

Defined Contribution Risk Adjuster Board Minutes

State Office Building Room 3112

Approved

October 26, 2010

Attendees: Dave Jackson, First West; Bob Wilcox, UID; Nancy Askerlund, UID; John Borer, PEHP; Norm Thurston, DOH; Stephanie Jensen, PEHP; Matt Spencer, OCHS; Perri Babalis, Utah Attorney General; Jim Pinkerton, Regence; Gabriela Benitez, GBS Benefits; Steve Neeleman, Health Equity; Tomasz Serbinowski, UID; Chet Loftis, Regence; John Sweeney, Health Equity; Aleece Blake, Milliman; Neal Gooch, UID; Mark Andrews, OLRGC; Sue Watson, OCHS; Curt Howell, Humana; Mark Brown, Select Health (via telephone); Kim Miller, United Health Care (via telephone); Frank Kyle, Altius (via telephone); Lucy Feldkircher, Health Equity (via telephone); Scott Rose, Health Equity (via telephone); Jan O'Brien, bSwift (via telephone)

- Dave Jackson called the meeting to order at 1:04 PM
- Dave asked if there were any questions or concerns with the September 28, 2010 minutes
 - Kim noted on the first page, about 2/3 down, the word 'repeal' should be 'appeal'
 - Kim noted on the last page, the deductible in plan (d) should be \$5,950 and the Out of Pocket Max is \$11,900
 - Norm noted the date on the last page should be October, rather than September
 - The September 28, 2010 minutes carry as amended
- Bob reported on the handout titled Proposed Large Group Underwriting Process. This handout contains information he gathered from Carriers. The items on this list will be gathered and distributed to the Carriers to perform their own underwriting
 - Bob noted one change that should be made. Item 1h lists tier options. The 4 tier structure was decided on, so rather than have choices, Bob will change this to be a 4 tier structure, without any other options for this year
 - Bob made the motion to adopt the itemized list of information for the Proposed Large Group Underwriting Process with a 4 tier structure for now and going forward to have tier options. Jim seconded the motion. All were in favor
- Jim noted he is organizing a meeting regarding items that came up during the Risk Adjuster & Premium Allocation Subcommittee meeting, but he has nothing else to report on at this time
- Matt reported from OCHS. He thanked all the partners who helped get the Exchange off the ground – bSwift, Health Equity and the Risk Adjuster Board
 - There are currently 176 employer groups in the pipeline, with a population size of roughly 3,000. A little more than 2,000 are being sent to the Carriers for Underwriting
 - We are nearing the end of the Underwriting phase – end of day October 28, 2010. Once the Underwriting phase is complete, Jan will configure the risk factors into the system
 - Sue has reached out to every group that applied. She made a list of brokers and made sure the Employer groups have all the resources they need
- John Sweeney stated he looks forward to working with OCHS on improvements. At each step of the process, they see a surge in calls. Over 400 calls came into the call center last week. This number has dropped to a couple dozen a day since health applications were due at the end of last week
- Scott noted the average call volume over the last month. There were 75 calls the first week, 97 calls the second week, 176 calls the third week and 317 calls the last week. Calls were regarding

password resets, navigating sites, and rewording of questions. Of the 317 calls in the last week, 159 were from actual employees, 90 from brokers and 60 calls from the employers

- Jan reported from bSwift. She thanked all Carriers for their hard work in turning around the application, risk factors and calculating the rates. They are moving along. The next step is to get the rates into their system
 - There are 2,300 applications in the system, of which a little under 2,100 are employee applications. 200 applications are incomplete
 - The site will be disabled tonight. They will not take any additional applications for the 1/1 effective date
 - Final files will be sent to the Carriers. PDF files of health applications will be sent to groups who indicated to OCHS they completed their applications and the completed PDS files will be sent to the Carriers
- Mark Brown asked what the timeline is for receiving files and determining any changes
 - Jan reported she does not believe they can meet the Thursday (10/28/10) deadline because of the applications with missing information. However, the final rates do need to be loaded by November 4, 2010
 - Kim noted they are continuing to evaluate the data. There are birthday errors, where the birth date is showing an age of 111 years
 - Jan requested certain formats for birth dates. The system requires the birth date to be close to that format
 - Kim asked if each employee has their own password
 - Jan answered yes. If the employer imported the census file, they were given a user name which consisted of the last four digits of their social security number
 - Kim noted there is a violation because the employer should not have access to private information
 - Lucy noted there is a tracking that shows who has logged in. Additionally, the employer only knows the temporary password. Once the employee has logged in, they are prompted to change their password
- Nancy reported on the Independent Actuary. The Actuarial review is complete on two of the carriers. The other two carriers are being finalized and we are on track to meeting the deadline. There are no conflicts or challenges that has been brought to her attention
- Dave reported on the Oversight meeting
 - The Oversight Committee is making the same recommendation it was a month ago
 - Simplified Employer census
 - Accommodation for January 1 effective dates
 - Dave asked about the employer census
 - Sue reported the details will be finalized tomorrow in a meeting. They will formally present what was decided. Sue mentioned allowing shopping experience and broker type in a few fields
 - Dave noted Representative Dunnigan wants to see a simplified process. Shopping may be an element of this simplified process
 - Dave asked Sue to email the decision to him prior to the next Oversight meeting so he can report to them
 - Dave referred to the second recommendation, the accommodation for January 1 effective dates. There are two options
 - Push this back to the Exchange and have the Exchange extend the dates

- Accommodate for January 1 to adopt through February 1 and retain the group risk factor
 - Last month, it was agreed the second option was possible, but this does cause challenges with systems with the Carriers and within the Exchange
 - Dave recalled the reason for wanting the accommodation – the January 1 cutoff deadline was missed, but people still want to join the Exchange. Basically, they would have an 11 month contract. This would be a one time exemption with February 1 effective date and January 1 rates
 - Norm made the motion for any employer that has an existing January 1 renewal date with a participating carrier that meets the other requirements for a February 1 effective date, may, at their discretion; elect to be a January plan by notifying the Exchange. The effect of that election will be that the Exchange will not collect a January premium or pay for January claims. Kim seconded the motion. All were in favor, none opposed. The motion carries
- Perri discussed the Plan of Operation. She noted the key changes
 - Section 4: the Employer section is new, this was not in the December 2009 version
 - Section 5, page 7: the participation agreement is now attached
 - Section 9, page 14: Base rates were removed. Only benefit information needs to be provided
 - Mark noted changes in Appendix E-H
 - Bob moved to approve the Plan of Operation as reviewed here today, including changes to Articles and Bylaws and minor corrections today. Kim seconded the motion. There was no need for discussion. All were in favor
- Meeting adjourned 3:08 PM