

BeWellnm New Mexico Health Insurance Exchange
Board Meeting Minutes
Friday, January 27, 2017, 8:30AM-12:30PM
CNM Workforce Training Center
5600 Eagle Rock Ave
Albuquerque, New Mexico 87113

Board Members Present:

- Dr. J.R Damron
- Mike Nelson on behalf of Secretary Brent Earnest
- Ms. Terriane Everhart
- Dr. J. Deane Waldman
- Mr. Jim Heckert
- Ms. Patsy Romero
- Mr. David Shaw
- Mr. Kurt Shipley
- Ms. Eva Jean Fomalont
- Ms. Lisa Farrell Lujan

Board Members Absent:

- Superintendent John Franchini
- Ms. Teresa Gomez
- Mr. Dan Foley

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

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

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

Motion: Director Waldman

Second: Director Shaw

The motion passed by voice vote.

3. Approval of Minutes of the November 18, 2017 NMHIX Board Meeting- Chairman J.R. Damron

Motion: Director Romero

Second: Director Waldman

The motion passed by voice vote.

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

Chairman Damron welcomed beWellnm's new Director Jim Heckert. Director Heckert is the Chief Executive Officer (CEO) for the Gerald Champion Regional Medical Center in Otero County. Director Heckert thanked the Board of Directors for the opportunity to work together.

Chairman Damron welcomed and thanked everyone for attending the meeting, while noting that Mike Nelson will be filling in for Secretary Earnest and Director Gomez would be absent. The Chairman stated this Board Meeting will include updates from the New CEO Search Committee with a possible recommendation, the Marketing and Outreach team will discuss Open Enrollment, and the Finance team will discuss assessment funds.

Chairman Damron discussed the future of beWellnm as it relates to the Affordable Care Act and future legislation. He suggested a special meeting to discuss the evolving health care environment once a permanent CEO is on board. Chairman Damron also discussed President Trump's Executive Order regarding the Affordable Care Act. Chairman Damron suggested that the Executive Order might help CMS consider waiving the 1.5% fee, and would discuss the matter with the Legislative Committee.

5. Matters from the New CEO Search Committee – Director Eva Jean Fomalont, Committee Chair

Motion: Director Fomalont moves that the Board approve the appointment of the CEO for beWellnm to be Cheryl Smith Gardner.

Second: Director Romero

Director Fomalont thanked her Committee for working so diligently together to meet with potential candidates.

Discussion: Chairman Damron provided information regarding Ms. Gardner's background and qualifications. He advised that Ms. Gardner is currently the Arkansas Health Insurance Exchange Executive Director and will begin her position as CEO for beWellnm on March 1, 2017.

The motion passed by voice vote.

6. Matters from the CEO- Ms. Linda Wedeen, Interim CEO

Ms. Wedeen provided an update on Enrollment as of January 22, 2017. BeWellnm has 52,006 Plan Selections. 15,427 of those plan selections are new selections and 36,579 selections are returning. Ms. Wedeen stated beWellnm is pleased with these numbers.

Ms. Wedeen provided an update on the Notice of Benefit and Payment Parameters for 2018. The proposed rule was distributed on August 29th, 2016 and beWellnm submitted requested comments on October 4, 2016. The response included a requested 1.5%- 2% rate for 2018 instead of the proposed rate of 3%. The final rule was published in December and the finalized rate for 2018 is 2%. Ms. Wedeen noted the 2017 Information Disclosure Agreement was reviewed by beWellnm leadership and updated between CMS and beWellnm. The Agreement will provide greater detail to the data-sharing component of the lease process.

Ms. Wedeen noted as part of beWellnm's Plan of Operations beWellnm sent the Annual Report with a cover letter to Governor Martinez's office. Ms. Wedeen noted beWellnm hasn't heard

any questions from the Governor's office regarding the Annual Report but is ready to answer any questions. She also stated the Board and beWellnm staff have completed the Conflict of Interest training and Mr. Bustamante will coordinate gathering signatures from all individuals.

Ms. Wedeen noted the Annual Board of Directors Meeting will be held on March 17, 2017. All Committees will be notified of their responsibilities to fulfill this requirement. Board Policies and committee charters will be reviewed for appropriateness and accuracy to the scope of organizational duties. Ms. Wedeen noted March 17 will be Ms. Gardner's first Board Meeting and stated she will do everything to help prepare Ms. Gardner for this meeting ahead of time.

Ms. Wedeen noted she wanted to recognize all of the Enrollment Centers throughout the state for their great work.

Director Romero suggested that the Board have a strategic planning meeting in the near future. Director Romero stated there is a lot to discuss and plan for with the new CEO.

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

Chairman Damron noted the Executive Committee meet earlier this month and discussed the CEO candidates and benefit package.

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

Ms. Gassoway provided an enrollment update on the 52,006 enrolled individuals, which represents a 3% gain over last year. Ms. Gassoway noted the Exchange has seen a strong response and recognition from consumers and marketing efforts are attracting New Mexicans to beWellnm. BeWellnm launched a pilot program for Open Enrollment 4 with the help of Ms. Manning to place 14 Brokers and Agents in the Albuquerque and Santa Fe enrollment centers.

Ms. Gassoway discussed Public Use Microdata Areas (PUMA) Outreach. This data comes from the Census Bureau's American Community Surveys. The data provides helpful information for beWellnm to connect with communities. In New Mexico there are 11 PUMAs that consist of several counties grouped together. BeWellnm recently focused on Eastern New Mexico and will be scheduling PUMA tours in Southern New Mexico.

Ms. Gassoway discussed IRS Data and outreach in Southern New Mexico. Ms. Gassoway noted the IRS released tax data for returns filed for 2014, and the data shows areas of high tax penalties for individuals who were uninsured. BeWellnm developed a strategy to reach these areas with the help of The Waite Company and Health Action New Mexico. Print ads, calls to local businesses, flyers, and announcements were made by leaders in the community. Local radio stations were live to encourage consumers to stop by the events.

Ms. Gassoway noted individuals are going directly to beWellnm.com rather than using a google search. This appears to be due to marketing and outreach efforts. Compared to last year, beWellnm is also seeing higher traffic to the beWellnm website through mobile devices. The three highest areas visited on the beWellnm website are the subsidy calculator, Explore Plans, and Free Enrollment assistance.

Ms. Gassoway noted beWellnm has had messaging in both English and Spanish across the state. The Exchange has had 11 interviews, 39 articles, and 110 print ads. The Waite Company held teletownhall calls in English and Spanish with much success. BeWellnm will be pushing the last week with the KOB Health Fair and extended hours at the Enrollment Centers.

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

Ms. Tso stated she is the new Native American Tribal Liaison and is very excited to hit the ground running. Ms. Tso noted she will continue working at the Albuquerque Enrollment Center as an Enrollment Counselor until Open Enrollment ends. The last few days the Enrollment Center have seen an increase in traffic with appointments being made and calls coming through. Ms. Tso noted once Open Enrollment ends she will begin sending out appointment letters for the Native American Advisory Committee. Outreach will begin immediately as beWellnm will be at the American Indian Day Legislative Reception.

Ms. Marthell provided an update on the Native American Outreach and Education Program. Ms. Marthell noted outreach slows down as the Enrollment Center focus on Open Enrollment but some outreach events have taken place at the Acoma Diabetes Fair, Tesuque Benefits Fair, and National Indian Health Services Call. Ms. Marthell noted she has already obtained a table for the Gathering of the Nations at its new location EXPO New Mexico in April.

Ms. Marthell stated beWellnm is in the process of hiring an Enrollment Counselor to fill Ms. Tso's position. The Native American Outreach and Education team recently attended 2 events, with 40 outreach contacts made, and 1 postcard collected. They also completed 569 appointments, with 128 individuals going to Medicaid and 365 to Qualified Health Plans (QHP). Ms. Marthell provided an update on appointments from all staff at the Enrollment Center during Open Enrollment, which includes numbers from the Brokers, Enrollment Counselors, and NMPCA Staff. In total, they support 1,500 visits, completed 840 appointments, with 145 Medicaid enrollments, and 588 in QHPs. The average wait time was one minute. The Gallup & Farmington Enrollment Centers have completed 275 appointments, with 33 going to Medicaid and 132 going to QHPs.

Director Waldman requested after Open Enrollment if Ms. Wedeen can provide data regarding the dollar amount spent for each Enrollment.

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

Ms. Schwing stated beWellnm will start invoicing carriers for the 2017 assessments on January 30, 2017 to cover the 2017 budget of \$13,722,230. This budget includes the SBE-FP User-Fee estimated at 1.5%. Ms. Schwing stated beWellnm will also invoice for the 2017 Reserve Assessment. This will bring total reserve balance to 50% of the 2017 annual budget. The additional amount to reach 50% is \$965,815.

Ms. Schwing provided an update on how the budget is currently assessed, and how it would be if beWellnm could no longer assess Medicaid. Mr. Nelson stated Secretary Earnest asked that he share that some of the discussions are occurring within the Human Services Department (HSD). Mr. Nelson stated the projected savings from removing beWellnm's assessment of Medicaid are in the Governor's budget recommendation, along with other savings. Additional contributions by Counties could be made as well to support the Medicaid Fund. The Governor's budget request gets very close to what the projected operating budget is for FY18 for the Medicaid Program. Mr. Nelson stated it's a very complicated and challenging discuss but HSD feels it's important to discuss concerns.

Director Shipley stated he has started dialogue regarding this matter. Director Shipley noted it is a challenging situation given that the cost would be transferred to individual plans and this could be a substantial amount. This change would affect all individuals who are on the Exchange and it could be a significant rate increase. Director Lujan stated she would like to add to Director Shipley's comments given the budget constraints and the potential implementations on the high risk pool. Director Lujan stated all that compounds this because if Medicaid is unable to do funding for that pool it also increases the assessments. This really puts the burden on small group and individual and the combination of these two things are very significant.

Mr. Nelson noted the budget request recommendation from the LFC will leave about a \$42 million gap in Medicaid budget for FY18. Mr. Nelson noted Medicaid already went through rigorous cost cutting in FY17. Mr. Nelson noted that if other solutions are not found HSD is left with a \$42 million deficit, and additional activities will be required for the costs and containment. This could include changing eligibility and benefits, which HSD would like to avoid.

Director Romero stated she wants to know how much has been done in terms of actuarial assessments about cuts and reductions to Medicaid. Director Romero noted all those continued cuts take away revenue from New Mexico.

11. Matters from the Operations Committee – Director David Shaw, Committee Chair

Ms. Miles provided a Small Business update. Small business enrollment took a dip in October due to the termination of the Exchanges biggest group, New Mexico Health Connections, who had over 60 eligible employees and 159 members. Enrollment, however, has increased in the past few months. As of January, beWellnm for Small Business has 1,289 enrollees and 202 covered groups. Chairman Damron stated that Ms. Gardner's expertise in growing small business enrollment in Utah will be very helpful to beWellnm.

Ms. Miles provided an update on the call center. For the month of December the call center received 2,790 calls, with 189 of those calls being Spanish. For the month of January the call center received 1,654 calls, with 192 of those call being Spanish.

Ms. Miles stated the number one call reason in December was for enrollment assistance followed by costs and rates. For January, the top reason was general request for information. One hundred fifty (150) calls were referred to Human Services Department (HSD) in December and 92 calls were sent to HSD in January.

Ms. Miles noted the call center's abandonment rate threshold is 5.0%; the call center performed well under that rate: December 0.6% and January 0.8%. The average speed to answer threshold is 60 seconds. In December, the average speed to answer was 22.6 seconds and 23.8 seconds in January.

Director Shaw discussed the CEO Succession Policy. Director Shaw stated the Operations Committee reviewed the policy, made comments, and then sent it to Justin Miller, legal counsel, for final review. Minor edits were made and shared with the Operations Committee. Director Shaw stated this policy provides the Exchange with clear guidelines in the event of CEO departure.

Motion: Director Shaw moves that the Board adopt the CEO Succession Policy as presented today.

Second: Director Fomalont

The motion passed by voice vote.

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

Mr. Mason provided an update regarding the Stakeholder Advisory Committee and noted the Committee met in early January and one of the major discussions was what is next for the Affordable Care Act (ACA). Mr. Mason noted Health Action New Mexico (HANM) presented a Joint Memorial to the Legislature. The memorial requests that the Superintendent of Insurance convene a task force to study the impact of an ACA repeal on New Mexico and to make recommendation for state health policies to maintain or expand coverage gains. Mr. Mason recommend that the Legislative Committee meet and discuss the Memorial.

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

Superintendent Franchini was not present to provide an update.

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

Superintendent Franchini was not present to provide an update.

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

Mr. Nelson didn't have any further comments to discuss.

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

Mr. Mason, with the League of Women Voters of New Mexico, noted that any changes to how beWellnm assesses Medicaid would need to be done via legislation.

17. Other Board Business- Directors & Ms. Linda Wedeen, Interim CEO

Director Everhart thanked the outreach staff for all of their hard work during this Open Enrollment period.

Director Waldman stated no one is certain of what will happen with the Affordable Care Act.

Director Romero reiterated that she would like to ensure a retreat is scheduled once the new CEO starts.

Director Shaw supported Director Waldman's comments and saw it as an opportunity for beWellnm.

18. Next NMHIX Board meeting- March 17, 2017 at the CNM Workforce Training Center

Chairman Damron noted the next regular beWellnm Board of Directors Meeting will be held on March 17, 2017 at the CNM Workforce Training Center.

19. Executive Session

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

Roll Call: Chairman Damron, Mr. Nelson, Director Everhart, Superintendent Franchini, Director Waldman, Director Heckert, Director Romero, Director Shaw, Director Shipley, Director Fomalont, Director Lujan.

Absent: Director Foley, Director Gomez

The Board reconvened and Chairman Damron noted the Board meet in closed session. The only matter discussed was the matter described on the agenda regarding limited personnel matters relating to the performance of the Interim CEO. Chairman Damron stated the Board may now take final action.

Motion: Director Shaw moves that the Board accept the final adoption of the letter from the Board to the Interim CEO.

Second: Director Waldman

The motion passed by voice vote.

Chairman Damron noted the Board held two Special Board Meetings since the last regular scheduled Board Meeting. Both Meetings were closed Executive Sessions pursuant to NMSA 1978 Sections § 10-15-1(H)(2) for discussion of limited personal matters. Chairman Damron noted the first meeting took place on December 16, 2016 and the second meeting took place on January 3, 2017 at both meetings the only matters discussed were matters as described on the agenda for those meetings and that no final action was taken at either meeting.

20. Adjournment

Motion: Chairman Damron

Second: Director Shipley

Motion passed by voice vote.