pennie®

Conference Call Etiquette

- 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 Board of Directors Meeting

May 31, 2023

Agenda

- **Preliminary Matters**

- **Administrative Matters**

- **2023 Strategic Planning Refresher**

- **Medicaid Unwinding Report**

- **Consumer-Focused Initiatives**

- **Break**

- **Strategic Project Updates**

- **Monitoring National Policy**

- **Executive Session**

- **Adjournment**

Preliminary Matters

Preliminary Matters

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

Administrative Matters

Administrative Matters

- **Introduce New Board Member – Amy Lowenstein**

- **Q1 2023 Financials**
  - Slides are available in the appendix
  - Any questions?

2023 Strategic Planning Refresher

Pennie's Mission Statement

Pennie aims to maximize the number of Pennsylvanians with affordable, quality health coverage and to facilitate informed consumer decision-making.

2023 Strategic Goals

1. **Grow marketplace enrollment by improving affordability and accessibility.**

2. **Make the principles of DEI general practice and partner with vulnerable communities to reduce inequities.**

3. **Enhance plan quality and streamline choice to inform customer decisions.**
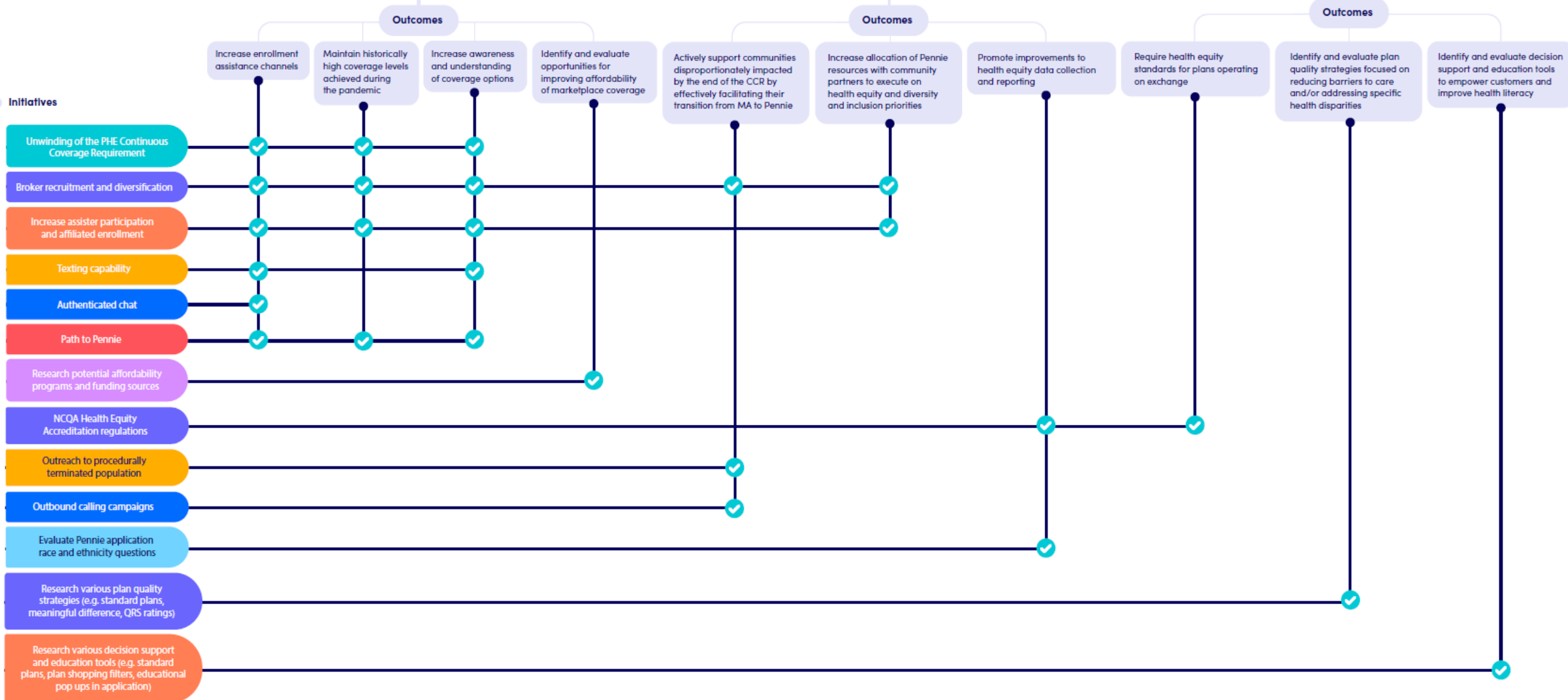
Pennie®
Strategic Goals

Goal #1
Grow marketplace enrollment by improving affordability and accessibility.

Goal #2
Make the principles of DEI general practice and partner with vulnerable communities to reduce inequities.

Goal #3
Enhance plan quality and streamline choice to inform customer decisions.

Outcomes (Goal #1)
- Increase enrollment assistance channels
- Maintain historically high coverage levels achieved during the pandemic
- Increase awareness and understanding of coverage options
- Identify and evaluate opportunities for improving affordability of marketplace coverage

Outcomes (Goal #2)
- Actively support communities disproportionately impacted by the end of the CCR by effectively facilitating their transition from MA to Pennie
- Increase allocation of Pennie resources with community partners to execute on health equity and diversity and inclusion priorities
- Promote improvements to health equity data collection and reporting
- Require health equity standards for plans operating on exchange

Outcomes (Goal #3)
- Identify and evaluate plan quality strategies focused on reducing barriers to care and/or addressing specific health disparities
- Identify and evaluate decision support and education tools to empower customers and improve health literacy

Initiatives

- Unwinding of the PHE Continuous Coverage Requirement
- Broker recruitment and diversification
- Increase assister participation and affiliated enrollment
- Texting capability
- Authenticated chat
- Path to Pennie
- Research potential affordability programs and funding sources
- NCQA Health Equity Accreditation regulations
- Outreach to procedurally terminated population
- Outbound calling campaigns
- Evaluate Pennie application race and ethnicity questions
- Research various plan quality strategies (e.g. standard plans, meaningful difference, QRS ratings)
- Research various decision support and education tools (e.g. standard plans, plan shopping filters, educational pop ups in application)

Medicaid Unwinding Report

Medicaid Unwinding Report
Since we last spoke...

- DHS reprocessing efforts began and Pennie started receiving account transfers with Medical Assistance coverage ending April 30

- Pennie began contacting these households in mid-April **via direct notices/mailers, emails and priority outbound calls** through our Customer Service Center

- Pennie held **6 press conferences in communities across PA** in partnership with DHS to raise awareness of the unwinding and assistance available through Pennie

- **Pennie published the following collateral for stakeholder use:**
  - Pennie Unwinding Webpage
  - FAQs
  - Explainer videos
  - Social media posts
  - Digital graphics
  - Robust stakeholder <u>toolkit</u> in coordination w/ DHS

- Pennie's **advertisement and media campaign** went live targeting lower-income households, vulnerable populations, and non-English speaking audiences

- Pennie's outreach activities ongoing with partnerships from Cognosante and YMCA health equity tour

Pennie At A Glance

As of 5/30/23	Total
Applicants	585,427
Enrollees	359,410

Unwind			
Count	**Medical Assistance (MA) End April 2023**	**MA End May 2023**	**MA End Other**
33,346	28%	59%	13%
3,178	46%	50%	4%

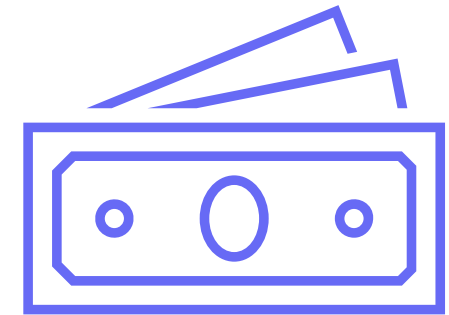*"Total" includes all enrollees with plan selections, even "Unwind" customers.*

"Unwind" customers are those that have used the "Loss of MA" SEP event. These could have come directly from an MA transfer or from a walk-in customer.

% Apps with Auto Eligibility
77.0%

To streamline customer experience, a customer can automatically have their eligibility assessed based on the info from their MA transfer.

A technical issue with auto-eligibility occurred in April that was resolved. The Auto-eligibility rate shown is after the resolution.

Unwind Conversion Rate by Cohort

Cohort	Unwind Applicants	Unwind Enrollees	Conversion Rate	60 Day SEP Cut-off Date*
April 2023	9,374	1,474	16%	June 29th
May 2023	19,529	1,590	8%	July 30th
June 2023	4,359	113	3%	Aug 29th
Other	84	1	1%	—
Total	**33,346**	**3,178**	**10%**	—

"Cohort" is based on the customer's latest MA End Date.

Counts don't match, due to some application nuances.

Customers in later cohorts have had less time to utilize their SEP, so they will have a lower conversion rate.

People who don't convert to enrollment could have situations where they may not be seeking coverage.

*Consumers that enroll within 60 days can have continuous coverage; the full window is 120 days.

Unwind Applicants By County

Erie 826
Crawford 211
Warren 137
McKean 120
Potter 33
Tioga 143
Bradford 191
Susquehanna 117
Wayne 118
Forest 39
Venango 144
Elk 66
Cameron 15
Sullivan 17
Wyoming 93
Lackawa... 737
Pike 172
Mercer 454
Clarion 115
Jefferson 157
Lycoming 444
Luzerne 1,188
Monroe 500
Clinton 84
Lawrence 259
Butler 353
Clearfield 236
Centre 306
Union 80
M... 30
Columbia 174
Carbon 143
Snyder 135
North... 306
North... 959
Beaver 349
Armstrong 192
Schuylkill 443
Lehigh 1,327
Indiana 236
Mifflin 131
Allegheny 2,452
Cambria 360
Blair 361
Juniata 67
Dauphin 964
Berks 1,407
Bucks 991
Westmoreland 824
Perry 103
Lebanon 537
Washington 451
Huntingdon 118
Montgom... 1,087
Somerset 187
Bedford 167
Cumberland 566
Lancaster 1,296
Chester 601
Greene 103
Fayette 539
Fulton 36
Franklin 365
York 1,136
De... 1,262
Philadelphia 5,384
Adams 148

5,500
2,500
15

Data as of 5/30/23

Per Member Per Month (PMPM) APTC and Net Premium Metrics
Average PMPMs – Total
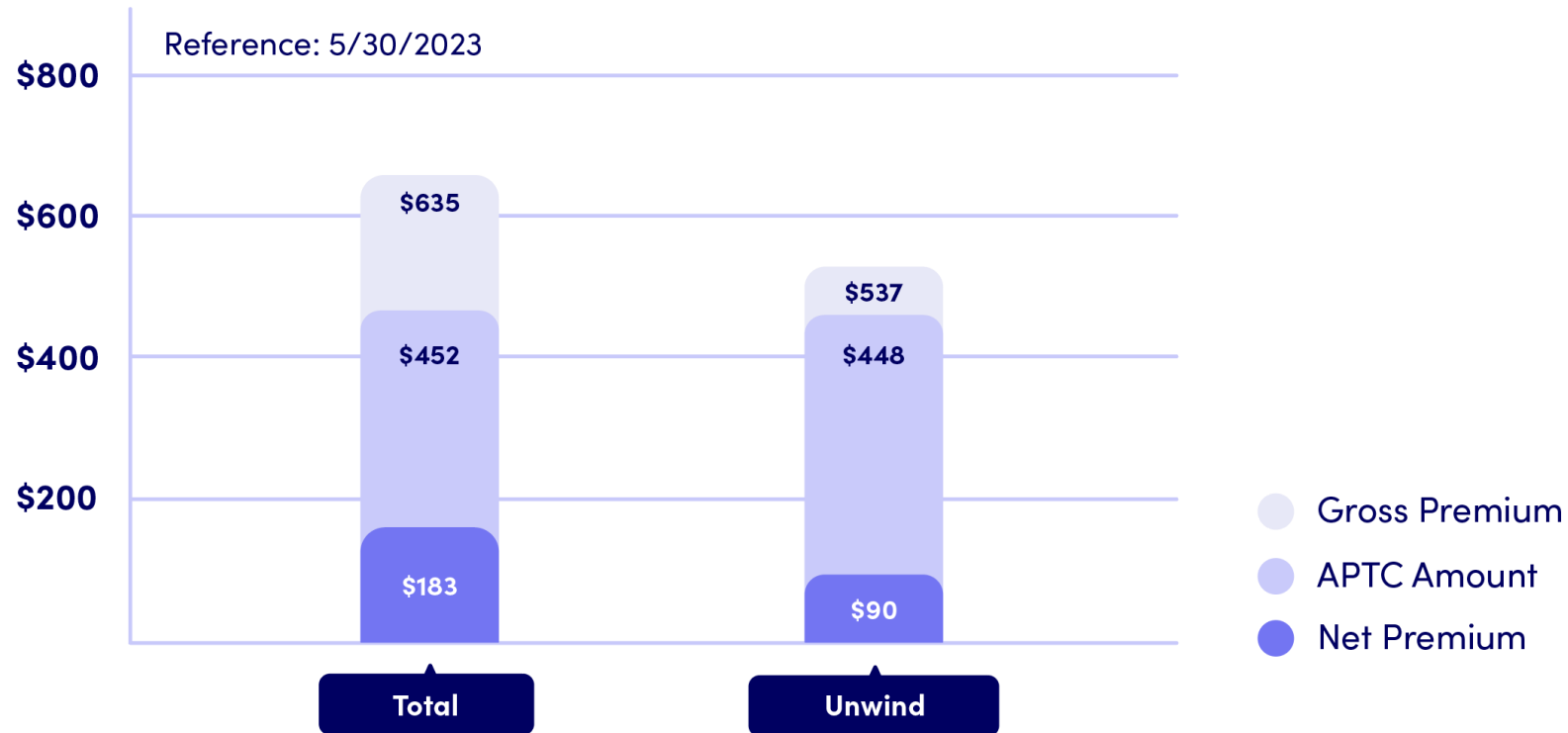
Reference: 5/30/2023

	Total	Unwind
Gross Premium	$635	$537
APTC Amount	$452	$448
Net Premium	$183	$90

Legend:
- Gross Premium
- APTC Amount
- Net Premium

"Total" includes all enrollees with plan selections, even "Unwind" customers.

"Unwind" customers are those that have used the "Loss of MA" SEP event. These could have come directly from an MA transfer or from a new application.

Note: *The APTC amounts shown do not include members who are <u>eligible</u> for APTCs but are <u>not receiving</u> them in advance. These members are counted in the "not receiving APTCs" column.*

Financial Assistance

Financial Assistance	Total Enrollees	Unwind Enrollees
APTC	38%	22%
APTC_CSR	53%	74%
CSR	<1%	0%
QHP*	9%	4%
Total	**359,410**	**3,178**

*Not eligible for financial assistance

Unwind customers are more often eligible for Financial Assistance – especially cost sharing reductions - than the average customer.

"Total" includes all enrollees with plan selections, even "Unwind" customers.

"Unwind" customers are those that have used the "Loss of MA" SEP event. These could have come directly from an MA transfer or from a walk-in customer.

Federal Poverty Level (FPL) Demographics

FPL	Total	Unwind
0 - 100%	2%	2%
100 - 150%	17%	10%
150 – 200%	22%	40%
200 – 250%	16%	24%
250 – 400%	25%	19%
400%+	11%	3%
Unknown	8%	2%
Total	359,410	3,178
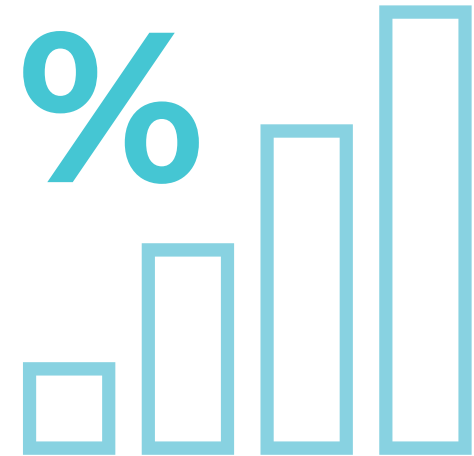
Unwind customers tend to have lower FPLs than the average Pennie customer.

"Total" includes all enrollees with plan selections, even "Unwind" customers.

"Unwind" customers are those that have used the "Loss of MA" SEP event. These could have come directly from an MA transfer or from a walk-in customer.

Metal Tier Selections

Metal	Total	Unwind
Bronze	24%	16%
Silver	35%	39%
Gold	41%	44%
Catastrophic	<1%	<1%
Total	359,410	3,178
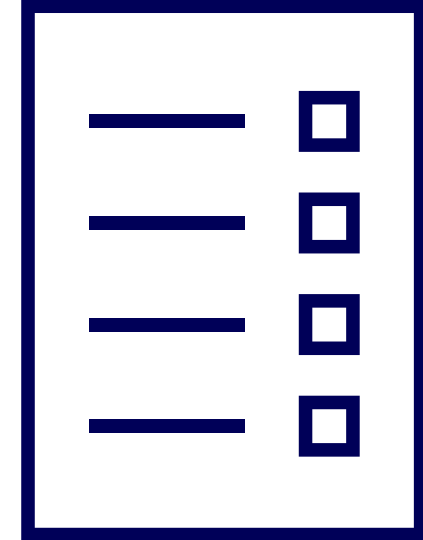
Unwind customers tend to select Bronze Plans less, and Silver/Gold plans more than the average customer.

"Total" includes all enrollees with plan selections, even "Unwind" customers.

"Unwind" customers are those that have used the "Loss of MA" SEP event. These could have come directly from an MA transfer or from a walk-in customer.

Age Demographics

Age	Total	Unwind
0-17	6%	12%
18-25	7%	11%
26-34	16%	18%
35-44	16%	19%
45-54	18%	16%
55-64	37%	23%
65+	1%	<1%
Total	359,410	3,178

Unwind customers tend be younger than the average customer.

"Total" includes all enrollees with plan selections, even "Unwind" customers.

"Unwind" customers are those that have used the "Loss of MA" SEP event. These could have come directly from an MA transfer or from a walk-in customer.

Gender Demographics

Gender	Total	Unwind
Male	47.1%	38.5%
Female	52.9%	61.5%
Total	359,410	3,178

Unwind customers are more likely to be female than the average customer.

"Total" includes all enrollees with plan selections, even "Unwind" customers.

"Unwind" customers are those that have used the "Loss of MA" SEP event. These could have come directly from an MA transfer or from a walk-in customer.

Ethnicity Demographics

Ethnicity	Total	Unwind
Hispanic/ Latino	3.3%	10.5%
Not Hispanic/ Latino	79%	80%
No Response	17%	9%
Total	359,410	3,178

Unwind customers are more likely to be of Hispanic/Latino ethnicity than the average customer.

Customer Service Center Performance

		OE 2023	4/1/23 to 5/29/23
Call Handling Metrics	Calls Handled by Call Rep.	155,707	55,667
	Avg. Speed to Answer (secs)	14.7	15.5
	Avg. Handle Time (mins)	12.2	12.4
	Call Abandonment Rate	0.08%	0.09%
Chat Metrics	Number of Chats Offered	4,366	6,408
	Chats Handled by FAQs	1,350	2,922
	Chats Handled by Call Reps.	3,008	3,478
Outbound Dialing for Unwind	Unwind Outbound Calls Made	—	8,174
	Unwind Outbound Calls Total Success Rate*	—	65.3%
	Connected with Live Agent	—	5.6%
	Voicemail Left	—	59.7%

*An outbound call is considered a "Success" if contact was made with the specific customer, or if a voicemail was left.

Website Statistics – Most Visited Webpages

Timeframe: April 1 – May 25, 2023.
Total website pageviews: 620,188

Page Title	Pageviews	% Pageviews
1. Home | Pennie	374,474	60.80%
2. Path to Pennie | Pennie	96,501	15.67%
3. Broker and Assister Login | Pennie: Connecting Pennsylvanians to Health Coverage	28,728	4.66%
4. Shop For Health Coverage | Pennie: Connecting Pennsylvanians to Health Coverage	18,126	2.94%
5. 1095-A Form | Pennie	11,955	1.94%
6. Learn The Basics | Pennie: Connecting Pennsylvanians to Health Coverage	11,116	1.80%
7. Contact Us | Pennie: Connecting Pennsylvanians to Health Coverage	9,955	1.62%
8. Loss of Medical Assistance Coverage | Pennie	9,075	1.47%
9. Inicio | Pennie	7,495	1.22%
10. Enroll Now | Pennie: Connecting Pennsylvanians to Health Coverage	7,301	1.19%

April – May 2023

Email Analytics

Unwinding Emails Sent By Week
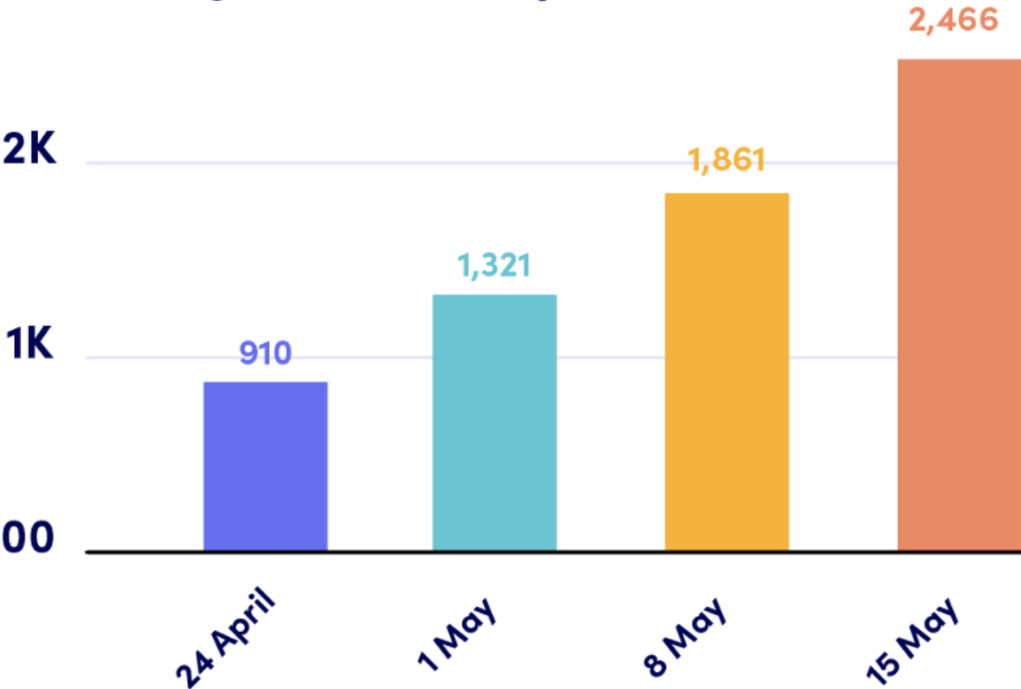
Unwinding Emails Sent By month

	Apr.1	May 1
Emails Sends	910	7,420
Open Rate	52.7%	51.5%

Consumer-Focused Initiatives

Consumer-Focused Initiatives

Consumer-focused efforts are underway:

1. Reviewing consumer-facing content for readability

2. Analyzing most common issues

3. Developing improvements for common issues

Consumer-Friendly Messaging – Example

Previous Text

Revised Text
(July Implementation)

Pennie Plan Comparison Tool

This tool takes you through a few simple steps to see if you might qualify for free or low-cost health insurance and find the right medical and dental plan for you. Please note, if you have specific questions about Pennie, please feel free to contact us. If you have questions about your eligibility for advanced premium tax credits, please consult with a tax consultant. This tool is only intended to help you learn about:

- Projected costs of buying and using different health and dental plans.
- Your estimated eligibility for financial help (the only way to know for sure if you qualify is to complete an application through Pennie).
- Whether a plan covers your prescription drugs.

Use this tool to help you decide on a plan. After you choose a plan you can enroll through Pennie.

Here are a few things to consider when reviewing the costs of a plan:

- The monthly payment (premium).
- Financial help you may be eligible for to help pay your premium.
- Co-pays, deductibles, co-insurance and maximum out-of-pocket limits.

IMPORTANT: By clicking "Continue" below, you acknowledge that you understand:

- This tool is not intended to be your only source of information for health insurance decisions. You should consider all relevant facts in choosing a health insurance plan, including whether your doctors accept the insurance and are in the plan network. You need to review plan documentation carefully so that you understand what you are receiving.
- The results in the tool are an estimate only. The only way to see what you are fully eligible for is to submit your information through Pennie.
- The plans available in this tool may change without notice. Pennie does not guarantee the availability of a plan prior to submission of your application.
- Your actual costs may vary significantly from the estimate provided depending on:
  - Your actual health care usage.
  - Type(s) and location(s) of the care you receive.
  - The accuracy of the information you provide.
- We make every effort to make the drug preferences list in this tool as accurate as possible, but health plans can change the prescription drugs they cover at any time. Some drugs may not appear in the drug preferences list even though they are actually covered. To confirm that a particular drug is covered, call the insurance company or go to its website.
- The tool's results are not an endorsement of, and should not be considered support for or against, any specific plan, program, or insurer.
- The information you enter into this tool will not be stored or shared with any third party or insurance company. It will have no effect on your current or future premiums, cost sharing or eligibility for coverage. To obtain coverage, you will have to submit your information to Pennie.

Continue

Shop for Health Coverage

Shopping is simple with Pennie. Follow these steps to see if you qualify for savings to lower the cost of health coverage.

1. Answer three questions to get an estimate of your savings.
2. Preview plans available in your area
3. Complete your application for coverage
4. Choose a plan, pay your first premium, and you're covered!

The results provided from this tool are an estimate only. The only way to see what you are eligible for is to create an account and complete an application through Pennie. The health plan comparison tool provides information about your health plan options. It is not an endorsement of any specific health plan or health insurance company. Check with your doctors directly before enrolling to make sure they accept the coverage.

Continue

Data Matching Inconsistencies (DMI) Policy Proposals

Currently, Pennie's DMI policies are stricter than required by regulation, creating an unnecessary barrier to coverage for Pennie customers and a drain on Pennie escalation and appeals teams. DMIs are a high volume and challenging process with significant implications for consumers

- As of 5/10/23, there were 26,096 open DMIs, including 21,920 income DMIs.
- Most income DMIs are for households with income under 250%FPL.
- An estimated 40% of Pennie appeals are from customers who have lost APTC due to not verifying an income DMI and/or lost coverage due to a non-income DMI.

Proposal	Policy Goal(s)	Benefits	Challenges
Changes to how Pennie processes DMIs	Reduce unnecessary administrative barriers preventing Pennie customers from staying covered	Lower risk of taking adverse action on customers who are eligible for coverage and/or financial assistance; Maintain continuous coverage; Less operational burden on Pennie and the Contact Center	Ensuring customers and stakeholders are properly informed of new policies

Pennie proposes to:

A. Accept customer self-attested income information when there is an income discrepancy

B. Provide customer ability to reinstate coverage, with full financial help, to the date that financial help or coverage was ended due to the expiration of a DMI reasonable opportunity period (ROP).

A. Data Matching Inconsistencies (DMI) Policy Proposals

Accept customer self-attested income information when there is an income discrepancy

Proposal	Policy Goal(s)	Benefits	Challenges
Changes to how Pennie processes DMIs to accept self-attested income information	Reduce unnecessary administrative barriers preventing Pennie customers from staying covered	Lower risk of taking adverse action on customers who are eligible for coverage and/or financial assistance; maintain continuous coverage; Less operational burden on Pennie and the Contact Center	Ensuring customers and stakeholders are properly informed of new policies

Staff Proposal – *Accept customer self-attested income information when there is an income discrepancy to resolve an income DMI*

- Customers must complete the new Income Self-Attestation form, indicate the reason for the income discrepancy, and attest to understanding, under penalty of perjury, their responsibility to accurately represent their projected income and the risk of potential tax liability.
- Amount of income provided on the Income Self-Attestation form must be within acceptable threshold (currently, +/-$6,500) of the amount of income included on their application.
- Can attest to this information by submitting a written attestation form or by calling Pennie customer service and verbally providing the information.

A. Data Matching Inconsistencies (DMI) Policy Proposals

Accept customer self-attested income information when there is an income discrepancy

Proposal	Policy Goal(s)	Benefits	Challenges
Changes to how Pennie processes DMIs to accept self-attested income information	Reduce unnecessary administrative barriers preventing Pennie customers from staying covered	Lower risk of taking adverse action on customers who are eligible for coverage and/or financial assistance; maintain continuous coverage; Less operational burden on Pennie and the Contact Center	Ensuring customers and stakeholders are properly informed of new policies

Stakeholder Feedback:
- Majority of stakeholders supported, including most insurers, brokers, and assisters
  - *Broker - "ABSOLUTELY YES! The income documentation has become one of the* **most burdensome** *parts of the enrollment process. Most enrollees need extra help with this step and struggle to find the appropriate documentation - especially since most of the people enrolling* **do not have "standard" income situations***..."*
  - *Broker – "This would be a tremendous help. Many of my customers are 1099 or* **self employed and have major discrepancies in income from year to year** *so a previous year tax return isn't accurate. They also don't always have a clear way of showing a projected income for the current year.."*
- A few insurers expressed support for the concept, but had concerns about downside risk
  - *"If the attestation information is handled by Pennie's customer service...we believe this would be* **beneficial from a customer experience perspective***...If guardrails are removed, the potential for fraud increases."*
  - *"We feel we can support operationally but...have* **concerns about potential financial risk***"*

A. Data Matching Inconsistencies (DMI) Policy Proposals

Proposal	Policy Goal(s)	Benefits	Challenges
Changes to how Pennie processes DMIs to accept self-attested income information	Reduce unnecessary administrative barriers preventing Pennie customers from staying covered	Lower risk of taking adverse action on customers who are eligible for coverage and/or financial assistance; maintain continuous coverage; Less operational burden on Pennie and the Contact Center	Ensuring customers and stakeholders are properly informed of new policies

Staff Recommendation: *Adopt, as proposed*

- Income can be extremely hard to document especially for customers who are self-employed or have seasonal/fluctuating income
- Comparing projected income information provided by a customer to IRS data that is two years old can result in large data discrepancies for legitimate reasons
- Failure to resolve an income DMI often leads to eligible customers terminating coverage altogether
- Customers will be properly informed about their requirement to provide information that is truthful and accurate
- Reconciliation at tax time will adjust for any differences at the end of the year

B. Data Matching Inconsistencies (DMI) Policy Proposals

Reinstate coverage, with full financial help, to the date that financial help or coverage was ended due to the expiration of a DMI reasonable opportunity period (ROP).

Proposal	Policy Goal(s)	Benefits	Challenges
Changes to how Pennie processes DMIs to allow customers to reinstate financial help/coverage if documentation is provided after the ROP ends	Reduce unnecessary administrative barriers preventing Pennie customers from staying covered	Lower risk of taking adverse action on customers who are eligible for coverage and/or financial assistance; Maintain continuous coverage; Less operational burden on Pennie and the Contact Center	Ensuring customers and stakeholders are properly informed of new policies

Staff Proposal - *Provide customers ability to reinstate financial help or coverage retroactively to the date financial help or coverage was ended due to adverse action taken against the customer upon expiration of a DMI reasonable opportunity period (ROP)*

- Customer must contact Pennie Customer Service and provide the appropriate documents to resolve their DMI within 60 days of ROP expiration.
- Customer must have an income DMI that has resulted in loss of APTC and is at risk of terminating coverage due to inability to pay full-price premiums OR have a non-income DMI that has resulted in termination of coverage.

B. Data Matching Inconsistencies (DMI) Policy Proposals

Reinstate coverage, with full financial help, to the date that financial help or coverage was ended due to the expiration of a DMI reasonable opportunity period (ROP).

Proposal	Policy Goal(s)	Benefits	Challenges
Changes to how Pennie processes DMIs to allow customers to reinstate financial help/coverage if documentation is provided after the ROP ends	Reduce unnecessary administrative barriers preventing Pennie customers from staying covered	Lower risk of taking adverse action on customers who are eligible for coverage and/or financial assistance; maintain continuous coverage; Less operational burden on Pennie and the Contact Center	Ensuring customers and stakeholders are properly informed of new policies

Stakeholder Feedback:
- Nearly all brokers and assisters supported this proposal
  - *Broker - "Yes. I have had clients that run into extreme delays from the government in obtaining appropriate documentation for things like naturalization papers or other immigration type forms."*

- Insurer feedback was mixed, with some in support, some supporting with modifications, and others opposing
  - *"We [insurer] support this proposal so long as the noted conditions are met, and that the re-enrollment/reinstatement are made effective prospectively only."*
  - *"[The insurer] recommends reinstatement to the original effective date (this provides [the insurer] the original policy and original member group) rather than a Special Enrollment Period."*
  - *We agree with Pennie that terminating a policy and locking consumers out of the market for the remainder of a year due to unresolved DMI is not a preferred result in the foregoing scenario. That said, we are concerned that the proposed 60-day window, when combined with a retroactive SEP, invites issues of adverse selection."*

B. Data Matching Inconsistencies (DMI) Policy Proposals

Reinstate coverage, with full financial help, to the date that financial help or coverage was ended due to the expiration of a DMI reasonable opportunity period (ROP).

Proposal	Policy Goal(s)	Benefits	Challenges
Changes to how Pennie processes DMIs to allow customers to reinstate financial help/coverage if documentation is provided after the ROP ends	Reduce unnecessary administrative barriers preventing Pennie customers from staying covered	Lower risk of taking adverse action on customers who are eligible for coverage and/or financial assistance; maintain continuous coverage; Less operational burden on Pennie and the Contact Center	Ensuring customers and stakeholders are properly informed of new policies

Staff Recommendation – *Adopt, as proposed*

- Will mitigate gaps in coverage for customers who verify that they are eligible for financial help/coverage and is for those customers who wish to maintain the coverage they previously enrolled in.
- Most issues are for income DMIs, where coverage would not be terminated except for the consumer not being able to pay full price. Retroactively applying financial help to provide a consistent monthly premium allows consumers to maintain affordable coverage.
- Adverse selection is further mitigated as customers would have had to have had coverage within the previous 60 days to qualify, and this approach ensures continuous coverage for all months.
- Many appeal requests are due to requests for reinstatement. This policy would reduce the operational burden on Pennie.

Retro Termination Policy Proposal

Allow retroactive termination to align to other coverage start date if within 30 days.

- Pennie Contact Center commonly receives retroactive termination requests due to enrollment in Medicare or other forms of minimum essential coverage (MEC).
- These customers are potentially receiving financial assistance for which they no longer qualify.
- Pennie requires customers to report application changes within 30 days of a change, but currently does not allow for customers to align termination dates retroactively when reporting enrollment in other coverage.

Proposal	Policy Goal(s)	Benefits	Challenges
Accept customer retroactive termination requests up to 30 days into the next month due to having other coverage	Align retroactive termination policy with requirement of customers to update their Pennie application within 30 days of a change 45 CFR § 155.330(b)(1)	Prevents overpayment of APTC and enrollment in duplicative coverage with Medicare or Employer-Sponsored Coverage	Potential for claims issues and provider impacts

Pennie proposes to approve retroactive termination requests when the following conditions are met:
- The retroactive termination request is to align Pennie coverage end dates to the start of other coverage, provided that it is within 30 days.
- The retroactive-termination request is for the end of the previous month (i.e., retroactive termination request submitted on August 8th for July 31st).

Retro Termination Policy Proposal

Allow retroactive termination to align to other coverage start date if within 30 days.

Proposal	Policy Goal(s)	Benefits	Challenges
Accept customer retroactive termination requests up to 30 days into the next month due to having other coverage	Align retroactive termination policy with requirement of customers to update their Pennie application within 30 days of a change 45 CFR § 155.330(b)(1)	Prevents overpayment of APTC and enrollment in duplicative coverage with Medicare or Employer-Sponsored Coverage	Potential for claims issues and provider impacts

Stakeholder Feedback:

- Nearly all brokers and assisters were in favor of this proposal (152 supported, 8 opposed) and several suggested it be extended further than 30 days
  - Broker - *"I don't think it should change to 30 days. I would say change it to 60 days."*
  - Broker - *"This would provide greater flexibility in termination of coverage - especially for Medicare participants who forget to terminate their PENNIE policies upon enrollment in a Medicare plan"*

- Several insurers expressed concerns, citing an inability to recoup pharmacy claims, as well as adverse provider impacts.
  - *"We feel that this proposed policy would put issuers at risk for a larger number of claims…"*
  - *"…does not clearly address that many members may not be transitioning coverage to a new insurer…but may instead be canceling their coverage completely"*

Retro Termination Policy Proposal

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Proposal	Policy Goal(s)	Benefits	Challenges
Accept customer retroactive termination requests up to 30 days into the next month due to having other coverage	Align retroactive termination policy with requirement of customers to update their Pennie application within 30 days of a change 45 CFR § 155.330(b)(1)	Prevents overpayment of APTC and enrollment in duplicative coverage with Medicare or Employer-Sponsored Coverage	Potential for claims issues and provider impacts

Staff Recommendation: *Adopt, as proposed*

- Retro-termination requests generally come from recent enrollees in Medicare and other coverage who do not realize they need to prospectively terminate Pennie coverage.
- Customers must call the Pennie contact center and request retro-termination (no option to self-serve), which will ensure the ability to confirm that the consumer has not incurred claims under the QHP.
- Pennie customer service representatives will be given disclaimer scripts to ensure customers understand what they are requesting and the impact on any services incurred.

Break

Strategic Projects Update

Broker Recruitment and Diversification (BRAD)
(Strategic Goal 2: Health Equity)

- Project Goal: To increase access to a diverse pool of knowledgeable brokers to serve historically marginalized and underrepresented communities.

- Project Scope: Recruit existing licensed health brokers to become Pennie-certified and focus on serving underrepresented communities in the Philadelphia Region.

- Pilot Program limited to Philadelphia County due to its large populations of historically marginalized and underrepresented communities.

- In partnership with the Pennsylvania Insurance Department, we identified around 12,000 licensed health brokers who do not currently work with Pennie in the Philadelphia region. This will be the targeted group to encourage certification with Pennie.

- Stakeholder groups, including agent/broker associations and insurer broker teams, are part of the outreach plan to help support this project.

- Work occurring internally to develop campaign and outreach strategies.

Plan Quality and Consumer Choice Analysis

(Strategic Goal 3: Plan quality and facilitate consumer choice)

- Defining the problems we want to solve and the outcomes we want to achieve in the realm of plan quality and consumer choice.

- Executing a process that will lead to policy and systems-based initiatives that match the outcomes we want to achieve, informed by meaningful engagement with external stakeholders and customer-feedback.

- Not trying to drive towards a specific solution prior to executing this process; will consider and evaluate all policy options without bias towards any one solution.

Plan Quality and Consumer Choice Analysis
(Strategic Goal 3: Plan quality and facilitate consumer choice)

- **Identifying the problem(s) we are trying to solve**
  - Customers facing an overwhelming number of plan options
  - Difficulty discerning the difference between plans
  - Plan selection algorithm does not always match customers with plans that meet their situation
  - Customers not understanding plan shopping or key insurance terms
  - Variation in experience across rating areas

- **Defining the outcome(s) we are trying to achieve such as:**
  - Ensure customers have the tools to shop for quality plan with discernible differences
  - Supply customers with sufficient plan choices without being overwhelmed
  - Present customers with plans that meet their situation along with intuitive filtering options
  - Employ policy tools to solve PA-centric health care issues

Plan Quality and Consumer Choice Analysis
(Strategic Goal 3: Plan quality and facilitate consumer choice)

- **Bring together Pennie stakeholders**
  - Creation of informal working group to discuss these issues and provide input to Pennie staff
  - Incorporating the customer perspective through focus groups and other tools to validate issues

- **Project Objectives**
  - Development of policies and systems-change initiatives necessary to help Pennie customers make an informed decision about their health coverage
  - Results in BOD-approved policies and initiatives that Pennie can take forward
  - Meaningful collaboration across the organization, the informal workgroup, PID, insurers, and other Pennie stakeholders that puts Pennie in a strong position to implement the policies resulting from this project

Current State of Strategic Portfolio

Completed

- Authenticated chat
- Path to Pennie

Multi-Year Initiatives

- Increase assister participation and affiliated enrollment
- Health equity accreditation regulations

On Track

- Medicaid Unwinding
- Outbound calling campaigns
- Outreach to procedurally terminated population
- Texting capability
- Broker recruitment and diversification

Research of Future Opportunities

- Research various plan quality and decision support tools
- Research potential affordability programs and funding sources
- Evaluate race and ethnicity questions

Monitoring National Policy

Deferred Action for Childhood Arrivals (DACA) Comment Letter

- A proposed rule was issued by the Department of Health and Human Services in April regarding marketplace eligibility for Deferred Action for Childhood Arrivals (DACA) recipients.

- The proposed rule would modify the definition of "lawfully present" applicable to eligibility for enrollment in a qualified health plan (QHP) through the Marketplace, as well as Medicaid and CHIP, to no longer exclude Deferred Action for Childhood Arrivals (DACA) recipients from that definition.

- This change would allow DACA recipients to enroll in a QHP through the marketplace with Advanced Premium Tax Credits & Cost Sharing Reductions.

- Pennie seeks to send a comment letter supporting the proposed regulation and the U.S. Department of Human Services efforts to expand access to DACA recipients.

- Pennsylvania has an estimated 4,105 DACA recipients across the Commonwealth who could become newly eligible for access to marketplace coverage under the proposed changes.*

*Source: U.S. Citizenship and Immigration Services (USCIS) 2022 report

Executive Session

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Appendix

Q1 2023 Financials

2023 Q1 Financial Overview

Revenue	Q1
User Fees Billed	$20,390,054
Federal Reimbursements Received	$1,850,686
Treasury Interest	$676,029
Total Revenue	**$22,916,769**

Expenses	Q1
Personnel	$1,349,836
Operations	$7,783,727
Total Expenses	**$9,133,562**
Net Income	**$13,783,207**

2023 Q1 Budget Overview

	Expenses	Budgeted	Actual
Q1 Totals	**Personnel**	$1,547,037	$1,349,835
	Operations	$7,924,499	$7,783,727
	Total	$9,471,536	$9,133,562
Q1 $ Variance (under budget)	-$337,974		
Q1 % Variance (under budget)	-4%		

Notes: Personnel variance due to vacancies, and operations variance due to expenses coming in less than originally anticipated.

2023 Q1 User Fee Revenue Overview

Month	Projection	Actual
January	$6,269,684	$6,253,405
February	$6,848,492	$7,248,162
March	$6,850,429	$6,888,487
Total	**$19,968,605**	**$20,390,054**
Q1 $ Variance	**+$421,449**	
Q1 % Variance	**+2%**	

2024 NBPP Final Overview

2024 Notice of Benefit and Payment Parameters (NBPP) Final Rule

Noteworthy provisions impacting Pennie

Income Data Matching Inconsistencies (DMI)

1. Requires all exchanges to accept an applicant's or enrollee's attestation of projected annual household income, and to determine eligibility for financial assistance based on this attestation, when an exchange requests IRS tax return data, but IRS does not return consumer data.

2. The final rule also requires an automatic 60-day extension of the reasonable opportunity period (ROP) for consumers with income DMIs when they exceed the allotted 90 days. This would effectively increase the income DMI ROP from 90 to 150 days.

Special Enrollment Periods (SEP)

- Provides exchanges with the option to offer earlier coverage effective dates for customers attesting to a future loss of Minimum Essential Coverage when coverage is being terminated mid-month.

- This would allow those customers reporting a future mid-month termination of other MEC to enroll in coverage through the exchange with an effective date of the first of the month in which they will lose their coverage.

- This earlier effective date option will remove current coverage gaps for those reporting a mid-month termination date. Currently, Pennie is allowing for retroactive coverage effective dates for those losing Medicaid or CHIP during the unwinding period.

2024 Notice of Benefit and Payment Parameters (NBPP) Final Rule Cont.

Stand-alone Dental Plans (SADP)

1. SADP issuers are required to set premium rates and determine plan eligibility based on an enrollee's age at the time the policy is issued or renewed, only.

2. SADP issuers must submit only guaranteed rates for the plan year, not estimates.

Improper Payment Pre-Testing and Assessment (IPPTA) for State-Based Exchanges

- Beginning in 2024, each SBE will be selected to participate in the IPPTA for a pre-testing and assessment period of two calendar years, beginning in either 2024 or 2025.

- This is in addition to the existing SMART Audit currently required of SBEs.