

Vermont Exchange Advisory Group Meeting 13
June 25, 2012
MINUTES

Present:

Floyd Nease (VAMH), William H. Lambrukos (Delta Dental Plan of VT), Mike Fisher (State Representative), Trinka Kerr (HCO/VLA), Paul Harrington (VMS), Betty Morse (VFN), Cheri L'Esperance (WSAVT), Heather Caldwell (Xerox), Heather Shouldice (WSAVT), Heidi Tringe (MMRVT), Jeanne Kennedy, Jennifer Carbee (Leg.Council), Catherine Hamilton (BCBSVT), Danielle Hibbard, (Bi State), George Richardson (VT Pediatric Dentistry), Jack Quinn Jill Sidoff-Gueri (KSE), Katie McLinn (Leg. Council), Lucie Garand (DRM), Lynn Raymond-Empey (VCCU), Peter Cobb (VAHHA), Randy Cook (FAHC), Sally Fox (State Senator), Susan Barrett (BiState), Susan Gretkowski (MVP), Theo Kennedy (Otis & Kennedy, LLC), Tom Scull (Richards Group), Timothy E. Ford (HVM/VIAA), Shannon Wilson (VT Chamber/VACE), Madeleine Monger (VMS), Mary Eversole (VIAA), Nolan Langweil (JFO), Kelly Sullivan (BCBSVT)

Staff and consultants: Lindsey Tucker, Paul Hochanadel, Connie Schutz, Erick Carrera, and Molly Warren (Department of Vermont Health Access, DVHA); Devon Green and Robin Lunge (Agency of Administration); Cliff Peterson, Margot Thistle, and David Martini (Department of Financial Regulation); Kathy Mazza and Julie Peper (Wakely Consulting); Melissa Morales (GMMB)

I. Welcome and Introductions – Lindsey Tucker opened the meeting and asked individuals to introduce themselves.

II. Plan Design

Lindsey began a discussion of health plan design in the Exchange, inviting conversation and input on decisions from the Board. Robin Lunge added that the state is still awaiting federal guidance. Both emphasized that the efforts are ongoing, current work is in progress, and the Administration is seeking feedback.

Julie Peper from Wakely Consulting presented a PowerPoint “Plan Design Development: First Draft of Silver Level Plan Designs”:

- **Background:** Julie began by describing previous meetings where the Board discussed current VT health plans. She discussed important considerations when designing a plan, emphasizing that minimizing market disruption for the consumer is a priority.
- **Fed and VT regulations:** Julie described federal regulations that the plans must follow, including deductibles and out of pocket limits. More regulations will be forthcoming. Cliff Peterson from DFR discussed a new prescription drug law that will be going into effect next year that limits out of pocket expenditures and affects high deductible health plans (HDHP).
- **Analysis:** Julie presented an analysis of potential plans with a focus on member disruption. This analysis sought to calculate the degree to which an individual would be

affected in the change from their current plan to a new plan offered in the Exchange. She emphasized that the plans have their limitations and are preliminary. She asked for feedback from the Board on the degree of simplicity or complexity in plan offerings.

- Assumptions: Julie discussed some of the assumptions her plan models relied on, including: a national PMPM pricing model, compliance with ACA and VT laws regarding deductibles, an out of pocket maximum of \$6250, cost-sharing as a contribution to out of pocket maximums (OOPM,) dental not included, no costs sharing for preventive care, and 15% of prescriptions categorized as wellness drugs. She asked for feedback about wellness benefits, and specifically what drugs should fall into this category.
- Summary of plan design and member impact: Julie shared four current VT health plans and discussed deductibles, OOPM, drug benefits, and office visit copays. She then shared seven potential plans and discussed the same variables.
- After the presentation was complete, there were a number of questions:
 - Who should be planning insurance designs – the state or the insurance carriers? Robin answered that the Green Mountain Care Board must approve plans, including giving specific instructions about design plans.
 - Will we be doing this analysis for all metal levels? Julie answered that she focused on silver because most people are in silver plans. She thinks that there will be a number of plan options for silver and bronze, and fewer in gold and platinum.
 - Will carriers have to follow these plan designs? Robin clarified that carriers will have to follow plan designs that have been approved by the Green Mountain Care Board (per VT law). She stressed that while the ACA does not require this, other states are doing this as well, including Massachusetts.
 - The prescription law seems likely to increase premiums. Is this true? Cliff answered that it is true that there is an expected increase, and that the estimated increase to premiums is 0.5%.
 - Can we request that the Green Mountain Care Board give more direction on what they are looking for in plans, including number of plans, degree of complexity, and areas of flexibility for insurance companies? Robin answered that she will bring these questions and concerns to the Green Mountain Care Board.

Next Steps: Lindsey suggested that a small workgroup should continue this conversation on plan design. The goal of the workgroup is to move the conversation forward with more guidance from Robin and the Green Mountain Care Board about design criteria. Individuals and organizations interested in serving on this workgroup were asked to contact Lindsey.

III. Exchange Development Update

Melissa from GMMB presented on Exchange planning within the areas of outreach and education, and the Navigator program.

Outreach and Education:

- Melissa discussed federal requirements for Exchange outreach and education, including distinct populations requiring dedicated outreach efforts. She clarified the difference between outreach/education activities and marketing efforts.
- Melissa reviewed the work GMMB has already completed, including a benchmark survey, stakeholder consultation, and assessing Green Mountain Care, VHAP and other plans around the state.
- GMMB is working on an outreach and education plan and called out two specific components that had been raised earlier by the Board: digital literacy and small business tax credits. She asked for feedback about reaching out to specific populations, what practices work best, and what methods are most effective in Vermont.
- Lindsey inquired to the Board about how involved they wanted to be and at what stage in creating an outreach and education plan. The group decided that since the stakeholder meetings covered similar areas, individuals could send additional information to Melissa. Going forward, GMMB will present a draft plan to the Board for feedback.

Navigator program:

- Melissa discussed the specific federal requirements and duties of Navigators, who can serve as Navigator, work that needs to be done for program, as well as the state requirements outlined by Acts 48 and 171.
- A question was asked about the inherent conflict of interest in being a broker and a Navigator. Robin answered that a Navigator cannot get paid by the insurance company, but that federal regulations are ambiguous over whether a large group broker could be a small group Navigator.
- There was further discussion of the desire to preserve the relationships that exist between brokers and small businesses, as well as the difference between the role of a broker working with a small business owner and a Navigator helping an individual choose a plan at a free clinic.

Next steps: People were encouraged to contact Paul Hochanadel at paul.hochanadel@state.vt.us with feedback about the Navigator program.

IV. Medicaid and Exchange Advisory Committee

Lindsey explained that the new joint Medicaid and Exchange Advisory Committee appointments would be coming soon from Commissioner Mark Larson. She added that the meetings will be public and the minutes will be on the website. There was a request for clarity about the number of work groups and topics that would be created. Robin answered that it will be up to the new Committee to determine the number and scope of workgroups, but that suggestions are welcome.

A plan design work group will either be approved by the board or will be formed under Robin. Lindsey presented dates for the new meetings for the rest of the year.

V. Public Comment: No comments were made.

VI. Closing and Next Steps: The next meeting will be on July 16th, 2012, in the large conference room at the Department of Vermont Health Access, 312 Hurricane Lane, Suite 201, Williston.