

**Pennsylvania Health Insurance Exchange Authority d/b/a Pennie  
BOARD of DIRECTORS' MEETING MINUTES**

**Date:** December 17, 2020  
**Time:** 12:00 p.m.  
**Location:** Microsoft Teams meeting

**1.0 Preliminary Matters**

**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**
- Jessica Brooks, Pittsburgh Business Group on Health - **Present**
- Teresa Miller, Department of Human Services - Absent
  - Catherine Buhrig, Director of the Bureau of Policy for the Office of Income Maintenance at the Department of Human Service - **Present**
- Frank Fernandez, Capital Blue Cross - **Present**
- Antoinette Kraus, Pennsylvania Health Access Network - **Present**
- Dr. Rachel Levine, Department of Health – Absent
  - Meghna Patel - **Present**
- Laval Miller-Wiln, PA Health Law Project - **Present**
- Mark Nave, Highmark - **Present**
- Paula Sunshine, Independence Blue Cross - **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 **November 18, 2020 Public Meetings of the Pennsylvania Health Insurance Exchange Authority Board.***
  - Motion: Paula Sunshine
  - Second: Antoinette Kraus
  - Board Decision: Unanimous (11-0)

**1.04 Opportunity for Public Comment**

- **There were no public comments at the designated time for public comments. A member of the public asked a question later in the meeting, which is noted in the relevant section of these minutes.**

## 2.00 Action/Discussion Items by the Board

### 2.01 Standard Updates

- **Procurement Policy.** Executive Director Sherman proposed the adoption of a procurement policy as permitted by the Commonwealth's Procurement Code to acquire specific, limited items without the need for a competitive procurement.
- The proposed policy permits PHIEA to acquire published books, maps, periodicals, technical pamphlets, compact discs, videos and audio reproductions, subscriptions, and professional memberships without the need for a procurement, pursuant to 62 Pa. C.S. § 301. Chief Counsel Koltash answered legal questions regarding the proposed policy.
  - **Motion:** To approve the proposed procurement policy as recommended by the Pennie staff to be effective at the close of this meeting.
    - Motion: Frank Fernandez
    - Second: Sheryl Kashuba
    - Board Decision: Unanimous (11-0)

### 2.02 Open Enrollment Data Updates

- **Eligibility and Enrollment Platform.**
  - Director Sherman shared there have not been any significant technological challenges as of the date of the Board meeting.
- **Call Center Performance.**
  - On December 14<sup>th</sup> and 15<sup>th</sup>, 2020, IVR and Telephony systems experienced challenges maintaining the high call volume.
  - To provide optimal customer service levels, Pennie transitioned to a more basic system. As a result of these unanticipated technological challenges, the metrics previously set forth to trigger a broad-based exceptional circumstance Special Enrollment Period were met, resulting in the ability for customers to enroll in January 1, 2021 coverage through December 22, 2020.
- **Department of Human Services Coordination**
  - As of the date of the Board meeting, Pennie has had over 39,000 application referrals over to Medicaid/the Pennsylvania Department of

Human Services (DHS) and over 18,000 referrals from the Medicaid/DHS to Pennie.

- **Insurers**
  - There was an error in plan filing related to plans offered in Centre County. Adjustments were made and communicated directly to all impacted customers.
  - Enrollment and reconciliation process kicked off in early December. This will be a monthly process.
- **Marketing and Communications**
  - Pennie continues to conduct an active marketing plan as well as outreach and controlled communications to drive awareness.
  - Governor Wolf issued a proclamation declaring December 10, 2020 as Get Covered 2021 day. Chairperson Altman and Director Sherman conducted a press conference about Get Covered 2021 day.
- **Assisters**
  - Pennie saw a surge in appointment requests with Assisters.
  - The Assister network experienced minimal impacts due to COVID-19; the network has been nimble and able to transition to virtual appointments and events.
- **Brokers**
  - Over 2,500 brokers are registered with Pennie. The decertification process occurred for migrated brokers who did not complete the requirements that were necessary for them to become Pennie certified. Less than 200 brokers were decertified.
  - Over 70,000 enrollments had broker designations. Approximately 44,000 enrollments associated with brokers were passive enrollments compared to 28,000 active enrollments.
- **Platform (Exchange) Metrics / Enrollment Data: Financial Assistance**
  - Updated metrics through December 15, 2020 were presented. These metrics were for account creation, 2021 applications started, Medicaid account transfers, and enrollment (including metal tier data).
- **Enrollment Data: Metal Tier**

- FFM data for plan year 2020 indicated that 27% of enrollments were in the bronze metal tier and 20% of enrollments were in the gold metal tier. Trends have shown that more individuals, both new enrollees and renewals, are moving to gold plans from silver. 25% enrolled in gold is well above the national and healthcare.gov average. A reason behind the trend is the price relativity between silver and gold, increasing the tax credit value for gold plans. Pennsylvania has parts of the market where gold plans are not just similarly priced to silver, but more economical than silver because of silver loading. New Jersey released an activity report that indicates their gold enrollment accounts for 1.5% of their total plan selections.
- Outreach continues to those enrolled in bronze plans who are CSR eligible. CSR are only available to those enrolled in silver plans. Pennie is trying to engage those customers in other ways than just email. Director Sherman explained that those individuals that were previously enrolled in a bronze plan received an email communication indicating the updated premium and the option to auto-renew. There was discussion around whether the benchmark plan may have changed for that population because of reinsurance. The premium tax credit may have changed making the silver plan cost prohibitive, so consumers made the decision to go down a level rather than stay in silver. Further study and discussion of this topic will occur at the Board's Strategic Planning Session.
- **Per Member Per Month ("PMPM") APTC and Net Premium Metrics**
  - Pennie's "to date" data for OE 2021 compared to FFM 2020 data shows an approximately a 3% decrease in gross premiums.
  - Even with the reinsurance program, premiums were lower than originally projected. It was suggested that COVID-19 is resulting in lower (rather than higher) healthcare costs because the costs associated with COVID-19 are outweighed by the decreased costs of foregone care.
- **Rating Area Map: Enrollments and Premiums as of 12/15/2020**
  - The Board expressed an interest in regional data as opposed to state-based data, which will be explored during the Board's 2021 Strategic Planning Session.
  - Chairperson Altman took a question from the member of the public, David Grinberg. Mr. Grinberg asked if premium decreases were linked to the fact that utilization was net down due to COVID-19.

Chairperson Altman responded that the product filing timeline happened during a time when limited information about COVID-19 was known; however, we can assume the 2021 rates include assumptions based on COVID-related experience and COVID-related projections. At that point, Chairperson Altman reminded members of the public that public comment occurs during a designated time in the agenda, not at any other point during the meeting.

- **Enrollment Trending: FFM (OE20) compared to Pennie (OE21)**
  - Pennie is currently at 96% of last year's FFM numbers.

### 2.03 2021 Budget Approval

- **Enrollment and Revenue Projections**
  - Enrollment and Revenue Projections were presented under three scenarios based on a U-shaped economic recovery from the COVID-19 pandemic. There are two unique factors that will have an impact on enrollment due to COVID-19: 1) individuals have retained employer-sponsored coverage more than expected, and 2) DHS did not effectuate Medicaid redeterminations and terminations. Pennie does not anticipate DHS will effectuate Medicaid redeterminations in 2021, so it has not projected standard inflows to exchange coverage from Medicaid during this timeframe.
  - There were questions regarding the assumptions Pennie used to determine the difference between the plan selection number and the effectuated enrollments. Director Sherman responded that this is driven from historical data. Specifically, Pennie received effectuated enrollment information from the Pennsylvania Insurance Department and CMS regarding the historical drop off, particularly from the March/April time frame. There is always a significant dip after the 90-day grace period.
- **2021 Budget.** Chief Financial Officer Lemmon presented the proposed 2021 Pennie budget. Regarding profit and loss statement estimates, the Board inquired as to what expenses are contained in the general operating category. Those expenses include rent, parking, and day-to-day office supplies/expenses. It was further explained that those expenses also include the administration of appeals such as paying hearing examiners for their time and services. The Board requested that future iterations of the budget show the impact to reinsurance for the Board to consider. Chairperson Altman agreed with the caveat that factors that have changed in recent years could also change in future years, so we would adjust as things change.

- **Motion:** To approve the 2021 budget as proposed.
  - Motion: Paula Sunshine
  - Second: Mark Nave
  - Board Decision: Unanimous (11-0)

#### 2.04 2021 Board Planning

- **2021 Board Meetings**

- A bi-monthly meeting schedule was proposed for 2021.
- The following dates were suggested:
  - Thursday, January 14, 2021
  - Thursday, March 25, 2021
  - Thursday, April 15, 2021
  - Thursday, June 17, 2021
  - Thursday, August 19, 2021
  - Thursday, October 21, 2021
  - Thursday, December 16, 2021
- **Motion:** To approve the schedule of Board meetings as proposed and to take the necessary steps to sunshine those meetings to the extent required by law.
  - Motion: Jessica Brooks
  - Second: Mark Nave
  - Board Action: Unanimous (11-0)

- **Discussion of Formation of Committees**

- The Board deferred the creation of any committees until its Strategic Planning Session.

- **2021 Strategic Planning Session**

- 2021 Strategic Planning Session proposed as a half-day virtual session on February 25, 2021.
- Board Members proposed the following topics be included:
  - Pennie's impact on reinsurance and the market;
  - Formation of Committees;
  - Debrief on Open Enrollment. This topic should include, but not be limited to lessons learned during OE 2020; the

effectiveness/return on investment of Pennie’s marketing efforts, assister program, broker outreach, and other partner initiatives; an analysis of our customers’ experience (analysis of shopping behaviors, feedback, testimonials, qualitative/quantitative data, and what GetInsured is saying about how people shop); what else we could do to serve the underserved; and what demographics did we not engage with sufficiently.

**2.05 Notice of Benefit and Payment Parameters for 2022**

- Chief Counsel Koltash gave an overview of CMS’s proposed rule.
- It was suggested that Pennie comment on the limited timeframe to respond; CMS’s proposed changes to various special enrollment periods; and the proposed direct enrollment option.
  - **Motion:** To authorize the Executive Director or his designee to submit the comments outlined to the Board at this meeting as public comments to HHS’s proposed Notice of Benefit and Payment Parameters for plan year 2022.
    - Motion: Tia Whitaker
    - Second: Antoinette Krauss
    - Board Action: Unanimous (11-0)

**4.00 Adjournment**

**4.01 Meeting was adjourned at approximately 2:50 PM.**