

**New Mexico Health Insurance Exchange
Board Meeting Minutes
Tuesday, December 23, 2014
PresbyterianHealthCare Services Auditorium
Albuquerque, NM
3:00 p.m. to 5:00 p.m.**

Board Members Present:

- Dr. J.R. Damron (via telephone)
- Secretary Brent Earnest
- Ms. Terriane Everhart (via telephone)
- Superintendent John Franchini (via telephone)
- Ms. Teresa Gomez (via telephone)
- Dr. Martin Hickey
- Dr. Larry Leaming (via telephone)
- Mr. Gabe Parra
- Ms. Patsy Romero, Facilitator
- Mr. Jason Sandel (via telephone)
- Mr. David Shaw (via telephone)
- Mr. Kurt Shipley (via telephone)
- Dr. J. Deane Waldman

1. Call to Order – Ms. Patsy Romero, Treasurer

The meeting was called to order at 3:02 p.m. Roll call was taken and a quorum was established.

2. Approval of the Agenda – Ms. Patsy Romero, Treasurer

Dr. Deane Waldman moved to approve the agenda.

Second: Mr. Gabe Parra

The motion passed by voice vote.

3. Chairman's Remarks – Ms. Patsy Romero

Ms. Patsy Romero thanked the CEO and the board for being able to convene on such short notice. She provided a brief overview of the discussions for today's board meeting with regard to the NMHIX future budget.

4. Discussions regarding 2015 budget, CEO Ms. Amy Dowd

Ms. Amy Dowd provided the following updates that occurred since the December 19, 2014 board meeting:

- Board asked Leadership Staff to develop a path forward as a result of recent grant decision by CMS
- Staff met Monday to discuss implications of grant decision and consider options to an updated plan for our SBM and next steps

Realities:

- The New Mexico Health Insurance Exchange path forward will change as a result of the CMS Grant decision
- There are many enhancements that may not be implemented
- Exchange will need to figure out how to address the approximately \$32 Million needed to continue on the current path, and assumes we eliminate enhancements
- Preliminary assessment indicates additional budget considerations are needed
- Taking a balanced approach to scale core technology functionality and exchange operations is recommended

Examples of Technology Enhancements that will not be implemented if we continue on current path:

- Consumer Decision Support Tools
 - Prescription Search Function
 - Provider Search Tool
 - Mobile Apps for iOS and Android Systems (such as document uploading)
- Adult Dental Functionality
- Broker Support Tools
 - Quote Generation
 - “Book of Business” Support
 - Employer Decision Support Tools
- Passive Renewal Process-Data Migration
- **Board Guidance needed on Plan**

Areas of Consideration to reduce costs:

- Marketing & Outreach
 - Media Buys (TV ads, Static Boards, radio re-distribution)
 - Vendor Services
 - Web Marketing Strategy
 - Enrollment Counselors
- Research
 - Behavioral Dynamics
 - Survey & Focus Groups
- IT Change Request
 - Defer Anticipated Spending
- SHOP Functions
- Individual Exchange Functions
- Technology Implementation
 - Work to reduce \$32M systems work
- Call Center
 - Geographic Location
 - SLA's
 - Staffing Ratios
- OSI MOU
- SHOP

Next Steps:

- Explore Alternative Options
- Incorporate Board Member's feedback from today's Meeting
 - Agreement/Modifications on Staff Recommended Areas of Consideration
- Quantify Potential Dollar Savings from Areas of Focus
- Refine '15 Budget
- Request Meeting with CMS to propose path forward

The following topics were discussed amongst the board with regard to Ms. Amy Dowd's report:

- Preliminary discussions with vendors have begun.
- Technology vendor discussions have begun. There are no concrete numbers yet. Vendors are willing to engage in discussions to reduce costs.
- IT costs driven by time-frame will take a lot of people to complete, which will drive the costs up. More flexibility from CMS will be needed to accomplish.
- CMS believes that it can be accomplished with current funding. Staff expressed less confidence in this due to CMS requirements.
- Freeze funds where possible until a plan can be developed.
- Staff conversations with CMS are critical to discuss a review of the grant application and its results. Ms. Dowd will request a summary of the specified areas of deficiency in the grant application.
- CMS is encouraging partnering with other states. These options can be explored, but each state has different requirements
- OSI will request a third party review of NM's grant application.
- Superintendent John Franchini suggested renting the FFM technology for New Mexico. He suggested looking into establishing a contract or MOU. Dr. Martin Hickey indicated that renting the FFM technology for Individual would mean that time would be a benefit. Would there be migration issues? He estimated the cost to New Mexico would be \$5M to \$6M alone to migrate the data based on experiences of other state-based exchanges.
- State-based exchange testing and implementation concerns
- Legislative Support

Staff will provide more in-depth information to the board at its board meeting on January 9, 2015 and incorporate information from today's meeting. The staff will bring forth recommendations on the budget and updates on conversations with vendors, CMS and HSD.

5. Consideration and possible action on spending reductions and budget

The following topics were discussed with regard to the decision regarding the relationship with NAPPR:

- Planning
- Scaling back on enrollment counselors
- The walk-in center and related lease
- The approval of any contracts until staff has had the opportunity to review all contracts and position is clarified

- Procurement vs. Extension
- Termination provisions contingent on availability of funds

Dr. Deane Waldman moved to enter into a new contract with NAPPR from January 1, 2015 through March 31, 2015 not to exceed \$450,000.

Second: Dr. Martin Hickey

The motion passed unanimously by voice vote.

6. Adjournment

Dr. Deane Waldman moved to adjourn the meeting.

Second: Ms. Patsy Romero

The meeting adjourned at 4:29 p.m.