

**AGENDA**  
**PENNSYLVANIA HEALTH INSURANCE EXCHANGE AUTHORITY**  
**BOARD of DIRECTORS MEETING**

**Date:** July 17, 2020

**Time:** 12:00 p.m.

**Location:** **Skype** +1 267-332-8737,,774479036#  
<https://meet.lync.com/pagov/tglazer/QBFVF8LS>

**1.0 Preliminary Matters – 12:00 p.m. start**

**1.01 Call to Order**

**1.02 Roll Call**

- Commissioner Jessica Altman, Pennsylvania Insurance Department (Chair) - **Present**
- Sheryl Kashuba, University of Pittsburgh Medical Center Health Plan (Vice Chair) - **Present**
- Paula Sunshine, Independence Blue Cross – **Absent (proxy to Mark Nave)**
- Aji Abraham, Capital Blue Cross - **Present**
- Jessica Brooks, Pittsburgh Business Group on Health - **Present**
- Antoinette Kraus, Pennsylvania Health Access Network - **Present**
- Dr. Rachel Levine, Department of Health – **Absent**
  - Meghna Patel, Department of Health – **Absent (proxy to Chair)**
- Secretary Teresa Miller, Department of Human Services – **Present**
  - Catherine Buhrig, Director of the Bureau of Policy for the Office of Income Maintenance at the Department of Human Service – **Present (joined 12:37)**
- Laval Miller-Wilson, PA Health Law Project - **Present**
- Mark Nave, Highmark - **Present**
- Tia Whitaker, Pennsylvania Association of Community Health Centers - **Present**

**1.03 Approval of Previous Meeting’s Minutes**

- *Discussion: None*
- ***Motion:*** *To approve as true, correct and accurate the minutes recording the events, actions and details of the [June 18, 2020 Public Meetings of the Pennsylvania Health Insurance Exchange Authority Board.](#)*
- Motion:
  - Tia Whitaker
- Second:
  - Laval Miller-Wilson
- Yays:
  - All Board Members
- Nays:
  - None

**1.04 Opportunity for Public Comment**

- Please note that public participation is permitted at this meeting, as required by the Sunshine Act, 65 P.S. § 280.1. In the absence of official policy relating to public comment at Board meetings (which the Board anticipates will be

forthcoming), and to ensure the orderly progress of today's meeting, all comments should be directed to the Chairperson, and should be limited to no more than five (5) minutes in duration. Questions asked of the Chairperson or the Board as part of public comment may or may not be addressed at the meeting. **There were no public comments.**

**STATEMENT BEFORE EXEC SESSION (Chair):** We are going into executive session to discuss an RFP related matter since there are agenda items later that pertain to this decision. If we are able to make this decision now, we will be able to speak about it publicly in the context of the later agenda items. We do not expect this to take long but will reconvene on this telephone number at the conclusion of executive session. Before we do that, this is in relation to the RFP for Navigator and Assister services. Would any member of the Board like to announce their recusal who will not be joining us in the Executive Session? **Tia Whitaker** recused herself from this discussion.

## 2.00 Executive Session

### 3.00 Resume Public Session (Zach/Chair) 12:25 p.m.

- We are prepared to discuss a vote on the outcome of the RFP for the Navigator Program. Do we have anyone who would like to recuse themselves from the vote itself? **Tia Whitaker** recused herself from the vote. **Chair** – is there anything the Board would like to say or ask before I provide a recommended motion? Hearing none – the recommended motion we have coming out of Executive Session is:
  - **Motion:** *To accept the recommendation of the Evaluation Committee and to permit Pennie to negotiate and, if appropriate, allow the Executive Director to execute a contract with Cognosante, LLC, who will be subcontracting with PACHC, DynaVet Solutions, LLC, Latino Connection, LLC, and Luminous Strategies, LLC, for Navigator and Assister Services. Would anyone like to make that motion?*
    - Motion
      - Aji Abraham
    - Second:
      - Jessica Brooks
    - Yays:
      - All Board Members (except Tia Whitaker)
    - Nays:
      - None

**Chair:** Congratulated Cognosante and PACHC and all of their partners. She acknowledged that the exchange team will be excited to continue the process. She then passed it to Zach for Standard Administrative Updates.

## 4.00 Action/Discussion Items by the Board – 12:30 p.m.

### 4.01 Standard Administrative Updates – 12:30 p.m. – 12:45 p.m.

- **Discussion:** Sherman started by thanking the Commissioner and the Board for moving that process forward. “As the Commissioner just mentioned, we are very excited to take this important step to expand our existing in person assistance network to be sure Pennsylvanians have a place they can go for

assistance during open enrollment”. He then continued by introducing the latest additions to the Pennie staff:

- **Personnel**
  - Sherman introduced Brett Flower as Office of General Counsel, Office of Chief Counsel assigned to Pennie as Assistant Counsel on July 6, 2020, from a local firm (Dethlefs-Pykosh Law Group) in Camp Hill. She graduated from Widener University in 2017 and Virginia Tech in 2010. Prior to going to law school, she worked as an Aquatic Biologist Assistant for the Virginia Department of Game and Inland Fisheries.
  - Communications Associate, starts 7/27 and will be introduced at the next Board meeting
  - Open position: Data Manager, Recon Specialist
  
- **Stakeholder engagement**
  - **Insurers**
    - **Discussion:** Hannah Turner (Director of Operations) stated that we are moving along with the Insurers and are tracking the impact of Covid-19, but with the exception of the slight connectivity delay that a couple insurers experienced, they are now caught up and we have no issues to date. We are, however continuing to track that since the Covid-19 situation is not over. From an EDI perspective, we have completed all the initial integration testing and connectivity. We are currently in the Complex Integration testing and moving along well. Provider Directory files have been provided to our vendor. We have more and more carriers signing off on the Pay Now services for their own testing. The Operations team is looking forward to the remaining insurers completing their verification of the Pay Now process. In terms of the Policy Workgroup, Operations went through briefings and outcomes of the discussions from the last Board meeting. The Service Coordination Working Group keeps insurers up-to-date on the Broker / Producer pre-registration process. Operational Contingency planning is in the works with examining what tools and processes will look like. They continue to update the SharePoint site with more EDI documentation. The Board had no questions.
  - **Brokers**
    - **Discussion:** Erik Huet (Policy Analyst) provided an update on the transition and outreach efforts we’ve been doing with our producer community. July was their 4<sup>th</sup> monthly Broker Workgroup meeting and attendance continues to grow. **Aji Abraham** asked if Huet or PID has access to information on how many producers were registered or sold policies last year in terms of comparing stats. **Huet** pointed out that we have around 4,200 individuals that are currently on the FFM. **Turner** added that some of the data on the FFM includes MPM that are not valid. Unfortunately, it’s not an easy number to get to which is why we’re trying to get help from the insurers with outreach to the producers they have relationships with and we’ve been working with some of the local producer organizations who are helping to get the word out as well.

#### 4.02 **Standard Technology and Operations Update – 12:45 p.m. – 1:05 p.m.**

- **Discussion:** Exchange Authority Project Milestones presented by Jennifer Lloyd (Project Manager) on behalf of the Project Management office in which overall project status were shared, consistent with the slide. The Board had no questions.
- **Discussion:** the Call Center Update was shared by Hannah Turner (Director of Operations) consistent with the slide. The Board had no questions.
- **Discussion:** Duane McKee (CIO) shared the Technology Development Updates and was pleased to report that the technology tasks are moving along nicely and we're making a lot of progress consistent with the slide. The Board had no questions.

#### 4.03 **CMS Transition Acknowledgement Letter – 1:05 p.m. – 1:15 p.m.**

- **Discussion:** Sherman briefly reviewed the required process around the transition to the Federal Government that states we are moving down the path to transitioning to a State Based Exchange. The exchange has completed a number of technical and security related steps required, as based on the CMS Blueprint application. PHIEA is now at the point where we need to send the Federal Government a brief letter stating our intentions to become an SBE. The due date for that letter (August 3<sup>rd</sup>) is between BOD meetings and the Exchange wants to be sure to discuss it thoroughly before recommending giving Sherman the authority to sign it and send it to the Federal government. The Board had no questions.
- **Discussion:** McKee shared the high-level steps that we've gone through in order for us to get to the position where we are ready to submit this letter with confidence. The steps shared were consistent with the slide. The Board had no questions.

**Chair** spoke to the recent anniversary of Act 42 and how everything that needed to be in place in order to be confident in sending this letter is in place and is a testament to Zach and team as well as the Board and Stakeholders who have been our partners in doing this. **Laval Miller-Wilson** stated that while the Board has been engaged, he recognized and appreciated the work of the Pennie staff. **Sheryl Kashuba** agreed with Miller-Wilson's sentiment.

**Motion:** *To grant the Exchange Authority permission to notify the Secretary of the United States Department of Health and Human Services that it intends to proceed with transition to a State Based Exchange for the upcoming Open Enrollment.*

- Motion:
  - Antoinette Kraus
- Second:
  - Tia Whitaker
- Yays:
  - All Board Members
- Nays:
  - None

#### 4.04 **Preliminary Assessment of the impact of COVID-19 on Enrollment and Revenue (FCG) – 1:18 PM**

- **Discussion:** Sherman noted that as Covid-19 became more widespread, the team tried to wrap our heads around how it might impact health insurance markets and acknowledged that PHIEA was not resourced to do that in house. Faulkner Consulting Group was hired to assist.
- **Discussion:** Deb Faulkner with Faulkner Consulting Group (FCG) introduced herself and Olivia Burke. Consistent with the slides, Deb explained that although COVID-19 has fueled a surge in unemployment, they only anticipate a marginal impact on Pennie enrollment and revenue. Deb then turned it over to Olivia to discuss what lies ahead with some preliminary results. She explained their 8-step approach and that they are accounting for Medicaid Redetermination Delays. **Sherman** added that inflow outside of open enrollment into Exchange coverage is people leaving Medicaid due to income changes, however, that inflow has been turned off since February when COVID hit full force. **Laval** agreed that he's not sure how much of a factor Medicaid redetermination would be as there are not a lot of people leaving Medicaid. **Olivia** explained that that is what they are accounting for; that the delay in redeterminations is what's bringing people to the Exchange. **Laval** agreed but moving forward, there is uncertainty, but if Medicaid determination returns to some normalcy, then the impact could be positive. The Exchange is an option for those released from Medicaid. **Sherman** noted that standard month over month inflow from Medicaid that is not happening right now would come back.
- **Discussion:** Olivia explained the Methodology Overview: By the Numbers consistent with the slide. Enrollment Projection as well as Revenue Projection was discussed and the Key Drivers were explained in detail. **Sherman** asked if there a Federal continuance of UI benefits at the end of the year could make the trends look different. **Olivia** explained that what you would probably see the decrease you see around January 21 when you start losing people due to expiration of benefits, and the scenarios stay steady. Instead of the decline, it would be much more level. **Mark** inquired about Faulkner's work in addressing domicile headquarters vs location of employees and how they overlaid that with the different industries as some are hit harder than others? **Olivia** replied that the unemployment data they used here is layered – it's UC claims filed in PA plus the local area unemployment statistics estimate of current unemployed in PA. You get UC from the state in which you're working. **Deb:** as we continue to monitor what happens to employer-based coverage as an indicator how this plays out, that will be a challenge. But it's predicting that gets a little messy. **Mark:** I understand and thank you. This has been fantastic analysis. **Chair** noted the great amount of detail and that the model is a resource and directed questions to Zach and team. Having this at our disposal and the ability to analyze on an ongoing basis is going to give us the best knowledge that we can have. **Mark:** Jessica and Zach, this is public information at this point correct? **Sherman:** yes, it is, and it will be uploaded to the website. If you want a hard copy, we would be happy to send it your way. When we engaged Deb and Olivia to do this work, we knew we couldn't do the analysis just once and have the answer so they have this data model that allows us to add in actual data as well as new assumptions as they arise.

#### 4.05 Calendar Year 2020 Re-Budget (Heather) – 2:10 p.m. – 3:00 p.m.

- **Discussion:** Sherman explained that we are about 6 months into the budget that was approved at the end of last year. There have been a number of changes. We have been working with the Department of Human Services to secure Federal funding to help pay for functions and services that we do that serve the Medicaid population. The request we submitted was approved and Heather will explain this further.
- **Discussion:** Heather Lemmon (Chief Financial Officer) explained the Federal Medicaid Advance Planning document (APD) process consistent with the slide. **Laval:** is the money that Pennie gets State money or Federal money? **Heather:** it's actually Federal funds. We incur the expenditures and pay with our funds. We are then reimbursed for the allocatable amount of the Federal funds. **Chair:** just to be extra clear here, there are no DHS funds used at all. DHS is only the mechanism through which Pennie can receive Federal funds for the state funds Pennie is expending collected from the user fee. **Heather:** the request we submitted is for the 2020 federal fiscal year (FFY) ending September 30, 2020 was approved last week allowing us to claim Federal match against applicable expenses. In addition, Pennie provided DHS necessary information to draft a similar funding request for the next APD. Between both APD requests, we requested a total of \$6.7M. **Sherman:** the way these approvals come through, you get a certain amount of funding that is available to spend. We have to spend the state match to leverage the Federal dollars. I bring that up to say there's a distinction between authority and actual Federal dollars we will spend. The second part is that we are now talking to you about 3 fiscal years in the context of this budget. At different times we'll reference the calendar year budget and the FFY budget and it gets confusing. **Chair:** so we have been approved for \$3.4M through the end of September. We have requested a total of \$6.7M through the end of the calendar year, but \$3.3M still needs to be approved. The additional APD includes funding into CY 2021 through the end of the following FFY. **Laval:** so the money is for Medicaid related work that Pennie is doing. If the Federal agency and an AG wants to be certain the money given to Pennie was spent on Medicaid, how does Pennie answer that question? **Zach:** there are different ways to articulate how you're serving the Medicaid population and one of them is to have a population-based assessment percentage that we apply to all allowable expenses. Allowable expenses are the items we actually put in the funding document and they're listed on this slide. We have to report on it to DHS who then reports it to the Federal government and that's how it's tracked. **Laval:** more importantly, there's a methodology so that if state or Federal officials were trying to track the dollars for Medicaid that there's a response. **Sherman:** there are many functions we do that serve both Exchange populations as well as Medicaid populations and trying to parse out which is which can be difficult that is why you create a population-based methodology and you apply it. That's why it's a shared matched expense. So many of the things we do serve both populations and are therefore eligible for both Federal dollars and state dollars. **Chair:** that methodology was also submitted as a part of the APD and agreed to by CMS in their approval of the APD.
- **Discussion:** Heather explained actual expenditures to date consistent with the slide. Currently we are well under budget overall. **Sherman:** we are under budget where we want to be. There are a couple lines where we've incurred more expense than what is represented here. **Heather:** we will definitely start

seeing a difference in Q3 and Q4. The closer we get to open enrollment we'll start seeing these expenses come through.

- **Discussion:** Heather gave an overview of the proposed re-budget consistent with the slide.
- **Discussion:** Heather outlined the proposed revised budget by area consistent with the slide. **Sherman:** wanted to present the original to the revised in this way to show you the positive impact the Federal dollars will have on our ability to fund our priorities and everything that needs to be done this year as well as allow us to accommodate additional staff resources, more outreach and education, marketing activities all for less than what we originally requested. We have details behind these that we shared in the pre-reads or we're happy to jump to specific areas if you want to know more. Items that I would like to highlight the differences are in Personnel, Marketing and Outreach. **Heather** outlined the more detailed breakdown of the Personnel Budget, consistent with the slide. **Sheryl Kashuba:** it sounds like there was a real disciplined examination of what the Exchange really needed going forward and these modifications were scrutinized by the Executive team and are necessary. Is that a fair statement? **Sherman:** yes, I would say that's a more than fair statement and we feel that putting it forward in a way that doesn't incrementally ask for additional state dollars, in theory, we aren't asking for incrementally more in user fee revenue to pay for personnel, outreach, marketing, the whole budget. **Sherman:** I don't think we need to go through each detailed breakdown. For both Marketing and Outreach, additional Federal dollars came through in adding to our ability to get the word out about the transition, advertise, provide in-person assistance across the Commonwealth. Now more than ever, we have so many Pennsylvanians in transition and people are much more remote as a result of COVID-19. We're feeling the need to do what we can to get the word out so we can connect them with the coverage we are providing on the Exchange. **Aji:** I'm not asking to change anything this year, I'm good with this year, but on a go forward basis, using this year as a benchmark year, is there a way track or are we planning to track the effectiveness of some of the stuff we're doing? Once word gets out, maybe you get more return for your dollars spent on the Navigators and the Outreach to get people signed up than the Marketing. **Sherman:** Kyrie, I'd like for you to jump in and talk about the different ways you can track the effectiveness of marketing and advertising, but the short answer is that's one of the great benefits of having a state based exchange is that we have control over our approach to both Marketing and Outreach and also control and understanding of the enrollment data. Our goal is to be reviewing how different strategies and tactics, how the allocation of funding in different areas affected our ability to enroll more people. **Kyrie:** we will touch on this slightly in the next section of the agenda, but I will say, we have to be dynamic and adaptive throughout our brand launch as well as open enrollment period. You need to continuously re-target your populations and tailor based on where you're seeing the traction. Right now, we are competitively procuring a media buyer who can be our partner in this work and we will be sure to put our dollars where they are most effective. **Sherman:** I don't think it will be necessary to go through each section at this point. Our recommendation is to approve the revised budget as proposed and go from there.

**Chair:** If there are any other questions or broad comments, otherwise, I believe the goal is to approve formally the 2020 Re-budget. Hearing none:

**Motion:** *To approve the 2020 re-budget as recommended by Pennie staff.*

- Motion:
  - Sheryl Kashuba
- Second:
  - Aji Abraham
- Yays:
  - All Board Members
- Nays:
  - None

#### 4.06 **Communications & Outreach Overview – 3:00 p.m. – 3:30 p.m.**

- **Discussion:** Kyrie began by explaining that communications and outreach is much more than marketing. It is about relationships with key communities, serving those who are within the healthcare landscape that could be our partner insurers and brokers who are our brand ambassadors in many cases. Today we will be highlighting our plans to date. They are always changing and evolving to meet the needs of our customers and stakeholders throughout our brand launch and the fall. She then introduced Chachi Angelo (Marketing Communications Manager) and Scott Yeager (Outreach Manager)
- **Discussion:** Chachi explained that he will be updating everyone on the work from the External Affairs team and introduced Scott who agreed he is looking forward to sharing our Marketing and Outreach plans.
- **Discussion:** Chachi explained Pennie’s goals as well as Communication and Outreach secondary goals and the Target Audiences, both consistent with the slides.
- **Discussion:** Scott continued by elaborating on Prioritizing the Uninsured. There are a lot of communities and counties that need education regarding the benefits of our new exchange. In Outreach, it’s critical that we don’t overlook the obvious.
- **Discussion:** Chachi and Scott both explained the timeline of Critical Milestones, broken down into 3 sections – Awareness Campaign, Call-to-Action Campaign and PY2021 and Special Enrollment Period, consistent with the slide. At this point, the Board had no questions.
- **Discussion:** Chachi went over the Tactics that we will be employing for advertising, communications and outreach, and Scott explained how our Exchange will thrive when we have active referrals taking place throughout the Commonwealth. He reviewed our goal of having an OE Toolkit and the benefits of Education and Enrollment events consistent with the slide.
- **Discussion:** Scott explained that we are currently coordinating with other Commonwealth agencies and establishing partnerships with community-based organizations, chamber groups and faith-based organizations as well as engaging underserved populations. Chachi went on to explain some of the feedback we received from our Advisory Council and our Workgroups and how some of their suggestions really sparked some inspiration on our part. They include different languages, potential partnerships and recommended tactics, consistent with the slides.
- **Discussion:** Kyrie continued with the presentation by explaining the timeline through the rest of this year showing many of the decisions that will need to

be made and how they coincide with the currently scheduled BOD meetings. Kyrie also explained the 3 different proposals for the Board on how they would like to engage in the creative development process. **Sheryl**: prefers Proposal #2, although not perfect, it can cover a lot of ground. Loves the idea of a subcommittee but the time constraints would likely preclude her and possibly others. **Laval**: also likes Proposal #2. Thinks that it would be ideal to have a subcommittee but would be very challenging and somewhat limiting. **Mark**: also agrees with Laval and Sheryl on Proposal #2 and added that if this is the way we go, we could figure out a standard nomenclature or email approach of “response required” or response required by XXX date”. **Aji**: also in agreement with Proposal #2 assuming there will be updates at the Board meetings also. Not sure that there is enough time and resources available to have a standing Comms/Outreach Subcommittee. **Kyrie**: thanked everyone for their input and shared that we can get a long way with Proposal #2 through digital communication. The Board will continue to be updated regularly of plans, but Proposal #2 would allow us to get Board feedback sooner so that we can take action. **Antoinette and Tia** both support Proposal #2. Tia added that with the caveat that if we need to hold another meeting or have a different conversation, we can do that as well. **Kyrie** continued by letting everyone know that both she and Zach are available to answer any questions or have any further thoughts. Any questions or comments? **Laval**: had a question regarding “Earned Media” interviews that were presented by Chachi. What’s the plan, if anything, for Board members talking about the events that are coming up? **Kyrie**: we want you to be armed with all the talking points you feel you need, and we are happy to supply you with talking points about specific actions that we as an organization are taking - launching a website for example. We would do that in advance of those key milestones. We also want our Brand Ambassadors to have talking points to speak to general things related to open enrollment and the services that Pennie can provide and those more standard talking points would be in the open enrollment toolkit. It was suggested that if a member of the media does reach out to any board members, the board is encouraged to work with our team so that we can support them with a response. If you are not comfortable with that, Kyrie’s contact information can be shared with them. **Sherman** simply stated that if you get a media inquiry and you want to field it, we can staff you for that effort. If you do not want to field it, please feel free to defer them to us and we will take care of it. We want to make sure that we are a resource to you, but you shouldn’t feel compelled to be the spokesperson for Pennie if you don’t want to be. **Laval**: that’s great. We’re all comfortable connecting, but I think we’re trying to be on the same page with regard to the promotion. Just trying to be ready for any resourceful members of the media that might reach out to a board member. **Aji**: are we coordinating or allowed to coordinate with media comms folks of the plans that may want to be part of this and sell the products? There may be some benefit in coordinating the messaging or the timing so that all the messages reinforce themselves. **Kyrie**: we recently received a request to share some of this information with one of the insurer working groups that we run on a regular basis. This high-level plan with key milestones will soon be shared with the broader working groups. We would love to be in closer contact with the comms folks specifically and it is at those workgroup meetings that we would invite them to connect with us should they have input or thoughts or interest in co-branding

for example. **Zach:** yes, we want to partner with everybody to communicate and drive public awareness around this. The only caveat I will put out there is that we obviously need to be an unbiased marketplace and resource for consumers so we can't directly promote any specific plan, but we want to do broad public awareness around the availability of the marketplace and the products that are offered by all medical and dental insurers across the Commonwealth. **Aji:** I was thinking of Capital promoting what you're doing in some of our messaging and media outreach so I will make sure I clue my media folks into the insurer workgroup. **Hannah:** we will be presenting on this in the workgroups, and if your insurer communication folks have specific ideas or questions that they would like to share in advance, we can do that, or we can follow-up as well. Looking forward to that indeed. **Laval:** I guess we will hear more in August about the approach of the producers on the Exchange and how they will be working with Pennie. Pennie can't promote a particular insurer, but there's nothing that stops the insurers from promoting Pennie along with their product. It seems like it would be helpful to know what the budget is of the insurers in thinking about how they're promoting their work this fall. **Sherman:** we are eager to work with insurers to promote open enrollment, but we will not be asking how much they are spending. We are interested in partnering with them and will definitely share public awareness events or tactics that we will be employing with insurers. **Kyrie:** we will continue working with our workgroups to be sure that we understand both producers and plans intend to market themselves along with Pennie. The Board had no further questions.

#### 5.00 **Adjournment – 3:30 p.m.**

- **Chair:** before we adjourn the meeting, and we covered a lot today as we always do, are there any final thoughts, comments or questions for the good of the group? Hearing none, have a wonderful weekend, we will formally adjourn the meeting of the board today and we will see you all in August.

**Recommended Motion:** To adjourn this meeting of the Pennsylvania Health Insurance Exchange Authority Board.