

Defined Contribution Risk Adjuster Board Minutes

State Office Building Room 3112

November 19, 2013

Attendees: Jim Pinkerton, *Regence*; Jim Murray, *SelectHealth*; Paul Anderton, *PEHP*; Tomasz Serbinowski, *UID*; Patty Conner, *OCHS*; Perri Babalis, *Utah Attorney General*; Jill Goodmansen, *OCHS*; Nancy Askerlund *UID*; Lincoln Nehring, *Voices of Utah Children (via telephone)*; Russ Johnston, *FirstWest Benefit Solutions*; Kim Miller, *UHC (via telephone)*;

- I. Meeting called to order at 1:22 p.m.
- II. September meeting (9/24/2013) minutes adopted with changes noted.
- III. October meeting (10/22/2013) minutes adopted with changes noted.
- IV. Patty Conner from OCHS gave an update regarding Avenue H – Dashboard information handed out can also be found at www.Avenueh.com
 - a. November dashboard information
 - i. 364 Employer groups
 - ii. 8450 covered lives
 - iii. 2971 total employees covered
 - iv. 31% of groups enroll in coverage
 - v. 62% of groups joining had prior coverage
 - vi. Average contribution \$437
 - b. OCHS reported that 122 elected to renew for December early renewal. 220 groups had requested renewal quotes. In addition, 10 new groups out of 40 receiving quotes enrolled. All existing December business renewed. Four other groups with earlier effective dates are dropping as of 12/31/2013; one went out of business and one decided to enroll in the Individual market. OCHS will start a different reporting method in January to track the uninsured since we will no longer receive this information on the health applications beginning in 2014. When employees waive in the future there will be a drop down box in the enrollment system of valid reasons they can select to waive. Waive reasons will be used to calculate the participation check beginning with February Effective Dates.
 - c. OCHS opened employer registration process on November 7, a few days later than the original schedule of November 4. We had issues with the dental carriers which resulted in re-filing of plans multiple times. As of today, there is still one carrier that is not in the production environment. We are working on open issues and will launch soon.
 - d. Over 42,000 people come visit Avenueh.com website since October 1st. OCHS sent a special newsletter to broker/producer community on how to use the new tools and be

prepared in advance to make the registration process simple. OCHS conducted twice a day webinar to do hands on demo of system and how to get through registration process. Tomorrow is an open house for brokers at GOED to have hands on assistance with OCHS team and go over any process questions. The on-line registration tool provides the ability to qualify a small group without having to go through carrier underwriting. The questions included in the tool are designed as a way to validate the group eligibility and easy to complete as long as you are prepared. Once registration is completed the system is opened up for employee open enrollment. Still need to improve system and process in some areas after we complete the January enrollment. So far we have had many groups apply but don't want to share number at this time since we are in various stages of completion. Groups have until December 10th to register and employees have until December 15 to enroll in coverage. If registration is done after December 10th, they will have a February 1st Effective Date. OCHS will report numbers on December 16th as changes can be made up through end of day December 15th.

- e. During Thursday's carrier roundtable, we will demo the system in more detail and review timelines with carriers. The implementation of the Dental carriers has been time consuming. All groups that are participating currently with Avenue H will be migrated into the PlanSource system no later than December 15th, but may be sooner.

V. Paul Anderton – Proxy for Michael Bird

- a. Risk Adjustment & Premium Allocation subcommittee report
 - i. Paul stated no updates.

VI. Kim Miller with United HealthCare

- a. Underwriting Subcommittee Report
 - i. The committee looked at filings from each carrier for services areas out of the state of Utah and eligibility rules for enrollment. Met with all carriers and no carriers had plans to offer to employees out of the state of Utah. Eligibility rules only apply to residents or those employees that work in the state of Utah. We would need to further need to modify participation to only count those that meet eligibility rules in the participation. Patty stated feedback from employers and brokers that by not offering plans to employees out of the state will affect the participation for Avenue H and possibly cause groups to drop. During recent employer meetings in Moab, a majority of the conversation was focused on the lack of access to the St. Mary's Hospital in Grand Junction, Colorado which is their closest hospital and providers. We would like to see a solution in the future on how to offer coverage out of the state to our small businesses. Primary focus should be on assisting Utah residents whose closest providers are over state borders. Small Employers with employees in multiple

states will have to find another way to offer comparable pre-tax coverage to their employees. Patty struggles with the part of Utah's rule that states the company must be domiciled in the state of Utah since if the opposite occurred and the employer was based in another state, but had a couple of employees in Utah the group would not qualify for Avenue H. Kim stated that the Federal SHOP allows these groups to join their respective state SHOP marketplaces. Patty encouraged further dialog on how we can solve this problem. Patty will keep track of those that may drop coverage due to no access for coverage outside of this state. Kim agrees that we should we should pursue the appropriateness of the regulatory statute permitting us to offer coverage in the exchange to hose employees on Utah Wage and Tax Forms. The group discussed about removing the domiciled wording in the Plan of Operations so that those employees need to be a Utah resident in order to get coverage, even if group is domiciled outside the state of Utah. Kim will add this topic to the agenda for the underwriting work group.

VII. Jim Murray with SelectHealth

a. Legal Subcommittee

- i. Jim distributed an updated Plan of Operations to the group for review and approval. The document will need to have a new effective date which should coincide with the date the Board approves the changes. Since there were many changes Jim Pinkerton recommended that we discuss the changes highlighted today then allow the members a chance to review for further comments and approve at the next monthly meeting on December 17th. The group discussed the changes proposed in the Plan of Operations. Jim Murray will make the changes discussed during the meeting and provide the group with an updated version for review.
- ii. An update may need to be made to the PEHP Board Member to replace Michael Bird with Paul Anderton. Jim Pinkerton will follow up with Chet Loftis at PEHP to get the official change.

VIII. Nancy Askerlund with Insurance Department

a. Nothing to report.

IX. Other – Perri Bablis, Attorney General Office

- a. Patty has not yet been appointed in place of Norm Thurston as the board member representative for OCHS.

X. Next Meeting will be December 17, 2013 at 1:00 pm

XI. Meeting adjourned at 2:53 p.m.

