

NMHIX	Board Meeting May 16 from 8:00 am to 12:00 pm CNM Workforce Solution 5600 Eagle Rock Albuquerque, NM				
Facilitator:	Dr. J.R. Damron				
Appointees Required by State Statutes:	Superintendent of Insurance John Franchini, Santa Fe NM Human Services Department, Cabinet Secretary Sidonie Squier, Santa Fe				
Governor Appointees:	Dr. J.R. Damron, Santa Fe Gabriel Parra, Albuquerque Ben Slocum, Albuquerque				
Legislative Appointees:	Teresa Gomez, Albuquerque (Conference call) Dr. Martin Hickey, Albuquerque Dr. Larry Leaming, Portales (Conference call) Patsy Romero, Santa Fe (Conference call) Jason Sandel, Aztec David Shaw, Lovington				
Absentees:	Terriane Everhart, Las Cruces; Dr. J. Deane Waldman, Albuquerque				
Quorum:	Yes				
Attachments:	1. Agenda; NMHIX agenda				
Agenda Topics:	Call To Order/ Review of Agenda JR Damron				
Discussion:	Conclusions:	Action Items:	Responsibility:	Due:	
-Meeting called to order at 8:04 am by Dr. J.R. Damron. Introductions -Welcome remarks and thanks from Dr. J.R. Damron to the general public, members of advocacy group; members of the press, and board members. -Until the Exchange has a web-site; and there is information the public would like to share with the board, please submit all information to Dr. Damron for distribution to the board. -Minutes from April 29-30 tabled until tomorrow -Review of the Agenda					

Agenda Topics:	Standing Committees Reports			
Discussion:	Conclusions:	Action Items:	Responsibility:	Due:
<p><u>Marketing, PR and Outreach Committee by Dr.Hickey</u> Members of the committee consist of: Mr. Parra; Secretary Squier, Mr. Shaw, Terriane Everhart and Celia Ameline; she was HIA chair of this committee. The committee met and reviewed the grant application submitted to CCIIO yesterday; the grant does properly address the issues. Review targeted population; there are about 200 to 280 thousand individuals uninsured below 138-400 % FLP in the state. However, the program is also for small groups and underinsured, bringing a potential of 600 thousand individuals to the program. The unknown is how many we will insure the first year. Challenge, is why people should spend the money to get insurance. Reviewed the importance for education throughout the entire state, despite that the highest concentration of the uninsured is in the southern and northwestern part of the state. Talked about stakeholder; potential helpers and current avenues to learn and educate in NM, such as brokers, hospitals, advance practices, federal qualifying health center, chambers and ACI, native American center. Committee will reach out to all those organizations, possibly through an RFI or other formatted way to obtaining their information. Navigator and assistors will be discussed on the next meeting after attending a state organization meeting for marketing in Denver next week. There is a marketing RFP draft with lots of activities including focus group and polling; the future logo also will be delegate to the marketing experts. Call center is required by law and a RFP will be created.</p> <p>The committee would like to have two motions:</p>		<p>Motion to give the marketing committee the authority to move forward with RFP once finished. First Mr. Slocum Second Mr. Sandel</p>		

<p>1) Give the marketing committee the authorization to release the RFP once finished.</p> <p>2) Give the marketing committee to authorization to have a stakeholder Outreach manager to help organize the marketing efforts.</p> <p><u>IT Committee by chairman Ben Slocum</u> The committee consists of Secretary Squier, David Shaw, Celia Ameline, Robert Drelick, John Adkins, Sean Pearson, and Aaron Ezekiel. An independent advisor company was brought in to study the overall process as of today for the IT RFP and PM RFP. Cambria Solution has advised the committee that the process was fair and consistent. The committee met with both IT and system integration companies to look at the options; we reviewed the state base model, hybrid model and federal model. The committee will give a full recommendation tomorrow; the tendency is the hybrid model; this model has some tools that make it easier to enroll and educate. The companies under review are Deloitte and Get Insured. Also reviewed was the Program Management firm called Public Consultants Group PCG</p> <p><u>Native American Committee by J.R. Damron</u> The committee has not yet met at this time. A meeting will hopefully be scheduled for next week.</p> <p><u>Finance, Operations and Benefits committee by Gabriel Parra.</u> Discussion on the 20 million grant to CCIIO looked at preliminary staffing model and Operating budget. Also, there was discussion on the Financial Institution First National Bank of Santa Fe to continue initially for the Exchange, unless the board objects. The majority of the time was spent on NMHIA issues.</p>		<p>Motion to give authorization to the marketing committee to hired a stakeholder outreach manager First: Mr. Sandel Second: Secretary Squier</p> <p>Motion to bring legal representation to this board right away. Publish and advertise this position as soon as possible. First: Jason Sandel Second: Ben Slocum</p>		
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<p>We have the Alliance audit and the assessments to approve as a board. Those will be discussed later in the agenda. Regarding legal representation, the committee did not spend time on this.</p>				
Agenda Topics:	Advisory Committee			
Discussion:	Conclusions:	Action Items:	Responsibility:	Due:
<p>Advisory committees have not been set up due to the concentration on the new standing committees. It is important to the board to have these advisories as soon as possible. It is expected to have them by the end of May or first week of June.</p>				
Agenda Topics:	Level One Grant Application			
Discussion:	Conclusions:	Action Items:	Responsibility:	Due:
<p>Thanks to all the staff and participants for getting the grant out yesterday. Robin Hunn, Mike Nunez, Secretary Squier, Ms. Pool, Mr. Kennicott, Mr. Sanchez. DOI Supt. Franchini, Aaron Ezekiel, and Mrs. Reid. This is a 20 million grant for Marketing PR and Marketing activities. The funds will be hosted by HSD. The funds will be transferred to the exchange for its operation once the exchange is set up with tax id and bank accounts.</p>				
Agenda Topics:	2012 NMHIA audit			
Discussion:	Conclusions:	Action Items:	Responsibility:	Due:
<p>Alliance Audit by Laurel Shelton with REDW Exhibit 1) auditor's report and 2) management letter. A detailed report was given on May 9th to the finance committee. Overall the alliance has an unmodified opinion which is the best given. All financials were presented to committee as well as notes to the financial statements. Notes regarding the extra grant funds received are made on page 6 of financial draft. Showing deferred grant revenue of 1.6 million received December 31, 2013. Comments about closing up the Alliance and how</p>		<p>Motion to accept 2012 NMHIA audit by Exchange board First Jason Sandel Second Gabriel Parra</p>		

those assets are going to be transferred; the statute only refers to the contracts relating to the development and implementation of the Exchange.																												
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<table border="1" data-bbox="71 282 844 704"> <thead> <tr> <th colspan="2" data-bbox="71 282 844 319">2012 Claim & Administration Expense Assessment</th> </tr> </thead> <tbody> <tr> <td data-bbox="71 319 646 357">Total Earned Premium</td> <td data-bbox="646 319 844 357">\$ 19,702,582</td> </tr> <tr> <td data-bbox="71 357 646 394">Total Paid Claims</td> <td data-bbox="646 357 844 394">\$ 23,642,239</td> </tr> <tr> <td data-bbox="71 394 646 431">Reinsurance Premiums withheld</td> <td data-bbox="646 394 844 431">\$ 2,173,953</td> </tr> <tr> <td data-bbox="71 431 646 469">Total Claims + Reinsurance</td> <td data-bbox="646 431 844 469">\$ 25,816,191</td> </tr> <tr> <td data-bbox="71 469 646 506">less 75% of Earned Premiums</td> <td data-bbox="646 469 844 506">\$ (14,776,937)</td> </tr> <tr> <td data-bbox="71 506 646 544">Total Claim Assessments</td> <td data-bbox="646 506 844 544">\$ 11,039,255</td> </tr> <tr> <td data-bbox="71 544 646 581">Less Reinsurance Collected</td> <td data-bbox="646 544 844 581">\$ (2,173,953)</td> </tr> <tr> <td data-bbox="71 581 646 618">Net Claim Assessments</td> <td data-bbox="646 581 844 618">\$ 8,865,302</td> </tr> <tr> <td data-bbox="71 618 646 656">Administrative Fee Assessment</td> <td data-bbox="646 618 844 656">\$ 710,300</td> </tr> <tr> <td data-bbox="71 656 646 693">Allowance for uncollectible Assessments</td> <td data-bbox="646 656 844 693">\$ 35,000</td> </tr> <tr> <td data-bbox="71 693 646 704">Total 2012 Assessments</td> <td data-bbox="646 693 844 704">\$ 9,610,602</td> </tr> </tbody> </table> <p data-bbox="71 743 844 813">Statutorily the carriers need to be informed by May 15 and they need to be paid by June 15th</p>	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	Historical Alliance assessments will be provided to NMHIX board members on June 7 th meeting.	Motion from NMHIX Board to approved the NMHIA 2012 assessments of 9.2 million. First Gabriel Parra Second Supt John Franchini. Amended; Subject to revision by June 7 th meeting after obtaining more information from NMHIA by Jason Sandel		
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<p data-bbox="71 907 844 977"><u>Items for discussion from April meetings by Jason Sandel.</u></p> <p data-bbox="71 977 844 1237">NMMIP has operating the Federal Pool for a couple years and enrolled 1500 to 2000 people. NMMIP budgeted for only 800 lives. Recently NMMIP received information from the Federal government asking to cap potential losses. The new contract in 2013 is by quarter and not annually as before, changing the cost for this program and the state.</p> <p data-bbox="71 1276 844 1492">NMHIX board should be aware of the current negotiations that the state is having with the Federal Government in regards the Federal Pool Program. The concerns are contract and promises from the federal government to the Exchange based on current history with NMMIP.</p>	June 7 th meeting will include an extensive discussion for the NMMIP and the transition of those lives to the Exchange.																											

<p>-Another item is to know when the decisions are going to be made during a board meeting, and we would like to include those procedures on our plan of operation.</p> <p>-Board should have a discussion and make some decisions on how this board will operate and conduct business under the following:</p> <p>-Committee meetings considered to be open to the public.</p> <p>-Board should be aware about email regarding any official business as this board is under the inspection of Public Records Act.</p> <p>-Board should be aware of not conducting business while getting together informally and unintentionally forming a quorum.</p> <p>-Board members should also be aware of rolling quorum.</p> <p>This occurs when the body takes action or discusses public business through sequential communications among the members outside of a public meeting.</p> <p>-Proxy discussion is also very important.</p> <p>-Public Regulation commission filling necessary or not for the Exchange.</p> <p>-Protection for board members to consider DNO insurance.</p> <p>-would like to have some consideration to form a sub-committee of the board that can help with all this issues and compensation.</p>		<p>Motion for an establishment of an executive/ compensation committee by Mr. Slocum Second Secretary Squier</p>		
Agenda Topics:	IT model system discussion by Mr. Slocum			
Discussion:	Conclusions:	Action Items:	Responsibility:	Due:
<p>Decisions are going to be made tomorrow about Integration organization and IT vendors.</p> <p>Guidance regarding evaluation was taken by leading organization in the business.</p> <p>The options are a full state exchange; hybrid model which will allows us to manage the SHOP portion and the federal model will take the individuals; or the third</p>				

<p>option is the federal model; where all activities will be manage under a federal platforms until 2015; then the system will be operated by the State. Everything is attached to cost and for now the option of a SHOP exchange and then utilize the federal for individual is the most adequate. Concerns about federal platforms for the individual population. Two major programs in the State will start at the same time; Centennial care and Medicaid expansion. The studies were not done in isolation, lots of states and companies were brought up to the state looking for options; including the exchange in the box.</p>	<p>Agenda item expansion of Medicaid and what the system and program can do or cannot do.</p>			
<p>Agenda Topics:</p>	<p>Public Comments</p>			
<p>Discussion:</p>	<p>Conclusions:</p>	<p>Action Items:</p>	<p>Responsibility:</p>	<p>Due:</p>
<p>-Transparency; opening the committee meeting to the public, release the agendas and material to the public. -Regarding standing committees; would like the board to discuss in detail what the board needs and wants. -Encourage a discussion about the Native American center and have a liaison in place soon. -IT system and the hybrid recommendations. The risk of having thousands of people lose their federal tax credit and co-sharing subsidy for 2014 is too high if the system does not work. Also, to train all the assisters in the state platform and federal platform will be complex. Less expensive will be to integrate the systems later on. Have the state to work for a full state exchange model now and borrow the federal platform until then. We will have the experience from other states that are moving forward now.</p>				
<p>Agenda Topics:</p>	<p>Adjourned</p>			
<p>Discussion:</p>	<p>Conclusions:</p>	<p>Action Items:</p>	<p>Responsibility:</p>	<p>Due:</p>
<p>A conference call is scheduled with CCIIO AT 1:00 pm today. Tomorrow board meeting is at 9:00 am</p>		<p>Move to adjourned by Dr Damron second Mr. Slocum.</p>		