



Pennie Board of Directors Meeting

October 2026

Agenda

- Preliminary Matters
- Executive Director's Report
- Open Enrollment 2027
- Pre-Enrollment Verification Changes
- Call Center Quality Review
- Self-Service Tool



Preliminary Matters

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

2027 Proposed Pennie Board Meeting Dates

- **Thursday, February 18th**
1:00 PM to 4:00 PM
Teams Meeting
- **Thursday, May 13th**
Strategic Planning Meeting
10:00 AM to 3:00 PM
In-Person @ Pennie Office, Strawberry Square
- **Thursday, August 5th**
1:00 PM to 4:00 PM
Teams Meeting
- **Thursday, October 21st**
10:00 AM to 3:00 PM
In-Person @ Pennie Office, Strawberry Square

Note: The CMS annual regulation typically is proposed in November or December. Pennie is also awaiting a proposed regulation on pre-enrollment verification that should be issued this year. Ad hoc meetings may be called to seek approval to submit comment letters on the regulations.



Proposed Motion

Motion: To adopt the proposed meeting dates for 2027.



Executive Director's Report

Total Enrollment Update

- As of October 1, total **Pennie enrollment is 409,972**, a drop of 86,700 net enrollments from the 2025. The total number of 2025 enrollees who have since disenrolled is around 214,000.
- **With enhanced premium tax credits, Pennie enrollment grew by a net 150,000 over 5 years. In the first 9 months of this year, Pennie has already lost over half of those gains.**
- While some may have shifted to other coverage, the sheer volume of drop offs is significantly higher than any prior single year and many former enrollees tell us they are going uninsured. Surveys identify cost as the number one reason for why people drop.

Top Pennie Priorities

1. **Open Enrollment:** retaining existing enrollees through annual update process and reaching new enrollees
2. **Pre-Enrollment Verification:** preparing for changes that could begin as early as March 2027
3. **Anti-Fraud Strategy and Residency Verification:** locking out bad actors and integrating with PennDOT data to verify residency, targeting June 2027 (CMS has approved our approach)
4. **Call Center Transition:** continuing to prepare for in-house call center transition, with first calls being taken in January 2028



Open Enrollment 2027

Key Takeaways

For Open Enrollment 2027, Pennie will focus on **retention, growth, and communications** while balancing lower enrollment and a large population of uninsured.

OE differences this year include changes in eligibility for lawfully present individuals and new anti-fraud efforts. The changes have impacted autorenewals, but the vast majority of currently enrolled households have been autorenewed.

To grow our enrollment, Pennie is targeting Pennsylvanians under 40 making under 400% Federal Poverty Level (FPL) through paid media, outreach and education, and the assister network.

Anti-Fraud Open Enrollment Protections

Instances of new fraudulent enrollments have significantly dropped off, indicating that the measures we took have been successful in keeping bad actors out and preventing fraudulent enrollments.

A key priority for Open Enrollment is to ensure that bad actors do not re-enroll previously rescinded policies, or create new false enrollments.

Pennie's Approach:

- 1) Disallowing re-enrollments of previously rescinded accounts:** Pennie will have visibility into any accounts that were previously rescinded where a new enrollment is created. Steps will be taken before January 1, when possible, to prevent the policy from becoming effectuated.
- 2) Catching New Suspicious Enrollments:** Pennie will identify data indicators or anomalies that are indicative of inappropriate enrollments, which will be investigated and removed if determined fraudulent.

Open Enrollment 2027 Strategy

OE Goal #1: Retain existing consumers

In an effort to promote high consumer retention, Pennie will focus on providing a smooth autorenewal process, introduce improvements to the process, and emphasize the value of staying covered.

Communication to existing enrollees will focus on:

- A defining message this open enrollment will be for enrollees to come into their account and check the accuracy of their information. This is an important habit to cultivate in enrollees prior to the federal changes coming in 2027 and to prevent tax paybacks.
- A special population for this open enrollment who will require clear communication are lawfully present noncitizens who are no longer eligible for federal financial assistance.

Open Enrollment 2027 Autorenewal Updates

Based on the test run, **autorenewals are expected to successfully renew over 99% of current enrollees into 2027 health plans, but up to 17% will be renewed at full price with removal of APTC** due to expired verification consent and lawful presence changes.

Expired Verification Consent

- Nearly 56,000 enrollees are losing APTC because their consent to check electronic data sources to verify income has expired. This is higher than the number from last year due to a one-time adjustment in 2021.
- The impacted population can keep APTC if they update their application. Pennie will outreach with emails and phone calls to urge action.

Lawfully Present No Longer Eligible

- Almost 19,000 individuals are impacted by the federal changes to eligible lawful presence.
- The majority – 14,400 - will lose their APTC starting January 1, 2027.
- The other 4,600 are at high risk of losing APTC, but could be eligible if they provide updated information.

Income Verification and Threshold

- Approximately 20,000 income data matching inconsistencies (DMI) need additional verification, versus 13,500 from last year.
- New income verification thresholds contributed to an increased number of DMIs, but within a reasonable margin. Income thresholds to remain at the new levels agreed upon in August*.

Rescinded Enrollment Exclusions

- 102 enrollments will be excluded from autorenewals because they are in the process of being rescinded for 2026 coverage.

**The acceptable difference between application income and trusted data sources was narrowed in August to protect against large paybacks at tax time, with the condition that if significantly more income documents were required to the detriment of enrollees then the policy could be reverted.*

Open Enrollment 2027 Retention Measures

Topic	Measure	OE 2024	OE 2025	OE 2026	Target OE 2027
High Autorenewal Success	% eligible households' auto renewed	98%	97.5%	96%	> 97%
High Rate of Active Shoppers	?: Active / [Active + Auto]	22%	21%	33%	> 30%
High Levels of Maintaining Existing Customers	% enrolled customers at EOY with coverage for next year	91%	95%	26.9%	> 70%
High Levels of Enrollment for Autorenewal Fallout	% retained who were not auto renewed	21%	57%	17%	> 25%
Low Impact of Premium Increase on Enrollment	% with high premium who disenrolled (\$100+ more and 2x+ cost)	18%	20%	94.7%	< 30%
High Effectuation Rates	% households with an effectuated health policy as of end OE	93.9%	93.2%	96%	> 85%
High Logins	% households enrolled at the end of OE who logged into their application during OE		49%	61.8%	>70%

Open Enrollment 2027 Strategy

OE Goal #2: Growth

The population targeted for growing exchange enrollment this year is the **under 40 years of age, under 400 percent of the federal poverty level**. The goal of these efforts will be to have high engagement with this population in our priority counties and increased enrollment.

- Those under 400% are still eligible for tax credits and have higher uninsured rates
- Those under 40 have higher uninsured rates and create a healthier risk pool
- Educating those under 40 highlights Pennie as an option if they need us now or later in life
- Broad enough to allow targeted messaging based on location (urban, rural, suburban)

Uninsured Communications

Advertising and messaging will highlight protection from unexpected medical bills, ability to filter plans to what is important for them, how Pennie is not an insurance company, the connection to health coverage and free help, importance of deadlines, the emphasis that 4 out of 5 qualify for savings, and that OE is one time to lock in coverage for 2027.

Paid Media

The tactics and target areas are focused on meeting the uninsured where they are, including approaches found to be effective in the past with county targeting and new approaches focused on the narrower population of uninsured who are most likely to be able to afford coverage through Pennie.

Tactics (*new this OEP to reach <40/400%)

- TV, Audio, Transit/Billboards, Print
- Digital paid search, social media, influencers, streaming TV, video games*
- Lifestyle – PHL Thanksgiving parade, corn maze*, laundromats, grocery stores, gas stations, mobile billboards*, shopping plazas*, AHL hockey*

Tiered Targeted Counties

- Tier 1: Philadelphia, Montgomery, Bucks, Delaware, Chester, Berks, Allegheny, Lancaster, York, Lehigh
- Tier 2: Luzerne, Dauphin, Erie, Northampton, Westmoreland, Cumberland

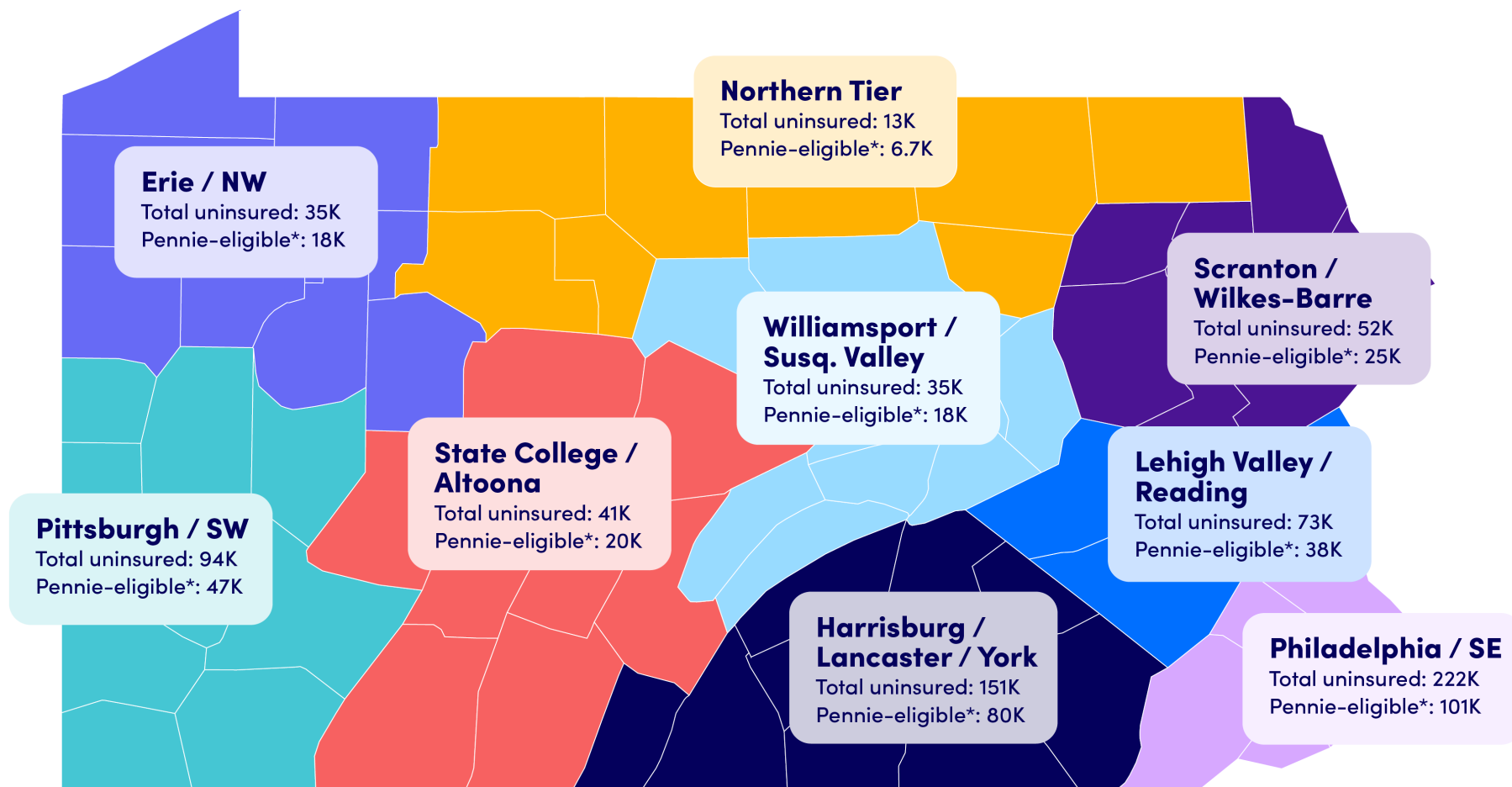
Timelines

- Pre-OEP: Now thru Nov 1
- Broadcast TV: Ramps up after election, strongest from Thanksgiving until Dec 15



Total Uninsured & Pennie-eligible Uninsured

~**716,000 total** uninsured and ~**353,700** are potentially **Pennie-eligible**



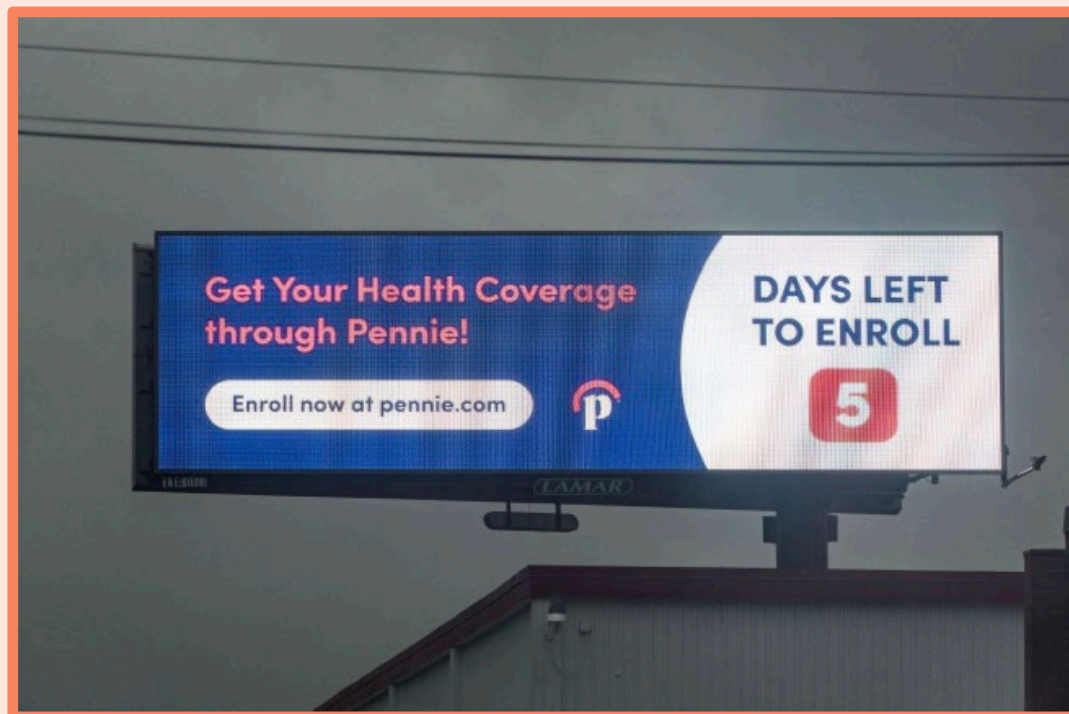
*Pennie-eligible is based on SHADAC's 2019-2023 ACS 5-year data for uninsured at 138-399% FPL

New This Year – Corn Maze in Lehigh Valley

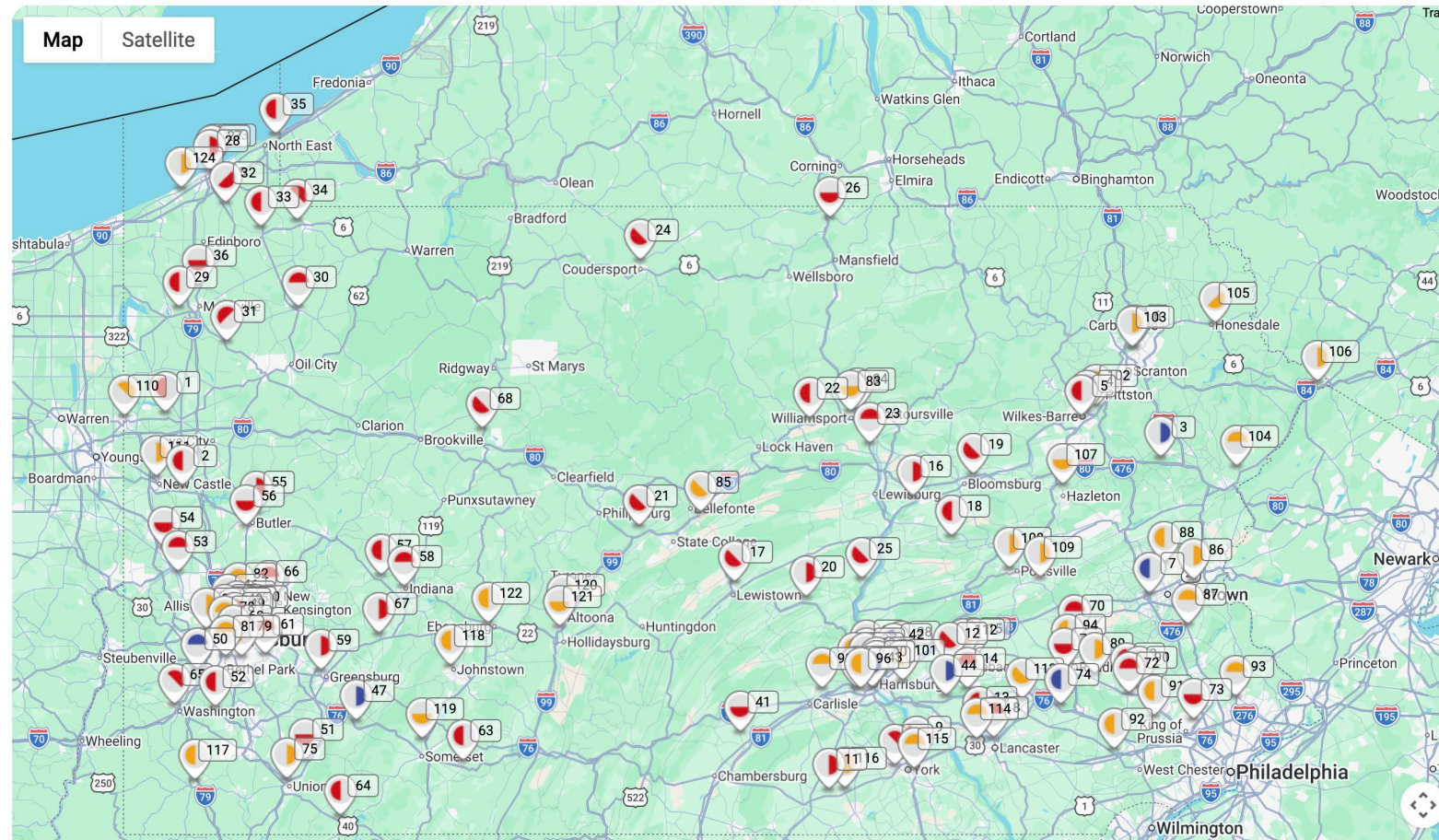


- Area of higher uninsured rates
- Meeting Pennsylvanians where they are
- Connecting health coverage as part of an overall healthy lifestyle (fresh food, exercise)
- Assister presence on location during busy times
- Host of our 10/22 OEP Kickoff press conference

New This Year – Examples



PENNIE - FINAL (OPEN ENROLLMENT 2027)



Pennie Assister Network

Reminder of goals:

- Increase awareness of Pennie
- Get more help everywhere

New this year:

- More targeted, meaningful events
- Higher quality events
- Enhanced data dictionary to capture all activity within *awareness to enrollment* funnel



Pennie Assister Network

Strategic Goals:

- *Optimize Events* – presence in every county in CY26, 50% of events targeting <40/400%, weekend/evening, feature large-scale, high-impact events.
- *Increase Digital Presence* – establish digital presence, weekly social posts, social posts target <40/400%.
- *Expand Network* – Activate 2 relationships per month, 25% targeting Pennie-eligible jobs.
- *Train Network* – Prepare assisters for federal changes, best practices, etc.

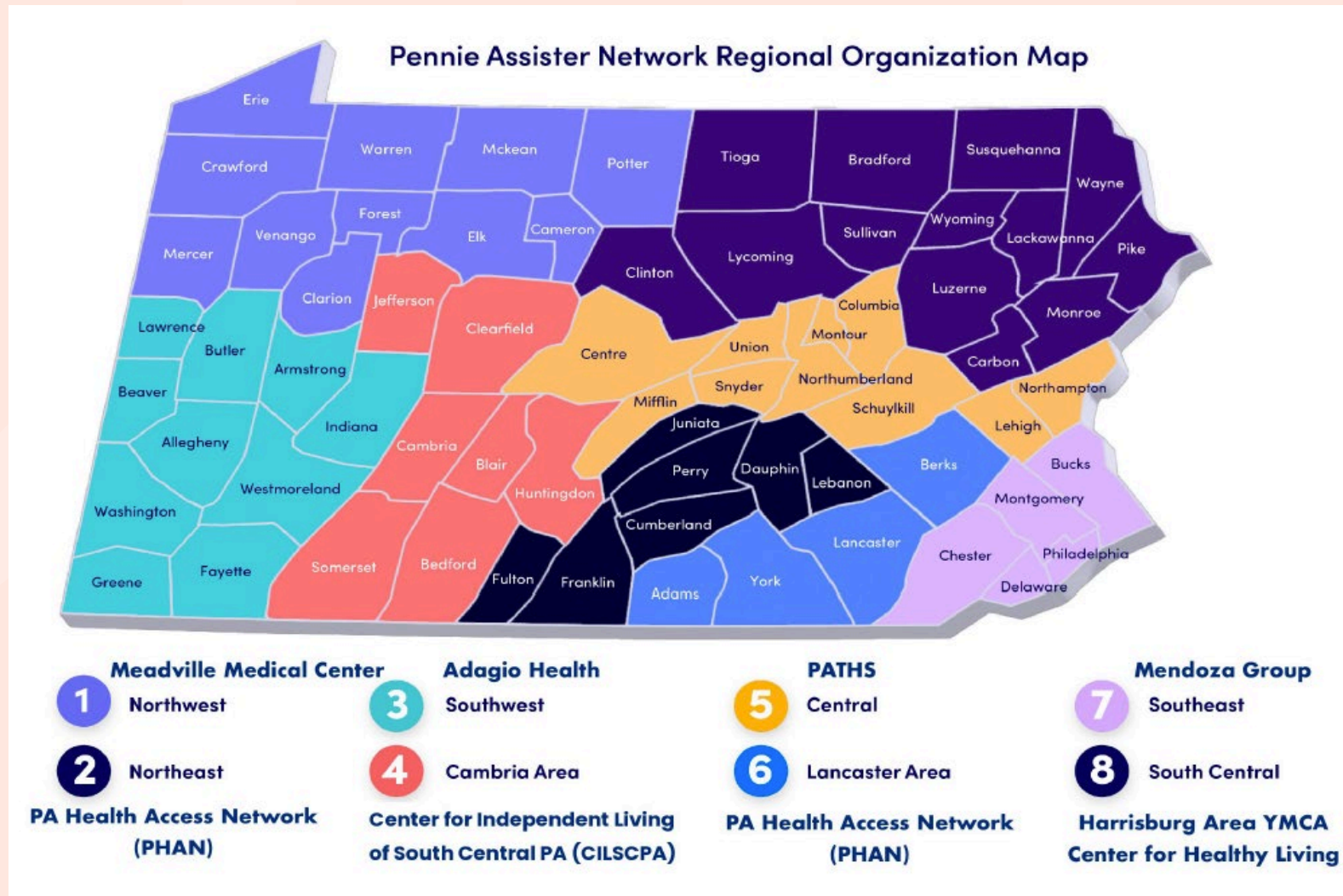
Highlights:

- In the last year, every single county* in PA has had an outreach or enrollment event.
- Since August: 65% of events targeted toward <40/400% (45% of events targeted *and* in priority counties).
- Since August: 8 County Fairs, 8 National Nights Out, Erie ComiCon.
- Many more October/Halloween events planned for Oct.
- Planned YMCA OEP Day on Dec 8 at 22 YMCA events across 17 counties in every region – all in priority counties.

*Last remaining event scheduled for mid-October

Pennie Assister Network

Penn State University Office of Rural Health has been replaced in Region 4 by Center for Independent Living of South Central PA (CILSCPA)



Pennie Outreach & Education Team

- **Primary focus will be reaching community-based, state agency, and other partners that serve those Under 40 & 400%.** Equipping them to be trusted messengers and to refer to Pennie for coverage and to get free help.
- **Expand work with Community Health Worker serving orgs / Healthcare workers.** Strong referral source, helps grow Pennie's reach, potential for assister pool growth.
- **Expand efforts with colleges and universities.** Connect with Young Invincibles – either now or with future in mind (after they turn 26). Build relationships for additional opportunities.

External Affairs Tactics Working Holistically

- **Pennie Outreach & Education Team** informs stakeholders who work with the uninsured.
- **Assister Network** engages with consumers directly.
- **Paid Media** increases awareness and drives action.
- **Direct consumer communications** encourages current enrollees to act and open applications to finish process.
- **Website** providing detailed information for enrollees and cost transparency & free help for consumers.
- **Earned media** engaging with the press and lifestyle TV programming (i.e. Good Day PA).

OE 2027 Growth Strategy and Communications Measures

Topic	Measure	OE 2024	OE 2025	OE 2026	Target OE 2027
Increased enrollment in target population	% New enrollees under 40 years old and under 400% FPL	40%	42%	45%	>45%
Increased awareness of upcoming changes	Number of visits to pennie.com/whatsnew	N/A	N/A	29,519	25,000
Early and clear communications	Email Click to Open Rate	4.08%	4.31%	3.33%	>3%
	Email Click Thru Rates	1.95%	2.23%	1.96%	>1.75%
High engagement/conversion	Number of clicks	458K	420K	360K	>390K
	Click thru rate	0.41%	0.86%	0.55%	>0.76%
	Total Impressions	139M	129M	355M	>380M
	Video Completion Rate	81%	83%	75%	>80%
Use of new assister appointment tool	Assister Appointments	N/A	N/A	N/A	>500



Pre-Enrollment Verification Changes

Pre-Enrollment Verification Background

Starting with Plan Year 2028, consumers will experience significant changes to the enrollment process. Every household will need to verify their income, household size, eligible immigration status, health coverage status, and Pennsylvania residency *before* being able to enroll with tax credits. Conditional eligibility, where applicants verify information while continuing with the enrollment process, will no longer be an option.

During annual renewals, passive re-enrollment is no longer an option. Existing enrollees must actively confirm and verify their information to receive APTC for 2028. Those who have not confirmed and verified the required information will be renewed into a full-price qualified health plan effective January 1, 2028.

The Pennie team has developed detailed requirements to ensure that these new Pre-Enrollment Verification (PEV) changes are developed to be flexible, with the fewest administrative burdens possible, and will allow for early implementation so that we can communicate and educate our consumers early and often to maximize enrollment retention.

We continue to work towards deploying the first round of changes in the March 2027 technical release. Additional system changes will be deployed in the June and September 2027 technical releases.

Pre-Enrollment Verification Implementation

The pre-enrollment verification changes will significantly alter Pennie's underlying eligibility and enrollment system, operational processing, and consumer communications.

Overall, Pennie will need to:

- Bifurcate APTC eligibility from health plan eligibility – as in, consumers can remain enrolled in full price coverage as their APTC status changes based on the new requirements
- Change many consumer communications and process flows
- Prepare to handle higher document reviews, escalations, and appeals
- Prepare for higher call volume and assister/broker volumes as consumers require multiple steps to enroll

For auto renewals, Pennie will need to:

- Shift to an earlier process to verify eligibility for the following year, starting no later than August 1, 2027
- Run more verifications, more often
- Create a more flexible eligibility redetermination process that can update nearly daily
- Make it as easy as technologically possible for consumers to complete extra steps

For ongoing enrollments, Pennie will need to:

- Support effective date changes to backdate APTC or to allow more effective date flexibility for consumers who are in the process of verifying APTC but cannot pay full price in the interim

Existing Enrollee Experience

TODAY

0–1

sessions
to renew

Passive Renewals = No action

Read the renewal notices and keep current enrollment.

OR

Single Session – Update and Shop

Log in, update information, submit documents and pick a plan with APTC-reduced cost.

ALL EXISTING ENROLLEES WITH
APTC

MANY EXISTING ENROLLEES WITH APTC

2027

1–3+

sessions
to stay enrolled

Session 1: Confirm

Actively confirm the accuracy of application information. No data matching issues? Keep the current plan with APTC.



Session 2: Verify

Information not verified? Provide documents and wait for Pennie document review. Option to shop full price plans.



Session 3: Shop

After document approval, review updated eligibility and APTC, then shop with costs reduced by APTC or keep the plan.

+ Any document not accepted the first time adds another step.

New Enrollee Experience

TODAY

1

session
to enroll

One session: Apply and Enroll

Apply, submit any documents needed and pick a plan with a cost reduced by APTC.



Step 2: Resubmit Document

Only if initial document is rejected.

ALL NEW ENROLLEES

ENROLLEES WITH DOCUMENT ISSUES

2028 COVERAGE

1-3+

sessions

starting Nov 1, 2027

Step 1: Apply

No documents needed? Enroll with APTC.

Documents needed? Option to enroll at full price.



Step 2: Verify

Submit the document (for example, a new-job paystub) and wait for Pennie's review.



Step 3: Shop

Review updated APTC and shop. May mean a later start date and a coverage gap.

Started at full price? Elect to apply APTC retroactively.

Any document not accepted the first time adds another step.

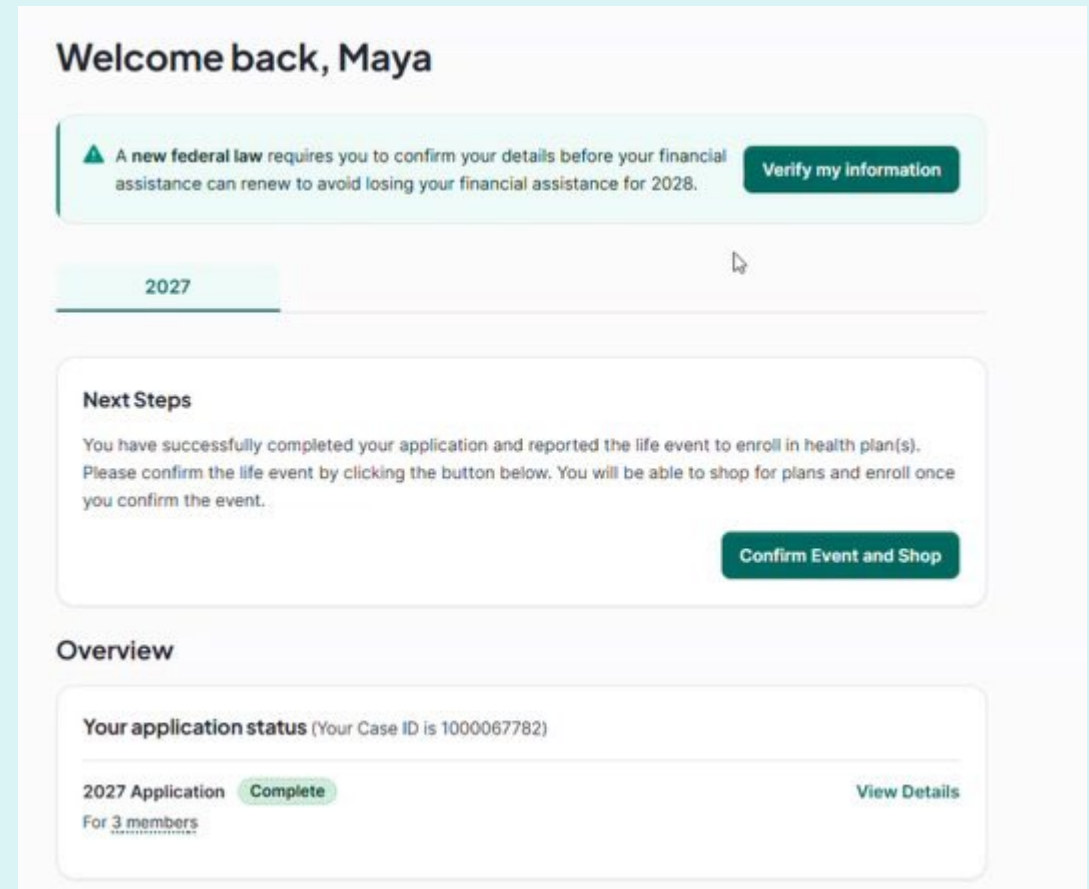
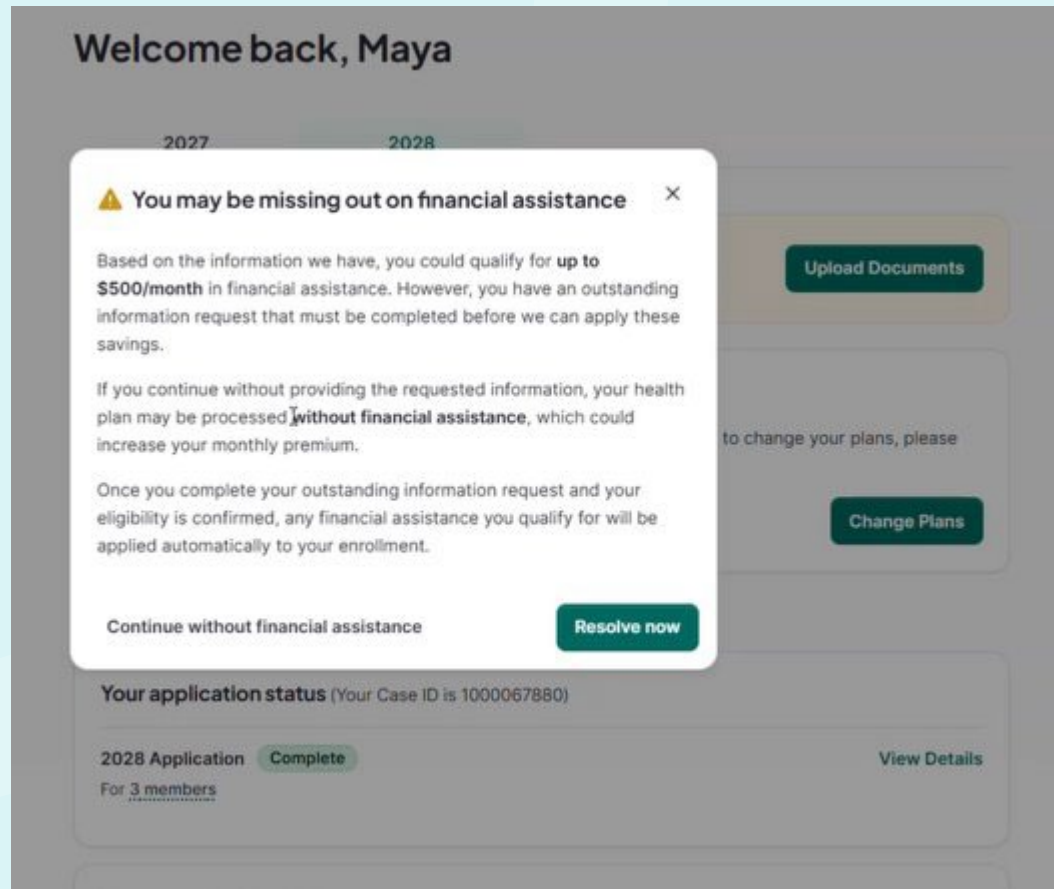
Enrollee Renewal Scenarios

Enrollees will need to complete two steps – 1) **confirm** application information is current; and 2) provide and receive approval of documents to **verify** any application data not verified through electronic trusted data sources. These steps must be completed BEFORE financial help is renewed, versus the current approach of allowing the renewal automatically with action only required when documents are needed.

Confirmed	Verified	Outcome
Yes	Yes	Renewed with APTC
No	Yes	Data matching issue issued Qualified health plan eligible-only until confirmed
Yes	No	Data matching issue issued Qualified health plan eligible-only until verified
No	No	Data matching issue issued Qualified health plan eligible-only until verified and confirmed

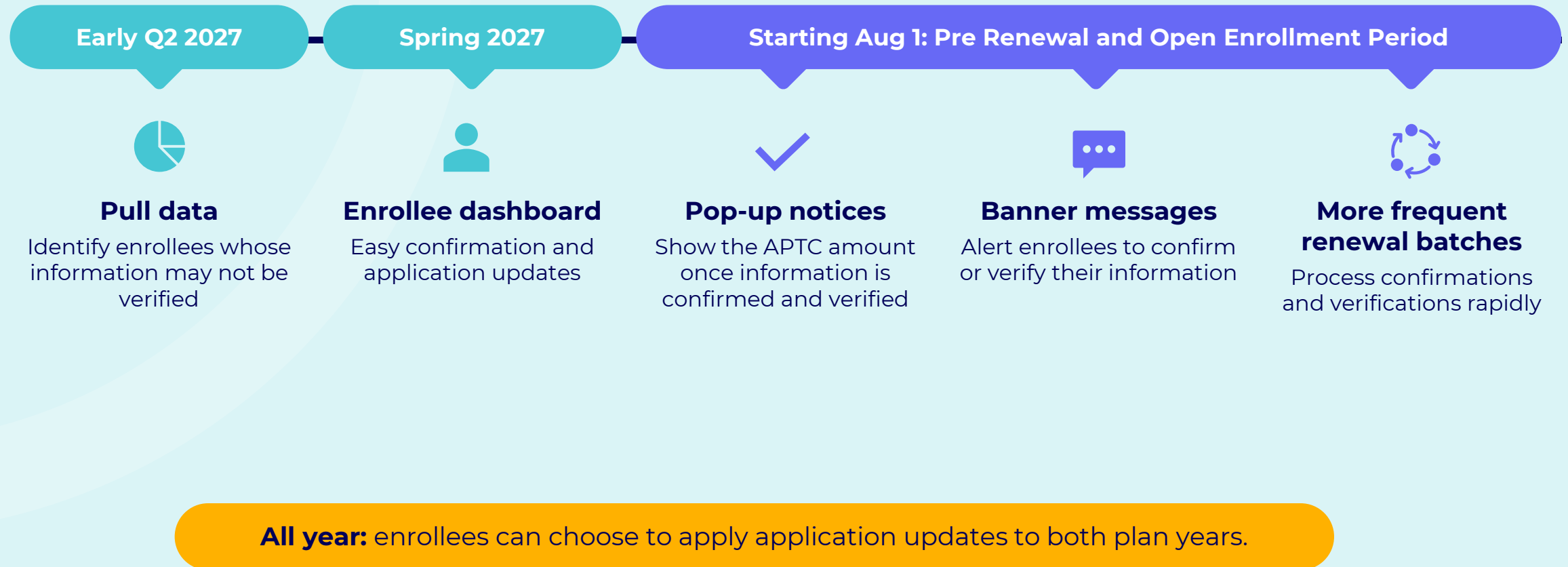
System Screenshots

Pennie will add pop up messages and banners on the account to ensure consumer actions are taken.
(Note: Sample wording only.)



Pre-Enrollment Verification Enrollee Experience: 2027 Timeline

The implementation is intentionally built to be configurable so we choose when each feature appears to consumers since CMS has not yet proposed pre-enrollment verification rules.



Pre-Enrollment Verification Communications and Coordination

Consumer Communications

Website

Postcards

Notices

Outbound calls

Emails

Media alerts

Stakeholder Communications

● March 2027

Initial educational materials go to insurers, assisters and brokers with introduction to new processes and timelines.

● Ongoing

Continued education across various stakeholders and community organizations to provide information needed to support consumers through the changes.

Stakeholder Coordination

We will coordinate a pre-enrollment verification workgroup in early 2027 with insurers and also with assisters and brokers to work through operational and communications coordination, including:

1

All Hands on Deck Communications

Coordinating communications, including how Pennie can provide information to insurers and assisters on which enrollees still need to act.

2

Operational Coordination

Discussing billing impacts that may result from retroactively applying APTC, December billings without APTC, and coverage gaps.

3

Consumer Support Resources

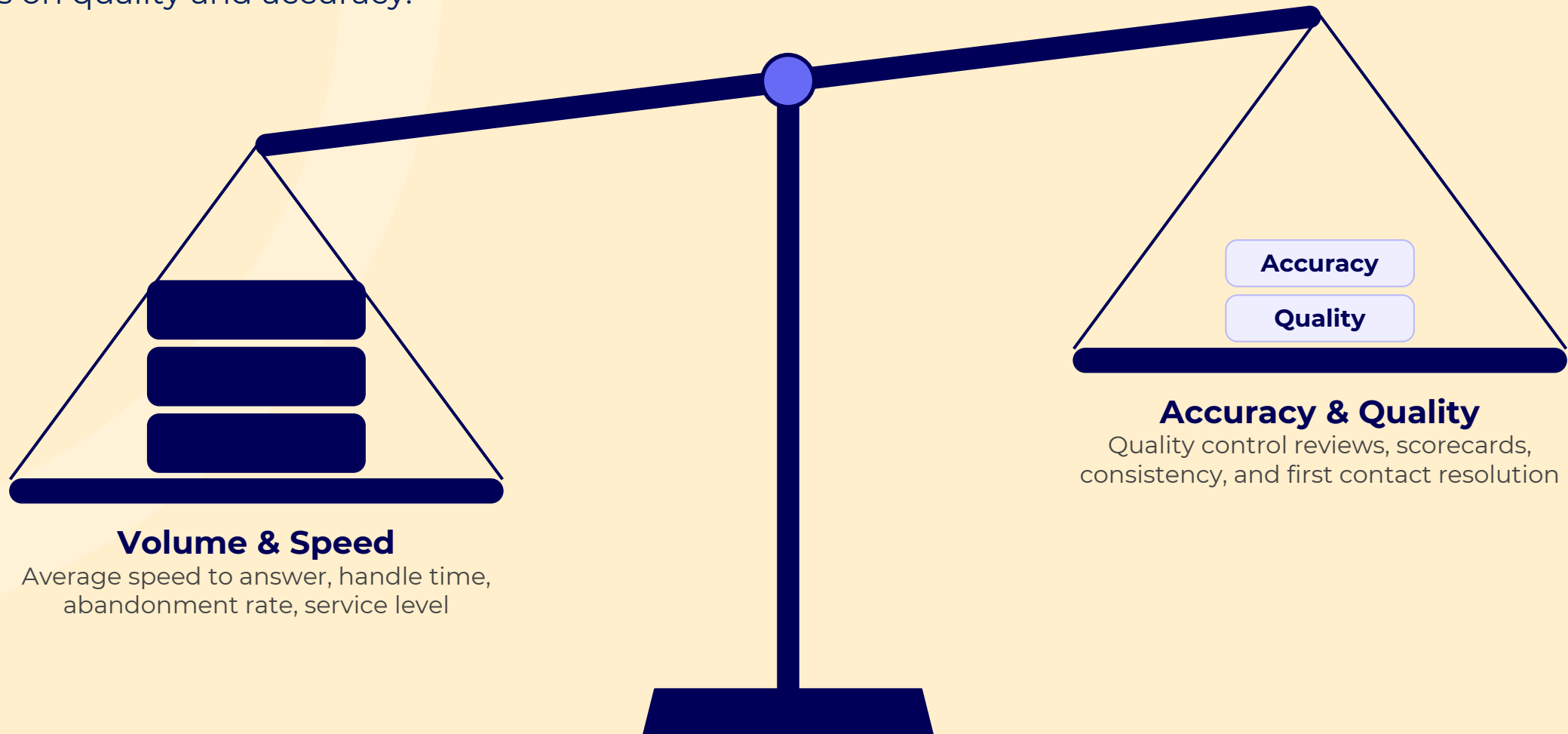
Aligning on what resources or overviews would be helpful to stakeholders as they prepare to support consumers.



Call Center Quality Review

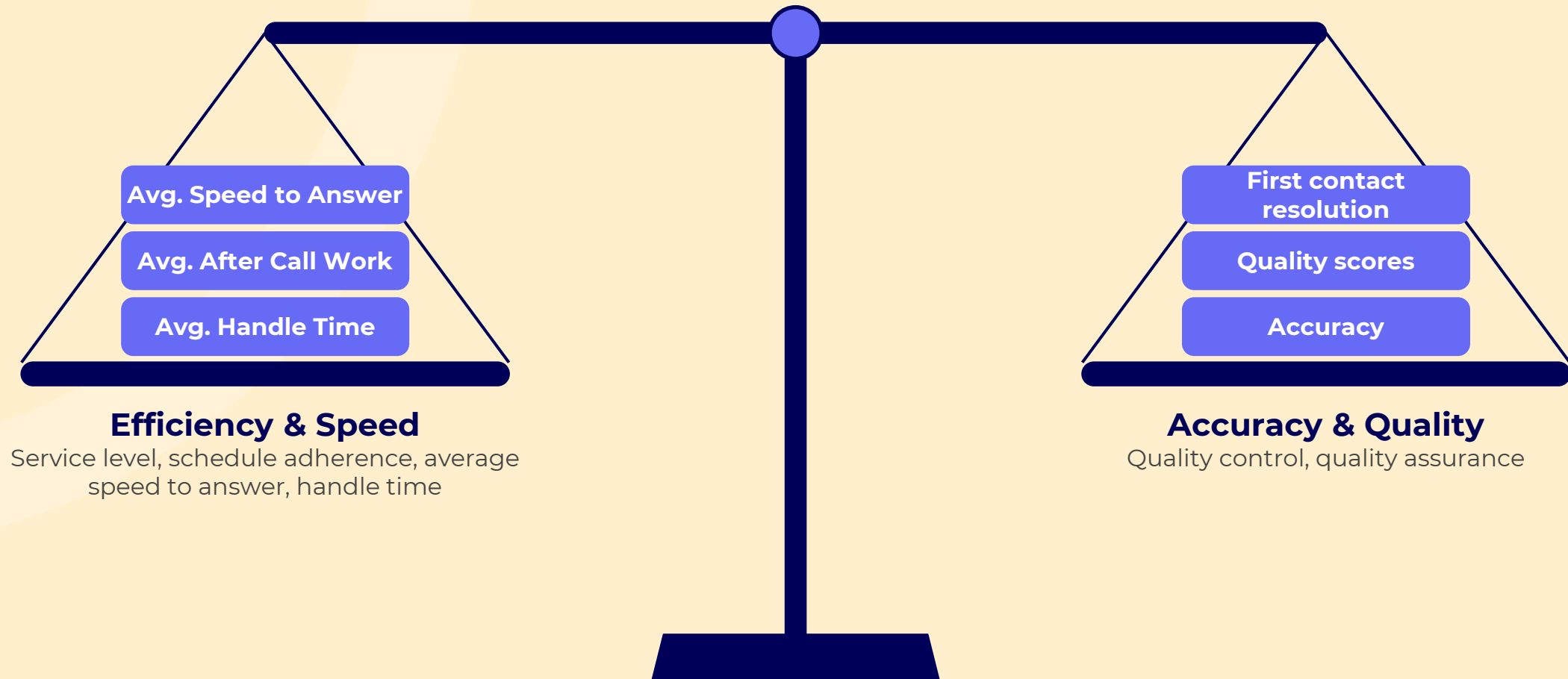
Pennie Contact Center as of Today

Since speed to answer is easy to measure, it is the metric that currently dominates our contact center, while quality, which is harder to gauge, is underweighted. Our goal is to bring more balance to the two, with a focus on quality and accuracy.



Pennie Contact Center in the Future

Our internal contact center will bring more focus to quality, accuracy, and consistency, leading to a more balanced consumer experience.



In-House Contact Center Framework

Various measurements will allow for a holistic view of the level of service and accuracy being provided.

Key Performance Indicators & Service Level Agreements – What we commit to

+

Actual reviews – What we hear and see

Call times

- Speed to answer
- Handle and hold time
- Abandonment rate

Quality of answer

- Accurate and complete
- Quality control score
- Clear next steps

Consumer signals

- Repeat contacts
- Consumer confusion
- Net promoter score and satisfaction

Primary measure: first contact resolution

Potential Impact from New Framework

Since quality is the focus, balancing the scale means accepting longer handle times but at the benefit of better consumer interactions.

Longer handle times

Contact center staff take time to check the policy and confirm the answer, meaning some callers might have to wait longer



More accurate calls

Enrollee accounts are given a full and complete review and enrollees are given the right answer with the correct next step



Fewer repeat calls

Higher first contact resolution plus less confusion leads to positive downstream effects

Pennie Team Expertise

How we oversee quality today and the work we are carrying forward from vendor management to internal operations:

Quality Scorecards

Our team created the vendor's quality scorecards and continues to refine them.

Calibrations

We independently score a set of calls and then align them with the vendor's scores.

Daily Document Reviews

QLE/SEP documentation is checked daily, identifying processing errors.

Escalations

Identify feedback to drive improvements and coaching.

Quality Reports

Each month, our vendor submits quality reports that are reviewed by Pennie.

Spot Checks

We spot check accounts the vendor reviewed to confirm alignment.

In-House Contact Center Improvements

Quality Control & Assurance

Quality Control

Builds on what we already do well: scorecards, call calibrations, and reviews.



Quality Assurance

Uses internal subject matter experts to proactively identify and address areas of opportunity.

Feedback loops and data are used to keep documentation and training materials current, driving new training and reference materials when needed.

In-House Contact Center Improvements

Tools & Support Systems

Knowledge Management System

One single trusted source for accurate answers that are current.

Quality Tools

Score calls, identify where answers fall short, and test new tools (especially AI).

Training & Monitoring

Coaching is tied directly to the call review findings.

High quality comes from support, not just oversight.

Step 1 Policies & Knowledge

Easily accessible, up-to-date answers.

Step 2 Training

Call center reps are trained to our high standards.

Step 3 Routing & Skilling

The right agents receive the right calls.

Step 4 Single Contact

Accuracy, quality, speed, and efficiency in balance.

Step 5 Review & Coaching

Quality control, quality assurance, and coaching.

Step 6 Feedback Loop

What we learn feeds into Step 1 improvements.

Currently, we review and correct the work of a vendor. In the future, we control every step.





Self-Service Tool

New Project: Online Self-Service Tool

Consumer research highlights their desire for more support in understanding, shopping for and selecting a health plan. On top of this, upcoming federal changes are going to generate additional questions from consumers.

Providing consumers with a self-service tool to navigate the Pennie website, shopping, and enrollment process can help address these concerns while controlling call volume as Pennie transitions to an in-house contact center.

The in-house contact center and self-service tool will be **interdependent** by using our contact center resources to feed accurate content into the tool, which would in turn help reduce calls for topics that can be solved by the consumer.

In addition, the self-service tool will support Pennie's strategic goals:

1. **Establish Pennie as a trusted and objective source of clear information about coverage.**
2. **Promote simplicity and clarity into processes to improve accessibility.**

Phases of Work

Phases	Description	Timeline	Examples
1	• Improved static help • Optimize search feature, FAQ navigation • Homepage highlights for info and answers	• In Progress • Pilot trial ahead of OEP • Updated website navigation through mid-2027	Consumer visits pennie.com, a carousel and static link says “Before you call” or “Help Yourself” with quick answers Pilot will measure whether putting self-serve steps for common issues (i.e., password reset) prominently on the website can reduce call volume for that topic
2	• AI chat tool, unauthenticated (no PII) • Interactive Q&A with ChatGPT/Claude-type approach • Closed universe to pull Pennie-only approved information	• Exploratory Phase • Ideal: Mid-to-late 2027 • Conservative: Early 2028 • Align with launch of Contact Center	Consumer visits pennie.com and can ask questions using an AI chat tool. (i.e. “I received a notice saying that I need to submit documents, how do I do that?” and the tool uses contact center resources to list out next steps in plain language to resolve issue)
3	• AI chatbot, authenticated and integrated with application platform • Tool to pull relevant information from a person’s account to provide tailored response	• Future Outlook • Tentatively 2029	Consumer can ask account-specific questions and receive guidance on how to resolve issues.

Next Steps

Phase 1:

- External Affairs finalizing topics and website placement options by mid-October 2026.
- Operations defining baseline metrics, coordinating with External Affairs on start/end measurements.

Phase 2:

- IT is exploring Commonwealth artificial intelligence tool requirements.
- External Affairs exploring customer/stakeholder research and team AI trainings.
- Ops/Contact Center to develop foundational content to support the in-house call center and the tool.

pennie®

ADDRESS

PO Box 11873
Harrisburg PA
17108-1873

PHONE

+1 844-844-8040

WEB

pennie.com