



STATE OF CONNECTICUT  
**LIEUTENANT GOVERNOR NANCY WYMAN**

**Connecticut Health Insurance Exchange  
Board of Directors Regular Meeting**

Legislative Office Building  
300 Capitol Avenue, Room 2C, Hartford, CT

Thursday, June 21, 2012  
**DRAFT Meeting Minutes**

**Members Present:**

Lieutenant Governor Nancy Wyman (Chair); Jeannette DeJesus (Vice-Chair), Office of Health Reform & Innovation; Secretary Benjamin Barnes, Office of Policy and Management (OPM); Vicki Veltri, Office of the Healthcare Advocate; Deputy Commissioner Anne Melissa Dowling, CT Insurance Department (CID); Commissioner Roderick L. Bremby, Department of Social Services (DSS); Mickey Herbert; Grant Ritter; Robert Scalettar; and Cee Cee Woods;

**Members by Telephone:**

Mary Fox

**Other Participants:**

Health Insurance Exchange (HIX) Staff: Tia Cintron, Jason Madrak, Virginia Lamb; Julie Lyons; KPMG: Paul Hencoski and Roger Albritton; Wakely Consulting Group: Patrick Holland; Mintz & Hoke: Chris Knopf, Kathy Morelli and Andrew Wood; Bauza Associates: Raul Lorenzo; Kevin Counihan

**Members Absent:**

Commissioner Jewel Mullen, Department of Public Health (DPH); Robert Tessier; Michael Devine

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**The meeting of the Health Insurance Exchange Board of Directors was called to order at 9:00 a.m.**

**I. Call to Order and Introductions**

Lt. Governor Wyman opened the meeting at 9:00 a.m. and moved to amend the meeting's agenda to have Public Comment as the first item. Motion was seconded and **passed unanimously**.

**II. Public comment**

Lynne Ide provided a public comment.

**III. Introduction of Chief Executive Officer**

Lt. Governor Wyman introduced Kevin Counihan, the Exchange's new CEO effective July 3, 2012.

**IV. Review and Approval of Minutes**

Lt. Governor Wyman made a motion to approve the minutes from the May 17, 2012 meeting. Motion was seconded. **Motion passed unanimously.**

**V. Exchange Update**

Tia Cintron introduced Jason Madrak, the Exchange's Director of Consumer Marketing & Communications. Mr. Madrak provided a presentation on the six major steps in the cycle of a complete marketing and communications campaign. The six steps include research, creative development, concept testing, campaign launch, performance measurement, and analysis of results. Mr. Madrak provided a timeline of the deliverables of each phase. Initial consumer outreach research is being wrapped up and a full detailed report will be provided. Vicki Veltri asked about segmentation research and the Thomson Reuters study and whether both are being used with the marketing plan. Mr. Madrak noted that the Thomson Reuters data is excellent in giving factual data down to zip code level. Mintz & Hoke will speak further to this point.

**VI. Mintz & Hoke Update**

Mr. Madrak introduced the Mintz & Hoke team. Chris Knopf provided a brief overview of the presentation agenda which included information on market exploration, stakeholder discussions and the bridging campaign. Kathy Morelli provided specifics on recent stakeholder discussions. The purpose was to understand or to have stakeholders project their constituents' current perceptions of the health insurance industry. Mintz and Hoke will be focusing their efforts on these concerns and areas of apprehension and the desired message delivery.

Andrew Wood and Raul Lorenzo provided an overview of consumer research to date. A series of focus groups and interviews were conducted in May and June with focus directed at uninsured consumers between 139-400% of the FPL who are between the ages of 25 and 64 years of age, and live in either Fairfield, New Haven, New London or Hartford counties. Upcoming focus will concentrate on consumers living below 139% and above 400% FPL and those living in the remaining counties, as well as consumers living with illness and those representing diverse cultural groups. The final report will be issued upon completion of research in mid-July. Discussion followed on the difficulty and best approach for outreach efforts in the northeast and northwest parts of state. Lt. Governor Wyman asked whether churches have been approached in major cities since a lot of uninsured are members. Mr. Lorenzo indicated that Bauza Associates collaborated with Mintz & Hoke in reaching out to minority populations and church communities.

Mickey Herbert expressed concern about carrier outreach to date, noting the need for substantial work in this area. Lt. Governor Wyman stated that carrier outreach needs further discussion. Ms. Cintron noted that Exchange staff understands this criticality and has reached out over the last couple of months to carriers.

Mr. Knopf discussed the next steps for consumer outreach. Ms. Morelli provided a brief update on the bridging communications program which is an interim communications plan focused specifically on stakeholders who have existing familiarity with Exchange development.

**VII. Advisory Committee Updates**

Tia Cintron introduced Julie Lyons, Director of Policy and Plan Management. Ms. Lyons supports the Health Plan (HP) Benefits and Qualifications and SHOP advisory committees. Ms. Lyons provided a brief update on the Exchange's work with these committees.

Deputy Commissioner Anne Melissa Dowling, the co-Chair of the HP Benefits Advisory Committee thanked staff and consultants for their support and hard work. Ms. Dowling reported that the committee reviewed the ACA requirements applicable to identifying the benchmark plan. Ten (10) categories of care and services must be included as part of the EHB. Plans currently available in the Connecticut market today

generally include all the care and services required by these ten categories with the exception of prescription drugs, habilitative services and pediatric dental and vision coverage. CMS recognizes this problem and has provided guidance on how a benchmark plan can be supplemented to provide these services. If the State selects as its EHB a Benchmark plan that is missing one of these four services, the Exchange must supplement the missing category from another Benchmark plan. Ms. Dowling reported that the committee chose not to recommend the federal plans as a benchmark, since they did not cover all the state's mandates. The costs of mandates not in the benchmark plan would need to be borne by CT taxpayers. The federal plans also had a lifetime cap on rehabilitative services. This would have discriminatorily impacted those with chronic illnesses. Concerns were also raised as to whether the federal plans were in compliance with state mental health parity. Ms. Dowling reported the Committee planned several additional meetings hoping to have a recommendation for the Board by the July Board meeting.

Grant Ritter, co-Chair of the SHOP advisory committee, also thanked staff and provided a brief overview of the committee's recent meeting. Mr. Ritter indicated that the committee's last meeting focused on two of the four purchasing model options that will be provided small businesses. Mr. Ritter reported that the CT Medical Society has received a large grant from the federal government to develop a CO-OP program and is applying for a license. The federal grant stipulated that the program be sold through the Exchange. Mr. Ritter stated that if carriers are to participate, the Exchange will need to create the right environment. The committee voted to discuss the four options of design for small business. The committee also voted to continue to discuss options which included the single carrier, multiple levels and the multiple carrier one level. Mr. Ritter stated he believed it is too early to limit options.

Lieutenant Governor Wyman recommended that the work of the advisory committees be treated as a single agenda item in a future meeting before a decision is made by the Board and requested that information be provided to the Board in advance of the meeting.

Mr. Madrak provided a brief summary of the activities of the Brokers, Agents and Navigators Advisory Committee, as well as the Consumer Experience and Outreach Advisory committee.

Mickey Herbert, co-Chair of the Brokers, Agents and Navigators Committee, provided an update on the committee's work. The Committee examined the Navigator's role and definition in a number of states and identified seven areas for additional analysis. Those areas include defining the role of the navigator versus the separate role of brokers and agents. Training and certification was also discussed as was licensing and the necessity to recruit navigator participants. Consideration will also be given to funding, since there are no Exchange dollars to award grants to navigators to perform their role. Members also discussed materials and outreach, as well as reporting and special navigator considerations for SHOP. Members reviewed the differences of navigator responsibilities as specified in ACA. Mr. Herbert concluded that the next step is for the Exchange staff and consultants to incorporate feedback from the meeting and present that information to the committee with recommendations.

Vicki Veltri, co-Chair of the Consumer Experience and Outreach Advisory Committee provided an update on the committee's work. Ms. Veltri stated that many of the same issues were discussed in the QHP meeting. Ms. Veltri noted that the committee's initial trepidation over what benefits were to be covered fell away quickly. The committee has concerns on weighing in on a plan without additional information on benefits limitations, including those on therapies, home health services and skilled nursing. The committee requested that staff provide additional information on the utilization of benefits if such information is readily available from the various plans. Members discussed the importance of a good benefit package while also addressing the issues of affordability. The committee agreed to dig down into the issues which contribute to healthcare cost and premium increases, once the EHB is selected. Ms. Veltri noted that there is an interest to meet jointly with the QHP committee. Ms. Veltri also reported that Mintz & Hoke had

presented an update on its consumer research and outreach efforts and discussion followed on outreach to various parts of the state. Committee members also had questions for KPMG with regard to their work on the consumer assistance call center models and had compiled a list of question and submitted them to KPMG.

#### **VIII. Standing Committee Membership**

Tia Cintron introduced Virginia Lamb, General Counsel. Ms. Lamb reviewed committee membership for the Board's three standing committees: Audit, Finance, and Human Resources. The Exchange's Bylaws require a minimum of five (5) members on each committee. Three of the committee's members must be voting members, at least two members must be appointed and a least one must be an ex-officio Board member. Based on these requirements additional membership is required on the Audit and Finance Committees. Ms. Lamb reported that all of the current members of the Finance Committee were ex-officio members so additional appointed committee members would be required. The Human Resources Committee meets all Bylaw requirements.

Lt. Governor Wyman suggested Mickey Herbert and Bob Scalettar volunteer to be on the Finance Committee; both members agreed. Lt. Governor Wyman moved to add Mickey Herbert and Bob Scalettar to the Finance Committee. Vicki Veltri seconded the motion. Bob Scalettar seconded the motion. **Motion passed.**

Ms. Lamb reported that the Audit Committee was short three members. Current members are Grant Ritter and Cee Cee Woods. At least one of the additional members will need to be a voting member either appointed or ex-officio. Mary Fox and Lt. Governor Wyman agreed to serve. The Audit Committee will also need to add at least one additional ex officio Board member to meet Bylaw requirements. Lt. Governor Wyman stated that she would find one other ex-officio member and action on a motion to complete the committee could be taken at that time. Ms. Lamb noted that staff work would continue on compliance issues such as FOIA and contracting, even though the committee was not yet operational.

#### **IX. Level II Grant Overview / KPMG Update**

Mr. Scalettar thanked Tia Cintron for her contributions to the Exchange. Mr. Scalettar requested a status report on the Gate Review, the Level 1 Supplement Grant and any information with respect to the upcoming Supreme Court ruling. Ms. Cintron reported that the Gate Review went very smoothly; a formal evaluation from the review is expected in another week or so. With regard to the Level 1 Grant, Ms. Cintron stated that a supplemental request was submitted to the government on April 30. CCIIO requested that the State remove the request for APCD funding because it had not originally been incorporated in the original Level 1 grant. It can be applied for in the Exchange's Level 2 application. The Level 1 application was resubmitted. That resubmission also received a request for more detail and will be resubmitted on June 21, 2012. Jeannette DeJesus requested that her office (Office of Health Reform & Innovation) be included in conversations with HHS or CCIIO when the APCD is discussed. Commissioner Bremby stated that he had forwarded to Ms. Cintron an article regarding what will happen following the Supreme Court decision.

Ms. Cintron introduced Paul Hencoski from KPMG who provided a summary of work done to date by the technical advisor. KPMG has provided work towards submission of the Level 2 grant application as well as preparation for the Gate Review. Mr. Hencoski noted that CCIIO was complimentary of Connecticut's work in the Review. Work has begun with DSS regarding the integrated eligibility part of the project. The Level 2 grant in the amount of \$108,631.635 will be submitted to the government in the next week.

Patrick Holland of Wakely Consulting Group presented a comprehensive review regarding the Level 2 budget. Submission deadline is June 29, 2012 but the goal for submission is June 27, 2012. Preliminary reports have been provided to the Finance Committee. Mr. Holland stated that it is anticipated that within

45 days there will be notification of the award. Mr. Holland continued with an overview of the high level application components. Mr. Scalettar inquired asked when the application will be available for the Board and public to review and if any draft version has been vetted through the new CEO. Ms. Cintron replied that it is expected that a final form will be done by Wednesday to be sent to the Board, and a copy will be provided to the new CEO.

**Secretary Barnes joined the meeting at 10:54 a.m.**

Mr. Holland presented the budget approach for the Level 2 grant. Key drivers are IT System Functionality and the requirement of Exchange sustainability in 2015. Costs for the period 2012-2014 are projected at \$108,631,635. Mr. Holland addressed membership/enrollment projections, as well as staffing and fringe estimates including expected staffing and salary levels noting that salary levels are high because the Exchange requires a professional staff. Discussion materialized around staffing levels. Due to time constraints, staffing costs are based on intensive use of temporary professional consulting during ramp up periods of 2012 and 2013. Consulting functions will eventually be absorbed by the Exchange's full time staff, as staff are brought on board. The proposed budget also funds a project management office (PMO) to provide integration and coordination across initiatives/agencies. Other direct non-IT costs include equipment, supplies, travel and other administrative costs such as funding for the appeals process. This process is a required Exchange function under the ACA. Discussion ensued around the budgeted areas and what the CCIIO will be considering, particularly the reuse of existing resources.

Vicki Veltri requested that the PMO concept \be discussed in further detail and asked if the budget only covers components that benefit the Exchange. Mr. Holland explained that the PMO is needed to ensure integration with other related parties both internal and external (DSS, BEST, HHS) to the Exchange. Commissioner Bremby noted that reuse of technology is key to CCIIO funding and that having a PMO was the best practice in IT deployment. Major components must be procured and integrated under aggressive CCIIO deadlines and guidelines for re-use wherever possible.

Mr. Hencoski presented an overview of the IT cost projections for the budget. KPMG developed its estimates using industry standards and high, medium and low re-use strategies. High re-use assumes a high degree of transferable solutions or use of commercial off-the-shelf (COTS) products, as well as high re-use of existing state assets. Based on evaluation of existing state IT assets, high re-use is not realistic. For that reason KPMG recommended using medium-level of reuse assumptions in the budget. Budgeting models were developed for Exchange-only, Exchange and Medicaid, and Medicaid only programs. Mr. Ritter inquired whether the analysis considered the State having a BHP. Discussed ensued around the BHP. Mr. Hencoski noted that the State would bear the cost of running the BHP while procurement of tools would be an Exchange cost.

Mr. Holland reviewed the Exchange's self-sustainability model. Proof of self-sustainability is a requirement for the Grant application. For fiscal conservatism, the most narrow assessment type was modeled.

**X. Adjournment**

Lt. Governor Wyman thanked staff and consultants. Lt. Governor Wyman made a motion to adjourn the meeting. **Motion passed unanimously.** The meeting adjourned at 11:55 a.m.

**Resources:**

[Agenda](#)

[Minutes from previous meeting](#)

[Marketing Presentation](#)

[Level 2 Grant Presentation](#)