



## MNsurance Board of Directors Meeting Minutes

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**Wednesday, March 9, 2022, 1 – 4 p.m.**

**Remote: via WebEx**

**Participants in attendance:** David Fisher, Jessica Kennedy, Assistant Commissioner Cynthia MacDonald (for Commissioner Harpstead), Suyapa Miranda, Stephanie Stoffel, Dr. Daniel Trajano, Andrew Whitman

**Staff in attendance:** Angela Benson, Libby Caulum, Nate Clark, Joel Ingersoll, Kari Koob, Greg Poehling, Dave Rowley, Christina Wessel, Morgan Winters

**Guests:** ASL interpreter Taylor Goligoski, ASL interpreter Jamie Schumacher, ASL observer Charity Townsend

### Meeting Topics

#### Welcome

*Suyapa Miranda, Board Chair*

The meeting was called to order at 1:04 p.m. by Suyapa Miranda, board chair.

Chair Miranda 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.

Chair Miranda noted that this month’s board meeting is being conducted remotely and that MNsure’s chief legal counsel, Dave Rowley, will conduct a roll call for attendance and for any votes taken today.

#### Public Comment

None.

#### Administrative Items

*Suyapa Miranda, Board Chair*

## **Approve January 12 Meeting Minutes**

**MOTION:** David Fisher moved to approve the draft meeting minutes from January 12, 2022. Andy Whitman seconded. Mr. Rowley took a roll call. All members present voted in favor and the minutes were approved. Assistant Commissioner Cynthia MacDonald joined the meeting after the vote was taken.

Mr. Fisher asked whether any of the materials board members received today were for approval during the meeting. Chair Miranda said no, all items they needed to vote on during this meeting were sent out last week.

## **Financials**

*Stephanie Stoffel, Board Vice Chair, and Kari Koob, CFO*

Chair Miranda welcomed Vice Chair Stoffel to introduce the budget presentation.

Vice Chair Stephanie Stoffel said the Finance Work Group met the prior week to review MNsure's preliminary budget plan for fiscal years 2022 through 2024. She said it is a positive report, and emphasized it is preliminary; there continues to be a great deal of policy and regulatory uncertainty, especially with the state legislature still in session. The board will review and approve a final budget later this year. The Finance Work Group worked with MNsure staff—in particular, CEO Nate Clark and CFO Kari Koob—to develop a budget proposal that is realistic and makes prudent use of resources. She asked Ms. Koob to present the preliminary budget plan.

Ms. Koob began by thanking the Finance Work Group members, Ms. Stoffel, Mr. Fisher and Assistance Commissioner MacDonald, for their work and expertise.

She noted that every year MNsure presents a three-year budget plan, starting with a preliminary budget plan in March and a finalized budget in July. The March budget has inherent uncertainty due to potential legislative actions that could affect MNsure. The preliminary budget plan is based on current law so updates would be made in July after the legislature adjourns and preliminary insurance rates are published for 2023. Any updates outside of that timeframe are approved as needed. One example is that in October 2021, the board revised the budget to incorporate updated projections from the October rate release and to include funding for work related to the American Rescue Plan Act (ARPA).

Ms. Koob then moved to the premium withhold revenue projections for fiscal years 2022-2024. The top table displays the data by coverage year and the bottom table displays it by fiscal year. Premium withhold revenue makes up a major share of MNsure's total resources, and projecting premium withhold is a complex process with many variables. These include legislative policy, including reinsurance, for example, which has helped insurance companies reduce their premiums and has lowered MNsure's revenues, and ARPA extended tax credits, which expanded benefits but generated some development costs for MNsure. Other variables include general economic conditions like the COVID-19 pandemic and unemployment levels, sign-ups

during open enrollment, the effectuation rate, premium prices, and the membership lapse rate. Some of these variables are known or in law and some are based on historical data.

Ms. Koob explained that peak enrollment had not occurred at the beginning of year, but in August as a result of the COVID-19 special enrollment period that ended in July. There was no measurable lapse rate until the last quarter of 2021, and it was lower than it has been in past years.

MNsire had a strong open enrollment for coverage year 2022, with more than 114,000 effectuated enrollments as of February 2022, the highest number of effectuated members in MNsire's history, 4,000 more than the previous record in August 2021.

Ms. Koob then covered the key assumptions built into the premium withhold projections.

- The coverage lapse rate for enrollment year 2022 is higher than the 2021 annualized average, and the assumption is it will return to pre-COVID-19 rates.

Future years' ending effectuated enrollment is forecast to remain level year over year. There are some factors that could affect future enrollments, such as the end of the public health emergency, where some Minnesotans may move from being eligible for Medicaid to being eligible for a qualified health plan with premium tax credits. Another factor is UCare offering plans outside of MNsire in 2023, which could cause a decrease in on-exchange enrollments. Also, ending reinsurance is forecast to increase premiums, which could cause some members to drop coverage, although most would qualify for federal tax credits to help offset that price increase.

- The average premium price in enrollment year 2022 will be about 8.5% higher than the average for 2021.
- The first half of this year will have a higher premium amount than the last half of the year, which is typical, but the average price comes down a little. The average premium price has already increased over last year.

She added that MNsire is projecting the average premium price will rise another 15% in 2023, as a result of the state reinsurance program being partially funded this year and sunseting at end of 2022, which affects MNsire's revenues. The Minnesota Department of Commerce has said that rates would increase 20 - 25% without reinsurance.

Ms. Koob explained that the reinsurance program is established in law as the Minnesota Premium Security Plan, and it provides secondary insurance for the health insurance companies who offer individual health plans in the state. It pays for some of the cost of the insurance companies' most expensive customers and has successfully reduced premium prices, but the reduced premium prices cause revenue losses for MNsire.

The governor's recommended budget proposed extending reinsurance and funding to cover some of MNsire's lost revenue. There are proposals in the Minnesota House and Senate to

extend the reinsurance program, and MNsure staff has identified the risk of the program being extended without fully replacing lost revenues.

Ms. Koob moved on to the table that translates the plan year premium withhold revenue to fiscal years. MNsure is projecting about \$20 million for fiscal year 2022, \$23.4 million for fiscal year 2023, and \$23.9 million for fiscal year 2024. Projections are based on current law, and the preliminary budget will be updated for the July board meeting.

She then discussed the preliminary 2022-2024 budget. The figures for 2022 have been updated with actual costs incurred, and the 2023 proposed budget starts in July. MNsure began fiscal year 2022 with a larger balance forward from the previous year, due to some IT development work being moved into fiscal years 2022 and 2023.

Ms. Koob explained the effect of ARPA on MNsure's budget. The expanded access to premium tax credits as a result of ARPA required significant IT investment and education and outreach work. To fund this work, a revised budget was approved by the board in October 2021 to incorporate \$1.1 million in direct federal grants and \$1.9 million from the state fiscal recovery funds. There was also a \$3.8 million transfer to replace premium withhold revenues that were lost due to reinsurance being extended through 2022.

The budget also includes an estimated reimbursement for work supporting Medical Assistance and MinnesotaCare, and this amount is lower than it's been in past forecasts, prior to the public health emergency. (States have been required to keep people enrolled in Medicaid throughout the public health emergency as a condition of receiving enhanced federal Medicaid funding.) MNsure has seen significant reductions in public program-related phone calls and help tickets, which has thereby decreased DHS' share of costs in that category.

She summarized that the budgeted resources available in fiscal years 2022 and 2023 are about \$40 million each year, and about \$38.5 million in 2024.

Ms. Koob then discussed the budget expenditures. In fiscal year 2022 there has been underspending partly attributable to the COVID-19-related statewide hiring freeze and partly due to some ARPA-funded activities moving into fiscal year 2023. The fiscal year 2023 expenditure budget is higher in comparison due to backfilling positions that were vacant in fiscal year 2022, and mandated payroll and benefits increases for existing staff. It also includes ARPA-funded activities expected to end in fiscal year 2023.

She noted that the COVID-19 special enrollment period in summer 2021 created a smoothing effect on the Contact Center workload through the year, and it's expected that the next open enrollment will not have that same effect. MNsure is expecting increase call volumes in a concentrated period of time, which is accounted for in the budget.

She said this budget incorporates a few assumptive changes such as reinsurance sunseting at the end of this calendar year, that premiums will return to market price, and that the ARPA-funded work will wrap up in fiscal year 2023. Notwithstanding that those changes impact MNsure's budget, this proposed preliminary budget was developed to provide for operations and service levels that are similar to what is done every year.

The proposed preliminary budget projects ending fiscal year 2024 with just under \$2.8 million to carry into the next fiscal year. CMS recommends having six to nine months in reserves but the balance forward in this budget is not a reserve account, it is an amount used for working capital to finance operations. \$2.8 million covers less than one month of expenditures; on average MNsure has maintained 1.5 months' worth of working capital, so there is room for improvement.

Ms. Koob then discussed the potential impacts of the end of the public health emergency. When that ends, DHS no longer will receive enhanced Medicaid funding, and must restart eligibility determinations for public program enrollees, this will have effects such as an increased need for customer service support and competing demands for shared state services, such as printing or MNIT services.

She summarized that the preliminary budget for fiscal year 2023 was painstakingly developed, not only to be balanced, but to be responsive to MNsure's mission of serving consumers to comply with responsibilities as a state exchange and to manage resources in a fiscally and socially responsible way. If any decisions come out of the legislative session that impact the budget, or if there are resource or operations adjustments needed, that will be addressed when the budget is finalized in July.

Chair Miranda then asked the board for their questions.

Mr. Whitman congratulated Ms. Koob and her team for the well-thought-out presentation. He asked for a summary of the revenue related to the reinsurance program and wanted to know more about the payments that insurance companies get from reinsurance. Ms. Koob said she would follow-up and provide a report of payments to insurance companies. He commented on UCare offering plans directly on their own "private exchange" in 2023 and that there are many other companies that do so in Minnesota. Initially interpreting "private exchange" as offering employer-sponsored plans to employees, he didn't think it would have much of an impact for MNsure. Morgan Winters, MNsure's senior director of business operations, clarified this is for individual and family plans, not employer-sponsored coverage. Ms. Koob said they didn't project any changes specifically to this development for 2023 and it remains to be seen what the effect will be, with UCare maintaining a significant portion of MNsure's enrollments.

Dr. Daniel Trajano commented that he understood the "subsidy cliff" for consumers earning more than 400% of the federal poverty level would only be paused through the end of the year because of ARPA. He asked to clarify if the subsidy cliff would return in 2023 and asked if that change was put into the budget analysis, as it may have a significant impact on enrollment. Ms. Koob said it was identified as a risk to enrollment numbers but not built into projections, because it's an unknown risk and difficulty to quantify. It will be adjusted as necessary.

Dr. Trajano asked if there is an economic analysis available that shows the impact of the ARPA subsidies in case enrollments for 2023 and 2024 are being overestimated and wondered if it should be included in the budget analysis. Ms. Koob said it is difficult to isolate the impact of one piece of legislation on the forecast when there are multiple variables that have an effect. Even with prices increasing for some MNsure enrollees, year-over-year increases are seen in enrollments based on historic data. For example, there was enrollment growth when premiums

increased on average by 50% between 2016 and 2017. The projections assume flat enrollments rather than a decrease.

Jessica Kennedy said that for as much uncertainty that there is, it is very precise budget, though tight. She asked how MNSure compares with other state-based exchanges and others in the industry. Ms. Koob said MNSure reports its budget annually to CMS as do all other state-based exchanges (SBEs). MNSure can compare based on data CMS provides from other SBEs, and can compare qualified health plan enrollments, but it's a challenge to compare all of the budget to other states' budgets because Minnesota is unique; for instance, there aren't many SBEs that share resources with a separate department of human services. Ms. Kennedy asked if other national organizations like The National Academy for State Health Policy are looking at these trends and suggested that staff find out where MNSure fits in.

Mr. Whitman asked how the ending of the ARPA child tax credit may affect MNSure operations. Ms. Koob said because MNSure doesn't administer it, it wasn't included in the analysis, but that would be a factor for people assessing if they could afford health insurance.

Assistant Commissioner MacDonald asked if MNSure has determined resources needed for the unwinding of the public health emergency (PHE) and if it was in the preliminary budget. She asked who at MNSure was planning with the Department of Human Services (DHS). Ms. Koob said MNSure is thinking about potential impacts with the PHE ending and will be a significant lift for MNIT, given it will involve MNIT resources for public programs eligibility determinations, notice mailings, etc. She noted that MNIT is a shared service, and their capacity isn't unrestricted. This work could put at risk work that is planned or delay newly identified IT needs. Effects could include more phone calls to the MNSure Contact Center and a delay in mailing MNSure notices. This is not in MNSure's budget yet but is being discussed, and effects will need to be incorporated into the budget. Assistant Commissioner MacDonald noted that 1.4 million Medical Assistance and MinnesotaCare enrollees are going to have to be redetermined over a 12–14-month period, so customer service, appeals, IT, etc., must be contemplated. She said DHS doesn't know the full impact yet and is interested in understanding how MNSure is looking at it related to the budget.

Chair Miranda thanked the Finance Work Group and Ms. Koob.

Vice Chair Stoffel also thanked the work group. She noted her appreciation for the questions posed by the board members.

**MOTION:** Vice Chair Stoffel moved to approve the preliminary fiscal year 2023 budget and three-year financial plan for fiscal years 2022, 2023 and 2024 as presented and discussed. Mr. Whitman seconded. Mr. Rowley took a roll call. All were in favor and the financial plans were approved.

## **CEO Report**

*Nate Clark, MNSure CEO*

Chair Miranda turned the meeting over to MNSure CEO Nate Clark. He thanked Ms. Koob and her team for their hard work on the preliminary budget especially given the complexities and uncertainties, and thanked the Finance Work Group for their work, expertise and perspective. He said he was confident the budget will provide the resources needed to complete MNSure's mission.

Mr. Clark moved to the year-over-year comparison. It has typically been presented in January but was held back this year until after open enrollment ended. Performance was strong across key areas tracked including a 10% increase in sign-ups, a higher percentage of applicants found eligible for advanced premium tax credits, strong effectuated enrollments throughout the year, and good performance in areas like appeals management and Contact Center operations.

### **Enrollments**

He then spoke about current enrollment data as of March 6, 2022. There have been 189,246 Minnesotans who signed up for coverage through MNSure:

- 136,690 qualified health plan (QHP) sign-ups
- 45,918 Medical Assistance applications
- 6,638 MinnesotaCare applications

Almost 60% of QHP-enrolled households are receiving tax credits averaging nearly \$513/month.

Mr. Clark said that through the end of February MNSure has had 117,400 effectuated enrollments, compared to 106,000 in 2021. He said it reinforces what Ms. Koob reported about how much stronger things are compared to this time in 2021.

### **IT Modernization Proposal**

Mr. Clark said the governor's supplemental budget was released at the end of January, and the package includes a recommendation supporting IT modernization at MNSure. The modernization proposal will improve the experience for Minnesotans who use MNSure and improve the systems and tools caseworkers use to manage enrollee information.

The drivers are an interest in removing barriers to access, reducing the uninsured rate and keeping Minnesotans enrolled, improving service delivery with better systems, tools and a better consumer experience, enabling policy flexibility by having flexible and extensible systems capable of implementing changes quickly and cost effectively, and focusing on sustainability to address gaps and limitations that have a negative effect on consumers and make operations difficult and expensive.

The proposal will preserve the "no wrong door" approach to applying for health coverage and introduces consumer self-service capabilities for enrollees to easily access their account information and report updates without having to call the Contact Center. It improves access for Minnesotans with limited English proficiency, including notices and other consumer notifications in multiple languages. It also introduces a new assister portal that improves service capabilities for navigators and brokers.



Mr. Clark said MNsure has been discussing this proposal with its partners at DHS and MNIT for several years and is looking forward to continuing work with stakeholders who are looking forward to the system upgrades and features.

### ***Planning for the Unwinding of the Public Health Emergency***

Mr. Clark reminded the board that DHS made temporary changes to their eligibility rules during the public health emergency (PHE) to ensure that as many Minnesotans as possible were able to maintain their health insurance coverage. This has impacted MNsure, as it reduced the number of consumers who would have been determined ineligible for a public health insurance program and as a result, moved to a QHP.

The assumption is the PHE will be extended at least one more time through mid- to late-July. After the PHE, eligibility redeterminations will resume, which will have operational impacts on DHS and MNsure. The estimate is 1.4 million Minnesotans will have their eligibility redetermined, some will drop out of public program coverage, and some will need help getting enrolled in a QHP through MNsure.

He stated that MNsure continues to work with partners at DHS and MNIT to ensure a smooth transition for Minnesotans so they don't experience a gap in coverage.

### ***COVID-19, Re-opening Office***

Mr. Clark then spoke about planning to bring staff back to the office. The Minnesota Management & Budget agency has asked that state agencies have a plan ready by the end of April for welcoming back staff and the public to state offices.

MNsire is developing a plan and will survey staff about work location preferences. The current policy of being flexible as to where employees can perform their work will continue. Teleworking will still be an option, and there will be some staff who want to work on a hybrid schedule or return to the office full time.

He said MNsure will finalize its reopening plans in the next few weeks, and he will report to board on the progress at the June board meeting.

He shared that he and Chair Miranda have been looking at the possibility of resuming in-person board meetings, and they might be able to offer that option to board members for the June meeting.

Mr. Clark ended his presentation by thanking MNsure staff for their efforts to serve Minnesotans and carry out MNsure's mission, and thanked stakeholders, including assisters and partners at MNIT and DHS.

Ms. Kennedy commented it has been strong year, but that the preliminary budget does not reflect the strong operational performance when compared to projected revenue trends, and that MNsure needs long-term security as well to provide the security of health insurance to the Minnesotans it serves. She also said that MNsure leadership does good job of acknowledging the team and individual successes.



## **Business Updates**

*Libby Caulum, MNsure Senior Director of Public Affairs; Christina Wessel, Senior Director of Partner Relations; Morgan Winters, Senior Director of Business Operations*

### **Public Affairs**

Chair Miranda turned the meeting over to Libby Caulum, senior director of public affairs, for her presentation.

### **Public Awareness and Marketing**

Ms. Caulum began with a marketing and communications update and recapped what MNsure did during open enrollment.

The open enrollment campaign marketing budget was \$1.85 million, with \$1.33 million designated for placing ads across the state. MNsure added \$200,000 from state and federal ARPA grants to the ad-buying budget to help raise awareness of the expanded financial benefits through ARPA.

This year's campaign theme was "Health insurance for every Minnesota story." The ads centered on the idea that every Minnesotan / Minnesota family is unique and MNsure is here to help them find health insurance that fits their needs, budget and "life story." Ads focused on the financial benefits of purchasing health insurance through MNsure, the assisters who offer free help, and presented a reassuring, inclusive message using Minnesotans from the state's many communities.

She said that a data-driven approach was used to reach those who are most likely to benefit, using data from the State Health Access Data Assistance Center to identify zip codes where uninsured populations are most concentrated.

MNsure also partnered with its broker enrollment center agencies to create ads that are personalized to the communities they serve. Those ads included contact information for the enrollment centers.

The advertising included online, social media, paid search, streaming video and radio, traditional TV and radio, billboards and other out-of-home ads such as bus sides, gas station videos and displays at pharmacies. MNsure used its budget effectively by speaking directly to those who need health insurance, and by creating awareness across the state to catch the attention of people who maybe hadn't considered MNsure before.

Ms. Caulum discussed the performance of the open enrollment campaign. The campaign generated over 150 million impressions (eyes on ads), and data show that the ads were seen 153 million times between mid-October 2021 through January 15, 2022. She explained this means people saw the ads multiple times; more impressions means more recall and more recall means more Minnesotans thought to go to MNsure for their health insurance needs. She also shared that there were 1.5 million visits to MNsure.org during open enrollment, which included people coming to the site one or multiple times for information.

She said that the increased public awareness from the campaign contributed to the record number of QHP-sign ups. The media generated during open enrollment and the year-round marketing efforts helped keep MNSure top of mind.

She also said the factors that go into a person's initial decision to buy a health insurance make it difficult to make direct correlations between a dollar spent on advertising and a sign-up on MNSure. She added that MNSure was able to serve more people who buy their insurance on the individual market than ever before, even though the ongoing federal public health emergency means there are some Minnesotans who would normally have transitioned from a public program and into a QHP through MNSure but did not this year.

Ms. Caulum talked about marketing planned for outside of open enrollment, building on the pilot ad campaign last year for online ads to advertise MNSure special enrollment opportunities. MNSure wants to reach Minnesotans who can enroll year-round, such as those eligible for public programs, members of federally recognized tribes, and those who have qualifying life events. This year, MNSure has allocated \$150,000 for marketing outside of open enrollment. She noted that about \$100,000 of that is from ARPA funding.

The goals for this campaign are to keep MNSure top of mind all year long, educate consumers about their options and what it means to have a qualifying life event, drive sign-ups, and to remind people to keep their accounts updated throughout the year.

MNSure is using some of this budget to support broker ads that will feature MNSure's marketing and have the logos and contact information for the participating broker enrollment centers.

She explained that many of the tactics from open enrollment will be used, including digital ads, paid social media, paid search, streaming video and broadcast radio. There will not be television ads or billboards during the spring and summer because those ads are more expensive and more appropriate for the main open enrollment push in the fall and winter.

She noted brokers and navigators have had an interest in marketing outside of open enrollment for a long time, and MNSure is glad to put additional resources to that effort this year.

### **Government Affairs Updates**

Ms. Caulum reminded the board that the state was in the second year of the biennium, when the governor traditionally puts out a supplemental budget proposal, outlining their priorities. She explained this year's supplemental budget process is happening in the context of a historic \$9 billion surplus and there are many ideas on how to use those funds. Because the two-year state budget was already passed last year, the legislature is not required to pass a supplemental budget this year.

Governor Walz's supplemental budget includes MNSure's IT modernization proposal. This proposal would allow MNSure to replace the core technology that supports its eligibility system and improve the experience for Minnesotans who use the technology.

She said MNSure's proposal has been given overview hearings in both the Senate and House Committees that have jurisdiction over MNSure. No formal action was taken in either committee.

MNsire staff will continue to work with legislators to answer questions and provide information about the proposal.

Another item in the governor's supplemental budget is the proposal to allow Minnesotans to buy-in to the MinnesotaCare program. This option would make MinnesotaCare available to households above 200% of the federal poverty level for the first time. Because MNsire would remain the front door for coverage, this new program affects the application and eligibility system shared with DHS. It has had some overview hearings in legislative committees.

Ms. Caulum said there is also a proposal from the governor to extend the state's premium security plan, also known as reinsurance, beyond plan year 2022. The budget includes an appropriation for MNsire to make up for lost premium withhold revenue as a result of the program. The Senate version of the bill has been amended to include an appropriation but it has not gone to the full Senate for vote. The House proposal does not currently include language for an appropriation for MNsire, but staff are working with legislators so they understand the critical nature of fully funding the request.

She added that MNsire is tracking several bills in the House and Senate that are important to MNsire's operations, including another proposal for a MinnesotaCare buy-in and several bills that consider affordability on the individual market. MNsire has been providing technical assistance to the bill authors and is standing ready at hearings to answer any questions.

She said they expect to see a lot of movement for all of these proposals and are tracking them closely. MNsire staff will continue to work with the Strategy Work Group and the full board as the end of session nears.

Assistant Commissioner MacDonald said she appreciated the cooperative work that MNsire and DHS government relations teams are doing.

### ***Partner Relations***

Christina Wessel, senior director of partner relations, provided assister relations updates. She explained that the Consumer Assistance Program (CAP) team supports assisters in the field — brokers, navigators and certified application counselors (CACs).

There were nearly 1,000 brokers certified this year. During open enrollment, more than 800 consumers were referred to brokers and broker enrollment centers by the MNsire Contact Center, and 37% of all qualified health plan enrollments (more than 48,000 consumers) were completed by brokers, a 15% increase from 2021.

MNsire targeted its outreach to increase broker-assisted enrollments in greater Minnesota, focusing on 33 counties where the number is below the statewide average. Outreach included one-on-one contacts from the CAP team to more than 100 brokers, and there was a 12% increase in enrollments by brokers contacted, which almost met this initiative's goal of 15%. The team is looking at the data and reconnecting with those brokers to help effectively shape broker outreach work for the next open enrollment period.

Ms. Wessel said that MNsure-certified navigators were also busy. While they primarily assist consumers with public program (Medical Assistance and MinnesotaCare) applications and enrollments, navigators helped more than 1,500 Minnesotans get QHP coverage in the last quarter of 2021. They also helped nearly 6,000 who were newly eligible for public programs. With the ongoing public health emergency, navigators have seen decreased demand for application and enrollment assistance. However, they have been busy answering questions, explaining notices, reporting life events, and helping consumers maintain and understand how to use their coverage.

She said that this year 2022 is a busy one for the CAP team. They have launched a Navigator Grant Program request for proposals and a Broker Enrollment Center Initiative request for solicitations.

The Navigator Grant Program will distribute over \$4 million in grants with a focus on reaching the uninsured and those facing barriers to enrolling. Proposals are due March 24 and grants will begin on July 1, 2022.

The Broker Enrollment Center initiative is an opportunity to form strong partnerships with brokers by contributing matching dollars towards a joint marketing campaign. Proposals are due April 14. MNsure will announce recipients in July with the joint marketing starting in October, prior to open enrollment.

In addition, all CAC and navigator contracts and data sharing agreements with MNsure expire June 30. This impacts more than 200 navigator agencies and about 75 CAC agencies. The renewal process will be launched later this spring; agencies will need to submit an electronic application to request to continue their partnership. Ms. Wessel said MNsure should be able to get everyone renewed by July 1.

She then discussed background study process changes for navigators and CACs. Because the current system is being phased out, they are working with DHS's Background Studies Division to transition to a more sophisticated background study process, Netstudy 2.0. This requires some significant planning, as the steps for completing a study are more complex. MNsure is on track to launch the new process this fall ahead of open enrollment.

Ms. Wessel talked about the ending of the public health emergency (PHE) and its effect on assisters. This has significant implications for our assisters as they need to be prepared to support consumers through this transition. The CAP team is preparing to provide training, and working with others at MNsure and DHS to get information and resources ready. This will have a particularly big impact on navigators, with more activity and more per-enrollee payments, because of the number of consumers they have helped since 2019.

She then noted that their assister survey just closed, and about 650 brokers, navigators and CACs provided responses. The CAP team is analyzing the results to determine how they will influence open enrollment planning.

Assistant Commissioner MacDonald asked if navigators are equipped to handle the workload that will come with the ending of the public health emergency. Ms. Wessel said MNsure and

assisters will need to know about unwinding activities that are planned, how consumers will be affected, the timing and content of notices, and the steps the consumers should take. The CAP team is working with DHS to collect information to provide to navigators.

### **Business Operations**

Morgan Winters, senior director of business operations, then gave his presentation.

He first discussed the major change in customer service operations that occurred before the last open enrollment period, which was to move to a fully in-house, MNsure-staffed model. The third-party call center vendor contract was allowed to expire. This was an opportunity for a holistic change in MNsure's customer service approach to take more control over the end-to-end customer experience. This allows MNsure to improve customer satisfaction and improve efficiency in direct service delivery and its associated costs.

The soft launch for this new model occurred in spring and summer of 2021, when the team worked out issues and improved call flows. In the late summer and fall, the team ramped up hiring and began to see the benefits of the new model. Having full and direct control over the hiring and training processes and budget allowed the team to make real-time adjustments to ensure the Contact Center was fully staffed on November 1. Staffing challenges in the market still exist, so they are monitoring the external factors.

Mr. Winters then described the new customer service model and how it compared to the previous model. He said in prior years, MNsure used a vendor as the first point of contact on calls, and the agent would help the customer with simple questions or requests like password resets, but they would have to transfer to a MNsure specialist for more complex questions or service needs, such as reporting a qualifying life event. He explained that by using a vendor the first call wait time (how long a caller waits on hold before their call is initially answered) can be shorter, but it's not an efficient way to help consumers because so many calls require a hand-off (transfer) to a specialist at MNsure. It is not ideal for the consumer, and it is inefficient from an operations perspective because there is lost time between the transfer and getting the new call center agent up to speed on the caller's request.

When all call center operations moved in-house, MNsure maintained the two main lines, for general help and for specialists, and adjusted the interactive voice response (IVR) system so callers could select the type of help they needed. This made it possible to connect callers with the appropriate contact center resource and to have their requests addressed by the first person they speak with, which is known as first call resolution. MNsure was able to reduce hand-offs and call transfers by over 300% when the IVR was redesigned, which exceeded the goals and increased the first call resolution rate.

He said that adjustments included adding IVR prompts in Hmong, Somali and Spanish as part of MNsure's long-term goals to serve Minnesotans with limited English proficiency.

Mr. Winters noted that they are now better able to allocate staff between the two main call center lines and among tasks, which helped even out call distribution. During open enrollment,

the call volume was higher for the general line, which was expected because of the higher call volume, but the difference between the two lines was less than in prior years.

He explained the importance of these metrics. In 2021 the general line was staffed by a third-party vendor and the specialist line was staffed by MNsure employees. On the general line, the service level (percent of calls answered in five minutes or less) was high and the average speed to answer (how long a caller waits on hold) was quite low. Service level and average speed of answer (ASA) on the specialist line was the opposite: callers spent more time waiting to connect with an agent. Having all Contact Center operations in-house brought the service level and ASA measurements for both lines more into balance. Under the old model a caller might connect to an agent right away, but callers who needed to be transferred to a specialist or connected directly with an agent who could help with more complex issues experienced longer wait times. The old model also had significant opportunity costs since maintaining a low ASA on the general line reduced the budget available to staff the specialist line where more complex issues are handled. Increased first call resolution and a more balanced service model has significantly improved the consumer's service experience.

He also said that with the in-house model, MNsure can offer courtesy call back to all callers, which could not be offered when MNsure depended on an outside vendor. Almost 1/3 of callers have used this option now.

Mr. Winters then spoke about the results from caller surveys received May to December 2021. As compared to the same months in 2020, a higher percentage of survey responders rated their overall experience with the MNsure Contact Center as excellent or good. Callers were also asked if the issue or concern they called about was resolved, and the percentage who said it was resolved increased significantly from 2020 to 2021. He noted this also demonstrates that operations are more efficient.

Mr. Fisher asked how many responses are received on average from surveys and if it's a statistically significant sampling. Mr. Winters said there are peaks and valleys on response rates; for instance, it is usually lower in October and higher in May. He also said the response rate is about 10%. Vice Chair Stoffel asked how the surveys are done. Morgan said they email surveys to consumers who have contacted MNsure in the previous week. Chair Miranda asked if MNsure can do automated surveys, and Mr. Winters said while the capability exists it's not in use broadly. Chair Miranda expressed an interest in automating the collection to increase responses.

Dr. Trajano said he was glad to see the changes have resulted in better service, and asked about the expenses compared to when MNsure used the call center vendor. Mr. Winters said there was close to \$600,000 in customer service savings in the past year but there were multiple factors that contributed to it.

Chair Miranda asked Mr. Clark to update the board about work with coalition partners around customer service. Mr. Clark noted that there are meetings and ongoing conversations with the navigator coalition. They have a shared interest in simplifying the process for consumers with limited English proficiency, and progress has been made.



Chair Miranda thanked the three presenters and expressed that it was good to hear that this customer service work is happening and the planning is coming to fruition.

Morgan thanked Jo Wright and the Contact Center Operations team for their work.

The board took a break at 3:05 p.m. and resumed the meeting at 3:15 p.m. Assistant Commissioner MacDonald was not in attendance after the break.

## **IT and Executive Steering Committee Update**

*Greg Poehling, MNIT Chief Business Technology Officer for Minnesota Department of Human Services (DHS) and MNSure*

Chair Miranda turned the meeting over to Mr. Poehling.

Mr. Poehling began by informing the board that the COVID-19 Relief APTC Changes project won the MNIT Project of the Year award. This project was a collaborative effort that involved MNSure, MNIT, DHS, and two vendors, GetInsured and IBM. He said winning the award is an extraordinary honor, especially since the project was selected from several impactful projects that were delivered in this pandemic year. He noted it delivered immediate and substantial monthly financial relief to thousands of Minnesotans who were disproportionately affected by the COVID-19 pandemic. He thanked the board for their support of the project.

Mr. Poehling discussed the pending sale of Watson Health to Francisco Partners. This sale includes the Curam software platform that is the foundation upon which METS was built. The sale is expected to be complete by the end of June. The state of Minnesota has a sizeable contract with Watson for the software platform and professional services related to the platform, which MNIT understands is being transferred to the new company. He said the impact is not yet clear. MNIT has been assured that active contracts will be honored but has not heard from personnel in the new company. A meeting is set next week with IBM leadership. He said they are monitoring this closely and he will continue to keep the board informed.

### **METS FFY22 Roadmap**

Mr. Poehling talked about the ongoing/annual work that is expected for the year. The common attribute of all items in this category is that they are considered “lights on” work that must take place in order for the existing METS system to remain viable. The only change to ongoing projects since the last update he gave to the board is that the Data Access and Management Reports FFY 2021 project was closed and the project work that was left in has transitioned to the FFY 2022 version of that project.

He continued with development projects that will deliver new changes or enhancements to METS. There are four changes since the last update to the board.

- Renewals Self-Service is new to the roadmap. The project will make it possible for public program enrollees to review, update and submit their renewal form, and electronically upload copies of their verification documents, rather than submitting by mail or fax.



- MinnesotaCare Eliminate the Family Glitch was added to the roadmap to comply with a 2021 state law to extend MinnesotaCare to individuals who were previously excluded due to an Affordable Care Act provision.
- METS Eligibility Determination: Pregnant Women and Auto Newborns. This project was "In Progress" but is shifting to "On Hold" status to free up resources for the Renewals Self-Service project.
- The status of the Renewals Process Improvements FFY 2020 project has shifted from "In Progress" to "Complete."

### **Rolling Deliverable Schedule**

Mr. Poehling then talked about the rolling deliverable schedule. Regarding new development projects, the MNsure PARN Updates project is firm to be delivered in the summer release and scheduled to be deployed August 7. In the ongoing/annual work category, the Curam Upgrade 2022 project is in the initiation phase. This project will deliver a technical upgrade to the METS Curam platform, which is necessary to keep the METS infrastructure up to date with the latest security enhancements and defect fixes, and to retain access to Curam support.

### **Spring 2022 Release**

He then spoke about the spring release scheduled for March 13, and expected to be a go.

- Tribes as Processing Entities will enable White Earth Nation and Red Lake Nation to be the first two Tribal Nations to process cases in METS.
- Maintenance and Operation Non-Project Work will deliver several fixes and small enhancements.

There are also a few project deliverables outside of the spring release. Most notable to MNsure:

- The IAM MNsure MFA and Development Enhancements project has implemented multifactor authentication for state users of METS, and extending it to counties.
- The Data Access & Management Reports project provides DHS and MNsure with access to METS-related data.
- M&O: Non-Project Work includes routine efforts such as critical incident support, emergency patching and help desk support.

### **Policy Review**

*Nate Clark, MNsure CEO*

Chair Miranda said that last year the board had several discussions on board governance that identified priorities board members expressed an interest in pursuing. At the January meeting the board approved a list of topics to cover during 2022 meetings.

At this meeting they would discuss two [board policies](#) identified in January. One relates to reporting, measurement and evaluation of MNsure, which speaks to the board's interest in ensuring the board has a role in defining MNsure's annual goals and in evaluating MNsure's performance. The second policy outlines a framework for ensuring MNsure has a high performing board. She turned the meeting over to Mr. Clark to lead the discussion.

Mr. Clark did a brief recap of what the board discussed at the January 2022 meeting including the topics slated for 2022 meetings. They will test this proposed framework over the next few months starting today with reporting, measurement and evaluation of MNsure.

Two related policies in place that focus on reporting, measurement and evaluation were approved by the board in August 2013: Policy 9, Reporting, measurement and evaluation for MNsure; and Policy 10, Reporting, measurement and evaluation for Board of Directors. Mr. Clark said the board will confirm what the policies require and create an action plan for next steps. These policies are living documents that can be modified. He was not aware if the board has formally followed them, but MNsure staff is providing the board with the information required in Policy 9. He is not aware of any formal evaluation of the board as set out in Policy 10.

### ***Board Policy 9 Discussion***

Policy 9 provides direction that MNsure should have a comprehensive program for measuring, reporting and improving MNsure's performance. Mr. Clark summarized key elements. He also shared what is being done currently and suggestions for what could be done. The policy spells out the manner of board involvement and improving priorities, goals and objectives and in reviewing MNsure's performance. This was an area identified to address during the board governance discussions in 2021.

Historically, MNsure staff has focused on reporting in three priority categories — customer experience, operational efficiency and increasing enrollments — through annual and board meeting reporting, rather than how it's outlined in the policy. He provided examples of what was reported for 2021 in those categories at the January 2022 board meeting.

Mr. Clark then outlined potential opportunities for Policy 9:

- Engage board work groups and the full board using available mechanisms (board work groups and full board meetings) to develop and endorse annual goals and desired outcomes. MNsure staff could develop goals and outcomes, then involve work group members to ensure the specializations and interests of those work groups are captured in the identified goals, and then bring a proposal to the full board for approval.
- Align cadence to MNsure's fiscal year, such as reviewing and endorsing annual goals before November 1. The board could use the time before July 1 to develop recommendations, and then finalize them at the September meeting (or earlier if the board is satisfied with the performance plan), and evaluate the performance before June 30 of the next year.
- Support board reporting with a balanced scorecard to track progress against performance goals.

Mr. Clark asked the board for discussion on Policy 9.

Chair Miranda asked if some of this should be institutionalized with the board chair signing off on a yearly basis, and if the board has the ability to do that. Mr. Clark said the intention of the policy is to make certain that MNsure's performance is being evaluated using a set of meaningful dimensions, but currently they are not doing that in the exact way outlined in the policy. He said staff is willing and capable to implement any kind of a program the board would require, and it is important to have a standard rigorous process that creates a mechanism for establishing performance expectations, and to measure MNsure's performance.

Dr. Trajano commented it is important to measure on regular basis and the missing piece is evaluating financial performance. He suggested a key performance indicators "scorecard" to monitor that and to bring any concerns to the board.

Vice Chair Stoffel agreed it is much needed. She asked about the timing — why the deadline would be November 1. She asked if the goals should be on a calendar-year or fiscal-year basis to align with the budget. Mr. Clark said aligning with the fiscal year makes the most sense; the original policy was written using November 1 for setting goals. There was no reason it couldn't be done earlier to align with the fiscal year. Vice Chair Stoffel agreed with that approach.

Ms. Kennedy said she appreciates the opportunity to look at the policies and how the board applies them, and did not think the policy itself needs changes, but they could refresh how they approach and apply the policy. She also said she appreciates the staff approaching this project proactively.

Mr. Clark summarized that the board is amenable with MNsure staff identifying areas to suggest performance objectives and corresponding goals. They would work on that with the board work groups and have them ready for board to review and approve before the start of the next fiscal year, then develop the scorecards for reporting and tracking progress.

Mr. Fisher agreed that they should move to a fiscal year schedule so they don't take up new projects during preparations for open enrollment. He agreed with the engaging the board work groups and having discussions in board meetings, along with having a scorecard.

Chair Miranda asked if the policy was created by the Minnesota legislature, and Mr. Clark said it was created and adopted by the board, and they can amend it.

Mr. Clark recapped the next steps he had previously summarized, and Vice Chair Stoffel and Mr. Fisher said they supported that. Mr. Clark said this subject would be brought up in the upcoming board work group meetings.

### ***Board Policy 10 Discussion***

Mr. Clark then moved to Policy 10, which directs that MNsure should have a program for evaluating the performance of the board. Mr. Clark summarized key elements of the policy, and said the intent is for the board to identify opportunities for improvement.

Mr. Clark reiterated that he wasn't aware of the board formally adopting a reporting, measurement and evaluation program, but sees the governance discussions in 2021 as "setting the table" for what they are considering now. He said there were objectives that the board has already incorporated from those discussions, including: policy review, strategy and performance, and understanding connections and interactions between agencies. He said this list is narrower compared to what the policy includes, such as board composition, agendas, meeting structure, process, leadership and cultural dynamics.

He stated there is an opportunity to formalize the process of measuring and evaluating performance. The board has approved using work groups and board meetings for discussions and decision-making. He suggested continuing the review and discussion plan for six months, assess progress and refine the approach as needed.

Mr. Clark said there is also an opportunity to develop a method for conducting a board evaluation. This is prescribed in the policy as the responsibility of the chair and vice chair. He suggested that MNsure staff could work with the chair and vice chair to develop evaluation recommendations, including investigating what other state-based exchanges have done. The chair and vice chair could then bring recommendations to the board to develop an action plan to address areas for improvement. He suggested they continue practices adopted at the January meeting, including the reviews already in progress, to develop a proposal for the full board to review and refine, with a goal to deliver the evaluation program yet this year.

Mr. Fisher asked if there had been any formal board evaluation done at MNsure, and Mr. Clark said not since he has been CEO in 2018, and he was not aware of anything prior to that.

Chair Miranda asked how the board should move forward on this, suggesting perhaps by first surveying the board. Mr. Fisher said he could make suggestions on creating surveys. Chair Miranda proposed that for the next step, she and Vice Chair Stoffel would meet with MNsure staff to begin designing the survey, and then follow-up with other board members, as well as get Mr. Fisher's ideas for the survey. Vice Chair Stoffel agreed.

Mr. Clark said he was looking forward to moving the policies forward and appreciated the board's support.

## **New Business**

*Suyapa Miranda, Board Chair*

No new business.

## **Adjourn**

*Suyapa Miranda, Board Chair*

**MOTION:** Chair Miranda asked for a motion to adjourn the meeting. Vice Chair Stoffel moved to adjourn. Dr. Trajano seconded. Mr. Rowley took a roll call; all board members present were in favor and the meeting was adjourned at 4 p.m.