



Draft Health Industry Advisory Committee Meeting Minutes

Thursday, August 20, 2015, 2:30 – 5:00 p.m.
500 Stinson Boulevard NE, Minneapolis, MN 55413

Members in attendance: Reuben Moore – Chair, Forrest Flint – Vice Chair, Ken Bence, Samuel Boadu, David Dziuk, Stacey Ko, Jin Palen (sitting in for Jonathan Watson), Ghita Worcester; Kathryn Duevel – MNSure Board Member

Members not in attendance: Chris Johnson, Harlan Johnson, Melissa Larson, Andy McCoy, Heidi Michaels, Chuck Sawyer, Jonathan Watson

Staff in attendance: Aaron Sinner – Board and Federal Relations Policy Specialist, Marie Harmon – Communication Specialist, Stephanie Grisell – Digital Communication Analyst

Meeting Topics

Welcome – Previous Meeting Recap & Agenda Review

Reuben Moore, Chair

The meeting was called to order at 2:43 p.m. by Reuben Moore, chair. Reuben noted a quorum was not yet present.

Reuben thanked UCare and Ghita Worcester for the use of their facilities.

Board Update

Kathryn Duevel, Board Member

Kathryn Duevel provided a review of the previous board meeting. She noted that the counties presented an update, and that three wizards would be released later in the month. She also reported that MNSure's legal and compliance team presented on new language for appeals rules that need to be updated due to new state legislation and federal guidance. Kathryn also noted that Jin Palen from the Consumer and Small Employer Advisory Committee presented two recommendations and they were well-received.

Kathryn then reported that MNSure had signed a contract with Consumers' Checkbook to provide a consumer decision support tool that can be used by both individuals and SHOP enrollees.

Kathryn also spoke on the CEO search. She reported applications had closed, and around three dozen had been received. They are currently being narrowed down and vetted.

Kathryn then gave an update on the Market Development Work Group's three recommendations. The first has been addressed via the Consumers' Checkbook contract. The second, a letter to carriers concerning innovative plan design, has been mailed. The third, a process transparency map, is currently under development.

Open Discussion – Pulse Survey

Reuben Moore, Chair

Reuben asked Kathryn about her perceptions of the advisory committee leadership meeting that had taken place earlier in the month. Kathryn said that as MNSure matures, the role of the advisory committees will change and become further defined. Reuben said he is also interested in developing a more defined relationship with the board and a stronger process for developing recommendations. Kathryn advised having the committees talk about their method of feedback for the board during the upcoming joint advisory committee meeting.

Reuben suggested two agenda topics for the joint meeting: market growth and development, and actuarial value of plans at different metal levels.

Ken Bence suggested speaking about the financial stability of MNSure and ways MNSure can become a financially sustainable entity.

Ghita Worcester inquired about the new MNSure enrollment projections found in the MNSure budget. Kathryn reported that they were very conservative projections.

Forrest Flint asked what the break-even point in QHP enrollment would be for MNSure to be financially sustainable. Dave Dziuk noted that the original formula had 75% of MNSure's funding coming from QHPs, and the remaining DHS. Given the breakdown of private and public enrollments, that percentage breakdown has changed.

Samuel Boadu suggested a possible joint advisory committee meeting topic could be the development of a MNSure business plan.

Committee members discussed who to invite to the joint meeting that could present on actuarial value. Members named individuals that they would reach out to and invite. Reuben suggested having a panel to speak to the topic.

Committee members discussed the amount of ground they were hoping to cover in the joint meeting, and suggested that multiple joint meetings, or joint meetings on a semiannual or quarterly basis, could be worth pursuing.

Reuben suggested that the September joint meeting could focus on actuarial value, and that market growth and development could be saved for a later joint meeting, possibly in October. He noted that discussion could be more effective once MNSure has named a permanent CEO. Reuben said he would work with UCare and advisory committee members to schedule the September joint meeting.

Industry Updates & Adjourn

Reuben Moore, Chair

Dave raised the issue of how carriers fared in the individual market over the previous year and of the proposed rates for the following year. He noted that in the previous year, the individual market was about \$1 billion in revenue and before the financial shock absorbers, claims were about 140% that revenue. Shock absorbers covered about \$200 million, but this loss has led to the proposed rate increases for enrollment year 2016.

Reuben asked if last year had been an abnormal year rather than part of a trend. Dave said the individual market had previously been subsidized by the Minnesota Comprehensive Health Association (MCHA), and with previous MCHA enrollees entering the individual market, premiums would need to increase substantially. Dave reported rates need to go up 50% for a financially sustainable market.

Motion: Stacey Ko moved to adjourn. Dave seconded. All were in favor and the meeting adjourned at 3:45 p.m.