



Health Industry Advisory Committee Meeting Minutes

Tuesday, January 21, 2:30 – 5:00 p.m.

UCare, 500 Stinson Boulevard NE, Minneapolis, MN 55413

Members in attendance: Jonathan Watson – Chair, Ghita Worcester – Vice Chair, Kate Johansen (sitting in for Ken Bence), David Dziuk, Forrest Flint, Carl Floren, Ellie Beaver (sitting in for Matt Flory), Christopher Johnson, Harlan Johnson, Heidi Mathson, Andy McCoy, Chris Rofidal, Chuck Sawyer, Kathryn Duevel – Board Liaison

Members not in attendance: Ken Bence, Samuel Boadu, Kyle Bozentko, Matt Flory, Reuben Moore

Staff in attendance: Aaron Sinner – Board and Federal Relations Director, Debby Dill – Board and Federal Relations Coordinator

Meeting Topics

Welcome & Introductions

Jonathan Watson, Chair

The meeting was called to order at 2:36 p.m. by Jonathan Watson, Chair. Jonathan welcomed everyone and thanked Ghita Worcester and UCare for the use of their facilities. He also reminded members that they can send a proxy to attend a meeting in their place, but proxies cannot vote or make any motions. Members introduced themselves.

Approve Minutes of November 10 HIAC Meeting

MOTION: Andy McCoy moved to approve the [draft November meeting minutes](#). Forrest Flint seconded. All were in favor and the minutes were approved.

Following up on a request from the previous meeting, Jonathan clarified the HIAC's attendance policy, which can be found in the [Policy on Advisory Committee Roles and Responsibilities](#). The policy states that after a Committee member misses four meetings in a year or three consecutive meetings, he or she may be recommended by the Committee to the Board for removal. He asked if the Committee was comfortable with the language. Members discussed excused absences and attendance by proxy and agreed these do not satisfy the attendance requirements.

MNsurance Board Update & Staff Update

Jonathan asked Ghita how her report to the Board at its November meeting went. Ghita said that it was an interesting meeting because the Board announced Allison O'Toole as the new

CEO. Ghita said the HIAC's report was well-received. Kathryn echoed that and noted it is important for the Board to hear it from the Committee and not just from the Board liaison, as it shines a different light on whatever issue is being presented. Jonathan said he would give the report at the February Board meeting.

Jonathan noted he hoped everyone had a chance to review the meeting preparation tasks. He said that going forward, he would provide meeting preparation tasks before each meeting.

Jonathan reviewed the dashboard data from the January 13 Board meeting and noted it looked like more consumers were shifting to Bronze plans. He also noted there seemed to be more people enrolled in QHP plans than in previous years. Jonathan then pointed out that 70% of enrollees were receiving advance premium tax credits, compared to last year's number of 55%.

Harlan Johnson asked if these were all 2016 enrollees. Kathryn stated that they were. Committee members discussed the cause of the popularity of Bronze plans. Dave Dziuk and Heidi Mathson noted that increased premiums are likely driving both the increased popularity of Bronze plans and the increased percent of consumers receiving APTC.

Kathryn reported that at the previous Board meeting, two consumers and one broker offered public comment. All three expressed concerns about communicating the line between DHS and MNsure.

Kathryn also said that the Board reviewed the legislatively-required waiver requests. DHS had presented an update on the waiver it is seeking from CMS to make small group tax credits available outside of MNsure's SHOP program. Allison had noted that the Department of Commerce is seeking a waiver from CMS to make advance premium tax credits available outside of MNsure, as well.

Kathryn said that Scott Peterson had presented an IT update and had reassured the Board that 1095s were in much better shape this year compared to last year. He is working with the Board on the 2016 IT roadmap at a high level.

Jonathan asked if the Board had any homework for the Committee. Kathryn stated that the communication piece is very important, and there is too much confusion among consumers as to what DHS handles and what MNsure handles. Kathryn said she would go back to the Strategy Work Group and ask them to give guidance to the Advisory Committees.

Jonathan said that in the interest of the time, they would skip the Consumers' Checkbook tool discussion and try to circle back. Instead, he asked what the Committee would like to share with the Board at its February meeting, in terms of immediate needs.

Harlan Johnson expressed a concern that MNsure is messaging that the APTC is a discount, when it is a tax credit. Heidi said the discount terminology suggests consumers are receiving a reduced price, and might not understand that they may have to pay some of it back when they file their taxes.

Heidi also noted that this was a very compressed open enrollment period in order for consumers to enroll for a January 1 coverage date. She suggested enrollment periods should be looked at

globally, and should perhaps be tied to individuals' birthdates so that assisters don't have so much volume all concentrated at one time.

Ghita noted that while the files carriers are receiving have improved, there are still issues with duplicate files and bad data.

Carl Floren said that he enrolled in coverage through MNsure and had received his insurance card, though not yet received his first premium bill. He said this is an improvement from the previous year. Carl also said his wife turned 65 in the fall and there are still issues with moving her off MinnesotaCare and onto Medicare.

Health Care Task Force Update

Stacie Weeks, DHS

Jonathan introduced Stacie Weeks of DHS.

Stacie noted that the recommendations available were still only a draft, as the Task Force report was still being finalized.

Stacie delivered [a presentation](#) on the Task Force and its recommendations.

Members asked about the difference between the State-Based Marketplace and the State Partnership Marketplace models. Stacie explained that a State Partnership Marketplace is run using the federal IT system and is more of a shared responsibility between the state and the federal government.

Members asked about the recommendation to expand the MNsure premium withhold to cover both on- and off-exchange plans at a reduced percentage. Stacie noted this was meant to be a more stabilizing financing source while keeping MNsure premium withhold revenue about the same. She also noted that this would be a critical way to stabilize MNsure financing if the recommendation on a MinnesotaCare expansion were adopted.

Members also asked if the Task Force discussed MNsure's long-term financing and financial sustainability once federal grants end. Stacie reported that the Task Force did spend a lot of time discussing MNsure's budget, the cost of switching from MNsure to the federal exchange, and what federal funding would be lost if Minnesota were to opt for the federal exchange.

Members next asked if the Task Force discussed the lack of Platinum products available through MNsure. Stacie said the Task Force did discuss it, but didn't make any recommendations related to it.

Members also asked questions about the affordability curve and its relationship to MinnesotaCare. Stacie explained that MinnesotaCare as it currently exists creates a larger affordability cliff than exists in other states. The Task Force did look at getting rid of MinnesotaCare to create a smoother affordability curve, but generally agreed that Minnesota's health insurance system is more affordable than the federal system and so Task Force members wanted to work off of Minnesota's landscape. The Task Force recommended raising MinnesotaCare to 275% of the federal poverty level with subsidies that smooth out the

affordability cliff. If the state is granted a 1332 waiver that would allow federal Advance Premium Tax Credits and Cost-Sharing Reductions the federal government would otherwise spend in the private market to be applied instead to state subsidies offered through this expanded MinnesotaCare program, the state would save \$26 million in revenue. If the federal government was to deny such a waiver request but were to apply its usual match, an expanded MinnesotaCare program would cost the state \$34 million.

Dave asked if the Task Force discussed the cost shift this would create for providers who would be reimbursed at the Medicaid rate for an expanded consumer base. Stacie said the Task Force did look at this at the state cost level and recommended any savings be used to increase provider reimbursement rates.

Committee members asked questions about what the next steps were coming out of the Task Force recommendations. Stacie noted that none of these recommendations would take effect without action by the legislature. Because 2016 is a non-budget year, many of these recommendations might not be taken up in the coming legislative session.

Jonathan thanked Stacie for her time.

Discussion on HIAC Items for Discussion in 2016

Jonathan Watson, Chair

Jonathan directed members to look at the [handout](#) concerning possible HIAC topics. Jonathan said he would like to populate these boxes with issues that Committee members consider important. Then in February, the Committee can prioritize issues and assess what's realistic. The Committee can then move along the timeline, resulting in a recommendation to the Board by the summer, and can then continue the process with additional issues. Jonathan asked if Committee members liked this structure. Members agreed this was a useful starting point.

Committee members asked about the status of the 2016 IT roadmap and priority list. Kathryn said that due to the timeline, the Board would likely be looking at the roadmap at its February Board meeting and there would not be a good opportunity for the Committee to weigh in on it.

Proposed issues for further discussion included:

- Health literacy
- Open enrollment period timing
- The assister portal
- Having insurance carriers manage MinnesotaCare premium billing
- MNsure financial sustainability
- Expanding MNsure's budget forecast out further, and against multiple legislative scenarios (such as a MinnesotaCare expansion)
- Measuring affordability, including around race and ethnicity
- Defining affordability

- Improving dental reimbursement rates
- Fixing MNSure's public image
- Preparing for the impact of big data on health care
- Examining a possible role for MNSure in helping consumers make smarter prescription drug purchasing decisions
- Increasing MNSure's role as a purchasing tool and consumer education tool (perhaps similar to what CMS does for Medicare enrollees)
- Influencing price transparency

Jonathan thanked Committee members for the discussion and said he and Ghita would review the proposals ahead of the February Committee meeting. The Committee could then use that meeting to prioritize these topics.

Jonathan noted he would send out a Survey Monkey to Committee members for their evaluation of the meeting and any further feedback on the list of issues brainstorming. He noted the HIAC could also explore continuing with quarterly joint Advisory Committee meetings in March, though that could also slow down the work of the Committee.

Jonathan also raised the idea of having a speaker at the next Committee meeting. Members discussed and agreed selecting a speaker would make more sense after the Committee had prioritized its list of issues.

Adjourn

Heidi moved to adjourn. Harlan seconded. There were no objections and the meeting adjourned at 4:52 p.m.