MNsure

Health Industry Advisory Committee (HIAC)

September 28, 2017

(Slide Deck Finalized on September 21, 2017.)
Agenda

1. Welcome & Introductions
2. Approval of Minutes
3. Public Comment/Operational Feedback Loop
4. MNSure Board & Staff Update
5. Political Landscape Discussion
6. SHOP Recommendation
7. Reporting Metrics Discussion/Recommendation
8. Individual Market Stabilization Discussion/Recommendation
9. Next Steps, Next Meeting

KEY DECISIONS TODAY

1. SHOP Recommendation
2. Pathway forward on two (metrics, individual market) recommendations
Welcome & Introductions
Approval of Minutes

June 29 HIAC
July 10 Joint HIAC/CSEAC
August 17 HIAC
Public Comment & Operational Feedback Loop
MNsure Board & Staff update
Political Landscape
Health Care

Medicare for All
Sen. Sanders
16 Democrats
No Financing Detail

Market Stabilization
Continue Cost-Sharing Reduction payments
Give states more flexibility on cheaper health plans and/or higher deductibles

Graham-Cassidy
Take $1.2T in ACA and ship to states in block grants
End MA expansion, cap & cut MA, repeal individual mandate
Need 50 votes, until 9/30

"Extenders"
• CHIP
• Community Health Centers
• National Health Service Corps
• Teaching Health Centers
CHIP

- Agreement between Senators Hatch (R-UT) and Wyden (D-OR) announced on September 12th
  - 5-year extension
  - Maintain enhanced FMAP (+23%) through 2019
  - Reduce FMAP to +11.5% beginning in 2020
  - Scale down to pre-ACA in 2021 and 2022
SHOP

• July, last health insurer (BCBS) announced they would not offer a product in 2018
• SHOP an option for small employers with 2-50 employees
• As of July 2017, 3,287 Minnesotans getting coverage through SHOP
  • Originally projected to have 155,000 by 2016
SHOP Recommendation to MNsure Board

- Given there is no MEDICAL carrier participation in SHOP, MNsure do the minimum necessary to not violate and satisfy federal regulations or align with the federally regulated open enrollment requirements for SHOP.
- Additionally, MNsure should redirect whatever SHOP resources to the individual market product support.

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<tr>
<th>EXPENDITURES / USES</th>
<th>FY17</th>
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<th>FY19</th>
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<td>SHOP Program</td>
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<td>QHP Enrollment Fee Grants</td>
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<td>Development</td>
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<td><strong>TOTAL EXPENDITURES / USES</strong></td>
<td><strong>44,362,000</strong></td>
<td><strong>42,180,000</strong></td>
<td><strong>39,560,000</strong></td>
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Current Reporting Dashboards (MNsure Board)

Enrollment Dashboard – 1 of 2

Cumulative Enrollment, Nov. 1, 2016 – July 23, 2017

<table>
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<tr>
<th>Total</th>
<th>556,630</th>
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<tr>
<td>Medical Assistance applications</td>
<td>361,474</td>
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<td>Minnesotacare applications</td>
<td>65,759</td>
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<td>Qualified Health Plans</td>
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<td>QHP new enrollees</td>
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<td>QHP renewals</td>
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<td>QHP via SHOP</td>
<td>3,287</td>
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<td>Qualified Dental Plans</td>
<td>12,868</td>
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QHP Households Receiving Financial Help, June 2017

- Households with Advanced Premium Tax Credits: 72.9%
- Households with Cost Sharing Reductions: 14.3%

Cumulative SHOP Enrollment, Nov. 15, 2016 – July 23, 2017

- Employers enrolled: 427
- Employees enrolled: 2,096
- Individuals enrolled (including dependents): 3,287

Effectuated Enrollments and Average Premiums, 2017

Monthly Effectuated Enrollments January – June 2017

<table>
<thead>
<tr>
<th>Month</th>
<th>Individual Market</th>
<th>SHOP</th>
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<tbody>
<tr>
<td>January</td>
<td>$83,158</td>
<td>$2,663</td>
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<tr>
<td>February</td>
<td>$87,979</td>
<td>$2,085</td>
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<td>March</td>
<td>$92,977</td>
<td>$2,644</td>
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<td>April</td>
<td>$93,648</td>
<td>$2,500</td>
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<td>May</td>
<td>$93,358</td>
<td>$2,393</td>
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<td>June</td>
<td>$93,485</td>
<td>$2,717</td>
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Average Premiums

- Average Premium (Pre-APTC): $579.77
- Average Premium (Post-APTC): $275.57

Note: Effectuated enrollments and average premium amounts are based upon the latest data received from carriers. Average premium post-APTC is based on individual market enrollees only. Average premiums do not include Minnesota's premium subsidy program.

Prepared for July 26, 2017 Board Meeting
Current Reporting Dashboards (MNsure Board)

Contact Center Call Volume and Service Level

- MNsure Contact Center Call Volume/Service Level November 1, 2016 – July 23, 2017

- Contact Center, June 19 – July 23, 2017
  - Call Volume: 26,708
  - Service Level (% of calls answered in 5 min. or less): 74.02%
  - Average Speed of Answer: 0:02:43
  - Calls Abandoned while in Queue: 8.57%

Customer Service Dashboard

- All Callers Top Contact Center Inquiries, June 19 – July 23, 2017
  - 1. MA/MCRE: 15.04%
  - 2. Password reset/Account unlock: 14.06%
  - 3. Existing/Pending Inquiry: 7.83%

- Assister Resource Center (ARC) Top Inquiries, June 19 – July 23, 2017
  - 1. Existing/pending inquiry: 56.34%
  - 2. Password reset/Account unlock: 20.00%
  - 3. Determination result: 7.66%

Prepared for July 26, 2017 Board Meeting
Survey Monkey Results (n=5)

• average premiums by year starting in 2014 showing pre and post-APTC
• % of calls answered within 30 seconds or less measured weekly with goal being 80% or better
• average speed of answer as % of calls answered in 30 seconds or less (answered = talk to a human being) with goal being 95% or better
• First call resolution target of 70% or better (measured via after call survey to a representative sample of callers)
• 80% of calls answered in 30 seconds It would be good to get this for the broker assister line also.
• None to add
• Good metrics currently reported
HIAC Dashboard Needs/Recommendations

• Other metrics
• Refinement of current metrics
• Comparison to industry standards/averages
• DEVELOP A LIST TODAY FOR APPROVAL vs. GATHER A LIST FOR CONSIDERATION IN OCTOBER?
HIAC Recommendation | Individual Market Stabilization
Minnesota Premium Security Plan (State-Based Reinsurance)

• New state-based reinsurance program for individual market created by Legislature and took effect on April 4, 2017.

• MN Dept. of Commerce projects a reduction, on average, or market premiums by 20%

• MN submits Section 1332 Waiver to federal government

• A re-purposed MN Comprehensive Health Association (MCHA) payment will reimburse health insurers for re-insurance-eligible expenses incurred during a plan year.

• For 2018, a reinsurance program with an attachment point of $50,000 and a cap of $250,000 with payment of claims at an 80/20 rate.
  • After 2018, MCHA Board will propose parameters based on available funding.

• Funding = $271 million in reinsurance payments in 2018.
Measure of Individual Market Stability

Individual Market Plan Liability Risk Score

<table>
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<tr>
<th>Year</th>
<th>FFM</th>
<th>SBM-FM</th>
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<tbody>
<tr>
<td>2014</td>
<td>1.74</td>
<td>1.58</td>
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<tr>
<td>2015</td>
<td>1.66</td>
<td>1.56</td>
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<tr>
<td>2016</td>
<td>1.68</td>
<td>1.58</td>
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State Average Monthly Premiums | $386.68
State Average Plan Liability Risk Score | 1.382
State Average Allowable Rating Factor | 1.707
State Average Actuarial Value | 0.765
HIAC Recommendations for Individual Market Stabilization – “Wildcards” (as of 9/21/2017)

• Trump Administration and Congressional action in 2017
• Recommendations to MNsure Board vs. Policy Recommendations to Minnesota Legislature
• Understanding of MCHA role moving forward
• Other?
Survey Monkey Results (n=5)

• Broaden anti-kickback regs to prohibit the use of drug co-pay cards and coupons by individuals with health care and prescription drug benefits funded by any health care insurer (not just Medicaid) –

• Evaluate essential health benefit options and actively chose the option most favorable to MN (ten options available by law)

• To keep insurers from exiting the exchanges, allow those plans that incur unexpected losses due to federal polices and uncertainty (such as cost share subsidies and/or enforcement of the individual mandate) to recoup those losses over the next three years (Covered CA example).

• Absent clarity on continued payment of cost share subsidies, include a surcharge on silver-level ACA plans. Most consumers will be protected from the increase because they receive premium tax credit subsidies. (Covered CA example)

• Requirement that if carrier is on the MHCP (MA, MinnCare) market, they have to offer products on individual market.

• Stabilizing the individual market is a bit beyond what our committee can directly influence. The state legislature took action this past year. An overview of the MN State Premium Security Plan might be helpful to the committee at some point.

• Increase the penalty for not signing up? Would/wouldn't that prod more people to get with the program? Car insurance is more stringent than health care. Homeowner's insurance is much more stringent....
Next HIAC Meeting

- October 30, 2017 | 2:30 pm – 5:00 pm, Ucare
  - Survey Monkey response – “Jon buys beers on last day.” (n=1)

- October 18, 2017 – MNsure Board Meeting (HIAC Recommendation?)
- November 15, 2017 – MNsure Board Meeting (HIAC Recommendation and who?)