

beWellnm  
NEW MEXICO HEALTH INSURANCE EXCHANGE  
CNM Work Force Training center at 5600 Eagle Rock Ave NE, Albuquerque, NM 87113.

**MINUTES OF THE BOARD OF DIRECTORS MEETING  
VIA TELECONFERENCE/ In-person  
Friday, MAY 20, 2022, 8:30 A.M.**

**BOARD MEMBERS:**

Chairman David Shaw  
Brandon Fryar  
Dan Foley  
Terriane Everhart  
Dr. Mark Epstein  
Patsy Romero  
Nicole Comeaux  
Dr. Nandini Kuehn  
Superintendent Toal  
Teresa Gomez

**ABSENT:**

Quinn Lopez

Minutes taken by Mary-Margaret Scrimger of Minutes Solutions Inc. from a recording.

**1. CALL TO ORDER**

There being a quorum present, and the Directors having been given adequate and proper notice of the meeting, the meeting was called to order.

**2. APPROVAL OF THE AGENDA- Chairman David Shaw**

**Motion:** Director Gomez  
**Second:** Superintendent Toal  
**The motion passed unanimously.**

**3. APPROVAL OF THE MINUTES of the March 18, 2022; March 28, 2022 and the April 28, 2022 beWellnm Board Meetings- Chairman David Shaw**

**Motion:** Director Romero  
**Seconded:** Superintendent Toal  
**The Motion passed unanimously.**

**4. CHAIRMAN'S REMARKS- Chairman David Shaw**

Chairman David Shaw thanked the team for their hard work during these challenging times. He noted that Heather Korbolic is creating an RFP for the CEO search. At this point, there has not been a press releasing announcing that Heather Korbolic has joined the team. The governor's office has been advised of this change in staff.

## 5. **MATTERS FROM INTERIM MANAGEMENT/CEO- Heather Korbolic, GetInsured**

Heather Korbolic has been getting settled and getting to know the company. Heather Korbolic has a good understanding of New Mexico, although she currently lives in Nevada.

Heather Korbolic has worked in health care as an ombudsman for long term care facilities. This is where she began her education on the power of policy. She then became the COO for the Nevada Exchange, which was after there was a failure to implement a statewide exchange. This was resolved using the federal platform and she became the director of the exchange. She facilitated the move away from Healthcare.gov.

During the pandemic, the Nevada governor asked her to run the department of unemployment. This was when the unemployment rate went from 3% to approximately 30%. This was an interim position and once unemployment was addressed, she returned to the exchange for the implementation of ARPA. She then went on to become the policy director for the governor.

Heather Korbolic sees herself as a service provider, someone who removes barriers to allow people to do their job. Her approach to engagement in New Mexico is to use data. She manages through accountability. She expects people to do what they say and abide by their contracts. She leads through transparency.

Heather Korbolic sees her role in four parts.

1. **Operations:** To provide staff with the tools, systems, and processes to be successful. This will include reviewing KPIs, contracts, SLAs, budgets, etc., and finding efficiencies.
2. **Unwinding the Public Health Emergency (PHE):** There has been an official notification for the extension of the public health emergency. There is an assumption that the extension will be held until October 15, 2022. Terminated files will be received by the exchange on November 1, 2022. Heather Korbolic noted concern for individuals, payment, and strain on resources. This will put some stress on the Medicare system in November 2022. This aspect may be delayed based on political considerations, such as the election. There are concerns about multiple messages being communicated to consumers.
3. **Implementation of the Healthcare Affordability Fund:** Heather Korbolic noted that this implementation is connected to the extension of the American Rescue Plan. Heather Korbolic is concerned that notices regarding increased premiums will go out, then the American Rescue Plan will be extended, which will cause confusion. She noted that there are risks associated with eligibility rules, which are being considered based on ARPA. There is a robust testing plan in place. There will be significant time to test before going live.
4. **Open Enrollment Readiness:** It is clear that beWellnm has assessed a number of pain points from a turbulent roll out. Heather Korbolic will review the challenges and address them; starting with the items that impact the most people and are the most severe. While enrollment is important and the metric for success, she would like to

ensure that the consumer experience is good. This will drive up enrollment. There will be the intent to reduce calls and allow for self-service.

Additionally, Heather Korbolic noted that consumer and stakeholder confidence will need to be increased. She believes working with transparency will help increase trust. More information regarding the challenges, plans to resolve them, and implemented solutions will be presented in the July 2022 meeting.

There will be a request for the fiscal authority to resolve and respond to items required correction regarding consumer needs during open enrollment. These will be a request for authority, not to exceed a specific amount, and it is anticipated that savings will be found. Data will be used to find automated solutions. Manual interventions are expensive and will be reduced.

Heather Korbolic has been working with the CFO and the Operations Officer, and reviewing contracts and the dynamic needs for the end of the PHE. She will ensure that the Board is provided with status reports at each meeting.

There was discussion regarding the limited resources and comparison to other state exchanges.

**a. Matters from the Finance Committee- Brandon Fryar, Treasurer**

Steve Montoya, RedW LLP, presented the audit summary. Over 300 hours were put into reviewing the financials. RedW LLP thanked staff for assisting in this project. For the financial statements, an unmodified opinion will be provided. What this means is that it is a clean opinion and is the highest level of assurance that can be given. There were no material weaknesses or control deficiencies to report.

John Rothweiler presented the financial statements. Assets have increased over the last three years, at \$29.5 million. Liabilities have increased due to the implementation of the insurance exchange. There has been a decrease in net position, driven by the difference between revenue and expenses.

Cash and cash equivalents are the largest assets. There has been a significant increase in the last year. Liabilities have an increase in accounts payable, this is due to invoices that were not paid at year end. Premiums due to carriers has drastically increased by approximately \$6.2 million. This is due to the open enrollment and premiums due to the carriers.

Operation revenues decreased by approximately three million. Revenue is down due to carrier assessment. Operating cost had a loss, due to the implementation of the exchange. The federal platform user fee has been consistent year to year. Technology and project management increased significantly due to the spend on the individual insurance exchange. All other expenses were relatively consistent. With the exchange moving from a state-based exchange that uses the federal platform to a fully state-based exchange, the federal platform cost will be eliminated.

The liquidity ratio, which is current assets divided by current liabilities, is 2.5. This means there is approximately \$2.50 of current assets for every \$1.00 of liabilities. Days cash on hand is 183, which is how long the business can last without any revenue.

**Motion: Move that the Board accept the financial statement audit and the 2021 CMS programmatic agreed upon procedure report.**

**Motion:** Director Romero  
**Seconded:** Director Fryar  
**The Motion passed unanimously.**

There was a request to compare the exchange to other state-based exchanges.

**b. MATTERS FROM THE NATIVE AMERICAN STANDING COMMITTEE- Teresa Gomez, Chair**

Maureen Manring noted that 30 appointment cards have been collected, which can drive enrollment, and this is continually being monitored. A co-partnered letter from beWellnm and Teresa Gomez has been sent to various tribes. There has been outreach for one-on-ones with Native American tribe leaders.

**c. MATTERS FROM THE OUTREACH AND EDUCATION COMMITTEE- Mark Epstein, Chair**

Maureen Manring noted that as the year continues there will be a better understanding of enrollment, and special enrollment periods are being monitored. There are almost 4,000 new applications that have been created between February 2022 and April 2022. Approximately 85% of applications converted to enrollment, which is 3,363 medical enrollments and 1,044 dental enrollments.

With the PHE unwinding, the projections show that approximately 92,000 New Mexico residents will no longer be eligible for Medicaid. However, approximately 60,000 of these people will roll into employment medical coverage. There are approximately 26,000 that could be a marketplace opportunity.

There was discussion regarding strategy to reach these individuals. It is also important to ensure that individuals are educated regarding their Medicare lapsing and providing care providers with information for individuals who become aware of this in their office.

There is an opportunity in that specific individuals who can be identified and there will be a direct connection to these individuals going to market for healthcare. There will be calls, postcards, letters, and clinics to advise these individuals. There was concern that contact information is stale and additional communication methods are required.

Dan Foley noted concern about setting high expectations for conversions. Heather Korbolic agreed and felt that appropriate numbers need to be presented. She will discuss with other exchange directors regarding conversion rates.

There was a request to solidify the plan to increase enrolment, as the plan is not currently available in detail. Heather Korbolic noted that there is only so much that technology can do to increase enrollment. There needs to be a human connection, such as community groups like churches and door-to-door action. Historically, the Board has been disappointment with enrollment numbers. There was a request to look at these challenges from a fresh perspective.

The Board discussed the challenge of individuals losing their Medicare coverage. There are many unknowns in the political sphere, such as when Medicare coverage ends, elections, ARPA, and the potential actions of congress.

Maureen Manning noted that they are looking at a system that will track all activities in one central hub. This system will provide a more personal experience for consumers. This system will allow the leadership and marketing team to track messages, such as e-mail bounce back, texts being read, etc.

The Native American community is an untapped market that could be fruitful.

**d. MATTERS FROM THE OPERATIONS COMMITTEE- Dan Foley, Chair**

Brett Earnest noted that there are system improvement changes that will allow consumers to access their account with more ease and improve account transfers. Preparations for open enrollment and Medicaid unwinding are occurring. There has also been a change request to staff the Consumer Engagement Center to prepare for open enrollment.

There is a health care affordability fund request for changes, such as the design phase, which was already approved, the implementation phase, and changes to the SHOP platform to provide 10% premium reductions. This is for small employers and will be implemented June 1, 2022. Payment by interactive voice response is being investigated.

CEC Staffing will consider appropriate training and ensuring the excellence of interactions. With the call center, dropped calls and tracking quality of interactions were previously problematic, and further analysis is required. Costs are a consideration. Heather Korbolic noted that she needs more information before making a decision but agrees that the telephony system needs to be integrated. Every call center in the country is struggling with hiring and retaining high quality staff.

Brent Earnest discussed phase two, the build phase. There will be additional state funding for consumers to lower their premiums, which will also lower out of pocket costs such as deductibles and cost sharing. For those eligible, the PHE fund would lower the cost. The cost for all these changes would be approximately \$3.1 million. This estimate was just received and needs to be evaluated in depth before confirming the amount.

Heather Korbolic noted that testing is a sensitive area for her, and she is adamant about having enough time to test appropriately. When eligibility changes, it touches on all points and significant regression testing is needed. There was discussion regarding ensuring that contracts ensure vendor responsibility and accountability for changes if the system does not work or has glitches. Specific benchmarks will be required.

Regarding the SHOP platform, the 10% discount will be integrated. The rate discount and the removal of True Health from the process goes into effect June 1, 2022.

**Motion: Move that the Board approve the budget increase in an amount not to exceed \$5,508,049 for the implementation of new functionality for the Health Care Affordability Fund and for resourcing the Customer Engagement Center through to January 2023.**

**Motion:** Director Everhart

**Seconded:** Director Romero

**The Motion passed unanimously.**

**e. DISCUSSION AND POSSIBLE ACTION ON ELECTION OFFICER TERMS**

The bylaws require three officers: chair, vice-chair, and treasurer. Terms are three years and officers can have two consecutive terms. It was recommended to keep the current individuals in place.

**Motion:** Move that the Board accept Chairman Shaw's proposal to keep the current Board officers in their current positions.

**Motion: Director Romero**

**Seconded: Director Everhart**

**The Motion passed unanimously.**

## **6. BRILJENT PRESENTATION**

Superintendent Toal noted that the Board requested a few months ago that project managers be brought onto the team as independent contractors and to ensure that individuals are involved, and Brilljent has been brought on to fulfill this requirement.

Paul Brannan from Brilljent addressed the Board. He explained that regular meetings have been established since the beginning of the cooperation, including one that includes all stakeholders. There are also HSD PHE communication meetings, HSD/beWellnm MCO collaboration meetings, HSD/beWellnm PHE planning meetings, Medicaid advisory committee meetings, and beWellnm screen design meetings. Onsite meetings have occurred with Get Insured, OSI, HSD, and beWellnm in multiple areas.

Overall, the observations are that there is significant awareness about the issues surrounding open enrollment. Optum is actively working to address open enrollment issues, and the GetInsured staff appear to have the skills and experience needed to increase engagement.

There are risks and concerns regarding the uncertainty of the PHE end date, turn over between Medicaid and beWellnm, coordination of outreach efforts, outreach and training for beWellnm, Call center staff, internal beWellnm communications, auto renewals, and contract management by beWellnm.

## **7. AGENCY REPORTS**

The superintendent noted that the role of the state in insurance coverage is unknown. This should be addressed politically in the next year, as it is not advantageous for public health. During the pandemic, there has been an increase in coverage for people who have never been covered before.

Nicole Comeaux noted the guiding principle of continuity of coverage but that there is also a fiscal responsibility to the state. The renewal of federal authority is for five years, which is coming to an end in 2023, and that the renewal must be submitted by the end of 2022. There has been robust discussion regarding this.

## **8. Public Comment (1-2 minutes/participant)**

There were no comments.

## **9. Other Board Business - Directors and Heather Korbolic, Interim CEO**

There were no comments.

## **10. Next regular beWellnm Board meeting: July 15, 2022, location to be determined**

## **11. ADJOURNMENT**

**Motion:** Superintendent Toal

**Seconded:** Director Gomez

**DISCLAIMER**

The above minutes should be used as a summary of the motions passed and issues discussed at the meeting of the members of the Board of the New Mexico Health Insurance Exchange. This document shall not be considered a verbatim copy of every word spoken at the meeting.

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Director

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Date

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Director

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Date