.		

Project Management Proposals

- **Six Proposals received**
 - Cambria, Dewpoint, First Data, Kemtah, PCG Consulting & West Monroe Partners
- **Evaluation Criteria**
 - 40% Cost, 15% PM Approach, 30% Company and client references, & 15% PM Staff client references

PM Evaluation Committee

- **Evaluation Committee**
 - Celia Ameline (Board member & Medical billing software engineer)
 - Dan Jones (Retired IT Infrastructure Manager)
 - Mike Wallace – Delta Dental
 - John Atkins – CPO New Mexico Health Connections
 - Steve Chreist – (Retired Employee Benefit Consultant)
 - Carla Walton – (IT and Benefit Consultant)
 - Cory Hennek – BCBS Financial Manager
 - Mike Nunez - NMHIA

PM Evaluation Focus

- **Leveraging Company PM and HIX experience**
- **Evaluating company resources and subject matter expertise**
- **Based on Evaluation Committee review of proposals, Cambria, First Data, & PCG Consultants were asked to Vendor Interviews**

Interview Presentation Format

- **Present project management capabilities, to ensure NMHIX is operational by the Federal mandate of October 1, 2013.**
- **Introductions**
- **Vendor's project management experience with health related projects**
- **Knowledge of PPACA**
- **Knowledge of and experience with SI Vendors working on State Exchanges**
- **Presentation of project management approach and strategies to manage QAT, requirements verification and UAT processes to ensure operational readiness on October 1, 2013.**
 - Executive management team/ Project management team
 - Resource availability / existing demands on current projects
 - Project management reporting
 - Proposed Costs for Project Management Services
- **Questions and Answers**

PM Best & Final Responses & Recommendations

Evaluation Criteria	%	First Data	Cambria	PCG Cons
Cost	40%	19.1	17.7	40.0
Company Resources	30%	22.6	22.0	27.7
Approach	15%	15.0	15.0	15.0
Staff References	15%	13.0	15.0	13.0
Total	100%	69.7	69.7	95.7
Cost				
Cost	Min	\$3,890,400	\$3,777,260	\$ 1,706,100
	Max	\$4,236,000	\$5,000,000	\$ 2,176,315
Total		\$8,126,400	\$8,777,260	\$ 3,882,415
	Average	\$4,063,200	\$4,388,630	\$ 1,941,208

2012 Assessments

2012 Claim & Administration Expense Assessment	
Total Earned Premium	\$ 19,702,582
Total Paid Claims	\$ 23,642,239
Reinsurance Premiums withheld	\$ 2,173,953
Total Claims + Reinsurance	\$ 25,816,191
less 75% of Earned Premiums	\$ (14,776,937)
Total Claim Assessments	\$ 11,039,255
Less Reinsurance Collected	\$ (2,173,953)
Net Claim Assessments	\$ 8,865,302
Administrative Fee Assessment	\$ 710,300
Allowance for uncollectible Assessments	\$ 35,000
Total 2012 Assessments	\$ 9,610,602

NATIVE AMERICANS

Expanded Availability of Health Insurance for First Americans

Native American Health Improvement Act allows Native Americans to increase access and choice to health coverages by electing coverages under the Insurance Exchange

- Decide to obtain Exchange coverage on a monthly basis
- No copays or other cost sharing if income is < 300% of FPL

Native Americans

**Table 6. Total Number of Uninsured Native Americans
by Percentage of the Federal Poverty Level, 2009**

Age Groups	Percentage of the Federal Poverty Level (FPL)					Total
	Below 100%	100% to 199%	200% to 299%	300% to 399%	400% +	
0 to 17	8,729	2,128	2,761	0	1,159	14,777
18 - 64	26,848	21,062	13,688	10,439	4,797	76,834
65+	0	839	0	899	994	2,732
Total	35,577	24,029	16,449	11,338	6,950	94,343

Source: U.S. Census Bureau. Current Population Survey

**Table 7. Total Number of Uninsured Non-Native Americans
by Percentage of the Federal Poverty Level, 2009**

Age Groups	Percentage of the Federal Poverty Level (FPL)					Total
	Below 100%	100% to 199%	200% to 299%	300% to 399%	400% +	
0 to 17	31,465	11,827	5,902	5,108	1,945	56,247
18 - 64	85,718	71,691	49,964	17,900	46,594	271,867
65+	2,544	1,794	872	0	580	5,790
Total	119,727	85,312	56,738	23,008	49,119	333,904

Source: U.S. Census Bureau. Current Population Survey

Tribal Consultation

- Exchange must adopt a tribal consultation, collaboration, and communication policy consistent with New Mexico and federal tribal consultation rules.
 - Development of a Exchange communication, collaboration, and consultation policy;
 - Development of the NASC, including the Center's tasks and its advisory council;
 - Assisting tribal governments with premium payment on behalf of its members;
 - Development of the Navigator program, cultural competency training, and education and outreach materials;
 - Development of a tribal enrollment verification system

Native American Service Center

- Specific outreach, education, and training competencies/functionalities of the Native American Service Center (NASC) should include:
 - A resource specialist on the AI/AN application and enrollment process;
 - Specific AI/AN benefits and protections;
 - Tribal sponsorship of premiums (if applicable);
 - Benefits of the Exchange and the potential for increased revenues for I/T/U clinics;
 - Benefits of becoming an “in-network” provider for each exchange plan, and the designation of I/T/Us as essential community providers;
 - Cultural competency training
- Develop a system of communication and enrollment verification that does not infringe on tribal sovereignty.
- Ensure that the web portal can identify AI/ANs for appropriate exemptions
- Provide a mechanism for aggregated premium payments, and
- Account for “mixed” households (i.e., households with tribally enrolled and non-enrolled members).

Recommendation Marketing Channels

Native American marketing channels should include:

- **Print, radio, TV, social media/Facebook, web, health fairs, other events**
- **Educational website hotlinks for Native Americans**
- **Face to face opportunities as well as large and frequent group meetings in public venues**
- **Engagement with Chapter Houses, senior centers, health fairs and Pow Wows**
- **Marketing through Native American Radio: Singing wire & Native American calling and Public Service Announcements**
- **Marketing and educational efforts through social and alumni organizations, including newsletters**
- **Advertising on buses and bus stops**

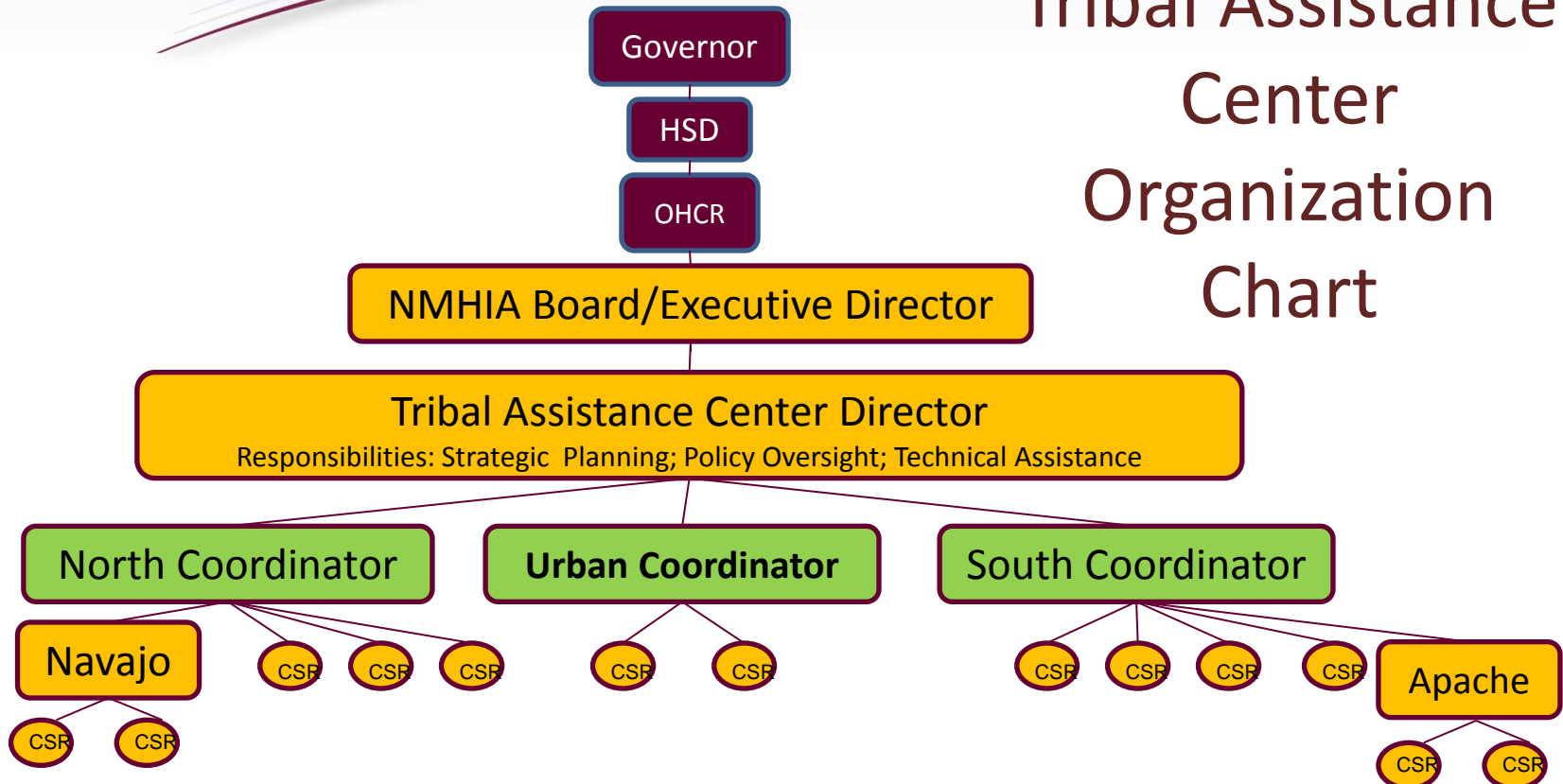
General Public marketing channels should include (In English and Spanish):

- **Print, radio, TV, social media/Facebook, web, health fairs, billboards & other health events.**
- **Coordination and engagement with Chambers of Commerce, Nonprofits (Charities), FQHC's, Rural clinics, Hospitals & Emergency rooms, schools, churches, shopping malls, SBA and Medicaid offices.**
- **Coordination and engagement with existing statewide distributions (Taxes & Drivers Licenses) & local gas and electric companies (PNM and Gas Co of NM).**

Recommendations PR and Advertising

Targeted Audience	What we tell them
Individuals & the General Public	<ul style="list-style-type: none"> • Benefits of having coverage • Increased access, increased choice • Who can participate, how it will work • Advanced Premium Tax Credits & Cost Sharing Reductions • Navigator & Agent/Broker Application Assistance • Premium Calculator
Small employers - Currently offering - Currently not offering	<ul style="list-style-type: none"> • Increased access, increased choice • Who can participate, how it will work • Small Business Tax Credits • Comparison Tools
Native Americans (Available only to members of federally recognized Tribes)	<ul style="list-style-type: none"> • Increased access on a monthly basis • Increased choice of providers and facilities • Strengthen IHS services and access
Navigators, Agents and Brokers	<ul style="list-style-type: none"> • How we help get their clients covered • Who can participate, how it will work • How they get compensated

Tribal Assistance Center Organization Chart



***Area Coordinators** Responsibilities: Developing, training and deploying navigation, outreach and education strategies for rural, frontier and urban areas

CSR Local Pueblo Community Service Representatives (CSR);