

MISSISSIPPI HEALTH INSURANCE EXCHANGE ADVISORY BOARD MEETING

MISSISSIPPI INSURANCE DEPARTMENT

DECEMBER 12, 2012

1:30 – 4:30 PM

WOOLFOLK STATE OFFICE BUILDING

JACKSON, MISSISSIPPI

MEETING MINUTES

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

○ **Board Members present:**

Ms. Stephanie Barnes Taylor

Ms. Geroldean Dyse (*Proxy: Ms. Signe Shackelford*)

Ms. Mary Werner

Dr. Claude Brunson (*Proxy: Ms. Emily Lewis*)

Dr. Jason Dees

Ms. Lee Ann Griffin

Ms. Therese Hanna

Mr. Joel Jasper

Ms. Teresa Malone (*Proxy: Ms. Karson Luther*)

Mr. Roy Mitchell

Mr. Bill Oliver

Mr. Robert Pugh

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

○ **Attendees:**

Commissioner Mike Chaney, Mr. Aaron Sisk, Ms. Kaylea Crabbe, Ms. Maris Cooper, Ms. Misty Watson, Ms. Liz Barnett, Mr. Drew Weiskopf, Mr. Phillips Strickland, and Ms. Michelle Partridge: Mississippi Insurance Department

Ms. Cheryl Smith, Ms. Kathryn Toone, and Mr. Parker Larson: Leavitt Partners, LLC

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

II. Updates and Announcements: Mr. Aaron Sisk, Senior Staff Attorney, Mississippi Insurance Department

Mr. Sisk stated that the United States Department of Health and Human Services (“HHS”) has recently issued thousands of pages of regulations and guidance for the Patient Protection and Affordable Care Act (“PPACA”). Mr. Sisk noted that the initial deadline for submission of the Exchange Blueprint application to HHS was November 16, 2012, and the Mississippi Insurance Department (“MID”) submitted the application prior to the deadline. Mr. Sisk noted that the next Advisory Board meeting will be held via conference call on January 9, 2013. Mr. Sisk hopes to receive conditional approval of the Exchange Blueprint application prior to the next meeting. Mr. Sisk stated that the Advisory Board meetings may take a slightly different form in the upcoming year. Since Advisory Board members are now familiar with the process, MID plans to give the Advisory Board more ownership of meeting activities. Mr. Sisk mentioned MID’s Health Care Reform Symposium to be held on December 13, 2012. The National Association of Insurance Commissioners (“NAIC”) recently held its Fall National Meeting in November, and Mr. Sisk reported on his attendance and interaction with representatives of the Center for Consumer Information and Insurance Oversight (“CCIIO”).

HHS Regulation Overview: Ms. Cheryl Smith, Leavitt Partners:

Ms. Smith said that Leavitt Partners is currently developing summaries and analyses of all ACA regulations released to date. Ms. Smith stated there is a comment period of thirty (30) days after any proposed rule is released. Ms. Smith discussed the proposed regulation on “Standards Related to Essential Health Benefits, Actuarial Value, and Accreditation.” She noted that state-mandated benefits must be included in a state’s essential health benefits (“EHB”) package if those benefits were enacted prior to December 31, 2011, and that adult dental and vision services may not be included in the

EHB package. Ms. Smith noted that states that did not select an EHB benchmark plan gave the Federal government the opportunity to define what constitutes health insurance both inside and outside of the exchange. With regard to actuarial value calculation for issuers, Ms. Smith said there will be plus or minus two (2) percent variation allowed, and that states may submit state-specific data for 2016.

Ms. Smith reviewed the proposed rule on “Health Insurance Market Rules; Rate Review.” A family’s premiums will be the sum of the premiums for each family member, which includes all adults aged twenty-one (21) and over as well as the three (3) oldest family members under age twenty-one (21). Premiums may only be rated with regard to age, tobacco use, geography, and family composition. States may determine up to seven (7) geographical rating areas within the state, subject to certain restrictions. Ms. Smith also noted that the individual and small group markets will only have one (1) risk pool each, and states have the choice to merge the two (2) markets.

Mr. Sisk discussed the proposed “Notice of Benefit and Payment Parameters,” which provides further details on the reinsurance, risk adjustment, and risk corridors programs, as well as user fees associated with the Federally-facilitated exchange (“FFE”). For the 2014 benefit year, HHS has proposed a monthly user fee rate of 3.5% on issuers for plans sold through the FFE. HHS explicitly states that this rate will apply for 2014 and will change in 2015. Mr. Sisk stated that funding for the Federal reinsurance program will be \$5.25 per contract per month for all plans, including self-insured plans and fully-insured plans. Mr. Sisk stated that risk adjustment is the only permanent program and that reinsurance and risk corridors are both temporary programs.

Mr. Roy Mitchell, Health Help Mississippi:

Mr. Mitchell reported that Health Help Mississippi (“HHM”) held the grand opening of the new Greenville, Mississippi location on December 7, 2012, which Mayor John Cox and local Chambers of Commerce attended. Mr. Mitchell said HHM will be holding educational events on January 15 and 16, 2013, at the Jackson, Hattiesburg, Starkville, Greenville and Hernando HHM offices.

III. Adoption of Advisory Board Meeting Minutes

A motion was made to adopt the meeting minutes from the ninth meeting of the Advisory Board, held on November 14, 2012. Said motion was made by Mr. Oliver, seconded by Ms. Werner, and approved by a unanimous voice vote of the Advisory Board members.

IV. Presentation of Final Subcommittee Recommendations on “Exchange Market Regulation”: Ms. Cheryl Smith, Leavitt Partners

Ms. Smith reviewed final recommendations from the Subcommittees regarding exchange market regulation. The Subcommittees discussed several issues, including: market participation, plan offerings, plan coverage area, standardization and network adequacy.

Ms. Smith stated that Subcommittee recommendations were split on the question of carriers participating in both the individual and small group exchanges. She said Subcommittee members consistently mentioned that carriers should be able to participate in either or both markets in the Exchange. Several Subcommittees recommended that carriers should be required to participate in the same markets inside of the Exchange as they do outside of the Exchange. Other recommendations included that carriers should not be required to participate in the Exchange.

Ms. Smith stated that under Federal law, carriers participating in the Exchange are required to offer at least one (1) plan at both the silver and gold actuarial levels. Subcommittees consistently felt that carriers should not be required to offer plans at additional levels. Most members believed that carriers would offer plans at additional levels, and should be given more flexibility for operation in the Exchange.

Regarding plan coverage areas, Ms. Smith stated that Subcommittees’ recommendations are varied regarding a requirement that health plans be offered statewide, as opposed to regional coverage. A recommendation was made by several members that carriers should cover the same areas on plans inside the Exchange as are covered on plans outside the Exchange. One Subcommittee recommended that carriers should be encouraged to offer at least one statewide plan, but that it should not be a requirement.

Ms. Smith said Subcommittees consistently felt that health plans offered on the Exchange should not be standardized because carriers should have the flexibility to develop health

plans as they see fit. Subcommittees felt strongly about including information on the Exchange website at a sixth-grade reading level. Consumers should be able to clearly see plan exclusions and it was mentioned that a “click to chat” feature would be helpful.

Ms. Smith stated that the questions regarding network adequacy led to detailed discussions by the Subcommittees. Most members agreed that the broad network adequacy standard should be kept in place. One Subcommittee discussed using the current network adequacy standards under the State of Mississippi’s State and School Employees’ Health Plan, whose standards are also used by the Mississippi Children’s Health Insurance Plan (“CHIP”) program, as a qualitative standard for network adequacy.

Common themes discussed by the Subcommittees around Exchange Market Regulation included: flexibility, increased options in the marketplace, and minimal regulations. Members noted that there should be significant flexibility so that the Exchange will be an attractive market to carriers. Regulations that discourage or limit carrier participation or plan offerings should be avoided so as to help increase the number of plan options available to consumers. Subcommittee members also noted the need for some regulations to protect consumers.

V. **Discussion of “Exchange Market Regulation” by Advisory Board Members:**

The Advisory Board members discussed final recommendations from their respective Subcommittee meetings:

Mr. Robert Pugh, Public Health Experts Subcommittee:

Mr. Pugh stated that the Public Health Experts Subcommittee met on November 27, 2012, and discussed the recommendations that were outlined in a previous meeting, which Ms. Griffin will present on behalf of the Subcommittee. Mr. Pugh said that Ms. Smith discussed most of the Subcommittee’s concerns and that members will continue to discuss the issue of network adequacy.

Ms. Lee Ann Griffin, Public Health Experts Subcommittee:

Ms. Griffin stated that the Subcommittee felt carriers should be encouraged but not required to participate in both the individual and small group exchanges if they have expertise in only one market. The Subcommittee said that carriers should only be

required to offer plans at the silver and gold levels on the Exchange but MID should encourage carriers to offer plans at the other levels. The Subcommittee would like statewide coverage to be encouraged because of their concern about plans excluding certain areas of the state. Ms. Griffin noted that a sixth-grade reading level was very important for plan presentation and information and also recommended providing a glossary of insurance terms.

Mr. Bill Oliver, Health Care Providers Subcommittee:

Mr. Oliver gave an update based on the last Subcommittee meeting. Mr. Oliver stated that the Subcommittee favors increased market participation and flexibility. The Health Care Providers Subcommittee did not believe that carriers should be required to have additional plan offerings. Plan presentation format at a sixth grade reading level was a very important issue for the Subcommittee. The leading discussion of the Subcommittee was concern over the issue of network adequacy. Members noted that statewide plan coverage should not be requirement, regional coverage is acceptable.

Mr. Joel Jasper, Health Insurance Agents and Brokers Subcommittee:

Mr. Jasper discussed market participation and maintaining flexibility. Mr. Jasper made a point that there is a correlation between plan coverage area, network adequacy and providers who choose not to be in a network, which leaves coverage gaps in certain areas of Mississippi. Mr. Jasper noted that the Summary of Benefits and Coverage requirements may be a good standard for plan presentation format.

Ms. Signe Shackelford, Educated Health Care Consumers Subcommittee:

Ms. Shackelford served as a proxy for Ms. Geroldean Dyse. Ms. Shackelford stated that Ms. Smith's presentation covered the Subcommittee's recommendations from their previous meeting. Ms. Shackelford noted that the Subcommittee did not have a consensus on whether carriers should be required to offer plans in both the individual and small group exchanges.

Mr. Roy Mitchell, Experience in Enrollment Subcommittee:

Mr. Mitchell stated that Ms. Smith summarized many of the concerns of the Subcommittee. An overriding concern for the members was the desire for minimal regulations with the need for regulations that prevent carriers from cherry-picking

markets or coverage regions. The Subcommittee also discussed having adequate flexibility for success in market participation and market parity. Ms. Smith covered the Subcommittee's discussions around standardization, network adequacy and plan coverage area as well.

Ms. Karson Luther, State Government Agencies and Subdivision Subcommittee:

Ms. Luther served as a proxy for Ms. Teresa Malone. She stated that Ms. Smith's presentation covered the Subcommittee's discussions thus far and members will continue their discussions on the issues.

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

Ms. Werner stated that fewer regulations are favored by the Subcommittee members. Ms. Werner mentioned using the guidelines under Medicare Advantage for network adequacy standards.

Dr. Jason Dees, Health Insurance Issuers Subcommittee:

Dr. Dees stated that Ms. Smith accurately summarized many of the Subcommittee's discussions and that the Subcommittee appeals for flexibility as much as possible. Dr. Dees stated that Mississippi is a very diverse state with unique needs in each part of the state, and to place statewide requirements on carriers might minimize the number of insurers participating on the Exchange.

Ms. Therese Hanna, Hard to Reach Populations Subcommittee:

Ms. Hanna stated that the Subcommittee discussed adopting the NAIC model as a standard for network adequacy and has also provided a written copy of their final recommendations to MID. Ms. Hanna also recommended using Mississippi's State and School Employees' Health Plan for guidelines on minimum distances to providers because of Mississippi's geographical limitations. Ms. Hanna noted that the Subcommittee recommends that as long as Essential Community Providers are willing to accept the same contract terms as other providers in the network, they should be required to be included in a carrier's network. These include Community Health Centers and Community Mental Health Centers.

Ms. Emily Lewis, Large Employers Subcommittee:

Ms. Lewis served as a proxy for Dr. Claude Brunson. Ms. Lewis stated that the Large Employers Subcommittee met in November, and that Ms. Smith covered the Subcommittee's stance on market participation. The Subcommittee felt that statewide coverage should not be required and carriers should be allowed to continue to provide coverage on the Exchange consistent with their past practice. Ms. Lewis mentioned that, in terms of network adequacy, provider shortages (particularly specialists), are a concern for the Subcommittee.

VI. Mike Chaney, Commissioner of Insurance, Mississippi Insurance Department:

Commissioner Chaney encouraged the Advisory Board members not to lose focus, and thanked the members for their service. Commissioner Chaney said that several states have received conditional approval for a state-based exchange and that he believes Mississippi will receive similar approval by the beginning of January, 2013. Commissioner Chaney also noted that it is very important to MID to keep agents and brokers involved. Commissioner Chaney stated that MID has an over eighty (80) percent approval rating for the work being done on One, Mississippi, and he believes the majority of Mississippians are in favor of a state-based exchange.

VII. One, Mississippi Presentation: Mr. Chini Krishnan, Getinsured.com

Mr. Krishnan thanked the Advisory Board for its work and gave a brief overview of Getinsured.com. Mr. Krishnan stated that Getinsured.com was founded more than seven (7) years ago with a progressive vision around the health insurance marketplace and a user friendly experience. Getinsured.com is a licensed broker that carries over 12,000 plans in all fifty (50) states. Mr. Krishnan stated that in order to create a successful exchange internationally or in Mississippi, the infrastructure has to be properly developed. He noted it is critical to develop the exchange so that it can interact with carriers and key stakeholders. Mr. Krishnan discussed plan selection, the shopping experience, customer experience, and leveraging brokers for the success of the exchange. Mr. Krishnan introduced Mr. Shankar Srinivasan of Getinsured.com to comment more specifically regarding Getinsured.com's work on One, Mississippi.

Shanker Srinivasan, Getinsured.com:

Mr. Srinivasan updated the Advisory Board members on the recent work of Getinsured.com on the Mississippi Exchange. Getinsured.com has been working with MID and the Mississippi Comprehensive Health Insurance Risk Pool Association (“CHIRPA”) to define what One, Mississippi will look like. He stated that providing consumers the largest degree of choice is desired, and that by obtaining carriers locally and nationally a market-based solution can be provided. Getinsured.com will set up both an individual and small employer exchange, as well as a venue for brokers to register on the exchange. Broker registration will be provided so that information on the broker will be passed through to the carrier so they are aware of the individuals selling their products. Getinsured.com is also in the process of setting up a call center in Mississippi, as required under Federal law. Mr. Srinivasan discussed how Getinsured.com would satisfy the requirements under the ACA and build the framework for One, Mississippi. Mr. Srinivasan said a test process and frequent integration will begin with MID and CHIRPA. Mr. Srinivasan stated that there will be a stakeholder feedback session and training sessions before the exchange begins open enrollment.

VIII. Other Business: Mr. Aaron Sisk, Mississippi Insurance Department

Mr. Sisk noted that the next Advisory Board meeting will be held via conference call on January 9, 2013. Ms. Cooper will contact Subcommittee members in the coming weeks to inquire about continued participation on their respective Subcommittee. Mr. Sisk said there will be minor changes to the way business is conducted at Advisory Board meetings next year; the process will be less formal, and topics may be divided among different Subcommittees. Mr. Sisk said that monthly meetings will continue but eventually the schedule may move to quarterly meetings. Mr. Sisk stated that the Advisory Board elections were held and all Advisory Board members would be returning to their seats except Mr. Bill Oliver, who must step down from the Advisory Board due to other obligations. Mr. Sisk thanked Mr. Oliver for his work and time. Mr. Sisk also thanked Leavitt Partners, Adams and Reese and MID staff for their work.

IX. Adjournment

A motion to adjourn was made by Dr. Dees, and seconded by Mr. Jasper.