

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

Date: March 25, 2021
Time: 12:00 PM
Location: Microsoft Teams meeting

Preliminary Matters

- **Call to Order**
- **Roll Call**
 - Commissioner Jessica Altman, Pennsylvania Insurance Department (Chair) - **Present**
 - Sheryl Kashuba, University of Pittsburgh Medical Center Health Plan (Vice Chair) - **Present**
 - Alison Beam, Acting Secretary, Department of Health
 - Meghna Patel - **Present**
 - Jessica Brooks, Pittsburgh Business Group on Health - **Present**
 - Frank Fernandez, Capital Blue Cross - **Present**
 - Antoinette Kraus, Pennsylvania Health Access Network - **Present**
 - Laval Miller-Wilson, PA Health Law Project - **Present**
 - Alexis Miller, Highmark - **Present**
 - Paula Sunshine, Independence Blue Cross - **Present**
 - Teresa Miller, Secretary, Department of Human Services
 - Catherine Buhrig, Director of the Bureau of Policy for the Office of Income Maintenance at the Department of Human Service - **Present**
 - Tia Whitaker, Pennsylvania Association of Community Health Centers - **Present**
- **Minutes**
 - The Board approved minutes for the December 17, 2020 Board Meeting, as well as the two February Special Meetings. The first special meeting addressed the adoption of the COVID-19 Special Enrolment Period and the second special meeting dealt with the Board's strategic planning.
 - ***Motion:*** To adopt the minutes of the **December 17, 2020** meeting and the **February 3 and 25, 2021** special meetings of the PHIEA Board of Directors.
 - Motion: Paula Sunshine
 - Second: Sheryl Kashuba
 - Board Decision: Unanimous (9-0)
- The floor was opened for public comments, of which there were none.
- **Update on Pennie and the American Rescue Plan (ARPA)**
 - Director Sherman gave an overview of the American Rescue Plan Act signed into law by President Biden on March 11, 2021 and presented anticipated impacts:
 - Examples showcasing the potential savings for varying customers under ARPA;
 - Federal implementation approach for ARPA; and

- Pennie's American Rescue Plan Policy Goals.
- Pennie's policy director reviewed the impacts on current customers and uninsured based on current law, pre-ARPA implementation as well as post-ARPA implementation.
 - Current customers will need to submit the financial assistance application so we can determine how much assistance they will be eligible for. As a result of this, the data presented includes some assumptions based on actions that have not yet been taken.
 - Data presented is inclusive of eligibility starting from January 1, 2021 as it is under the new law. The additional APTC will be based on the entirety of 2021.
 - ARP makes Pennie coverage more affordable for the uninsured who were already eligible for APTC as well as those who were previously not eligible for APTC.
 - The average premium depends on county, but Commonwealth - wide, the average is \$623. We do not have the benchmark plan average. In the lower income brackets we are looking at people that customers being eligible for zero-dollar bronze and some zero-dollar silver or gold plans well.
- Pennie's chief information officer shared the proposed phases 1 and 2 for implementing technology required to align with ARPA.
 - There was a question regarding the inclusion of the assister network in the technology implementation testing. The assister network was not directly engaged in the testing efforts, but there is an initiative planned that will have a place for the assisters, insurers, and other partners to be able to test. In lieu of a testing window, we can provide documentation regarding potential scenarios to make sure the assisters are prepared.
 - **ACTION ITEM:** We will provide verification of these scenarios of what the assisters will see once these go into production.
 - There was extensive discussion regarding the concept of rebalancing APTC under ARPA. Rebalancing is the attempt to compress a year's worth of APTC across a shorter period of time.
 - There is concern regarding the perception between the credits received for PY2021 versus PY2022. For example, rebalancing could potentially decrease a premium to zero as a result of ARPA implementation. However, when customers plan to enroll in coverage for PY2022 the rebalancing will not occur, thus appearing as if their premiums have been increased.
 - The other option is to leave additional APTC allocation to the reconciliation process at the end of the tax year. The goal is to give Pennsylvanians financial relief as quickly as possible, thus this is not the ideal option. There will be no impact to insurer finances regardless of which method is utilized.
 - There is an education piece that will be critical to communicating these explanations to consumers. A powerful piece of communication is the invoice, which consumers receive every month.

- There was a question regarding APTC being applied to those consumers that are in arrears. The proposed solutions are not applicable to the people who are delinquent. If there is a past due amount the arrears process would continue, and we will be making sure to communicate to customers about paying their past due balance.
 - Consumers will be processed in batches over a few days in order to maximize operational efficiency. We are targeting early June for the code changes to be effective, which is when batch processing can begin.
 - Communication plans are already part of the weekly carrier and policy working group meetings. Pennie will be supplying sample language to assist the insurers with communication.
- Pennie's marketing manager shared marketing and communications plans for ARPA. We are closely engaged with other state agencies to ensure they are aware of our messaging. We are also focused on educating our key partners – our internal state government partners but also the people providing enrollment assistance, conducting refresher training with our broker and assister partners, etc.
- Concerns and considerations relating to ARPA implementation:
 - There was a question regarding the exclusion of the populations who chose not to take any APTC for which they are eligible. There are approximately 1,700 individuals that fall into this category. Pennie feels that by choosing to not take any APTC previously, these consumers are making a strong statement that they would prefer to have this at tax time, and we are honoring that request.
- Proposal to extend the COVID-19 Enrollment Period:
 - Since the COVID enrollment period opened we've had about 11,000 new customers. Many consumers are enrolling as a result of COVID-19, and approximately 25% are enrolling through other QLEs. Enrollment and call volumes have increased since ARP was passed, and the Act is driving a level of awareness. He also shared that new customers that are coming in through the COVID-19 OE are younger, on average, than our current customer base. We have seen about an 8% decrease in "Over 55" enrollment as compared to the end of the OEP.
- Proposal to adopt the expiration of COBRA subsidies as a qualifying life event.
 - A comment was made regarding this possibly being a bad choice for consumers based on the fact that COBRA and unemployment eligibility go hand-in-hand, in which case someone would be better off taking the zero dollar premium and spending money against a deductible that was going to stay in place until the end of the year. Chairperson Altman responded that we would not want to preclude consumers in this position of being able to transition onto Pennie.
 - There are a lot of people who choose COBRA because they are sure they are going to get their job back.

- **Executive Session**

- CY2021 Revised Budget by Program Area due to ARPA Implementation.

Presentation of proposed procurement policy

Motion: *To approve and adopt the proposed procurement policy as presented by staff;*

to approve the budget as recommended by Pennie staff;

to permit the Executive Director to hire staff and make other personnel decisions as necessary to conduct the business of the exchange as long as the Exchange Director does not exceed the annual budget allocation by the Board for personnel expenses during the budget year, which is a clarification around how we have thought about our personnel line item in the budget;

to extend the COVID-19 Enrollment Period to August 15, 2021, as proposed by staff;

to authorize Pennie to open, to the extent necessary, an Exceptional Circumstances SEP for individuals whose ARP COBRA subsidies terminate effective September 30, 2021;

to create an ad hoc committee to be appointed by the chair which will serve in an advisory capacity to provide nonbinding feedback on external affairs spending related to the ARP;

to adopt the priorities outlined by the Pennie team as displayed and move forward with the goals with a commitment that, as the various stakeholder discussions happen, if significant issues arise that Pennie staff would bring that back to the board.

- Motion: Frank Fernandez
- Second: Laval Miller-Wilson
- Board Decision: Unanimous (11-0)

The meeting adjourned at approximately 4:22 p.m.