



MNsurance Board of Directors Meeting Minutes

Wednesday, March 6, 2019, 1 – 3 p.m.
81 East 7th Street, St. Paul, MN, 1st floor atrium

Participants in attendance: Phil Norrgard – Chair, Peter Benner, Martha Eaves, Commissioner Tony Lourey, Suyapa Miranda, Edgardo Rodriguez

Not in attendance: Kathy Sheran – Vice Chair

Staff in attendance: Nate Clark, Kari Koob, Aaron Sinner

Meeting Topics

Welcome

Phil Norrgard, Board Chair

The meeting was called to order at 1:03 p.m. by Phil Norrgard, board chair.

Phil read MNsure’s purpose: The purpose of MNsure is to ensure that every Minnesota resident and small business, regardless of health status, can easily find, choose and purchase a health insurance product that they value and does not consume a disproportionate share of their income.

Phil noted that Senator Kathy Sheran was unable to attend the day’s meeting.

Public comment

Luke Yarbrough offered public comment. Luke expressed concern regarding a traffic incident with board member Suyapa Miranda. He asked MNsure board members to be sensitive to their role as public figures.

Administrative items

Phil Norrgard, Board Chair

Approve January 16 meeting minutes

MOTION: Peter Benner moved to approve the draft January 16, 2019 meeting minutes. Martha Eaves seconded. All were in favor and the minutes were approved.

Strategy Work Group Update

Peter noted that the Strategy Work Group consists of Phil, Commissioner Tony Lourey and himself. He reported that the Strategy Work Group is meeting regularly via phone call to monitor the legislative session and the Governor's budget proposal.

Financials

Kari Koob, CFO

Edgardo Rodriguez introduced MNSure's proposed budget. He noted MNSure budgets based on current law. Despite the policy uncertainty because the legislature is in session, MNSure is required to submit a preliminary budget to the legislature by March 15 of each year.

Edgardo also noted that MNSure's expenditures show some unexpected increases due to recent information from the Centers for Medicare & Medicaid Services (CMS) that will require a different allocation of METS operations funding that moves additional costs onto MNSure's books.

Kari Koob, CFO, presented the [MNSure preliminary premium withhold revenue projections](#) and the [MNSure Preliminary Three Year Financial Plan](#).

Kari noted that the preliminary premium withhold revenue projections assume the expiration of reinsurance at the end of calendar 2019, as is true under current law. She noted the average premiums for enrollment years 2020 and 2021 are based on information provided by the Department of Commerce.

Kari noted the FY20 DHS reimbursement amount reflections MNSure's current cost allocation agreement with DHS. MNSure is still working with DHS to update the cost allocation plan for MNSure operations that support public program enrollees, and thus the amount of the DHS reimbursement might change.

Kari noted that the increased IT costs as a result of CMS's instructions for how to allocate METS IT costs will require MNSure find savings across most departments. She reported MNSure is finding opportunities to increase efficiency, including reviewing leased space costs and improving customer service and reducing appeals costs through the RRT program. Kari also acknowledged that lower service levels in some areas may result from having fewer available resources, which is why MNSure is finding ways to invest in critical activities to reach higher service levels.

Kari noted there are several legislative proposals that might impact MNSure if they become law. She noted any changes to current law that affect MNSure's budget will be addressed when the budget is finalized in summer 2019.

Edgardo noted that the preliminary financial plan includes the CMS allocation change, which could be construed as MNSure accepting that cost as something it needs to pay. He asked Nate Clark, CEO, to comment.

Nate reported that MNsure was working with its partners at DHS to understand the allocation change and doing due diligence to understand whether the allocation was proper. He noted that the March budget is preliminary, and that MNsure would have time to assess and determine whether those charges are properly MNsure.

Commissioner Lourey noted he would be supporting the preliminary budget, but wanted to acknowledge that there is a lot of uncertainty at this time of year. He noted MNsure would have a better understanding of enrollment, premiums and implications of the CMS cost allocation changes on both IT operations and development by the summer approval of the final budget. He noted DHS plans to be a good partner and understood this budget is preliminary.

MOTION: Edgardo moved to approve the preliminary three-year financial plan for fiscal years 2019, 2020 and 2021 as presented and discussed. Commissioner Lourey seconded. All were in favor and the motion was approved.

CEO report

Nate Clark, CEO

Nate reported that since November 1 and as of end of day March 3, MNsure had enrolled nearly 336,000 Minnesotans. This includes over 127,000 QHP sign-ups, over 139,000 Medical Assistance applicants and nearly 38,000 MinnesotaCare sign-ups.

Nate reported that the Governor had released his proposed budget on February 19, which included a few items involving the individual market and MNsure.

First, the budget included a 20% premium subsidy beginning in plan year 2020 to provide targeted relief for Minnesotans buying qualified health plans (QHPs) through MNsure who do not receive federal advanced premium tax credits. MNsure would be in charge of administering this program.

Second, the budget included a state-based tax credit beginning in plan year 2021, also targeted to Minnesotans buying QHPs through MNsure who make over 400% of the federal poverty level and thus too much to receive federal tax credits. MNsure would work with the Department of Revenue to administer this program.

Third, the budget included a ONECare MinnesotaCare buy-in proposal, which would be available beginning in plan year 2023. DHS would be taking the lead on this one, which would be offered in MNsure's marketplace like a QHP.

Nate also reported that MNsure is reviewing feedback from staff and from assister partners to assess how to improve for the next open enrollment period. He noted that phase two of the GetInsured project would be in place in fall 2019, which includes bringing new technology online for the consumer shopping and enrollment experience.

Nate thanked MNsure staff for their hard work.

IT and Executive Steering Committee update

Greg Poehling, MNIT

Greg Poehling of MNIT presented slide 11 of the [slide deck](#).

Greg noted there had not been a release since the board's previous meeting in January. He reported that the next scheduled release was the spring release, which was on track to deploy as scheduled the weekend of April 7.

Greg reported that the summer release was also on track. He noted the items with the greatest benefits to MNsure included the Notices and Defects projects.

Greg noted there had been some delays in GetInsured development testing, but that they presented minimal to no risk, and that unit testing by the development teams had continued with no impact to the schedule for major testing. He noted MNIT development was largely complete.

Martha asked about Unique Person ID project slated for the winter release. Greg explained that sometimes a person will create a second account and the system won't recognize that the person already has an account in the system, creating a duplicate ID. He noted consumers, county caseworkers, MNsure workers and assisters would all benefit from the project.

Edgardo asked the consequences of more limited development testing. Greg reiterated that it created minimal to no risk. He noted it was a difference of whether the testing was done individually by developers or after the code had been integrated with the rest of the system. He noted most of METS development has not had time for development testing. He said MNIT's development manager was comfortable with the status of the testing.

Suyapa asked if MNsure would be communicating the GetInsured transition when the new technology would go live. Nate reported that MNsure was developing a communications plan and will be sure consumers and assisters all are aware of understand the change.

New business

Phil Norrgard, Board Chair

Martha asked if there were updated statistics related to Minnesota's uninsured rate. Board members noted that the Department of Health's Health Access Survey is only published every other year, so new numbers would not be available until spring 2020. However, the Census Bureau publishes numbers annually that provide a sense of how Minnesota compares to the rest of the nation.

Adjourn

Phil moved to adjourned. There were no objections, and the meeting adjourned at 2:02 p.m.