

beWellnm New Mexico Health Insurance Exchange
Board Meeting Minutes
Friday, January 22, 2016, 8:30AM-12:30PM
CNM Workforce Training Center
5600 Eagle Rock Ave NE
Albuquerque, New Mexico 87113

Board Members Present:

- Dr. J.R Damron
- Mike Nelson on behalf of Secretary Brent Earnest
- Ms. Terriane Everhart
- Superintendent John Franchini
- Ms. Teresa Gomez
- Dr. J. Deane Waldman
- Ms. Patsy Romero
- Mr. David Shaw
- Mr. Kurt Shipley
- Ms. Lisa Farrell Lujan
- Mr. Dan Foley
- Ms. Eva Fomalont

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

The Meeting was called to order at 8:30am. 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 passes by voice vote.

3. Approval of Minutes of the November 20, 2015 beWellnm Board Meeting- Chairman J.R. Damron

Motion: Director Shipley

Second: Director Waldman

The motion passes by voice vote.

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

Chairman Damron welcomed everybody, thanked all the guests for attending the meeting, and stated that Mike Nelson is attending for Secretary Brent Earnest. Chairman Damron noted per Section 3 of the New Mexico Health Insurance Exchange Act and Article 4 of the Plan of

Operation several Directors have terms that expire on June 30, 2016. Officer position terms will also end April 28, 2016. Chairman Damron noted each officer is eligible for another 3 year term. Chairman Damron stated Director Waldman, Director Shipley, Director Foley, and Director Damron's terms expire on June 30, 2016. Director Waldman, Director Foley and Director Damron are eligible for re appointment. Chairman Damron noted Director Shipley is not eligible for re-appointment as per statute.

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

Ms. Dowd provided Open Enrollment updates New Mexico had 49,777 plan selections for Open Enrollment 3 as of January 16th, and healthcare.gov had 8,836,102 plan selections as of the same date. Ms. Dowd stated the Exchange has formally requested an extension for Open Enrollment from CMS, and is planning for the possibility of a short special enrollment period in early February, similar to last year.

Ms. Dowd noted the Exchange office lease ends in October of this year, so an RFP will be issued next week for space. Ms. Dowd stated the Exchange will also issue an RFP in Q1 2016 for General Counsel Services.

Ms. Dowd acknowledged Veronica Reyes, beWellnm Outreach Coordinator, for her national recognition by Enroll America for her dedication during the Open Enrollment Period.

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

Ms. Wedeen reviewed the beWellnm Open Enrollment Dashboard, which includes information regarding enrollment, outreach efforts, and call center statistics. Ms. Wedeen noted the call center had certified counselors this year.

Ms. Wedeen stated the beWellnm for Small Business campaign will have print, radio, direct marketing, and potentially tele-townhall calls.

Given their effectiveness, Ms. Wedeen noted the Exchange intends to keep the walk-in centers open until June 30th, 2016. This would not result in any increase to the 2016 budget, and is funded entirely with CMS grant dollars.

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

Mr. Mason stated the Stakeholders Advisory Committee (SAC) meets monthly during the open enrollment period. During this period, the Committee has received presentations on the OSI roadshow, beWellnm Open Enrollment Dashboard, healthcare.gov Individual Exchange Lease Model proposed rule, and more. Mr. Mason noted the SAC submitted a letter to CMS in support of the Exchange on the lease model, and the next SAC meeting will be held on April 14, 2016.

Finally, Mr. Mason noted the ads with Director Romero, and Director Gomez are very effective and he thanks both for participating.

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

Ms. Dowd introduced John Renzelman with Accenture to discuss the work in assisting on implementing an Investment Policy Statement (IPS). Mr. Renzelman stated after the previous Board meeting Accenture established a work group with beWellnm staff and Finance committee members to discuss what an IPS is and what needs to be done. Mr. Renzelman noted an action item of putting out a bid for an Investment Manager and services, which Accenture, in support of the Exchange, has begun. In addition, Accenture has drafted an IPS policy and reviewed it with the Finance committee. Mr. Renzelman noted the plan is to bring on the Investment Manager by the March Board Meeting to have an IPS proposed by the Board of Directors at that time. The number of investable assets is going to be roughly 5 million dollars and this amount may fluctuate.

Director Romero stated the Finance committee will work with the Investment Manager to ensure that the IPS works with beWellnm's goals and objectives. Director Romero also recognized Accenture for their professionalism and help.

Ms. Schwing discussed the Operating Funds Update for the 2016 assessment. Ms. Schwing noted beWellnm sent out the invoices at the end of the year for a total invoice amount of \$11,790,605, and beWellnm still needs to collect \$6,451,244.

Mr. Renzelman stated Accenture developed cost projections for 2016 through 2018. Mr. Renzelman noted the user fee rate is still 0% in 2016, for 2017 Accenture put the worst case scenario at 2%, and 3% for 2018. Ultimately, the actual cost will be determined when the final rule is released on the lease model. Regarding this model, Ms. Dowd noted CMS views New Mexico as a flagship example for State Based Exchanges, including beWellnm's financial sustainability plan.

Director Romero suggested the Board of Directors write a letter, which Ms. Dowd can present at her meeting with CMS, to encourage CMS to consider the Exchange's position on the 2017 payment notice rule. Chairman Damron agreed with the recommendation, and ensured that a letter would be sent with Ms. Dowd.

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

Mr. Atole stated during this time of year there is change in Tribal leadership, and he sent letters to that leadership requesting appointments for the Native American Advisory Committee. Also, the next Native American Advisory meeting is scheduled for February 25, 2016.

Ms. Tso provided Enrollment Updates from November 19, 2015- January 09, 2016:

- Outreach encounters: 2003
- Education Encounters: 1196
- Completed Appointments: 566
- Medicaid: 219
- OHPs: 367

Enrollment Updates for the NAPPR Walk-In Center:

- Visits to Center: 770
- Medicaid: 127
- QHPs: 310

Director Gomez stated this is the first time the Exchange has seen the QHPs enrollment numbers higher than the Medicaid enrollment, and inquired to the nature of the shift. Ms. Tso noted that she attributes the higher QHPs enrollment numbers to education. Ms. Tso stated individuals are now more aware of penalties and this has encouraged individuals to sign up for healthcare. Ms. Tso stated since coming on Board with NAPPR she has implemented new strategies. Director Gomez thanked Ms. Tso for her responsiveness to new strategies.

Director Gomez stated that in October an RFP was released and reviewed for Native American outreach, enrollment, and education services. At that time, the reviewing committee determined that no proposal warranted a contract. However, to ensure that services were not interrupted, beWellnm awarded a contract extension through March 2016 to NAPPR. Given the results of the RFP, Director Gomez stated the Standing Committee analyzed alternative models on Native American outreach, enrollment, and education. As a result of those discussions, the Native American Standing Committee chose to pursue the possibility of taking on a more direct role in running these services, which would not result in any increase to the 2016 Board approved budget.

Chairman Damron noted that he discussed the change in models with New Mexico State Senator Shendo, who supported the transition. Further, Mr. Atole read a letter to the Board of Directors from Governor Vigil, Chair of the Native American Advisory Committee, in support of the new model option.

Motion: Director Gomez moves that the Board approve the plan to transition the Native American enrollment, outreach, and education services from a third party model to manage enrollment, outreach, and education within the organization.

Second: Director Fomalont

The motion passes by voice vote.

10. Matters from the Operations Committee

John Renzelman, Accenture, advised the Board of the Project Management Services tasks accomplished since the last Board meeting as well as ongoing and upcoming activities such as

the Exchange blueprint and procurement support. Mr. Renzelman noted Tableau was selected as the data management reporting system and that the system software is being installed.

Ms. Miles stated the Accenture contract ends today and Accenture is currently supporting beWellnm's efforts in several areas that require attention past the current contract termination date of January 22, 2016. As such, beWellnm requested approval to extend the contract. Ms. Miles stated the amount to extend the PMS contract is \$470,986 dollars and noted that all the funds are grant funded and already approved in the 2016 budget

Motion: Director Shaw moves that the Board authorize the CEO to extend the term of the Project Management Services contract through April 30, 2016 and to increase the contract value by \$470,986

Second: Director Fomalont

The motion passes by voice vote.

Mr. Renzelman stated that the Exchange continues discussions with CMS about security requirements and acquiring phase 2 data. He also noted that beWellnm received some phase 1 data at the end of December, which consisted of 15 out of the 21 requested data fields.

Ms. Miles advised the Board that a questionnaire regarding small business will be released to some of the state-based marketplaces that will include inquiries about state-specific policies, employer choice options, and strategic planning. Further, beWellnm has reached out to GetInsured to discuss a combination of employer and employee choice options. Ms. Miles also provided an enrollment update on beWellnm for Small Business. From December 2015 to January 2016 beWellnm membership had increased by 257 lives.

Ms. Miles advised that CMS requires all states have a security risk assessment performed to check for:

- Threats and vulnerabilities
- Current security controls and resulting risk levels/ impact and
- Recommended safeguards to reduce risk exposure.

Ms. Miles stated that funds for the security risk assessment is included in CMS-approved grant funding and the 2016 budget. beWellnm would like to begin procurement activities to select a third party vendor to perform the assessment in the next two weeks to begin the assessment in early March 2016.

Motion: Director Shaw moves that the Board delegate authority to the CEO to complete procurement through the Security Risk Assessment RFP by negotiating and executing a contract with the Offeror whose proposal is the most advantageous to the Exchange, as recommended by the RFP evaluation committee, the contract in an amount not to exceed \$250,000.

Second: Director Waldman
The motion passes by voice vote.

11. Matters from the Office of the Superintendent of Insurance- Superintendent John Franchini

Director Franchini stated he is very proud of the 4 carriers that remained on the Exchange. Director Franchini noted the carriers have simplified their coverages, expanded their medical networks, and made policies more responsive for individuals with lower incomes. Director Franchini thanked Molina for being a leader in that change. Director Franchini noted that New Mexico has one of the lowest premiums nationally for on-Exchange plans, with Arizona first and New Mexico second.

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

Mr. Nelson stated Director Earnest was invited to a New Mexico House Appropriations meeting to work on the department budget, and he sends his regrets for being unable to attend.

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

Director Franchini noted the NMMIP has seen its membership reduce from 12,000 to 3,000 individuals. Further, many other states have already closed their pools, which has left many individuals at risk for being uninsured. As the transition from the NMMIP to Exchange moves forward, Director Franchini predicted that membership would shrink to 1,000 individuals within 2 years.

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

Lawrence Nylin with Molina Healthcare showed appreciation for the kind words and recognition of all the carriers, including Molina. Mr. Nylin acknowledged Molina's successful participation in the Exchange is due in large part to the guidance and unfailing support of the Board of Directors, beWellnm, and OSI staff. Mr. Nylin noted special acknowledgment for the beWellnm-OSI roadshow.

Erik Lujan with the Pueblo of Ohkay Owingeh provided multiple recommendations on how to best communicate with the Native American Advisory Committee and Tribal leadership. Further, he asked that a letter be sent out to Tribal leadership outlining the change from a 3rd party to in-house model. Finally, Mr. Lujan invited representation from beWellnm to the next All Indian Pueblo Council of Governors meeting.

Debbie Righter with Righter Insurance requested that beWellnm create a marketing campaign to support New Mexico brokers, while also providing numerous areas of feedback on important concerns to the agent and broker community.

Dick Mason, Chair of the Healthcare for All Coalition, stated that he recognizes the important role of brokers and also wants to acknowledge the efforts and successes of Certified Enrollment Counselors.

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

Director Waldman stated that he continues to be appreciative of the beWellnm staff.

Director Fomalont stated that agents and brokers are critical to the success of beWellnm, and she appreciates Ms. Dowd's open door policy with brokers.

Director Romero wished Ms. Dowd the best of luck on her trip to D.C. Director Romero is confident that Ms. Dowd will represent New Mexico well and continue to get positive feedback from CMS.

Director Damron stated there hasn't been any legislation introduced or pre-filed that would directly impact the Exchange, and the Legislature has until February 7th to file any bills. Director Damron noted the Legislative Committee is ready to act if necessary.

Ms. Lujan thanked the enrollment coordinators, brokers, and staff that worked through the delay of some of the carriers not being listed on healthcare.gov at the onset of Open Enrollment.

16. Next NMHIX Board meeting-March 18,2016 at the CNM Workforce Training Center

The next beWellnm Board Meeting will be the Directors annual meeting held on March 18, 2016 at CNM Workforce Training Center.

17. Executive Session

Motion: 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

The motion passes by voice vote.

Upon reconvening, Chairman Damron noted no action needed to be taken.

18. Adjournment

Motion: Director Waldman

Second: Director Fomalont

The motion passes by voice vote.