

Insure Montana Board Meeting Minutes

April 11, 2014

Board Members Present via Telephone Conference Call: Tim O'Leary, Katherine Buckley-Patton, David Kendall

Board Members Present: John Thomas, Susan Witte, Claudia Clifford, Carol Roy

Guest Speakers: Jennifer McKee, Communications & Policy Director for the Commissioner of Securities & Insurance, Ginger MacDonald, Key Account Consultant, Blue Cross and Blue Shield of Montana

Insure Montana Staff Present: Jill Sark, Ecco Edwards, Mike Paterson

Interested Parties Present via Telephone Conference Call: Malinda Shafman, Daren Engellant

John called the meeting to order at 1:03 p.m.

Board Member Update: Jill gave an update on the status of Board member terms. The Commissioner currently has a vacant position on the Board that represents the small business community. David Kendall's term ends June 2014. All other members' terms end in 2015 and 2016.

Meeting Minutes: John asked if there were any suggested changes to the December 2013 meeting minutes. No changes were suggested. Katherine motioned to accept the minutes as written, Tim seconded her motion. There was no public comment. All members voted in favor of accepting the minutes as written.

At this point John had to leave the meeting and turned it over to Susan Witte, Vice Chair.

ACA Update: Jennifer gave an update on the Affordable Care Act (ACA). She said at this time the full impact is unknown as they are waiting on final reports from CMS. As of the end of February, 23,000 people in Montana had applied for health insurance coverage through Healthcare.Gov. She said it is unknown how many of them were uninsured or how many lives will be covered. She said the number of children that applied for Healthy Montana Kids (HMK) or how many people applied for Medicaid through Healthcare.Gov is also unknown. She hopes to have more data in about a month. She said they will be asking if people like the coverage they have now.

Jennifer reported that the CSI Communications team has been working on revamping the MontanaHealthAnswers website to reflect post-open enrollment issues.

Susan asked if they tracked how many accessed coverage through a navigator and if the voice of people that had a good experience would be distributed. Jennifer said they are gathering information regarding the experiences of those applying for the ACA.

Claudia asked about small group market data. Jennifer said it has taken a longer time to get any data since small businesses had to apply with paper applications. She was asked when the SHOP Exchange would be functional, she anticipated maybe next year but it is really unknown at this point.

Claudia asked if there might be a proposal for a State Exchange. Jennifer said likely not since there is no more federal funding available to get an Exchange started.

David had an idea to find agents that would be willing to compare small group health plans with individual health plans for employees of small businesses.

Katherine asked if there will be any outreach regarding qualifying events and any outreach to American Indians. Jennifer said that CSI staff have visited all reservations in February and March. The MontanaHealthAnswers website will have information for specific types of outreach and more will go out to the public in the near future.

Budget and Statistics Update: Jill reviewed the current budget and statistics. She also included the number of employees within each Federal Poverty Level span. Tim asked for clarification of the Premium Assistance Payment Percentage. Jill explained that the employee assistance is based on a percentage of their out of pocket premium cost. The Premium Assistance Payment Percentage is determined by the employee's Federal Poverty Level which is determined by their household income and household size. For example, if an employee's FPL is between 200 – 249%, his Premium Assistance Payment Percentage is 70% of his out of pocket premium cost.

Vision Exam Update: Jill provided the data of exams completed and the budget tracking document. Tim asked what monthly amount was (for example, January was \$17,472) and Jill explained that was the cost of the monthly premium for the employees which is \$11.20 per employee per month. The plan covers the employee and his enrolled spouse and dependents.

RSR Account Balance Report: Ginger reported that the RSR account balance is estimated to be \$1.57 million. It should be finalized and approved next week. David asked for a history of the account. Ginger will bring that to the next Board meeting. Jill said she will also include a meeting agenda item to discuss how to spend the remaining funds in the account.

Closed Businesses Survey: Jill reported that Insure MT staff conducted a survey of the businesses that have left the purchasing pool and tax credit programs since October 2013. The survey was conducted during the month of March with a 30% response. The statistics kept during the January renewal period indicated that 7% of the purchasing pool businesses and 1% of the tax credit businesses dropped group coverage to purchase individual coverage through the Exchange.

David asked what the income levels of the employees are that dropped off the program. Jill will get that information for the next Board meeting.

Katherine asked for a comparison of the Insure Montana subsidy to the federal subsidy available through the Exchange. Jill will provide this at the next Board meeting.

Participating Businesses Survey: At the December 2013 meeting the Board asked Jill to have draft survey questions for discussion at this meeting. The survey was to be sent to businesses that remained on the program after open enrollment for the Exchange ended (March 31st). David asked that the survey ask if they compared more than rates but also did they compare the subsidies. It was also suggested to ask if they intend to do a comparison with the 2015 renewal. It was also suggested to ask what their plans are if the subsidy from Insure Montana ends.

Jill will send out an updated draft and ask for comments back in time to send out the survey May 1st. The survey will be available through the month of May and Jill will provide the results at the June meeting.

Insure Montana Future: Jill provided some ideas for the 2015 Legislative Session.

First, it is suggested to remove the limitation of the program offering only six group health plans. It was asked why the program had been limited to six plans. One reason was that the businesses enrolling in the pool were generally new to insurance so by limiting the number of plans it could avoid confusion and help them more easily find a plan that fit their employees' needs. Also, going forward, rates would be determined by the experience (loss ratio) of each plan. If there were too many plans it could result in very few people enrolled in a certain plan which could result in loss of credibility of the loss ratio. For example, if there was a plan with just a few people enrolled and one person had very high claims, the plan could have a very high premium rate in the upcoming year.

Second, it is suggested the code be updated to coincide with federal regulations in regard to waiting periods. Currently the code states that Insure Montana businesses can impose a waiting period up to 12 months but the federal regulations limit at 90 days.

Third, it is suggested that the language regarding a "pool" be removed since there is really no pool with the ACA rules. All small group plans are the same and Insure Montana no longer has its individual plans.

David stated that Utah took over the SHOP Exchange and that may be an idea for Insure Montana. It was mentioned that infrastructure may be an issue and also funding. David thinks the feds might be interested in funding this idea.

Other: Katherine said HMK had been working hard to enroll referrals from the Exchange. They enrolled 3,000 since the beginning of March with 9,000 overall.

Claudia said it would be nice to have Adam come to a meeting later this year. Jill will ask if he can come to the September 30th meeting.

The next meeting is scheduled for June 24th. Claudia will be unable to attend. Other Board members are asked to email Jill if they are unable to attend to determine if there will be a quorum.

Meeting adjourned at 2:43 p.m.