pennie™

connecting Pennsylvanians to health coverage

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, <u>turn off</u> your computer speakers.
- The chat and polling are reserved for Board members.

Pennie BOD Strategic Planning Discussion

pennie
connecting Pennsylvanians to health coverage

February 25, 2021

Preliminary Matters

- Call to Order
- Roll Call
- Public Comments

Agenda

- **Introduction of New Pennie Chief Operating Officer**

- **Meeting Orientation & Data Overview**

- **2020 Performance Against Strategic Goals**
  - Pennie's Overarching Vision
  - Brief 2020 Goal Review: Positives, Negatives, Statistics, and Anecdotes

- **Setting 2021 Strategic Goals**
  - Confirmation of 2020 Goals That Are Still Relevant
  - Review of New Federal Administration Priorities (as signaled to date)
  - Proposals for New 2021 Goals
  - Discussion and Votes: Strategic Goals, Guiding Considerations, Hold for Future Consideration

- **Improvement Opportunities**
  - Alignment of Options With Goals
  - Agreement on Priority Items

- **Additional Operational Board Items for Discussion**

Pennie's New Chief Operating Officer (COO)

- Andrew Angel joins us from Computershare in Massachusetts, where he led global teams of over 650 people

- Brings deep Operations Intelligence and Improvement, Program Management, and hands -on Technology Implementation experience

- Has healthcare experience working with organizations including Lifespan, Fujitsu, Blue Cross Blue Shield North Carolina and Best Doctors Inc.

- Moving to Pennsylvania from Rhode Island

Context / Expectations

What To Expect

- Session targeted toward setting 2021 priorities

- Reviewing potential initiatives and agreeing on areas of focus

- OE Lessons Learned feedback and financial performance are woven into the review of performance against 2020 goals

- Polling questions will be asked throughout the meeting

What Not To Expect

- Operational BOD aspects (e.g., sub-committees) will be addressed at the end of the session, separately from the strategic discussion

- Plans cannot be firmly set, due to the evolving federal landscape and the need for GetInsured to build a delivery plan including other state and product initiatives

- Small operational and technical improvements may also be targeted in addition to identified priority initiatives

- Policy innovations and tactical implementations will be discussed at future meetings

Orienting with Data

All data as of January 22

Social Listening
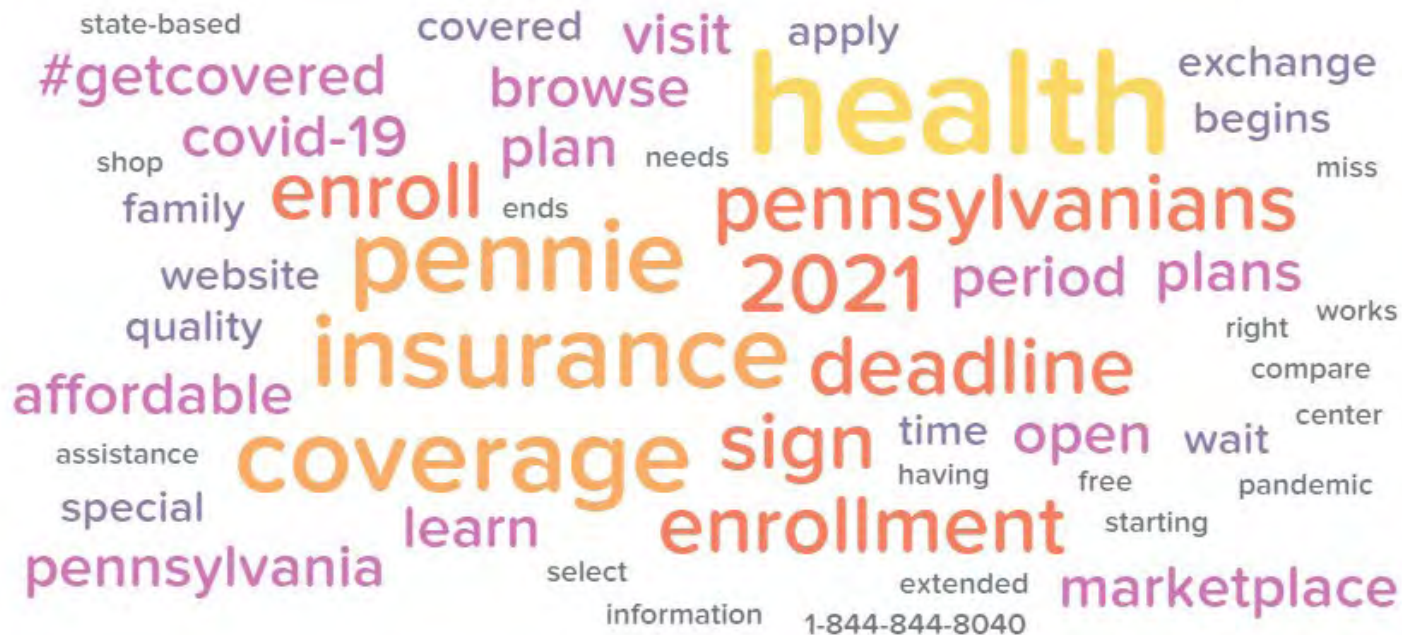
Key Open Enrollment Stats

Total Customers

337,722

in 1st Open Enrollment

New Enrollments

75,234

9.7% Increase

Customers Retained From HealthCare.gov

97%

190,710 Households in Renewal Applications,
185,512 Successfully autorenewed

Applications Sent to Medical Assistance

55,148

38,363 Applications Recieved from Medical Assistance

Open Enrollment Demographic Data

Totals and Splits for New vs. Renewing Customers by Income

		Income									
		0% 100%	100% 150%	150% 200%	200% 250%	250% 300%	300% 350%	350% 400%	400% +	Unknown	
	Total	5,598	59,039	87,676	58,601	38,707	29,086	19,071	9,096	30,848	337,722
	Percentage	2%	17%	26%	17%	11%	9%	5%	3%	9%	100%
Customer Type	New Customer	3%	15%	24%	17%	11%	9%	6%	4%	11%	75,234
	Active Re-Enrollee	2%	17%	27%	20%	12%	8%	5%	2%	6%	55,699
	Automatic Re-Enrollee	1%	18%	26%	16%	11%	9%	6%	2%	10%	206,789

U.S. Census Bureau QuickFacts: Pennsylvania

Open Enrollment Demographic Data

Totals and Splits for New vs. Renewing Customers by Gender

		Gender		
		Male	Female	
	Total	157,036	180,686	337,722
	Percentage	46%	54%	100%
Customer Type	New Customer	48%	52%	75,234
	Active Re-Enrollee	43%	57%	55,699
	Automatic Re-Enrollee	47%	53%	206,789

U.S. Census Bureau QuickFacts: Pennsylvania

Open Enrollment Demographic Data

Totals and Splits for New vs. Renewing Customers by Age

Customer Type		Age							
		0-17	18-25	26-34	35-44	45-54	55-64	65-& Up	
	Total	17,539	24,098	53,593	52,094	64,278	121,759	4,361	337,722
	Percentage	5%	7%	16%	15%	19%	36%	1%	100%
	New Customer	6%	6%	21%	16%	17%	30%	0.6%	75,234
	Active Re-Enrollee	4%	6%	13%	14%	20%	41%	0.8%	55,699
	Automatic Re-Enrollee	5%	6%	15%	16%	19%	37%	2%	206,789

U.S. Census Bureau QuickFacts: Pennsylvania

Open Enrollment Demographic Data

Totals and Splits for New vs. Renewing Customers by Race

	New Customer	Renewal	All Enrollees
Total (Responses only)	58,752	211,807	270,559
Percentage	22%	78%	100%
White	78.8%	83.3%	82.3%
African American	6.7%	4.4%	4.9%
Asian	9.9%	10%	10%
Native Hawaiian/Pacific Islander	0.04%	0.03%	0.03%
American Indian/Alaska Native	0.04%	0.09%	0.08%
Other	2.3%	0.7%	1.1%
Mixed	1.9%	1.3%	1.4%

* Those who did not respond were excluded from the totals.

U.S. Census Bureau QuickFacts: Pennsylvania

Open Enrollment Demographic Data

Totals and Splits for New vs. Renewing Customers by Ethnicity

Percentage Reporting Hispanic, Latino or Spanish Ethnicity

	New Customer	Renewal	All Enrollees
Total (Responses only)	66,083	262,488	328,571
Percentage	20%	80%	100%
Cuban	0.1%	0.1%	0.1%
Puerto Rican	1.4%	0.9%	1.0%
Mexican	0.5%	0.9%	0.9%
Other	0%	0%	0%
Mixed	0.06%	0.04%	0.04%
Responded Yes, did not specify	2.7%	0.4%	0.9%
Responded No	94.9%	97.4%	96.9%

* Those who did not respond were excluded from the totals.

U.S. Census Bureau QuickFacts: Pennsylvania

Enrollments by County
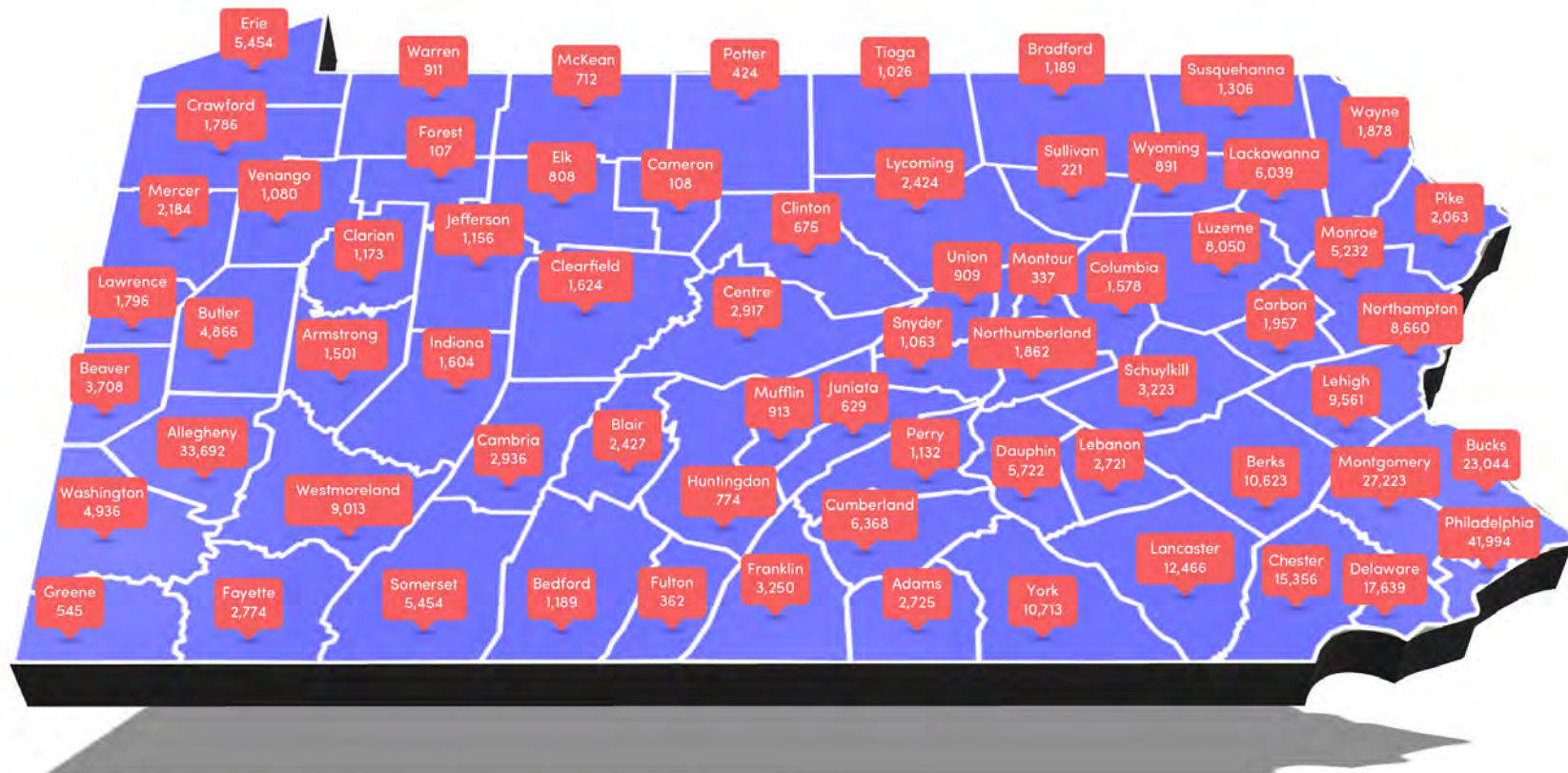
Uninsured Numbers by County

SOURCE: Estimates are based on SHADAC analysis of the US Census Bureau's American Community Survey 5-year file (2014–2018)

Rating Area Map: Average Premium by Rating Area Before APTC
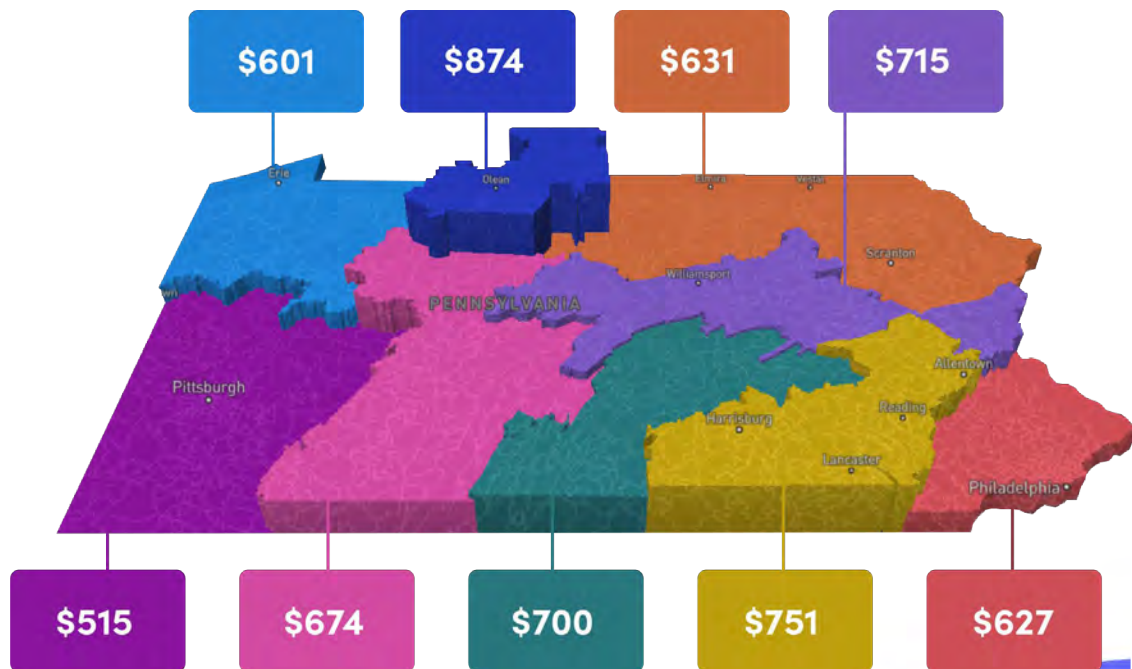
Key Takeaways:
- There is a difference of ~$360/month for premiums in the most expensive rating area (RA   -2) and the least expensive rating area (RA   -4). Once APTC is applied, that discrepancy diminishes to $42/month
- Monthly APTC amounts range from $323/month to $691/month
- Average gross premium for all enrollees is ~$622/month
- RA-8 has the highest total enrollments with ~125,300 enrollees, and the next highest rating area is about half, with ~64,500 enrollees in RA   -4

Rating Area	Enrollment	PMPM APTC	PMPM Net Premium	PMPM Gross Premium
1	13,418	$424	$177	$601
2	1,340	$691	$183	$874
3	33,402	$422	$209	$631
4	64,471	$323	$193	$515
5	12,062	$497	$177	$674
6	31,040	$522	$192	$715
7	36,543	$585	$167	$751
8	125,346	$437	$189	$627
9	20,187	$529	$172	$700

Call Center Stats

Number of Inbound Calls Received	306,746
Percent of Calls on the Spanish Line	3%
Percent of Calls on the Language Service Line	1%
Top 3 Languages used on the Language Service Line	Mandarin Vietnamese Russian

306,746
inbound calls
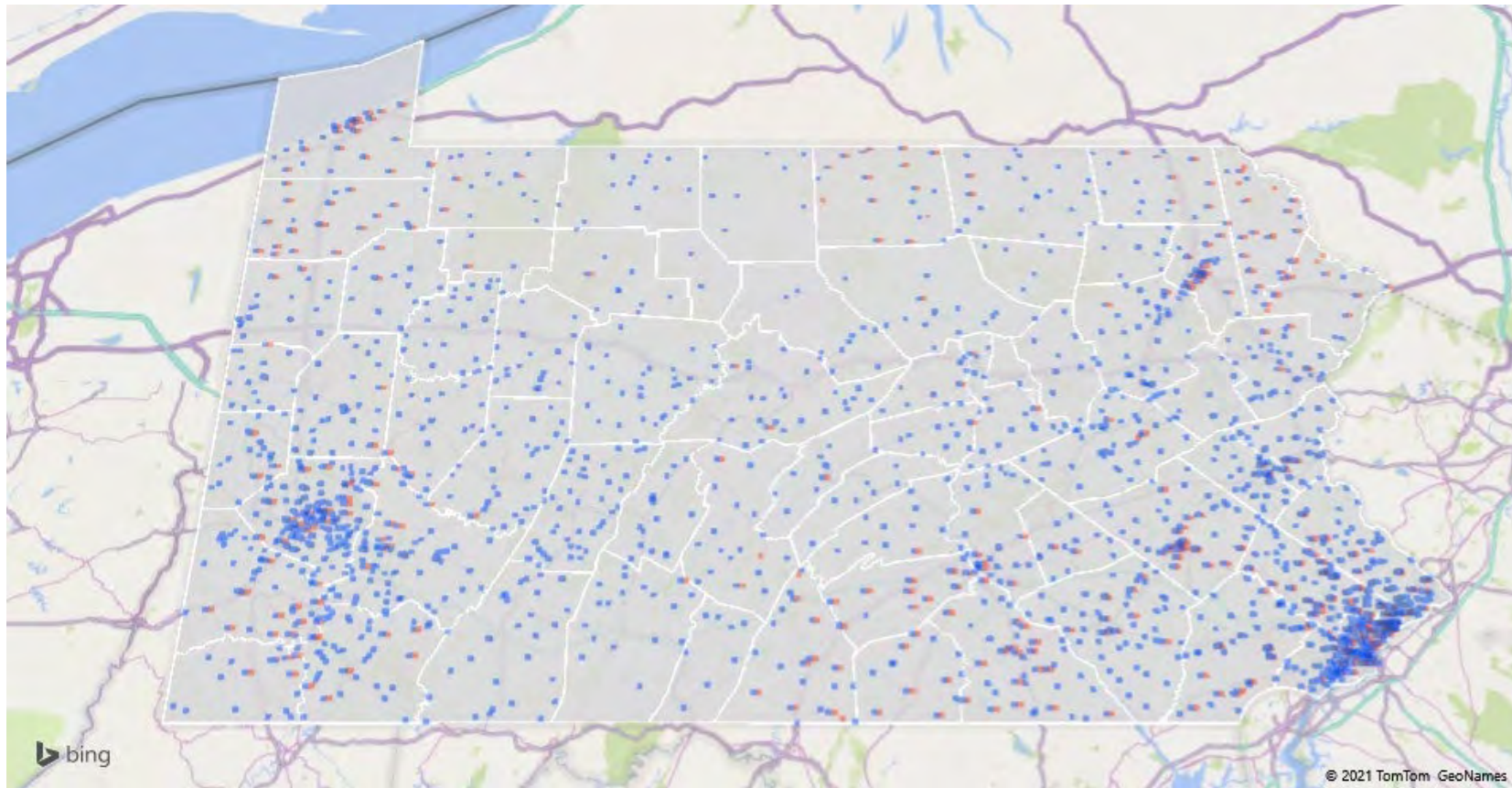received

Enrollment Numbers By Brokers and Assisters

	Grand Total	Percent of total population
Households with **broker** designations	97,826	30%
Households with **assister** designations	1,959	0.6%
Total enrollments with **broker** designations	78,814	23%
Total enrollments with **assister** designations	1,739	0.5%

Active Broker/Assister Enrollments

Blue = Broker
Red = Assister

bing

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Pennie.com   Stats

Translated Page View Breakdown   :

1.2% of Total Page Views Were Translated

| | 0% | 10% | 20% | 30% | 40% | 50% | 60% | 70% | 80% | 90% | 100% |

Spanish – 45.5%

Mandarin – 30.7%

Russian – 23.7%

35,710
Translated page views

Since the launch of
pennie.com

3 Million
Total Page Views

904,000
Unique Visitors

51% Male   49% Female

Paid Media Analytics

Pennie Gets You Covered

2020 — September | October | November | December | 2021 — January

Awareness and Call to Action | Open Enrollment

Approx **164M** Impressions

Approx **340M** Impressions

Total impressions **504M**

Earned Media Impact

Nearly

200

Mentions
in Media
Publications
from over 45
interviews with
traditional & digital
platforms

Over

20

Press
releases / Media
alerts

4

Press
conferences
1 with Governor Wolf
and Secretary Teresa
Miller
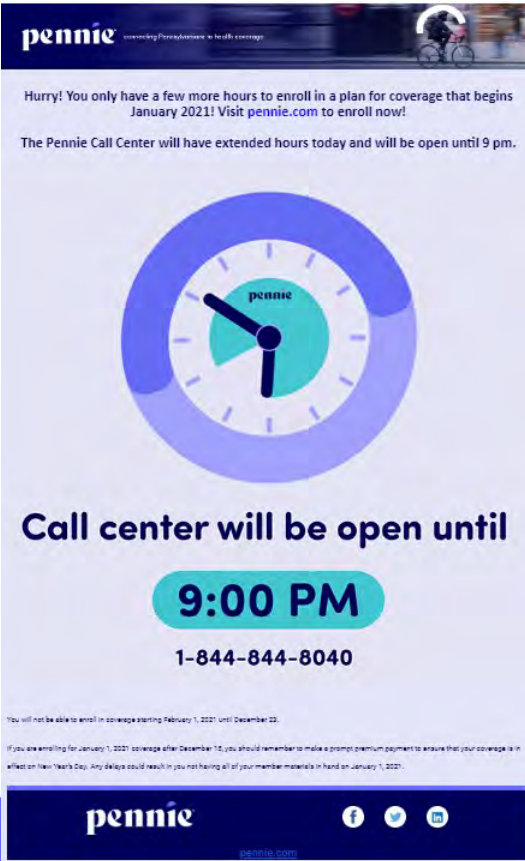
Customer Emails

Number of Emails Sent to Targeted Customers	7.5 Million
Number of Different Populations Targeted	16
Percent of Open Rate	22%

Over

7.5M

Emails sent to targeted customers

Social Media

	Follower Growth	Engagement Rate Growth	Click Rate Growth
Facebook	132%	612%	1,323%
Twitter	106%	819%	None reported
LinkedIn	50%	137%	1,933%

BREAK

2020 Strategic Goals

Review of progress against goals

Statement of Purpose

Pennie aims to reduce the number of uninsured and

underinsured Pennsylvanians by connecting them to accessible

and affordable individual market health coverage

2020 Strategic Goals

Goals	Measures of Success
Seamless Transition	Healthcare.gov account conversion, existing customer, assister and producer account captures, insurer and Medicaid integration testing results and auto -renewal outcomes
Quality Access and Customer Service	Number of renewing and new customers, average speed to answer, abandonment rate, first -call resolution, customer satisfaction surveys, account transfer conversion
Lower Costs and Lower Premiums	Staying on or under budget, adequate reinsurance funding to achieve reduction of premiums by 5 -10%

Seamless Transition

Measure of Success	Overall Score	"The Good"	"Not So Good"
HealthCare.gov Account Conversion		• Solid proactive coordination with FFM • Improved migration process • Ran two "catch-up" files	• Not able to process update information from FFM catch-up files – only new customers
Existing Customer, Assister and Producer Account Captures		• 144k FFM customer and 2,500 broker/assister accounts claimed • Advance training requirement for brokers and assisters, with personal reminder calls	• Early issues with broker / assister account captures • Customer account claiming communications did prompt significant calls in early November
Insurer / Medicaid Integration Testing Results & Auto-renewal Outcomes		• Minimal number of customers who could not be auto-renewed • Successful bi-directional referrals with Medicaid	• Single issuer missed products in one county • File transfer challenges experienced by single issuer
Auto-Renewal Outcomes		• Overall, highly successful with 200k+ customers retaining their auto-renewed plan	

Poor ----→ Good
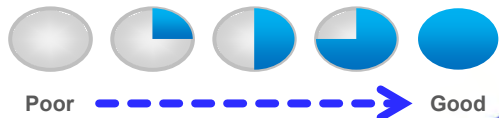
Broker and Issuer OE Feedback

WORKED WELL

- Overall insurer satisfaction voiced with Open Enrollment experience, especially for Contact Center / customer service

- Noted that Pennie was willing to listen to and engage with carriers; weekly calls were cited as a plus

- Pennie's platform has been easier for assisters and brokers to maneuver in relation to serving customers

- Pennie website had no down time and scaled well to meet PA needs

- Forecasting of possibility for exceptional circumstances SEP in advance helped partners to be ready for the extension and prepare sales channels and customer service

TARGETS FOR IMPROVEMENT

- DMI and customer verification can be improved – at present the process is cumbersome

- Customers who are Medicaid ineligible need to be identified before coverage is canceled by the carrier

- Wait time to get tickets resolved hampered some brokers' ability to support their customers in a timely way

- Log of previously -asked carrier questions and answers can be redesigned to allow easier self -service

- Pennie formulary display does not always handle drug tiers correctly

- Issuer Enrollment Representative user role exists within Pennie system, but multiple insurers noted it can be improved, particularly with the assignment of tickets to specific insurer users

Assister and Other Partner OE Feedback

WORKED WELL

- Marketing strategies to drive broad Pennie awareness were effective

- Small giveaways to customers were implemented last minute, but really helped 'break the ice' for assisters to engage with customers

- Addition of pop-up and grass-roots application / enrollment events worked very well (despite COVID-19 and weather challenges)

- Team tested the full system, not just code changes included in the release, and this proved to be very important

- Pennie was able to staff teams with Exchange-knowledgeable support and learn new system very rapidly

- Communication between Pennie team and vendor[s] was thorough and as timely as possible

TARGETS FOR IMPROVEMENT

- "Luxury of time wasn't there" for this Open Enrollment, but will take advantage of the chance to step back and plan community events further for next OE

- Deploy more TV and radio activity earlier in the day when audiences may be more responsive to Pennie messaging

- Deploy a Spanish language application to enable self-service and more online navigation

- Work to make available shared online overview of full marketing approach and calendar of events

- Process for assisters to report and track progress on system issues was complicated; will look at chances to improve in future, including through upfront system testing

- Tell real success stories and increase the grassroot community outreach efforts

Quality Access and Customer Service

Measure of Success	Overall Score	"The Good"	"Not So Good"
Number of Renewing and New Customers	◕	• 206k passive renewal enrollments (customers), 56k auto-renewed but changed, 75k new customer enrollments	
Average Speed to Answer, Abandonment Rate, First -Call Resolution	◐	• 249k customer calls handled by IVR or CSRs • Overall, ASA longer than target, but just over 2 minutes	• Telephony challenges during key OE days • Spanish line ASAs lag English line
Customer Satisfaction Surveys	◔	• 94% Customer Satisfaction Score (SLA target 85%) • Created Customer Support Specialist group to perform customer outreach	• Anecdotal feedback suggested quality/expertise gaps in CSR training, especially early on

Poor ⚪ ◔ ◐ ◕ 🔵 Good

Quality Access and Customer Service

Measure of Success	Overall Score	"The Good"	"Not So Good"
Account Transfer Conversion		• 55k customers referred to Medicaid for eligibility determination	• Small number of customers with same identifiers as other customers • Short -term broker information - loading issue • Some customers with pending transferred applications experienced processing delays
Assister Impact		• 44 enrollment events, 38 outreach events • 45,000 pieces of branded material shared • 4,800 contacts were made via pre - scheduled appointments, telephone conversations, virtual online calls/meetings, and one -on - one meetings	• COVID -19 impact on ability to provide in -person assistance • Not enough enrollment events in underserved areas
Broker Impact		• Over 550 new brokers not previously registered with the FFM • ~30% of 2021 customers are associated with a broker • Wide geographical reach	• Low number of non -English speaking brokers

Poor → Good
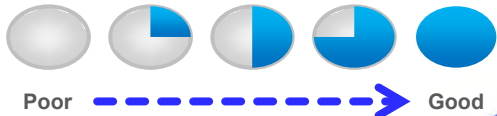
Anecdotal Snippets

My annual health insurance renewal is always frustrating   - until this year.   Pennie made it easy. They were knowledgeable, thorough and helped me get excellent insurance for my family.   Great job!

My husband spent an hour filling all info out on Pennie the other night only to submit and it said there was a problem start log in over again.

The new Pennsylvania health care website called "Pennie", made it easy for me to find health and dental insurance for 2021, compare plans, enroll and pay the first month's premium.

Me and my husband enrolled in Pennie. We loved it. Pennie gave us a very affordable amount with the best coverage compared to other insurance.

We went from paying about $1,200 for COBRA per month and we're down to almost about $500…We saved a considerable amount of money and that's no exaggeration…And like I had mentioned, we're still receiving the same level of insurance as we were with COBRA.

Can't afford this. It says the cheapest plan was $345 a month just for myself. Wayyyyyy too expensive.

Responses to Customer Frustration

Before

I…was a customer with Healthcare.gov prior. From the time I first received my access code and instructions from Pennie, I have been unable to access my online account with Pennie. I have contacted customer service and spent many hours on the phone trying to resolve this issue. They have been polite and professional but unfortunately not able to assist me to get access... I have spent and wasted HOURS and MONTHS on this seemingly simple issue.... Thank you for your consideration and your assistance. It is greatly appreciated.

In spite of my best efforts to make sure that my family has medical coverage for 2021, we will have to go without coverage for this month. I had used the Healthcare.gov website without issues for the past several years but I had difficulties with the Pennie site and information from Pennie and [insurer] that led to delays and a policy that I cannot afford for January… I'm asking that the…policy that is currently effective from 2/1/2021 – 12/31/2021 be backdated to January 1.

After

Your responsiveness and understanding about my frustration with this situation has been so appreciated. D left me a message earlier today, sent an email and then tried again a few minutes ago. I appreciate how dedicated he was to reaching me and helping resolve my issue. In a matter of a three -minute phone call, he resolved the issue. I have access to my account. Thank you both so very much.

"I was able to reach out to "M" [customer] and advised him that his insurance was able to be backdated for a Jan 1st start date. I advised M that he will be receiving cards directly from the insurer in the mail. M was extremely pleased with the update for him and his family and wanted to send his thanks to the people that made it possible. This issue has been resolved."
- Pennie CSR

Lower Costs and Lower Premiums

Measure of Success	Overall Score	"The Good"	"Not So Good"
Staying On or Under Budget		• Secured significant supplementary federal grant funding through APD • On target to come in under budget for CY2020 (estimated financial results on the next slides)	
Adequate Reinsurance Funding to Achieve Reduction of Premiums by 5-10%		• Approved 2021 statewide reinsurance impact of 5.4% • On track to fully fund state's share/contribution to 2021 reinsurance impact (due by ~July 2022)	

Poor ➤ Good
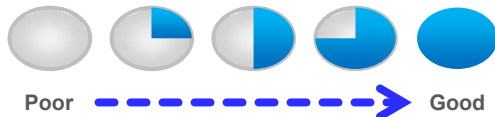
Additional Financial Results

CY2020 FINANCIAL RECAP* (ESTIMATED)			
Expenses			
Budget	**Estimated**	**Actual**	**Variance**
Personnel	$3,641,345	$2,951,833	$(689,512)
Operations	$12,344,673	$10,928,893	$(1,415,780)
Pension Liability	$256,447	$256,447*	$0
Total	**$16,242,465**	**$14,137,173**	**$(2,105,292)**
Overall Result			
Actual Revenue	$15,753,899		
Actual Expenses	$14,137,173		
Estimated Net Income	**$1.6M**		

Note: This is an estimate based on what was calculated as Pennie's share to SERS in CY2019. The final amount will not be released by SERS until July 2021.

CY2020 FINANCIAL RECAP (ESTIMATED)			
Revenue			
CY2019 Carryover $49,163			
	Estimated	**Actual**	**Variance**
User Fees	$11,400,000	$11,245,428	$(154,572)
Revenue Transfer from PID	$800,000	$800,000	$0
Revenue Reversal to PID	$(1,350,000)	$(1,350,000)	$0
Federal Receipts	$5,784,364	$4,998,508	$(785,856)
Treasury Interest	$11,283	$10,800	$(483)
Total	**$16,694,810**	**$15,753,899**	**$(940,911)**

Note: These reports are considered estimated until the annual financial audit is completed.

Setting 2021 Strategic Priorities

Relevance of 2020 Strategic Goals

Goals	Measures of Success
Seamless Transition	Healthcare.gov account conversion, existing customer, assister and producer account captures, insurer and Medicaid integration testing results and auto -renewal outcomes
Quality Access and Customer Service	Number of renewing and new customers, average speed to answer, abandonment rate, first -call resolution, customer satisfaction surveys, account transfer conversion
Lower Costs and Lower Premiums	Staying on or under budget, adequate reinsurance funding to achieve reduction of premiums by 5 -10%

New Federal Priorities

"Reading the Tea Leaves" from early signals

Healthcare Priorities Announced by the Biden Administration

- Expand access to tax subsidies and remove "subsidy cliff"

- Set the Benchmark Plan to a more generous Gold   -level plan

- Tax relief for those receiving excess APTC in 2020

Reconciliation Bill

- Eligibility for premium tax credits in PY21   -22
  - More generous tax credits at every level of income
  - Removal of subsidy cliff at 400% FPL
  - Effective after 12/31/2020

- Changes for those eligible for Unemployment Compensation for PY21
  - Does not consider household income above 133% FPL for the purposes of APTC eligibility
  - Provides eligibility for maximum tax credits for households who are   *eligible* for UC for *1 week* in 2021, whether they receive UC benefits or not

- Reconciliation changes for PY20
  - Holds households who received excess APTC in 2020 harmless from having to payback at tax time
  - Limited operational considerations for Pennie, but added benefit to customers

Reconciliation Bill – Benchmark Plan Scenarios

Example 1:

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

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

House Bill as proposed:
- Monthly premium – $0 ($0/year)
- Percent of Income – 0.00%

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

Example 2:

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

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

House bill as proposed
- Monthly premium – $550 ($6,600/year)
- Percent of Income – 8.5%

Total savings = $1,912/mo.; $22,949/yr.

Reconciliation Bill – Benchmark Plan Scenarios

Example 3:

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

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

House Bill as proposed:
- Monthly premium – $87; $1,044/year)
- Percent of Income – 2.0%

Total savings = $198/mo.; $2,376/yr.

Example 4:

Single (27 years old), non-smoker, Allegheny County, 350% FPL ($44,660 annual income)

Current law:
- Monthly premium – $287; $3,444/year
- Percent of Income – 9.83%

House bill as proposed
- Monthly premium – $270; $3,240/year
- Percent of Income – 7.25%

Total savings = $17/mo.; $204/yr.

Reconciliation Bill   - Level of Effort Estimate

Marketplace Management
- Wholesale change to Pennie business model

- Material policy considerations

- Mid -year eligibility redeterminations for most, if not all customers

Operational
- Significant insurer, stakeholder and interagency partner impact

- Increased customer service activity at Call Center, including appeals

- Unanticipated demand for broker and assister services

- Broad educational awareness and enhanced customer communications

Technical
- Very large technical adjustments to Pennie's eligibility and enrollment platform range are necessary to implement

- Substantial user acceptance testing required

- Will cause need to adjust breadth and timing of future releases

Staff and vendor bandwidth
- Pennie staff will need to dedicate   the majority of their time to execute and operationalize

- Considerable time and attention will be required from all vendors, particularly GetInsured

Potential New 2021 Strategic Goals

Potential Goal	Measures of Success
Comply with New Federal ACA Policies	Objective and transparent evaluation of new federal ACA initiatives; Successful and timely implementation; Increased marketplace enrollment/financial assistance (if applicable)
Increase Health Coverage in Traditionally Underinsured/Underserved Market Segments	Service on Spanish -speaking contact center line substantively the same as on the English line; Online application available in alternate language(s); Increased enrollment target market segments
Increase Ease of Doing Business With Pennie to Promote Better Customer Experience Downstream	Improved electronic access and functionality for stakeholder partners; reduction of processing complexity for brokers and/or assisters; streamlined communication and reconciliation processes with insurers

Potential New 2021 Strategic Goals

Potential Goal	Measures of Success
Enhanced Coordination With Medicaid for Transitioning Customers	High coverage rates for customers presenting to either agency; Reduced average time for customers to get from application -to -coverage for transfer scenarios; Positive feedback from customers referred between programs
Enhanced Program Integrity	Systematic and periodic proactive audit of customer results; Robust database of audited real -life case scenarios; Pre -set data scripts that retrieve key case information for validation of customer results

Strategic Goals Support and Conclusions

- Agree on how many strategic objectives we should have for 2021

- Using interactive polling technology to gather Board feedback

- Discuss results: if we can achieve these, will they make for a great 2021?

BREAK

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

Future Opportunities to Note

The following opportunities do not include details about outreach, marketing and stakeholder engagement. Prioritization of improvement opportunities based on the Board's adopted strategic objectives will support/enable the evolution and creation of related proposals and tactics. As follow   -up to this session, related strategies and plans will be developed and shared for consideration.

Several Priority Items Are Included in GetInsured's   Product Roadmap

Short Description	Targeted Benefit(s)	Aligns With…	Sizing Estimate	Pennie SLT Priority
Secure Targeted Customer Inbox Messaging	Enables secure ad hoc messaging to individual customers	Quality Access and Customer Service	Roadmap – No Incremental Cost	High
Reconciliation Workbench Improvements	Increase efficiency of reconciliation activities with insurers	Increase Ease of Doing Business with Pennie; Lower Costs and Premiums	Roadmap – No Incremental Cost	High
Broker Book of Business Transfer to New Agency	Allows brokers moving between agencies to bring BOB with them	Increase Ease of Doing Business with Pennie	Roadmap – No Incremental Cost	High
Medicaid Account Transfer Improvements	Improve referral information flow to Medicaid systems	Enhanced Coord. w/ Medicaid; Quality Access and Customer Service	Roadmap – No Incremental Cost	High
Several Regulatory/ Compliance Items	Improve information collection from customers and eligibility calculations	Ensure High Program Integrity Confidence	Roadmap – No Incremental Cost	High

Broad Strategic Items Prev. Discussed

Short Description	Targeted Benefit(s)	Aligns With…	Sizing Estimate	Pennie SLT Priority
Conditional Verification of SEP	Improved customer experience. Increased enrollment	Quality Access and Customer Service	L	High
SSAP Spanish Translation	Increase application completion rates among Hispanic uninsured. Reputational improvement. Increased maintenance.	Increase Enrollment With Underserved Populations	M	High
Direct Enrollment / EDE	Increased enrollment. Increased options available to customers for sign -up	Quality Access and Customer Service	XL	Medium
Full Eligibility Integration	Reduced redundancy/ maintenance of eligibility calculation. Reduction in customers who "fall through the cracks."	Enhanced Coordination With Medicaid	XXXL	Low

Improvements Under Consideration

Short Description	Targeted Benefit(s)	Aligns With…	Sizing Estimate	Pennie SLT Priority
Insurer Ticketing Improvements	Improved communication between Pennie and Insurers leading to better customer experience	Quality Access and Customer Service	L	High
Account Management Improvement / Duplicate Reduction	Improve customer experience and operational capability	Quality Access and Customer Service	M	High
Carrier / Assister Test Environment	Improve process and reduce risk when stakeholders develop their technology	Increase Ease of Doing Business with Pennie	M	High
Broker Grant Program	Provide incentives for brokers working with underserved and uninsured customers	Increase Ease of Doing Business with Pennie; Increase Enrollment with Underserved Pops.	M	High

Improvements Under Consideration

Short Description	Targeted Benefit(s)	Aligns With…	Sizing Estimate	Pennie SLT Priority
Increased Payment Due Date Transparency	Reduce cancellations for non -payment	Quality Access and Customer Service	S	Medium - High
Privileged User Lockout Reminder	Improve experience of privileged system users (Brokers, Assisters, etc.)	Increased Ease of Doing Business with Pennie	S	Medium
Ticket Management Update	Improve CSR efficiency and customer experience	Quality Access and Customer Service	M	Medium

Discussion Summary

Session Recap and Next Steps

- Key Decisions Reached

- Action Items / Follow   -ups

- Next Steps

Board Operational Items

Board Operational Items

- Establishment of Board Committees and Committee Meeting Cadence

- Proposed 2022 Plan Certification Policy

Potential Board Committees

Board Committees and Committee Meeting Cadence

- Finance and Procurement Committee
- Others?

Proposed 2022 Plan Certification Policy

2022 Plan Certification Public Comment

Overview

Proposed PY22 Plan Certification Policy

Overview

Applies to QHPs & QDPs offering coverage through Pennie for 2022 plan year

Plan certification requirements are in addition to all federal and state regulations or other guidance related to offering QHPs and QDPs

Process:

- Feedback was sought from variety of stakeholders

- Staff reviewed feedback and prepared recommendations for Board

- Board will review and approve policy

Proposed PY22 Plan Certification Policy

Overview

Policy Sections:

I.   Purpose

II.   Requirements for Plan Certification

III.   Additional Considerations for Plan Certification

IV.   Supplemental Materials/Meetings

V.   Policy Adoption Notice

Proposed Requirements and Additional Consideration for Plan Certification

Proposed PY22 Plan Certification Policy
   Section II. Requirements for Plan Certification

II.a. Coverage for COVID-19

Provide coverage for COVID-19 vaccination, testing, diagnosis, and treatment in a manner consistent with federal and state regulations and guidance.
See Coronavirus Aid, Relief, and Economic Security (CARES) Act, Pub. L. 116-136, §§ 3201-03.

Proposal	Policy Goal(s)	Benefits	Challenges
Coverage for COVID-19 vaccination, testing, diagnosis, and treatment	Ensure access to quality health care	Ensure Pennsylvanian's have access to necessary health care in public health crisis	Potential risk considered an expansion of EHB?

Stakeholder Feedback:
- Broad support from producers, assisters, and majority of insurers
  - "Strongly feel this is a necessary requirement."
  - "This coverage would give peace of mind to Healthcare individual."
  - "We believe that it is appropriate that the Exchange Authority require maintaining such compliance a prerequisite for plan certification in the Pennie marketplace."
- One insurer expressed concerns that (a) this requirement is outside of Pennie's regulatory authority, and (b) likely unnecessary for 2022 given the current rate of vaccinations.
- Others commented requested that "all centers for vaccination, testing, diagnosis and treatment to be considered in network, no matter where they are including out of state"

Staff Recommendations: Adopt as proposed

Proposed PY22 Plan Certification Policy
        Section III. Additional Considerations for Plan Certification

III.a . Meaningful Difference

No change proposed from PY21 definition (adopted federal standard)

"a. Whether a specific plan is meaningfully different from other plans offered by the same insurer within the service area and level of coverage. The goal of the meaningful difference standard is to ensure plans provide added value to the customers of differentiated features, and sufficient but not overwhelming choice.

i. In general, a plan is considered meaningfully different from another plan in the same service area and metal level if a reasonable consumer would be able to identify one or more material differences among the following characteristics between the plan and other plan offerings:

(1) Cost sharing; (2) Provider networks; (3) Covered benefits; (4) Plan type; or (5) child   -only versus non   -child -only plan offerings.

For example, plans are not meaningfully different if the only difference between the two plans is a de minimis difference in the deductible amount.

ii. Additional consideration may be made for plans offered in service areas with limited plan availability."

Proposed PY22 Plan Certification Policy
        Section III. Additional Considerations for Plan Certification

III.a . Meaningful Difference

Proposal	Policy Goal(s)	Benefits	Challenges
Meaningful Difference	Provide high quality, affordable, comprehensive health coverage to Pennsylvanians	Ensure plans provide added value to customers with differentiated features and sufficient, but not overwhelming, choice	Can be a difficult standard to quantify

Stakeholder Feedback:

- Broad support from producers, assisters, and insurers, noting:
  - "In the interest of facilitating rational, informed decision-making by consumers seeking health coverage without the known negative influence of numerous nearly identical products from a single offeror"
  - "Meaningful Difference is extremely important. As it is clients have a very difficult time understanding difference between most plans. "

Staff Recommendations: Adopt as proposed

III.b . Renewal Plan Mapping

No change proposed from PY21 definition (adopted federal standard)

"Whether renewing customers would experience a significant disruption as a result of plan mapping, such as benefit changes; premium or cost-sharing changes; or provider network changes. For 2022, the federal standard for plan mapping will be used."

Proposal	Policy Goal(s)	Benefits	Challenges
Avoid disruption due to renewal plan mapping	Seamless autorenewals for customers into appropriate comparable plans	Ensure customers are autorenewed into the most appropriate comparable plan without surprises of significant changes	Limited experience to know which improvements needed to develop new standard

Stakeholder Feedback:

- Majority support from all stakeholders; one insurer noting they "fundamentally support the adoption of policies designed to limit unnecessary consumer disruption."
- One insurer expressed concern that (a) "significant disruption" is a subjective standard, and (b) the appropriate intervention would be adjusting the plan mapping itself rather than an issuer's certification.
- Request that Pennie, as a state-based exchange, "should be able to carve out what they feel is necessary with the federal standard for plan mapping be used as a guide."

Staff Recommendations: Adopt as proposed

- Recommend staff convene stakeholders for policy working group in spring/summer 2021 to develop a state-specific standard for consideration for PY2023.

II.b . Producer Commissions

Applicability: insurers who pay commissions; 2022 plans sold through Pennie

- *"II.b. If an insurer pays producer commissions, then the commission payment schedules for 2022 Plan Year QHPs & QDP sold through the Exchange Authority's platform must satisfy the following conditions:"*

Advanced Notice of Commissions 45 days in advance of OEP

- *"i. The producer commission payment schedule for the Open Enrollment Period must be made available to the Exchange Authority and to producers at least 45 days in advance of the start of the Open Enrollment Period."*

No Changes prior to End of OEP unless extenuating circumstances

- *"ii. Insurers will not be permitted to make changes to the commission payment schedule until after the end of the Open Enrollment Period. Exceptions may be granted on a case   -by-case basis when a change is due to extenuating circumstances outside of an insurer's control (e.g. late approval of rates by PID, statutory or regulatory changes)."*

(continued…)

II.b . Producer Commissions   *(continued…)*

Ability to Make Changes After OEP, if…

- *"iii. After the end of the annual Open Enrollment Period, an insurer will be permitted to make changes to its commission payment schedule under the following conditions:"*

Never less than OEP commissions

- *"a. The commission payment schedule will never be lower than the Open Enrollment Period commission payment schedule;"*

Increased at any time

- *"b. The commission payment schedule can be increased at any time after notice to the Exchange Authority and producers; and"*

Decreased with 30 days advanced notice

- *"c. The commission payment schedule can be decreased after providing thirty (30) days advanced notice to the Exchange Authority and producers, but not to a rate lower than the Open Enrollment Period commission payment schedule."*

Proposed PY22 Plan Certification Policy
Section II. Requirements for Plan Certification

II.b . Producer Commissions

Proposal	Policy Goal(s)	Benefits	Challenges
• Advanced notice of commissions prior to OEP • Consistent throughout year, • Ability to change after OEP	Ensure Pennsylvanians have access to a robust pool of licensed producers to provide expert assistance	• Advanced notice for brokers to decide whether to participate • Consistency of commissions allows producers to commit and invest in support Pennie customers • Changes after OEP allow insurers to adjust commissions based on business needs (e.g. increase commissions if low enrollment)	• Differs from current practice • Would require insurers to lock in commission payments at a minimum level for the year • Would require advanced notice to decrease commissions

Stakeholder Feedback (overall):

• Broad support from producers and assisters

• Split support/opposition from insurers; in general, opposition was due to wanting "producer commission flexibility that allows issuers to respond appropriately to conditions in the given market"

Proposed PY22 Plan Certification Policy
    Section II. Requirements for Plan Certification

II.b . Producer Commissions

Applicability: insurers who pay commissions; 2022 plans sold through Pennie

Stakeholder Feedback: None specific
Staff Recommendations: No changes

Advanced Notice of Commissions 45 days in advance of OEP

Stakeholder Feedback:
- Broad producer/assister support (some requested 60 or 90 days, if possible);
- 4 of 6 insurers supported – some concern about timing being in advance of public rate release by PID, request for 30 days instead of 45 days. One insurer concerned about pending federal guidance around Dec 2020 law regarding disclosure of broker commissions and requested postponement of Pennie policy until 2023 PY.

Staff Recommendations:
- Modify to 30 days in advance of OEP
- Timing of federal guidance on a consumer-focused commission disclosure is unknown and may not address PA-specific needs.

(continued…)

Proposed PY22 Plan Certification Policy
      Section II. Requirements for Plan Certification

II.b . Producer Commissions   *(continued…)*

No Changes prior to End of OEP unless extenuating circumstances

Stakeholder Feedback:

- Broad support from producers and assisters; "The agreed commission schedule should be for the full calendar year, regardless of what's going on throughout the year. "

- 5 of 6 insurers supported; support flexibility particularly late rate approval
  - One insurer broadly opposed any policy on commissions that restricted flexibility, no feedback on individual provisions

- One insurer requested considering "sudden poor claims experience that upends actuarial assumptions" as an extenuating circumstance

Staff Recommendations:

- No changes

Proposed PY22 Plan Certification Policy
      Section II. Requirements for Plan Certification

II.b . Producer Commissions   *(continued…)*

Ability to Make Changes After OEP, if…

Stakeholder Feedback:
- One insurer opposed stating: "The broker-insurer relationship is a business arrangement that exists primarily outside of the exchange. By creating different set of rules for the on-exchange market you are inserting unnecessary complexity into these business arrangements"

Staff Recommendations: No changes

..Never less than OEP commissions

Stakeholder Feedback:
- Majority support from producers and assisters; 4 of 6 insurers support;
- One insurer expressed concern that since "broker commissions are categorized as 'administrative costs' for purposes of MLR calculation..this policy prevents insurer from reducing administrative costs during the plan year."
- One issuer expressed concern asserting that "industry data suggests that SEP enrollees have measurably higher medical costs than your average OEP enrollee." Therefore, "preventing insurers from decreasing commissions ….[is] artificially keeping the total cost of health care coverage high."

Staff Recommendations: No changes
- Pennie's overarching goal is to connect customers to coverage, whenever they are eligible and in need of it. Maintaining enrollment incentives outside of open enrollment is in service to this goal.

Proposed PY22 Plan Certification Policy
Section II. Requirements for Plan Certification

II.b . Producer Commissions   *(continued…)*

…Increased at any time

Stakeholder Feedback:
- Broad producer/assister support; 4 of 6 insurers support;
- One insurer expressed concern about the rationale for different notice requirements for increase vs decrease.

Staff Recommendations: No changes
- The reason for advanced notice of decreases and not increases is due to the current market issue where commissions are being decreased with no advanced notice, including for enrollments that a producer has already submitted. No such issue exists for increases and therefore, in the interest of providing maximum flexibility to insurers, no advanced notice required   .

…Decreased with 30 days advanced notice

Stakeholder Feedback:
- Majority producer/assister support; one producer noted that while it may be "confusing up & down but [the policy is] fair as   def ined"
- 4 of 6 insurers support;
- One insured expressed their concerns as follows: They "support the flexibility to decrease, or increase, broker commissions   dur ing the plan year. However, [the insurer] believes insurers should have the flexibility to decrease commissions below the OEP lev   els during the plan year."

Staff Recommendations: No changes
- The goal is to balance the producer's need for predictability and stability, with the insurer's need for flexibility.

Proposed PY22 Plan Certification Policy
        Section II. Requirements for Plan Certification

II.b . Producer Commissions

Proposal	Policy Goal(s)	Benefits	Challenges
• Advanced notice of commissions prior to OEP • Consistent throughout year, • Ability to change after OEP	Ensure Pennsylvanians have access to a robust pool of licensed producers to provide expert assistance	• Advanced notice for brokers to decide whether to participate • Consistency of commissions allows producers to commit and invest in support Pennie customers • Changes after OEP allow insurers to adjust commissions based on business needs (e.g. increase commissions if low enrollment)	• Differs from current practice • Would require insurers to lock in commission payments at a minimum level for the year • Would require advanced notice to decrease commissions

Stakeholder Feedback:
• Broad support from producers and assisters
• 4 of 6 insurers support; in general, opposition was due to wanting "producer commission flexibility that allows issuers to respond appropriately to conditions in the given market"

Staff Recommendations: Modify advanced notice requirement to 30 days and adopt
• We believe the policy balances the needs of producers and insurers with the goal of ensuring customers have access to a unique pool of expert assistance in licensed producers.

Section IV. Supplemental Materials / Meetings

Proposed PY22 Plan Certification Policy
        Section IV. Supplemental Materials / Meetings

Memorandum for Request for Plan Certification

- Insurers will submit memo requesting consideration for plan certification

- Exchange Authority will issue guidance on format by May 1, 2021

- Memo will be due after PID filing deadline

"Each insurer seeking certification of plans on the exchange shall provide the Exchange Authority with a supplemental memorandum detailing how it has attempted to satisfy the requirements and considerations for plan certification discussed in Sections II and III. See Exchange Authority Issuer Agreement Section 5.3. The Exchange Authority will issue guidance on the format for this memorandum and the process to submit the required materials no later than May 1, 2021. The Exchange Authority will review all materials, including the supplemental memorandum, and engage directly with insurers to seek clarification as needed.

The Exchange Authority expects to consider for certification proposals that meet the defined criteria specified in Sections II and III and demonstrate positive value to exchange customers. "

Stakeholder Feedback:
- Broad support among all stakeholders; several insurers requested memo template guidance earlier if possible; supported making deadline after the PID filing deadline

Staff Recommendations: Adopt as proposed
- Staff will work with insurers to develop and share a memo template as early as feasible.

2022 Plan Certification Board Discussion

Adjourn