



**\*\*this meeting will be recorded for the purpose of taking minutes\*\***

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- Please mute your line if you are not speaking.
- Identify yourself & organization before you speak.
- If you are on the phone and logged in via web, turn off your computer speakers.
- The chat is reserved for Board members.



**pennie**

# **Pennie Board of Directors Meeting**

**March 25, 2021**

March 2021

# Agenda

- **Preliminary Matters**
- **Action/Discussion Items by the Board**
  - **Updates on Pennie and the American Rescue Plan**
  - **Procurement Policy**
  - **2021 Strategic Improvement Opportunities**
  - **Binder Payment Policy**
- **Adjournment**

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## Preliminary Matters

- Call to Order
- Roll Call
- Approval of Previous Meeting's Minutes
- Opportunity for Public Comment



# **Update on Pennie and the American Rescue Plan**

# Overview American Rescue Plan's Health Coverage Provisions

*Signed into law by President Biden on March 11, 2021.*

- Expands eligibility for, and the amount of, premium tax credits (PTC) available to current and prospective Pennie customers.
- Pennsylvanians eligible for unemployment compensation in 2021 will receive the maximum level of PTC and cost sharing reductions (CSR).
- Ensures that those who received excess Advance Premium Tax Credits (APTC) in 2020, will not have to pay them back when they file their taxes.
- Fully subsidizes COBRA coverage for those who lost their jobs, or had their hours reduced, but want to remain on their employer health insurance plan through September 30, 2021.

# Impact of the American Rescue Plan on Pennie Customers

## Example 1:

Single, 40-year-old, non-smoker,  
Philadelphia County, 150% FPL (\$19,140 annual income)\*

Prior to ARP:

- Monthly premium - \$66 (\$792/year)
- Percent of Income – 4.14%

Under ARP:

- Monthly premium – \$0 (\$0/year)\*\*
- Percent of Income – 0.00%

Total savings = \$66/mo.; \$792/yr.



\* Based on the cost of the benchmark plan (second-lowest cost silver plan) offered. Customers enrolling in plan from a different metal tier may experience different out-of-pocket premium costs.

\*\* Does not include premiums paid for non-Essential Health Benefits (EHB), that by law, are not covered by advance premium tax credits (APTC).



# Impact of the American Rescue Plan on Pennie Customers

## Example 2:

Married couple (64-years-old), non-smokers, Dauphin County, 450% FPL (\$77,580 annual income)\*

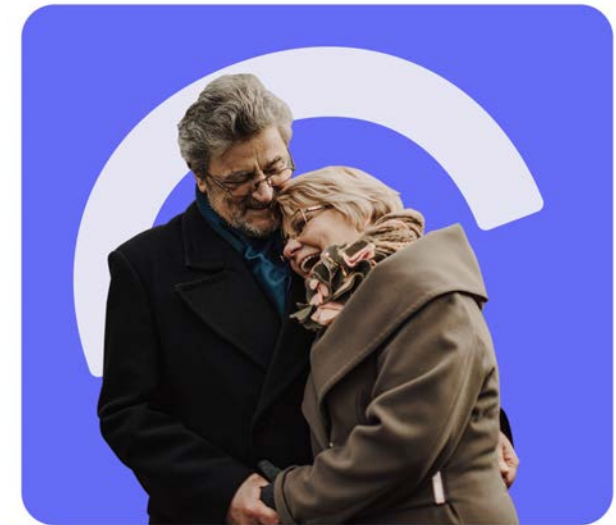
Prior to ARP:

- Monthly premium – \$2,462 (\$29,904/year)
- Percent of Income – 38.1%

Under ARP:

- Monthly premium – \$550 (\$6,600/year)
- Percent of Income – 8.5%

Total savings = \$1,912/month; \$22,949/year



\* Based on the cost of the benchmark plan (second-lowest cost silver plan) offered. Customers enrolling in plan from a different metal tier may experience different out-of-pocket premium costs.

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# Impact of the American Rescue Plan on Pennie Customers

## Example 3:

Family of 4, non-smokers, Potter County, 200% FPL (\$52,400 annual income)\*

Prior to ARP:

- Monthly premium - \$285; \$3,420/year
- Percent of Income – 6.52%

Under ARP:

- Monthly premium – \$87; \$1,044/year)
- Percent of Income – 2.0%

Total savings = \$198/month; \$2,376/year



\* Based on the cost of the benchmark plan (second-lowest cost silver plan) offered. Customers enrolling in plan from a different metal tier may experience different out-of-pocket premium costs.

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# Impact of the American Rescue Plan on Pennie Customers

## Example 4:

Single, 30-years-old, non-smoker, Lackawanna County, 401% FPL (\$51,168 annual income), recently unemployed and currently receiving unemployment compensation

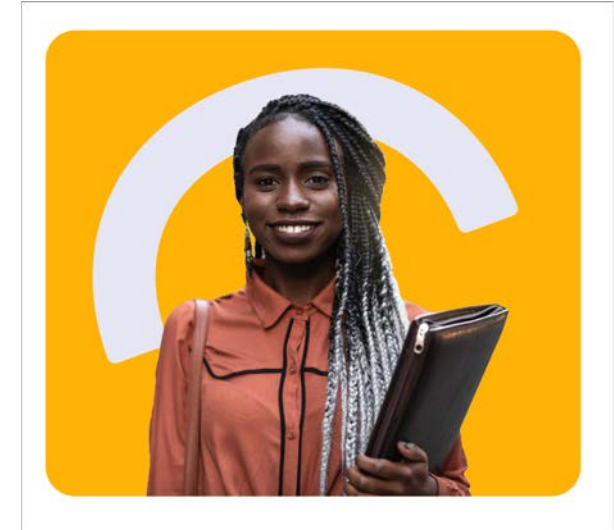
Prior to ARP:

- Monthly premium - \$364; \$4,373/year\*
- Percent of Income – 8.5%

Under ARP:

- Monthly premium – \$0/month\*\*
- Percent of Income – 0%

Total savings = \$364/month; \$4,373/year



\* Based on the cost of the benchmark plan (second-lowest cost silver plan) offered. Customers enrolling in plan from a different metal tier may experience different out-of-pocket premium costs.

\*\* Does not include premiums paid for non-Essential Health Benefits (EHB), that by law, are not covered by advance premium tax credits (APTC).

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# Federal Implementation

- CMS will implement changes updating customer eligibility for PTC on April 1 on HealthCare.gov.
- Will make enhanced PTC/CSR available for customers eligible for unemployment insurance in July.
- **Not** automatically redetermining customers; will require current customers to take an action on healthcare.gov to access the new financial assistance available under ARP.
- On March 23, CMS announced a 3-month extension of the existing Healthcare.gov COVID-19 SEP through August 15, 2021.

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# Pennie's American Rescue Plan Policy Goals

- Implement ARP provisions as soon as possible, and as broadly as possible, to maximize savings for Pennie customers
- Automate these provisions, to the extent possible, to ensure that the benefits under the new law reach Pennie customers without requiring customer action
- Ensure that customers who need to take an action are given specific instructions on what they need to do to maximize their benefits
- Use this unique opportunity to connect more Pennsylvanians to comprehensive coverage and reduce the number of uninsured throughout the Commonwealth

## Current Customers – Pre-ARP

- Estimate that current customers will receive a total of \$1.6 billion in APTC in 2021, pre-ARP

### Pennie™ Enrollees – 2021 Open Enrollment Period\*

Eligibility	Number of enrollees	Share of total enrollees
APTC & CSR	204,902	60.6%
APTC only	84,861	25.1%
Total APTC	289,763	85.8%
QHP only	47,871	14.2%
Total	337,722	100%

\*In this analysis, Pennie enrollees refers to Pennsylvanians who made a plan selection during the 2021 Open Enrollment period

Calculated at the individual

### Pennie™ Enrollees – APTC received under current law \*\*

FPL%	Initial Premium Percentage	Final Premium Percentage	Current customers	Subsidies currently received*
Less than 133%	2.07	2.07	13,652	\$109,930,000
133% up to 150%	3.10	4.14	40,944	\$313,540,000
150% up to 200%	4.14	6.52	78,006	\$553,430,000
200% up to 250%	6.52	8.33	51,897	\$316,120,000
250% up to 300%	8.33	9.83	34,114	\$169,330,000
300% up to 400%	9.83	9.83	42,170	\$157,420,000
Total			260,783	<b>\$1,611,970,000</b>

\*Estimates based on average amount of APTC received for customers receiving APTC and assumed to be receiving for the full 12 months of the Plan Year. FPL category totals were increased proportionally to result in overall amount which was actual.

\*\* Applied 10% attrition rate to OEP enrollment

Calculated at the individual

# Impact on Current Customers – New APTC

- Estimate that current customers receiving APTC will receive a total of \$270 million in additional APTC under ARP
- Customers not currently receiving APTC will receive an estimated \$67.3 million in new APTC under ARP

## Current Pennie™ Enrollees – Additional Savings under ARP\*^

FPL	Initial Premium Percentage	Final Premium Percentage	Current customers	Average additional subsidies/yr	Cumulative Additional subsidies/yr
Less than 133%	0.0	0.0	13,652	\$281	\$3,840,316
133% up to 150%	0.0	0.0	40,944	\$649	\$26,562,589
150% up to 200%	0.0	2.0	78,006	\$960	\$74,905,454
200% up to 250%	2.0	4.0	51,897	\$1,266	\$65,709,529
250% up to 300%	4.0	6.0	34,114	\$1,430	\$48,792,013
300% up to 350%	6.0	7.25**	25,536	\$1,333	\$34,042,509
350% up to 400%	7.25**	8.5	16,634	\$959	\$15,954,070
Total			260,783		<b>\$269,806,480</b>

\*Average FPL% was used to approximate additional subsidies Pennie™ enrollees would qualify for when Initial Premium Percentage and Final Premium Percentage differ

\*\*Included for illustrative purposes

^ Applied 10% attrition rate to OEP enrollment

Groups not currently receiving APTC	Enrollees ^	Additional subsidies*
Unknown income (not requesting financial assistance) **	27,763	\$51,974,818
Income over 400% FPL (requested financial assistance)	8,186	\$15,324,924
Other (possibly full-cost QHP while waiting for MA determination) or have offer of ESI***	7,134	0
Total	43,083	<b>\$67,299,742</b>

\* Utilized the median FPL % of 400+% category (which is 478% FPL) and applied it to the unknown income population to determine current % of income and compared to the proposed 8.5% of income

\*\*Will have to add income to their application to receive subsidies

\*\*\*Will continue to be ineligible for APTC under ARPA

^ Applied 10% attrition rate to OEP enrollment

Calculated at the individual level

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## Impact on the Uninsured in Pennsylvania

- ARP makes Pennie coverage more affordable for the uninsured who were already eligible for APTC as well as those who were previously not eligible for APTC

### Estimated Uninsured Population Currently Eligible for APTC – 2019\*

Household FPL	Number of uninsured	Avg. subsidies eligible for prior to ARP	Avg. Additional subsidies eligible for under ARP**	Total subsidies eligible for under ARP**
139% - 249%	142,600	\$6,443/yr. or \$537/mo.	\$1,029/yr. or \$86/mo.	\$7,472/yr or \$623/mo.
250% - 400%	123,200	\$5,656/yr. or \$471/mo.	\$1,270/yr. or \$106/mo.	\$6,926/yr or \$577/mo.
Total***	265,800	<b>\$6,078/yr. or \$507/mo.</b>	<b>\$1,141/yr. or \$95/mo.</b>	<b>\$7,219/yr or \$602/mo.</b>

\*Determined average subsidies by using average FPL in each category of those who are currently enrolled

\*\*Under ARP in 2021 and 2022

\*\*\*Weighted subsidy average

### Estimated Uninsured Population Currently Ineligible for APTC – 2019\*

Household FPL	Initial Premium Percentage**	Final Premium Percentage**	Uninsured above 400% FPL	New Subsidies under ARP
400% and higher	8.5	8.5	109,900	<b>\$1,872/yr or \$156/mo.</b>

\* Utilized the median FPL % of 400+% category (which is 478% FPL) and applied it to the unknown income population to determine current % of income and compared to the proposed 8.5% of income.

\*\*Under ARP in 2021 and 2022

\*Based on ASPE Estimates of the Uninsured by State <https://aspe.hhs.gov/system/files/pdf/265176/aspe-uninsured-estimates-by-state.xlsx>



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# Technology Implementation

- Phase 1 (FPL Percentage Adjustments, Removal of 400% Cap, Unemployment Income Attestation and 138% FPL)
  - Requirements are Complete.
  - Important dates:
    - Development Complete 3/23/2021,
    - Quality Assurance Complete 4/9/2021,
    - User Acceptance Complete 4/14/2021, and
    - Go-Live 4/15-4/22.
- Phase 2 (Redetermination, Rebalancing, and Notification)
  - Requirements are In-Flight with target completion 3/19/2021.
- Reviewing Stress/Load testing plan for the Pennie platform as well as telephony system for stability.

# American Rescue Plan Implementation Timeline



**Phase 1** - Updates to the online Pennie application allowing customers, including those eligible for unemployment compensation, to access the enhanced subsidies

**Phase 2** – Eligibility redeterminations for current customers to automatically update their plans with enhanced subsidies.

# Customer Interaction After Phase 1

- Existing customer (currently receiving APTC)
  - Must make a change to their application and resubmit to access new APTC eligibility
  - Will have eligibility redetermined and new APTC amounts prospectively applied to their enrollment
  - Able to shop for a new plan using the COVID-19 Enrollment Period, if they choose
  - Notices received
    - Eligibility determination notice
- Existing customer (eligible for unemployment insurance)
  - Attests to at least one household member being eligible for unemployment insurance and submits updated application
  - Income considered at 138.1% FPL, if total income reported is higher than 138%FPL
  - Eligibility redetermined with maximum APTC/CSR applied to account prospectively
  - The enrollments with silver plans will be cross-walked into silver plan based on new CSR level
  - Plan shopping will be automatically opened for those with enrollments in non-silver plans
  - Notices received
    - Eligibility determination notice
- New customer
  - Submits a new application
  - Eligibility determined based on ARP requirements and applied prospectively
  - Able to shop and enroll in a plan using COVID-19 Enrollment Period
  - Notices received
    - Eligibility determination notice

# Customer Interaction After Phase 2

- Existing customer (currently receiving APTC)
  - Eligibility automatically redetermined
  - New APTC applied to current enrollment; rebalancing applied for remaining months of coverage
  - Notices received
    - Eligibility determination notice w/ ARP content
    - New enrollment notice with updated APTC and net premium
- Existing customer (did not previously apply for financial assistance)
  - Eligibility cannot be automatically redetermined
  - Notice received
    - New ad hoc notice with instructions on how to submit a financial assistance application
  - Submits new financial assistance application – new APTC applied prospectively
  - Notices received
    - Eligibility determination notice w/ ARP content
    - New enrollment notice with updated APTC and net premium
- New customer
  - Submits new application
  - New APTC/CSR eligibility applied prospectively
  - Notices received
    - Eligibility determination notice

# Operations Implementation

- Contact Center – Call Volume Projections (in process)
  - To inform staffing needs; Marketing and communications plan is being layered into this projection
  - Completed and shared with vendor partner, estimated a total 11.5% increase in volume
- Contact Center – Training & Resources (in process)
  - Collaboration with Pennie and Contact Center management to ensure robust CSR training and resources to address customer needs
  - In process, rolling implementation prior to and after each phase
- Insurer Collaboration on Customer Communications (in process)
  - Engage insurers as a partner in customer communications
  - Insurers can help amplify Pennie messaging and provide clarity/assurance to customers, especially those not on Pennie currently
- Insurer Collaboration on Impact to Current Customers in Arrears (in process)
  - Discussions on how to minimize impact to (or confusing experience by) customers currently in arrears who will have reduced or no premiums due under new APTC rules
- Insurer Collaboration on Off-Exchange Market (in process)
  - Discussions on how to best assist current off-exchange customers move to Pennie if new APTC rules would benefit them, including collaboration on communications and the impact of accumulators on their decision to move

*\*Insurers have been asked to share feedback on policies via webform*

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# Marketing and Communications Implementation

## Target Audiences:

- Long-term Uninsured
- Unemployed in 2021
- Off-Exchange Customers
- Hard to reach populations (focus on language barriers and access disparities)
- Young Invincibles
- Current customers
- Those who submitted a Pennie application but have not enrolled

## Key Messages (directed at specific audiences):

- Reconsider health insurance through Pennie
- Meet Pennie
- Reevaluate & compare to Pennie
- Your coverage just got more affordable

## Advertising Campaign:

- Working with the media buyer and creative services team to research and develop specific messages and identify a media mix to hit reach our goals

## Customer Outreach:

- Sending notices and emails to current customers to let them know Pennie will re-run their eligibility and their accounts will be updated
- Sending specific notices and emails to existing customers who did not ask to be evaluated for APTC and need to provide permission to receive financial assistance
- Email campaign to those who have an opened application in Pennie but have not enrolled in coverage

## Pennie.com updates

- Centralized FAQs on the American Rescue Plan have been created. Savings Calculator embedded. New Podcast Episode.
- We will continue to update the website with further FAQs and additional information and additional toolkit materials and explanation videos

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# Potential Implementation Concerns and Considerations

## Tax Reconciliation

- Customers incorrectly attesting to being eligible for Unemployment Insurance in 2021  
*Mitigation:* looking at notice content to make customers aware of actions they need to take in the event of an incorrect attestation
- Running redeterminations for those eligible for financial assistance who chose to take 0% as APTC and having their new applied APTC defaulted to 100%  
*Mitigation:* exclude population from redeterminations and allow them to reconcile at tax time
- Increasing APTC for those who underestimated their income. This could yield a large tax bill when reconciled.  
*Mitigation:* share comprehensive education about the importance of accurately estimating income

## Prospective application of owed PTC

- This will be handled by applying as much as possible prospectively through rebalancing, any remainder will be received as a tax refund

## Expiration of COBRA subsidies on September 30

- Benefit expiration could lead beneficiaries to become uninsured, or pay substantially more to remain in COBRA coverage  
*Mitigation:* more details to be shared in slides that follow

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## Proposal: Extend the COVID-19 Enrollment Period

- Extend the enrollment period through **August 15, 2021** to ensure Pennsylvanians have enough time to take advantage of the new benefits provided through the American Rescue Plan.
- Continues our alignment with the federally-facilitated marketplace and prevents confusion for Pennsylvanians who might see the new federal extension.
- The implementation and public awareness will take time and, if not extended, will overlap with the current COVID-19 Enrollment Period end date (May 15).
- The federal administration estimates that nearly 110k uninsured Pennsylvanians will be newly eligible for subsidies through Pennie and over 15k uninsured residents are now eligible for zero-dollar benchmark plans.
- Pennsylvanians who may not have found marketplace coverage accessible in the past, will need additional time to shop to learn about the new benefits available to them.



# American Rescue Plan Proposed Timeline



**Phase 1** - Updates to the online Pennie application allowing customers, including those eligible for unemployment compensation, to access the enhanced subsidies

**Phase 2** – Eligibility redeterminations for current customers to automatically update their plans with enhanced subsidies.

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# Expiration of COBRA Subsidies SEP

Proposal	Policy Goal(s)	Benefits	Challenges
Permit Pennie the authority to open a SEP for individuals whose ARP COBRA subsidies terminate effective September 30, 2021, as necessary.	<ul style="list-style-type: none"> <li>Ensure continuity of coverage for Pennsylvanians who may still be in job-transition</li> <li>Provide policy certainty for customers and stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Customers will have access to comprehensive coverage for remainder of 2021</li> </ul>	<ul style="list-style-type: none"> <li>Potential customer confusion as they could be enrolling in 2021 coverage and renewing into 2022 coverage simultaneously</li> </ul>

## Stakeholder Feedback:

- Many stakeholders have reached out wondering whether these individuals would be eligible for a qualifying SEP.
- Ambiguity around whether existing regulations currently provide for a SEP
- Implementing this SEP would provide certainty for consumers, brokers, and insurers and ensure continuity of coverage.

## Staff Proposal:

- Provide the Pennie ED the delegated authority to open a SEP for individuals enrolled in COBRA coverage who face the loss of enhanced subsidies through ARP and provide an opportunity to enroll in coverage for October – December 2021
- Apply standard loss of MEC SEP dates (+/- 60 days from Sept. 30) and effective date rules

# Executive Session

# CY2021 Proposed Revised Budget by Program Area

	Approved Budget	Revised Budget	Federal Share	Pennie Share
<b>Personnel</b>	<b>\$6,231,524</b>	<b>\$6,459,524</b>	<b>\$2,538,593</b>	<b>\$3,920,931</b>
<b>Operating</b>	<b>\$43,727,106</b>	<b>\$47,864,130</b>	<b>\$17,043,235</b>	<b>\$30,820,895</b>
• External Affairs	\$8,583,356	\$12,543,356	\$3,286,359	\$9,256,997
• IT/Customer Service	\$33,274,350	\$33,801,374	\$13,159,752	\$20,641,622
• General Operating	\$1,869,400	\$1,519,400	\$597,124	\$922,276
<b>Total</b>	<b>\$49,958,630</b>	<b>\$54,323,654*</b>	<b>\$19,581,828</b>	<b>\$34,741,826</b>

\*Revised budget total includes the reduction of the 1.2M reallocation of funds within the CY21 budget

\*\*Please note that there was \$1.6M in carryover funds from CY20 which was not included in the approved budget, these funds will be applied against the \$4.3M total budget increase needed.

# Funding Sources for New ARP Expenses

<b>Total ARP Project Cost:</b>	<b>\$4,270,467</b>
<b>Funding Sources to Cover Cost:</b>	
• ARP Anticipated Grant Funding	\$1,000,000
• Reallocation of Funds within CY2021 Budget	\$1,200,000
<b>Remaining Amount Needed:</b>	<b>\$2,070,467</b>
<b>Other Funding Sources to Cover Cost:</b>	
• Carryover of CY2020 Funds	\$1,600,000
<b>Balance of Remaining Funds Needed</b>	<b>\$470,467</b>

# Enrollment to Revenue

## Variable Months User Fee Revenue by Month

- Assumes 2021 Per Member Per Month Premium of \$623

Revenue Generated by <u>10,000</u> Customers, Cumulatively by Month					
1 Month	2 Months	3 months	4 months	5 months	6 months
\$186,900	\$373,800	\$560,700	\$747,600	\$934,500	\$1,121,400

Revenue Generated by <u>20,000</u> Customers, Cumulatively by Month					
1 Month	2 Months	3 months	4 months	5 months	6 months
\$373,800	\$747,600	\$1,121,400	\$1,495,200	\$1,869,000	\$2,242,800

Revenue Generated by <u>30,000</u> Customers, Cumulatively by Month					
1 Month	2 Months	3 months	4 months	5 months	6 months
\$560,700	\$1,121,400	\$1,682,100	\$2,242,800	\$2,803,500	\$3,364,200

# CY2021 Proposed Revised Budget by Program Area

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# Procurement Policy





# Procurement Policy

- The Procurement Policy is constructed to provide the Exchange Authority with permissible flexibility under the Pennsylvania Procurement Code and guidance on signatory authority for contracts.
- The Procurement Policy permits the following individuals to execute a contract, assuming the money has already been allocated by the Board:
  - The Executive Director can execute all contracts valued at up to \$250,000 annually. The Executive Director can also execute any Memoranda of Understanding or Interagency Agreements between Pennie and the federal government or other state agencies, regardless of the amount.
  - The Executive Director, with authorization from the Board Chairperson, can execute contracts valued between \$250,000 and \$1 million dollars annually.
  - All contracts valued at a \$1 million or more annually must be approved by the Board.



# 2021 Strategic Improvement Opportunities



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# Review of the 2021 Strategic Goals

## **1. Execute New Federal ACA Policies through:**

- i. Leveraging these opportunities to maximize affordability and access
- ii. Minimize disruption to market participants
- iii. Fiscal responsibility that ensures stability

## **2. Increase Health Coverage for Underinsured/Underserved Communities**

## **3. Achieve Operational Excellence through Improved Customer Service and Ease of Doing Business with Pennie**

# Improvement Opportunities

Short Description	Targeted Benefit(s)	Aligns With...	Sizing Estimate	Pennie Leadership's Scoring*
<b>SSAP Spanish Translation</b>	Increase application completion rates among Hispanic uninsured. Reputational improvement. Increased maintenance.	Increase Health Coverage with Underserved Populations	Medium	5
<b>Regulatory/ Compliance Items</b>	Improve information collection from customers and eligibility calculations	Implement ACA Policies; Improved Customer Service	Roadmap – No Incremental Cost	5
<b>Reconciliation Workbench Improvements</b>	Increase efficiency of reconciliation activities with insurers	Increase Ease of Doing Business with Pennie; Improved Customer Service, Fiscal	Roadmap	4
<b>Carrier / Assister / Broker Test Environment</b>	Improve process and reduce risk when stakeholders develop their technology	Increase Ease of Doing Business with Pennie	Medium	4
<b>Broker Grant Program</b>	Provide incentives for brokers working with underserved and uninsured customers	Increase Ease of Doing Business with Pennie; Increase Health Coverage with Underserved Populations	Medium	4
<b>Insurer Ticketing Improvements</b>	Improved communication between Pennie and Insurers leading to better customer experience	Improved Ease of Doing Business with Pennie; Improved Customer Service; Fiscal Responsibility	Large	3

- Scoring on a 5-point scale with 1 being the lowest, 5 being the highest
- Teal rows are improvements included on GetInsured's Roadmap



# **Proposed Binder Payment Policies for PY22**



## Proposed PY22 Binder Payment Policy

# For 2021 Plan Year, Pennie adopted HealthCare.gov Rules

### Binder Payment Deadlines:

- Insurers have flexibility to set their own binder payment policies, within guidelines.
  - Binder payment deadline cannot be earlier than the 1st day of the coverage period.
  - Binder payment deadline cannot be later than 30 days after effective date.
- Insurers can opt to apply a threshold rule to binder payments
  - E.g. if customer pays 95% of the premium due, the coverage will be effectuated.

### Scenarios Where Binder Payment Required:

- Initial enrollment with an insurer
- Enrollment change (due to SEP or active renewal selection) within the same insurer but to a different product line\*\* offered by the insurer (even if no gap in coverage)
- Customer previously enrolled with insurer but has a gap in coverage before re-enrolling with insurer (even if the same plan)
- Current enrollment where the subscriber becomes ineligible so the family members are re-enrolled into the exact same plan with no gap in coverage

\*\*Different product line means the new plan has different first 10 digits of plan HIOS ID

## Proposed PY22 Binder Payment Policy

# 1. Allow customers a minimum of 2 weeks to make binder payment

Proposal	Policy Goal(s)	Benefits	Challenges
Allow customers a minimum of up to 2 weeks to be able to make their binder payment	<ul style="list-style-type: none"> <li>Ensure Pennsylvanians have access to quality health care</li> </ul>	<ul style="list-style-type: none"> <li>Ensures customers have adequate time to make payment, regardless of their access to electronic payment methods</li> <li>Continue to allow insurers to have their own binder payment policies</li> </ul>	<ul style="list-style-type: none"> <li>May differ from current insurer practices.</li> </ul>

Given the growing number of scenarios in which a customer may select a plan as late as the day before the coverage effective date, a binder payment deadline as early as the coverage effective date would not be sufficient time for most customers to make binder payment.

Questions for feedback: Do insurers currently have a different approach that allows customers sufficient time to pay even when plan selections are made the day before the coverage effective date?

### Stakeholder Feedback:

- Unanimous support by insurers; many already comply or exceed the minimum;
- One commenter requested confirmation that 2 weeks is the minimum and insurers are free to adopt more flexible policies, if applied uniformly to similarly-situated individuals

### Staff Recommendations: Adopt, as proposed

- Confirm that two weeks is minimum and insurers can adopt longer binder payment deadline policies;
- Two weeks would be measured from the invoice date

## 2. Do not require binder payment if enrollee changes plans within the same insurer with no gap in coverage.

Proposal	Policy Goal(s)	Benefits	Challenges
Insurers could not require binder payment if enrollee changes plans to another plan offered by the same insurer with no gap in coverage, even if the other plan is a different product line.	<ul style="list-style-type: none"> <li>Ensure Pennsylvanians have access to continuous quality health care</li> </ul>	<ul style="list-style-type: none"> <li>Minimize customer confusion as to which plan changes may require a binder payment, since customers can't tell which plans are in different product lines.</li> </ul>	<ul style="list-style-type: none"> <li>May differ from current insurer practices.</li> </ul>

- When a customer is continuously enrolled with no gap in coverage with the same insurer, it doesn't make sense to require a new binder payment from those customers.
- It's difficult for customers to understand when a binder payment may be required until after they've made their plan selection.
- Questions for feedback: How have customers understood this type of "different product line" binder payment requirement in the past?

### Stakeholder Feedback:

- Mixed feedback; supporters agreed with the policy goals and report that they experience customer confusion on this topic, and noted potential for internal insurer process simplification and reduction of administrative burdens
- Opposition driven by the significant technical lift to make a change; One insurer reports customers understand the requirement
- Clarification sought on whether this applies within the insurer's HIOS ID or across multiple insurer HIOS IDs

### Staff Recommendations: Adopt for PY23

- Applies to plan changes within the same insurer legal entity (i.e.5 digit insurer HIOS ID)
- Delay adoption until PY23 to allow additional time for implementation



### 3. Do not require binder payment when the subscriber disenrolls but the remaining family members maintain enrollment in the same plan with no gap in coverage.

Proposal	Policy Goal(s)	Benefits	Challenges
Insurers could not require binder payment if the subscriber disenrolls but the remaining family members continue enrollment in the same plan with no gap in coverage.	<ul style="list-style-type: none"> <li>Ensure Pennsylvanians have access to continuous quality health care</li> </ul>	<ul style="list-style-type: none"> <li>Prevents an undue burden on customers who are continuously covered in the same plan with no gap in coverage, simply because subscriber disenrolled.</li> <li>Death, divorce, subscriber becoming Medicare eligible are likely scenarios.</li> </ul>	<ul style="list-style-type: none"> <li>May differ from current insurer practices.</li> </ul>

Questions for feedback: We understand that this scenario is currently operationally difficult for many insurers. Are there alternative ways to achieve the same policy goals that would be more operationally feasible for insurers?

**Stakeholder Feedback:**

- Unanimous opposition due to operational difficulties;
- New family members are in a new policy id which triggers binder payment requirement and all other new policy activities; insurers have no way to distinguish between a new policy id due to subscriber drop and simply a new policy;
- One insurer suggested could possibly operationalize if the exchange provided a specific reason code in the EDI transactions.

**Staff Recommendations: Withdraw**

- Recommend further discussions improving customer education and awareness are aware of binder payment requirement;
- Monitor subscriber drop scenarios to better understand whether this is having an adverse impact on customers access to continuous coverage

## 4. Apply 95% Threshold to Binder Payments

Proposal	Policy Goal(s)	Benefits	Challenges
Insurers must accept a timely customer binder payment if it's at least 95% of the 1st month's premium for purposes of effectuating coverage.	<ul style="list-style-type: none"> <li>Ensure Pennsylvanians have access to continuous quality health care</li> </ul>	<ul style="list-style-type: none"> <li>Ensures customers can have their coverage effectuated regardless of a very small short payment, likely due to minor administrative error</li> </ul>	<ul style="list-style-type: none"> <li>May differ from current insurer practices.</li> </ul>

Thresholds are currently permissible, but not required.

Question for Feedback: Do insurers currently have a 95% threshold policy for binder payments? What are the operational implications of implementing a threshold policy?

### Stakeholder Feedback:

- Mixed feedback; many but not all insurers already provide some sort of payment threshold;
- Most opposed due to significant technical lift to implement plus the broader impact it would have across all payments, not just binders.
- Other insurers supported different thresholds, either a fixed dollar amount of different percentages; some stated no threshold is inherently better than another

### Staff Recommendations: Adopt for PY23, with discussions in 2021 about appropriate de minimus amounts

- In recognition of all of the competing priorities on insurer's plate for 2021 including COVID-19 and American Rescue Plan, we recommend delaying adoption until PY23 to allow additional time for planning and implementation.

# Adjourn

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# Appendix

March 2021



# Standard Updates



March 2021

# Standard Updates

- Stakeholder Engagement
- Technology and Operations
- Call Center
- Communications

# Stakeholder Engagement – Insurers

## Overall, very positive, no major issues

Regular meetings have facilitated communication, cross-functional collaboration, and ability to resolve insurer-specific issues

- Insurer One-on-One Weekly/Bi-Weekly/Monthly Meetings
- Combined Insurer Weekly Working Group (all insurers)
- Insurer Policy Working Group (bi-weekly, as needed)

## Customer Service

- No issues regarding contact center
- Focus on implementing insurer ticketing process

## Insurer Ticketing & Enrollment Portal

- New functionality built specifically for PA insurers
- Integrates insurer enrollment operations teams into the Pennie customer service ticketing system to more quickly address customer service needs
- Insurers also have visibility into real-time enrollment data on Pennie – helps to more quickly resolve customer service and reconciliation questions

## Brokers

- No major issues for brokers, regular operations
- Finished remaining handful of book of business assignments
- Sharing broker workgroup materials & educational information with insurers

## Reconciliation (Recon)

- A comparison of Pennie & Insurer information to ensure customer & enrollment data in synch
- Several months of recon complete for all insurers, continuing monthly
- Focus on resolving discrepancies by order of priority / impact to customer

## EDI

- Regular daily EDI files continuing – no major issues

## Other

- Targeted issue resolution e.g. complex customer cases requiring resolution



# Stakeholder Engagement – Brokers, Assisters, Others

## Brokers

- Broker Workgroup held on 2/12 and 3/12 - Topics discussed include the COVID-19 Enrollment Period, Plan Certification Policy, American Rescue Plan, Binder Payment Policy and Pennie Strategic Goals

## Assisters

- Assister Lunch & Learn Sessions - Hot Topics & Technical Guidance
- 28 COVID-19 EP Enrollment Events in Philadelphia, Allentown, Chester, Tioga County, Washington, and more!
- PHAN/Immigrant Workgroup – actionable outreach strategies and website language access increased to include Arabic and Central Khmer

## Others

- Pennie is working with FEMA to make sure that Pennie has a presence at the Center City Philadelphia COVID-19 Vaccination site.
- Pennie has launched its partnership with DOH and the YMCA for the 2021 Health Equity Tour.
- Pennie has conducted education sessions in several PA CareerLinks, Small Business Development Centers (SBDC), and Chambers of Commerce.
- Pennie has an active partnership with the Mayor's Office in the City of Lancaster and has engaged with Lancaster's City Leadership Group.
- Pennie is working with the Pennsylvania Municipal League, the PA County Commissioners Association, Labor & Industry, the PA Dept. Of Ag, DOH, and DHS – County Assistance Offices.

# Technology

- **Single Streamlined Application** – Minor items are being tracked for future resolution and or enhancements. Successful applications and enrollments have been occurring since Nov. 1.
- **Federal Hub** – Update to the Renewal and Redetermination Verification (RRV) process to also use Equifax service for FTR in 21.3.
- **Account Transfers** – Account Transfers between Pennie and DHS have been validated and are ongoing. Enhancements being considered for 2021 releases.
- **Data Management** – 834 file triggering and processing continues as expected. Reconciliation files (RCNI/RCNO) for February is complete. Overall discrepancies have decreased 10% month over month (January to February).
- **Notices** – Notices have successfully generated in bulk, as well as on and ad hoc basis based on system activity.
- **PayNow** – Insurers have validated customers are being directed correctly to their individual payment pages.
- **Provider Directory** – Plan shopping provider data is being presented as expected.
- **Security** – Security Assessment Report (SAR) procurement is coming to an end.
- **Automation** – The swivel chair process of moving Contact Us inquiries to the GetInsured ticketing system for secure response has been successful. So far that automation has reduced manual effort by Pennie staff by ~257 hours

## Future Releases

**21.3 Release** – UAT for 21.3 began on March 8th. UAT is progressing well on initial scope. Phase 1 of ARP scope (FPL Adjustments, Remove 400% Cap, UI Attestation and 133/138 FPL, Portal Verbiage Changes) will be delivered in this release. In order to deliver ARP Phase 1, the deployment date has been moved from 4/8 to 4/15.

## Release Planning

American Rescue Plan Phase 2 – Requirements for Phase 2 (Redetermination, Notice Generation, Portal Verbiage Updates) are in-flight. Target to have scope complete by 3/19.

The Pennie team has reassessed future projects against the Strategic Goals set by the Board. Additional information on those projects and their alignment to those goals is provided in slides later in this presentation as well as in the appendices. In-flight work is also being analyzed to determine if it should continue based on Strategic Goals and ARPA implementation.

# Call Center

## Hours of Operation:

- Standard business hours currently in effect.
- Full schedule can be found at: <https://pennie.com/connect/>

## CSR Staffing & Training

- Broker/Assistor/Agency training (who/what these roles are, certification FAQs, entity and agency structures, system access and navigation, ticketing)
- A second QLE/SEP refresher (categories, effective dates, system navigation and documentation types)
- De-escalation techniques, conflict resolution and proper escalation protocols
- Ticketing protocols
- Current Staffing as of March 15th: 194 CSRs (16 of which are PA-residents)

## CSR Training & Continuous Process Improvement Initiatives

- Feedback from our first Open Enrollment and Lessons Learned from customers and internal/external stakeholders helped identify and spotlight our strengths and certainly pinpoint areas of needed improvement as we deepen our understanding of behavioral and knowledge needs within the Pennie Contact Center.
- Enhanced and advanced training in all areas of customer service, broker/assister support and operational excellence are in progress and under development currently.

## American Rescue Plan Contact Center Preparedness

- Job aids such as talking points, customer centric FAQs and background information has been distributed and reviewed by CC center management and CSRs.
- High call volume planning and preparation within a phased in framework to build capacity in line with platform readiness and marketing communications roll out.
- Staffing levels and performance metrics will be monitored and evaluated daily for analysis, trend reporting, adjustments and future planning in the run up for open enrollment plan year 2022.

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# Communications

## Advertising

- Working with media buy and creative services team to research and develop advertising and marketing campaign for the American Rescue Plan eligibility changes
- SEP/COVID-19 Enrollment Period campaign ongoing in the meantime

## Customer Communications

- Email campaigns are continuous for the COVID-19 Enrollment Period
- Drafting customer notices/emails about changes from the American Rescue Plan including those that need to take action and update their applications to run eligibility for financial assistance
- Working on email campaign for those who have opened Pennie applications to take advantage of these new savings

## Partner Communications

- COVID-19 Enrollment Period talking points and social press kit is currently available on the website
- Drafting materials to update the toolkit to include talking points, social posts and job aids on the American Rescue Plan for partners
- Providing insurers customer communications

## Assister/Broker Communications

- Developing emails and job aids for Brokers and Assisters on the changes on the American Rescue Plan

## Media Relations

- Held press conference and distributed a joint press release in conjunction with PID on the American Rescue Plan on March 15
- Pitching/conducting interviews with local, statewide and industry specific publications
- Another round of earned media/public awareness will be conducted closer to the implementation of the American Rescue Plan savings on pennie.com

## Other

- Updated website to include information and FAQs on the American Rescue Plan
- Developing Pennie Podcast new episodes with interviews with policy on the eligibility changes
- Pennie e-newsletter distributed in early March