

**MISSISSIPPI HEALTH INSURANCE EXCHANGE ADVISORY BOARD MEETING**

**MISSISSIPPI INSURANCE DEPARTMENT**

**SEPTEMBER 12, 2012**

**9:30 AM – 12:00 PM**

**ADAMS & REESE, LLP**

**RIDGELAND, MISSISSIPPI**

**MEETING MINUTES**

**I. Roll Call: Kathryn Gilchrist, Attorney, Adams and Reese, LLP**

o **Board Members present:**

Ms. Stephanie Barnes Taylor

Mr. Gary Ben

Dr. Claude Brunson

Dr. Jason Dees

Ms. Lee Ann Griffin

Ms. Therese Hanna

Mr. Joel Jasper (*Proxy: Mr. Steve Armstrong*)

Ms. Teresa Malone

Mr. Roy Mitchell

Mr. Robert Pugh

Ms. Mary Werner

Ms. Kathryn Gilchrist, legal counsel to the Mississippi Health Insurance Exchange Advisory Board (“Advisory Board”), verified that a quorum was present.

o **Attendees:**

Honorable Mike Chaney, Commissioner of Insurance

Mr. Aaron Sisk, Ms. Maris Cooper, Ms. Kaylea Crabbe, Ms. Michelle Partridge, and

Mr. Drew Weiskopf: Mississippi Insurance Department

Ms. Cheryl Smith, Ms. Kathryn Toone, Mr. Parker Larson, Mr. Austin Bordelon and Ms. Laura Summers: Leavitt Partners, LLC

Ms. Kathryn Gilchrist and Mr. Brant Ryan: Adams and Reese LLP

Mr. Lanny Craft: Mississippi Comprehensive Health Insurance Risk Pool Association

**II. Welcome and Introductions: Honorable Mike Chaney, Commissioner of Insurance, Mississippi Insurance Department**

Commissioner Chaney welcomed the Advisory Board and public attendees to the meeting. Commissioner Chaney stated that the Mississippi Insurance Department (“MID”) is continuing its efforts to do what is best for the State of Mississippi in regards to a health insurance exchange, and urged the Advisory Board members to stay on course. Commissioner Chaney also stated that MID will not submit the Exchange Blueprint application until after the Presidential election in November.

**Mr. Aaron Sisk, Senior Staff Attorney, Mississippi Insurance Department**

Mr. Sisk stated that due to the threat of Hurricane Isaac, the Advisory Board meeting originally scheduled for August 30, 2012, in Biloxi, Mississippi, was postponed. The September meeting was rescheduled for September 12, 2012 and held at the offices of Adams and Reese due to lack of availability of space at the Woolfolk State Office Building. Mr. Sisk discussed the development of the Rules for Public Comment which were distributed to Advisory Board members. He explained that in order to maintain rules of decorum at Advisory Board meetings, the formal public comment process was developed to allow individuals from the public an opportunity to speak.

**III. Adoption of Rules for Public Comment:**

A motion was made to adopt the Rules for Public Comment. Said motion was made by Ms. Werner, seconded by Dr. Brunson, and approved by a unanimous voice vote of the Advisory Board members.

IV. **Updates and Announcements: Mr. Lanny Craft, Executive Director, Mississippi Comprehensive Health Insurance Risk Pool Association**

Mr. Craft gave a brief update on the Mississippi Comprehensive Health Insurance Risk Pool Association's ("MCHIRPA") progress in developing One, Mississippi. He stated that eHealth Insurance, Inc., was selected for the Phase I "shop and compare" platform after a request for proposals ("RFP") was issued. He stated that this platform became fully functional at the beginning of July and consumers may use it to compare health insurance policies from two different companies. Mr. Craft said that vision and dental policies will be offered on the website in the future. He stated that at the end of May an RFP was issued for Phase II & III development of the One, Mississippi website. Mr. Craft stated that another vendor has been selected to complete these functions and contract negotiations are underway.

**Mr. Aaron Sisk, Senior Staff Attorney, Mississippi Insurance Department**

Mr. Sisk updated the Advisory Board on MID activities. Mr. Sisk noted he does not believe any further regulations or guidance will be released by the U.S. Department of Health and Human Services ("HHS") until after the Presidential election. Mr. Sisk reported on his recent attendance at the National Association of Insurance Commissioners ("NAIC") meeting in August and noted that few decisions were made regarding health insurance exchanges. MID has been working to identify the process for notifying HHS of Mississippi's Essential Health Benefits ("EHB") benchmark plan selection. Mr. Sisk also mentioned that he has given presentations at several programs around the State to inform people about One, Mississippi. Mr. Sisk stated that MID has begun working on the Exchange Blueprint application which is due by November 16, 2012. The Exchange Blueprint application will inform HHS of Mississippi's readiness to operate a health insurance exchange in 2014. He noted that Mississippi will not make a final decision on whether to submit the Exchange Blueprint application until after the elections in November.

Mr. Sisk reminded attendees that all materials, reports, and other documents are posted on the MID website. Mr. Sisk also announced that an audio recording of every meeting

is available. He stated that there may be a nominal charge associated with producing the audio recording and those interested may email MID staff to request a copy.

V. **Adoption of Advisory Board Meeting Minutes:**

A motion was made to adopt the meeting minutes from the sixth meeting of the Exchange Advisory Board, held on July 11, 2012. Said motion was made by Dr. Dees, seconded by Ms. Malone, and approved by a unanimous voice vote of the Advisory Board members.

VI. **Adoption of Final Recommendations on Outreach, Education, Adoption and Enrollment:**

A motion was made to adopt the Final Recommendations of the Advisory Board on “Outreach, Education, Adoption, and Enrollment.” Said motion was made by Mr. Mitchell, seconded by Ms. Hanna, and approved by a unanimous voice vote of the Advisory Board members.

VII. **Presentation and Discussion of Initial Subcommittee Recommendations on Employer Participation: Ms. Cheryl Smith, Leavitt Partners**

Ms. Smith gave a summary of initial findings from the Subcommittees on employer participation. She stated that because of the importance of the issue, the Subcommittees will be taking an additional month to discuss employer participation. Ms. Smith stated that due to the lack of regulations and restrictions regarding the Small Employer Exchange, Mississippi has a unique opportunity to be creative when developing rules and policy.

Ms. Smith first discussed the products and services that Subcommittee members felt the Small Employer Exchange could provide that would be of most value. These include a simple exchange process, multiple health plan options for employees, detailed guidance about participation, and tools and services intended to relieve administrative burdens. Ms. Smith noted advantages and disadvantages identified by Subcommittees regarding small employer participation rate requirements. Ms. Smith also discussed a defined contribution model as an option for the Small Employer Exchange. She stated that a defined contribution model could attract employers who currently do not offer insurance,

but that minimum contribution requirements should be considered to avoid declining contributions and low employee participation.

**VIII. Employer Participation Discussion by Advisory Board Members:**

The Advisory Board members discussed initial findings from their Subcommittee meetings:

**Mr. Steve Armstrong, Health Insurance Agents and Brokers Subcommittee:**

Mr. Armstrong mentioned that ongoing training and education needs to be required for agents, brokers, employers, employees, and navigators with respect to the defined contribution model and Small Employer Exchange. He also noted that the State of Utah's exchange website is a great reference for Subcommittee members who wish to learn more about the defined contribution model.

**Ms. Mary Werner, Small Businesses and Self-Employed Individuals Subcommittee:**

Ms. Werner raised the question of why the defined contribution model would be attractive to small employers if they are not required to offer health insurance under the Affordable Care Act ("ACA").

Ms. Smith replied and stated that the defined contribution model may offer value to small businesses trying to compete with larger businesses by offering more benefits to their employees.

**Mr. Roy Mitchell, Experience in Enrollment Subcommittee:**

Mr. Mitchell stated that the Subcommittee viewed the defined contribution model from the perspective of the employee. He stated that the members of the Subcommittee were interested in looking at potential disadvantages of the defined contribution model, such as cost-shifting to the employee from the employer, in addition to the advantages of the system.

**Mr. Robert Pugh, Public Health Experts Subcommittee:**

Mr. Pugh stated that it would be beneficial to educate small employers and legislative leaders about the defined contribution model and the Small Employer Exchange in order to encourage participation. Mr. Pugh mentioned that there are still issues to be addressed

related to qualified health plan contracting and sustainability, and asked when MID would make decisions regarding these issues.

Mr. Sisk responded by stating that these issues would be discussed after the Presidential election, but that MCHIRPA is currently working on a cost and sustainability analysis for One, Mississippi.

**Ms. Stephanie Barnes Taylor, Health Care Providers Subcommittee:**

Ms. Taylor mentioned that the Subcommittee discussed ensuring that employees understand the potential connection between the defined contribution model and health savings accounts (“HSAs”), and encouraged education on these options.

**Dr. Jason Dees, Health Insurance Issuers Subcommittee:**

Dr. Dees mentioned another item to be included in the educational process for HSAs. He stated that the direct pay option for physicians and direct contracting should be offered in the exchange along with high deductible plans.

Mr. Sisk noted there are some restrictions in the ACA regarding HSAs and high deductible health plans (“HDHPs”). These restrictions include eligibility for a HDHP and the annual amount of contribution to a HSA. He stated that MID would work with HHS to offer these plans.

**Ms. Teresa Malone, State Government Agencies and Divisions Subcommittee:**

Ms. Malone stated that the Subcommittee had difficulty answering the primer questions concerning minimum participation requirements for small employers. Ms. Malone said that some Subcommittee members felt this would help with adverse selection, while some Subcommittee members were concerned that a minimum participation requirement may exclude some employers from participating who would otherwise be able to.

**Dr. Claude Brunson, Large Employers Subcommittee:**

Dr. Brunson stated that the Subcommittee had questions concerning plan portability and wanted clarification on this issue.

Mr. Sisk stated that there are several different concepts surrounding plan portability. One concept involves being able to keep the same plan when changing employers. On a

larger scale, is the idea of being able to take health plans across state lines. Mr. Sisk stated that the life insurance and annuity markets were able to accomplish this between states but that it would be more difficult for this to be accomplished for the health insurance market.

**IX. Update on Essential Health Benefits Determination: Mr. Aaron Sisk, Senior Staff Attorney, Mississippi Insurance Department**

Mr. Sisk discussed the EHB benchmark selection process States must utilize through HHS's Health Insurance Oversight System ("HIOS"). He stated that guidance received from HHS indicates that the EHB determination for each state must be made by October 1, 2012. However, Mr. Sisk noted HHS deems this to be a "soft deadline" for states. MID is planning to meet the EHB benchmark submission deadline so as to maintain control of the benchmark selection. Mr. Sisk noted there is little guidance coming from HHS on this issue and stated MID does not expect the EHB final regulation to be released before the Presidential election.

**X. Other Business: Mr. Aaron Sisk, Senior Staff Attorney, Mississippi Insurance Department**

Mr. Sisk stated that copies of the NAIC's selected provisions of the ACA were available for Advisory Board members and public attendees to have. He stated that he uses this document on a daily basis since it only references insurance-related provisions of the ACA. He said that the document can be found on the MID website as well. Mr. Sisk stated that final recommendations from the Subcommittees on Employer Participation will be discussed at the next Advisory Board meeting, which will be held on October 10, 2012.

**XI. Adjournment**

A motion to adjourn was made by Mr. Armstrong and seconded by the Advisory Board members.