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SILVER STATE HEALTH INSURANCE EXCHANGE
BOARD MEETING
THURSDAY, JANUARY 14, 2016, 1:30 P.M.

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DR. JAMESON: Did we have our quorum yet, can you tell?

MR. GILBERT: We do have a quorum, Madam Chair.

DR. JAMESON: All righty. In that case, I'll go ahead and call the meeting to order.

Welcome, everyone, to our new year.

And, Mr. Gilbert, could you please take roll call.

MR. GILBERT: I will. Thank you, Madam Chair.

Dr. Jameson?

DR. JAMESON: Here.

MR. GILBERT: Dr. Grinshteyn?

Ms. Lewis?

MS. LEWIS: Here. I'm here.

MR. GILBERT: Ms. Wilson.

Ms. Clark?

MS. CLARK: Present.

MR. GILBERT: Mr. Melendrez?

MR. MELENDREZ: Present.

MR. GILBERT: Ms. Aiello?

1 MS. AIELLO: Present.

2 MR. GILBERT: Thank you.

3 Mr. King?

4 MR. KING: Present.

5 MR. GILBERT: And Ms. Nielsen?

6 MS. HOVDEN: I'm filling in for her.

7 MR. GILBERT: Are you filling in for her?

8 MS. HOVDEN: Yeah.

9 MR. GILBERT: So come on up.

10 We have a last minute replacement, Madam Chair.

11 (There was a brief period off the record.)

12 MR. GILBERT: We do have a representative on

13 behalf of Ms. Nielsen. And we do have a quorum, Madam

14 Chair.

15 DR. JAMESON: Excellent. Thank you,

16 Mr. Gilbert.

17 I have no special announcements, so I would

18 like to go ahead and proceed.

19 Any public comment in northern Nevada?

20 MR. GILBERT: I see none, Madam Chair.

21 DR. JAMESON: Do we have any public comment

22 here in Henderson?

23 We have no public comment in Henderson.

24 So I'd like to ask everyone now to bring their

25 attention to our minutes of the December 17th Board

1 meeting.

2 And I would entertain a motion to approve those
3 minutes.

4 MS. CLARK: Valerie Clark, for the record. I
5 make a motion to approve the minutes of the December
6 17th meeting.

7 DR. JAMESON: Thank you, Valerie.

8 MS. LEWIS: Lavonne Lewis. I second the
9 motion.

10 DR. JAMESON: Thank you, Lavonne.

11 And everyone in favor of approving the minutes,
12 please say "aye."

13 (Board members said "aye.")

14 DR. JAMESON: And thank you. The minutes are
15 passed.

16 And, Mr. Gilbert, I'm looking forward to the
17 executive report.

18 MR. GILBERT: Thank you, Madam Chair. For the
19 record, Bruce Gilbert.

20 We have two weeks to go in this open enrollment
21 period. Our time's about over for that. But what I
22 would share with you, as I indicated in my report, is
23 that I believe it has gone and will continue to go very
24 well.

25 According to CMS, over 76,000 Nevadans had

1 applied for and enrolled in qualified health plans by
2 January the 2nd. Our most recent numbers came out
3 yesterday, and that number had moved to 77,411. That
4 figure is, roughly, five percent greater than all of
5 last year's open enrollment number and more than 30
6 percent higher than our enrollments in-force at
7 September 30th.

8 I believe that last year's improved customer
9 experience, coupled with targeted marketing and consumer
10 outreach efforts, have made it much easier for Nevadans
11 to apply for and enroll in health plans and have helped
12 us to drive enrollments to record levels for the second
13 consecutive year.

14 We now have two weeks, as I said, left in this
15 open enrollment cycle, basically two weeks to educate
16 and assist people, to drive our message home.

17 And as the Board knows, I've never been willing
18 to set a benchmark enrollment number, which I consider a
19 specific, if imaginary, target that would be invoked to
20 determine whether we've succeeded or failed. But I will
21 tell you, I have no intent of doing that today, either.

22 What I will say is that we're certainly going
23 to continue working and messaging and doing everything
24 that's gotten us where we are today and then judge how
25 we've done once the final numbers have been revealed to

1 us.

2 Even as we enjoy what appears to be another
3 successful open enrollment, we must be mindful of the
4 fact that the hardest part of this year's journey lies
5 ahead of us. The recently proposed notice of benefit
6 payment parameters for 2017 from CMS, which were made
7 public in late November, have created a set of issues
8 which we will have to address over the course of this
9 year.

10 In the proposed rule, CMS has set the access
11 fee for continued use of the federal eligibility and
12 enrollment platform and the associated call center at
13 3 percent of premium. I know the Board understands and
14 recognizes that this represents 100 percent of the
15 revenue of our state-based marketplace.

16 If the Board were to agree to pay CMS an access
17 fee equal to 3 percent of premium, under our budget, as
18 approved by the Legislatures, there would be no monies
19 available for plan management and certification, no
20 monies for marketing, no monies for consumer outreach or
21 for our navigator program.

22 I have previously shared with the Board my
23 assessment that the methodology upon which CMS
24 calculated the proposed user fee unfairly penalizes
25 Nevada and other less populous states. Our enrollees

1 represent less than one-tenth of one percent of the
2 population serviced by the federal platform and call
3 center, and the costs borne by Nevadans should, in fact,
4 reflect the cost of servicing our population.

5 The premiums paid by Nevadans are based on
6 costs of care and loss experience in our state and have
7 to connection whatsoever with the anticipated or actual
8 workload, which would be attributable to the federal
9 infrastructure supporting Nevada's consumers.

10 The proposed 3 percent fee is also an
11 inaccurate representation of value provided by the
12 federal infrastructure. State-based marketplaces on the
13 federal system do not have access to realtime or ad hoc
14 reporting. Whatever our informational needs, the data
15 reported will be that chosen by the federally
16 facilitated marketplace and released when and as it
17 chooses.

18 My message today, though, is that in spite of
19 the challenges posed by the proposed rule, the Silver
20 State Health Insurance Exchange is poised to continue
21 our success.

22 We are certainly working diligently to identify
23 and qualify options which will assure that Nevadans can
24 continue to easily apply for and enroll in health plans
25 without making it impossible for the Exchange to

1 appropriately fund plan certification activities,
2 marketing, consumer outreach and education, and a strong
3 and vibrant navigator program.

4 It is worth noting that we are not alone in
5 this effort and are working closely with a number of
6 other states that have the same concerns that we do. In
7 fact, the Exchange will be providing a representative to
8 serve on the Oregon Health Insurance Marketplace's RFP
9 Evaluation Committee to consider existing technology
10 solutions capable of providing an affordable multistate
11 platform to potentially replace our reliance on
12 healthcare.gov.

13 You know, I told the Board a year ago, almost
14 to the day, that the Exchange was transitioning and
15 moving from what had been a troubled startup to a
16 successful ongoing enterprise. We've identified a
17 successful business model, and the time had come to
18 focus on management of the Exchange in terms of cost
19 benefit analysis and sometimes trade-offs, no longer
20 tinkering and fixing but, instead, thinking and
21 planning.

22 Unlike last year, the end of open enrollment
23 this year won't be a quiet time that allows us to
24 breathe deep and enjoy our success. We're going to be
25 spending a good portion of the next few months dealing

1 with uncertainty and working to make decisions about how
2 to most effectively allocate our available resources and
3 respond to the challenges that we face. We've done that
4 before, though, and with great success. And I am
5 confident that we will continue to build upon two very
6 successful years and continue to increase the number of
7 insured Nevadans.

8 And that would be the sum and substance of my
9 prepared remarks, Madam Chair. I'm happy to answer any
10 questions the Board may have.

11 DR. JAMESON: Does anybody have any questions
12 or comments?

13 Is that Valerie?

14 MS. CLARK: Yes. I have a question, Madam
15 Chair.

16 Bruce, so the percentage of premium that
17 they're proposing, the 3 percent, there's no negotiation
18 there at all?

19 MR. GILBERT: Thank you. Bruce Gilbert, for
20 the record.

21 I will share with you, and as you'll see in the
22 sustainability report, we have spent months and months
23 and months speaking with CMS and attempting to determine
24 whether there's the opportunity for compromise. We have
25 been rebuffed at every turn. That doesn't mean at the

1 time that the actual final rule is promulgated that it
2 might not be a slightly smaller number. I don't know
3 that.

4 Certainly, we have provided them with our
5 comments in response to the rule, and as have other
6 states. But there is not any indication at this point
7 in time that the 3 percent number is negotiable.

8 MS. CLARK: Okay. So you don't think we are
9 going to go to the great pains of looking at all
10 opportunities and find something that does end up being
11 a good option down the road, a different option, and
12 then they come back and change the fees to be more
13 competitive, and then we've put a lot of work into
14 nothing? You know what I'm saying?

15 MR. GILBERT: I do. Thank you. Bruce Gilbert,
16 for the record.

17 I'll be the first person to tell you, I have no
18 idea what Washington will ever do.

19 MS. CLARK: M-hm (affirmative).

20 MR. GILBERT: Invariably, I'm wrong when I
21 attempt to figure that out.

22 What I will say is this, I don't believe that
23 our contingency planning is a bad thing regardless. We
24 may determine ultimately, even if they become more
25 reasonable with respect to their fee, we may ultimately

1 determine that there are other options that fit Nevada
2 better.

3 MS. CLARK: M-hm (affirmative).

4 MR. GILBERT: You know, we're not just talking
5 about the fee here.

6 MS. CLARK: Yeah.

7 MR. GILBERT: Basically, what's happened over
8 the course of time that we've been involved with the
9 federal marketplace is they have attempted to exert more
10 and more control over what we do and how we do it, which
11 is absolutely antithetical to the idea of a state-based
12 marketplace.

13 And so, consequently, there are considerations
14 just beyond the fee. But I think that because of the
15 access fee which has been proposed, we're probably best
16 served by moving forward now.

17 MS. CLARK: Absolutely, I would agree. And I
18 applaud your foresight and your vision on that. I agree
19 100 percent.

20 DR. JAMESON: Lavonne.

21 MS. LEWIS: I agree, also, Mr. Executive
22 Director. I think that, you know, it appears to me that
23 many of the actions are the work of people who really
24 want the Affordable Care Act to fail. And I have felt
25 that for a while, in terms of working with Xerox and

1 some of the other folks that we've had to deal with.

2 And I think that proceeding with our plan to
3 look for an outside provider is appropriate. Because
4 even if CMS reduces their fee, they could then turn
5 around and raise it again next year. So we would be
6 stuck.

7 So I think that it is appropriate for us to
8 look elsewhere.

9 DR. JAMESON: Thank you, Valerie and Lavonne.
10 Mr. Gilbert, that, I would like to compliment
11 you on a smoother than ever successful enrollment
12 period. Your team has done an excellent job.

13 Also, I'm confident, as you are, that we will
14 find a way, and we will be able to make this financially
15 feasible for our health Exchange. And I'm excited,
16 because I would concur that this Exchange has been a
17 great benefit to our Nevada citizens. And we must
18 continue to just work on optimistically and with great
19 innovation to find bold new ways to make this work.

20 And I thank you for doing that.

21 Our discussion regarding the issuer action
22 involving commissions payable for sale of on-Exchange
23 policies, as we all know, this was brought up in
24 testimony at our last meeting, and at the end of the
25 meeting several people desired to have follow-up on it.

1 And I thank you for that quick turnaround.

2 Who, who will be giving that report?

3 MR. GILBERT: Madam Chair, I suppose that I
4 will. Bruce Gilbert, for the record.

5 I did, after our discussions and the indication
6 that the Board wished to get additional information on
7 that matter, reach out to HPN and invited them to come
8 and sit with us and talk specifically about this.

9 I did get an e-mail from Jack Kim yesterday
10 which indicated that, unfortunately, he would not be
11 able to attend our meeting today because of previous
12 commitments. He did go on to say that he did wish the
13 Board to understand that he would affirm that HPN plans
14 would continue to be offered on the Exchange in 2017.

15 But that was, those were the totality of his
16 remarks.

17 DR. JAMESON: Do I have any other questions or
18 comments for our Executive Director, Mr. Gilbert?

19 MS. CLARK: I just have a comment. And that is
20 that it's unfortunate for the citizens of Nevada that
21 this would be the case. It's going to make it very
22 difficult for us to provide many options, or just even a
23 few options for some people, for their health care
24 coverage.

25 As brokers -- I'm speaking for myself as a

1 broker and probably many other brokers -- we strive to
2 provide as many possible options as are available in the
3 marketplace, knowing that for our time and our effort,
4 we will be paid to, you know, to be able to provide the
5 services.

6 This makes -- this puts a little bit of a
7 wrench in that. I think, as brokers, we're grappling on
8 how to participate in a system that at times doesn't
9 want to pay us.

10 So those are things that we're working on and
11 grappling with. We want to do the best we can for the
12 consumers and for our clients. And as brokers, you can,
13 you can rest assured that we're always going to do the
14 best we can to provide the very best possible service.
15 But situations like this make it very difficult.

16 DR. JAMESON: Thank you very much, Valerie.

17 As a broker, do you have any insight of, or do
18 you -- can you maybe shed some light for the rest of us
19 on why you think this was actually done. I mean what,
20 what is --

21 MS. CLARK: Well, I --

22 DR. JAMESON: What was the -- what was the
23 rationalization that they felt, from their point of
24 view, that this was appropriate?

25 MS. CLARK: Well, the verbiage that was given

1 to us was that they had experienced a high number of
2 claims. And this was maybe a way to offset some of the
3 losses that they felt they had incurred this past year.

4 And we have seen this happen with other
5 carriers. If you recall a year ago, Assurant, which was
6 another carrier on the Exchange last year, suffered some
7 very heavy losses and immediately cut broker
8 commissions. And, ultimately, they are no longer even
9 in business. They took some very heavy losses.

10 I don't know that that's the same for United
11 Healthcare. However, what we were told is that this is
12 to offset some losses that they felt they had incurred.

13 DR. JAMESON: Thank you. That, it was actually
14 quite insightful, and I appreciate that very much.

15 Next, marketing and open enrollment update.

16 MS. DAVIS: Janel Davis, for the record.

17 With less than a month left of the open
18 enrollment period, the Exchange, along with Penna
19 Powers, our marketing and outreach efforts, has been
20 working diligently to ensure Nevada consumers have the
21 correct information on how to enroll did where to get
22 local in-person assistance.

23 The Exchange has provided messaging in a
24 multitude of media outlets, including, but not limited
25 to, social media, digital medium, e-mail blast, outreach

1 events, website updates, on-camera interviews, Public
2 Service announcements, radio, print and billboard
3 outdoor ads.

4 Our campaign continues to review good press,
5 and we strive to influence those hard to reach target
6 populations for the remainder of this open enrollment
7 period.

8 Nevada Health Link will host an enrollment
9 event which will take place, actually, tomorrow,
10 January 15th, in both Reno and Henderson, where Nevada
11 consumers can attend and sit face-to-face with a
12 licensed insurance agent or broker to learn the process
13 and find a plan best to suit their needs.

14 We will also host a closeout enrollment event,
15 along with a health fair, which is planned for Saturday,
16 January 30th, again held in Reno and Las Vegas.

17 Our enrollment numbers reflect our efforts in
18 getting the message out to Nevada consumers. People are
19 becoming aware that having health insurance is something
20 they need to protect themselves and their family.

21 Patty Halabuk, account manager for Penna
22 Powers, will review our stats and some updates
23 throughout the campaign.

24 DR. JAMESON: Thank you.

25 Welcome.

1 MS. HALABUK: Thank you. Good afternoon.

2 You should have in front of you an update for
3 the latest information. And so I'd just like to briefly
4 run through some of the highlights for you today.

5 Initially, starting with some visuals, to give
6 you an idea of how we've updated the creative to focus
7 more on a countdown message for the last month of the
8 campaign, January. This helps to create a sense of
9 urgency and elicit some new attention to the materials
10 that have been out there throughout the campaign.

11 It's turned upside down here.

12 As Janel mentioned, our media is out there and
13 going strong. We have TV, radio, print, outdoor and an
14 updated estimated impressions.

15 Our estimated impresses in the Las Vegas market
16 are 68,904,000. That's an increase of 23,657,104
17 impressions versus our December projections.

18 In the Reno area, we're looking at 15,393
19 estimated impressions and, again, a significant
20 increase.

21 MR. RODRIGUEZ: 15 million.

22 MS. HALABUK: Did I say thousand?

23 MR. RODRIGUEZ: Yeah.

24 MS. HALABUK: Sorry. 15 million. Big
25 difference there. That's an increase of 5,300,000 and

1 change versus projections for December.

2 And part of the rationale for the increase is
3 we have kind of uploaded more media for the month of
4 January, particularly the last month, to be able to kind
5 of get that message out there and increase awareness,
6 given that it's the last month.

7 Moving on to digital, you'll note here,
8 compared to last month, the overall numbers for various
9 sources, from display through retargeting, et cetera,
10 the overall impressions and key actions have actually
11 increased approximately two, two and a half times since
12 last month's report. Again, this is partly because of
13 the fact we have added some more impressions and media
14 to our buy. But, also, we anecdotally feel that's
15 because a lot of the folks that have waited are now
16 starting to taking action, and we're seeing this as a
17 result.

18 The next page, digital media screenshots, this
19 is just to give you a visual of how some of the digital
20 components of our campaign look. We've done some
21 marketing with the Las Vegas Review Journal here, what
22 we call takeover pages. These are in support of some of
23 our enrollment events.

24 In fact, we have another one that ran today in
25 support of tomorrow's event, and we will have another

1 one that runs the day before the January 30th event.

2 And then you can see some of our banner ads.
3 We're also running on Pandora and video and YouTube as
4 well.

5 Moving on to top digital media creative on the
6 English side, you can see the top three here. And I
7 would just like to note that the older demographic moved
8 in this update from last or third place to second place.
9 And, also, it's very close in terms of percentage to our
10 first family-oriented creative. Actually, it saw an
11 increase of .6 percent.

12 So the same ads are here as before, but the
13 order has changed. But it's interesting to note that
14 the older demographic has moved up in terms of key
15 action.

16 With regard to the Spanish creative, those have
17 actually stayed the same in terms of the ranking, but
18 the key actions for each have increased.

19 Regarding social media, December totals of
20 engagements are 41,894. That's a 21.26 increase over
21 November.

22 Although social media website traffic is a
23 little bit down compared to November, it's still
24 significant. And we attribute some of that to the fact
25 that the holidays were involved. People had a different

1 focus. And a lot of the focus with regard to social
2 media was on holiday activities and things of that
3 nature.

4 There still was an increase in number of
5 followers for the month of December. It was a 12.32
6 percent increase. At that point, we had 1,322 Facebook
7 followers.

8 With regard to paid social media, again, it's a
9 little bit less than November. And we attribute that to
10 the holidays. And we also scaled back, given the
11 holidays, on some of our paid media for the month of
12 December. So we should anticipate seeing an increase in
13 January.

14 A quick touch base on PR and media relations,
15 39 stories were covered in the month of December.
16 That's nine more than we had in November. PR and media
17 relations continues to grow very strong. We had, again,
18 almost 1.4 million earned value in print and online
19 during the month, as well as over \$40,000 in earned TV
20 coverage over the month.

21 And we're at a staggering cumulative total for
22 the months of November and December of over \$8 million
23 worth of earned PR coverage for those two months.
24 That's quite outstanding.

25 Something noteworthy, upcoming, on Monday,

1 Andres -- unfortunately, Bruce couldn't make it. But
2 Andres will be stepping in and doing a segment on the
3 show "Wake up with the Wagners" here in Las Vegas.

4 We also have radio remotes planned for both the
5 events tomorrow, as well as we're finalizing
6 partnerships with the media to cover media events on the
7 January 30th event, in both the north and the south.

8 Attached is the media coverage report that I'll
9 let you peruse at your leisure. This is just a rundown
10 of all the different ads and coverage that we've
11 received.

12 A brief update on broker and rural marketing.
13 We've done four mailings since the end of December
14 through January. One was an overall mailing to just
15 announce events in January. And then we did two
16 specific mailings to promote the January 15th event, as
17 well as the January 30th event.

18 In addition to that, we did a mailing to all of
19 the rural counties and all of the zip codes statewide.
20 That was a total mailing of approximately 33,000 pieces.
21 And it went to 79 different zip codes within the rural
22 communities around the state.

23 And with that, if there are any questions. Or
24 I'll turn it over to Andres, and we can talk about
25 outreach.

1 DR. JAMESON: Were there any questions from the
2 Board or -- at this point?

3 MR. RAMIREZ: Good afternoon. Andres Ramirez,
4 for the record.

5 I just want to spend a couple of minutes to
6 talk about the events we did in December and the events
7 we have coming up to close out the enrollment period.

8 So December 15th was our last major enrollment
9 event, and that was to take advantage of the deadline
10 for people to enroll to have coverage beginning
11 January 1, so they can start the new year off in
12 compliance.

13 And so we did our first event, a major event,
14 in the Henderson area. We had not previously done one
15 in Henderson, so we thought it was a good venue and
16 region for us to do. We did it. And we also did one in
17 Reno, Nevada, and we used the Ramirez Group offices
18 there in Reno, Nevada.

19 So we did a four-hour event as people were
20 getting off of work, so from 4:00 to 8:00 p.m. Here in
21 Las Vegas we had --

22 MS. HALABUK: That's the total.

23 MR. RAMIREZ: And that's total you have, right.

24 So we had 150 people attend that signed in to
25 meet with a broker, a total of 25 brokers participating,

1 30 navigators assisting, and we had 85
2 applications/intake cards initiating from people who
3 came in, spoke to a broker and began an application to
4 select a plan.

5 So from an hourly event basis, that was very
6 successful for us, and we were very excited with the
7 turnout there in Henderson, which we thought was very
8 good.

9 And we have another event for January 15th in
10 Henderson as well, tomorrow. So we're very excited
11 about that. We have several brokers, again, who have
12 signed up to participate. And between the Ramirez Group
13 team and the Penna Powers team, we've done some pretty
14 aggressive marketing to get people to show up to this
15 enrollment event tomorrow.

16 And then, other than that, our big focus has
17 been, as we discussed at our last Board report, for the
18 closeout. We are doing it on Saturday, January 30th, as
19 opposed to Sunday, the 31st. We did our first event on
20 Sunday, and we wanted to make sure we have a major event
21 scheduled for a Saturday. But, also, in the event that
22 any hiccups happened, people will still have the
23 following day, the 31st, to fix any of those things and
24 complete their applications in time.

25 Having done this for two enrollment periods,

1 I'm aware that hiccups happen on the last day. So this
2 puts us in great position so that we can help all of our
3 consumers who reach out to us.

4 DR. JAMESON: Thank you.

5 Are there any comments or questions from our
6 Board?

7 MS. LEWIS: I just have one question of
8 clarification. For the event that was held on December
9 15th, where you say 150 attended, was that 150 in
10 Henderson?

11 MR. RAMIREZ: That was 150 -- well, for
12 Henderson and Reno.

13 MS. LEWIS: Okay. So do you have the numbers
14 separated for Henderson and the numbers for Reno?

15 MR. RAMIREZ: We do. We actually turned in
16 separate event reports for each location. And so we can
17 break out them for them.

18 We didn't have a huge turnout in Reno. We
19 didn't have a higher turnout. The bulk of those were in
20 Henderson. So I would say about 120 of those were
21 Henderson, and 30 people were in the Reno area.

22 But we can give you specific numbers directly.

23 MS. LEWIS: Thank you.

24 DR. JAMESON: Were there any other comments
25 from the Board?

1 I would just like to compliment you on your
2 campaign. You started off, when you introduced yourself
3 with us, you know, with sharing some of your ideas, and
4 along the way, you spoke about the countdown. And I
5 personally have been able to appreciate the momentum
6 that you've built with your successful advertising and
7 the countdown campaign, in my area of town and my
8 patients.

9 So I think that you have been very successful
10 and effective, and it was a very good idea.

11 It brought up a couple questions to my mind,
12 which you may not have answers for today, which, you
13 know, this, this -- when you have these people come in,
14 do they usually say that they're coming in -- when you
15 made a statement just now, Andres, you said they came in
16 so they could be compliant.

17 You know, I'm the ideal, the Pollyanna sunshine
18 optimist, that they're coming in because they're getting
19 affordable -- access to affordable health care, they're
20 there to get their health plan.

21 Do you ask people and record, or do you just
22 have some feedback? Are most of these people that are
23 coming in, do you find that they're coming in just
24 because they know they've seen these couple years of
25 incorrectly success now, and that it works and it's

1 good, and they want to be part of it, and they know it
2 works, and they can sign up, they know the system works,
3 they know they can get Affordable Care Act, do you get
4 the feeling that the message out there and the way the
5 people feel when they come in is that I'd like to sign
6 up, I've heard it's affordable, and I can do it, or do
7 you get the feel when they come in that it's coercion or
8 because of compliance, that this was brought up because
9 of that statement you made?

10 MR. RAMIREZ: Andres Ramirez, for the record.

11 So, I want to just clarify, the record that I
12 made is that by them having insurance beginning
13 January 1, they would start off the year compliant, not
14 that they said they would come in to be compliant.

15 But we do meet with -- one of the things we try
16 to do from the outreach side, to rectify from the first
17 couple of years, is that our navigators and our staff do
18 engage in conversations with the consumers as they're
19 waiting, one, just to make sure that we're, you know,
20 addressing their needs. And they may not have all of
21 the information they need to be prepared. And rather
22 than wait in line and get to the front of the line and
23 know that they're unprepared, we try to screen them as
24 much as possible, so that if they have to call someone
25 to bring them information, or they can go home or run to

1 the car to pick something up. We engage in a
2 conversation with them.

3 And I would say that we have consumers that are
4 coming for a variety of different reasons. Some of them
5 are coming because of the wonderful work that the Penna
6 Powers team is doing, and so, hey, we saw this ad, or we
7 saw it on Facebook, and we wanted to come to the event.

8 Some of them saw it because the brokers
9 themselves said, hey, my broker said he was going to be
10 here and that if I came to this meeting, that I would be
11 able to sit down with him and enroll with him. And so
12 we've had some of that process.

13 We've had some people who said they tried it
14 online themselves and had a couple of questions, and
15 they figured if they could come in, they could answer
16 those questions.

17 Yes, some people have come in because they
18 said, hey, I want to make sure I avoid the tax penalty,
19 and so I'm coming in to fill this out to avoid the tax
20 penalty.

21 But the best thing is that we haven't had any
22 of the angry, irate consumers we had when we started
23 this process a couple years ago. And, generally, people
24 are coming in very content. They're much more prepared
25 for the process. And it's been a more pleasant

1 experience for the consumer as well as for the broker.
2 So that's been the overall general thing that we've
3 detected.

4 You know, in the first two years, we had to
5 have security in place at all of our events, because
6 there was frustration in their events. At the Boulevard
7 Mall, we had to have security to screen all the lines.
8 And we haven't had those issues comes up this cycle.

9 So that, to me, is just a testament to how well
10 system is working, how much content our consumers are
11 feeling about the process, and the good messaging that
12 we're doing as a team and as an entity.

13 DR. JAMESON: Excellent feedback. Thank you.
14 The other question I have -- and, again, you may not be
15 able to give me any real numbers on this. But, you
16 know, because of some of the issues we had the first
17 year we had a special enrollment, because of a lot of
18 the IT issues, and the second year because people really
19 didn't understand the penalty, and they were given
20 another grace period.

21 This will be our first year, so far that we
22 know, that we are not going to be having a grace period.
23 And that's why I love the countdown, because it
24 generated the momentum early on when we needed to.

25 In the past, not -- excluding the grace period,

1 in the last couple of weeks, approximately, was it
2 pretty steady as far as enrollment went, or did it
3 indeed, a lot of people panic and sign up, and there was
4 a larger number in the last two weeks?

5 And then, second question, in those two grace
6 periods, approximately what percentage of the total
7 enrollments for those two years did we achieve?

8 And that might all be a question for our
9 Executive Director as well. Thank you.

10 MR. RAMIREZ: From an outreach perspective, in
11 the first two years, we definitely saw a surge in the
12 final two weeks of the campaign, both in year one and in
13 year two of open enrollment. There was definitely a
14 surge and an increase. In year one, during our outreach
15 events and in year two at the store and at our events,
16 we saw a steady trickle of increased enrollment.

17 So we expect that same process will happen
18 during these last two weeks for open enrollment. Much
19 like it happens with tax season, there is an initial
20 flood at the beginning of the year, and then everybody
21 waits for the last week of April 15th, with April 15th
22 being, you know, the big day.

23 And so we expect that similar process to
24 happen. As Board member Lavonne Lewis said, just like
25 with Powerball, there is an increasing component towards

1 the intensity and the engagement. So we definitely
2 expect an increase in participation over the past --
3 over the next couple of weeks.

4 DR. JAMESON: And, Mr. Gilbert, did you know
5 whether those last two weeks in our history, we did get
6 the lion's share, or like 25 percent, or for the day's
7 performance a much higher percentage?

8 MR. GILBERT: Thank you, Madam Chair. Bruce
9 Gilbert, for the record.

10 I don't know what first year held, to be frank
11 with you. And I don't know that there's any way for to
12 us realistically re-create that data. Because we don't
13 know when anybody signed up that first year.

14 But as far as last year was concerned, I don't
15 think there's any question but there was a huge surge
16 during the final week. In fact, Nevada had one of the
17 largest enrollments of any state that particular week.

18 Whether that's going to repeat itself, I don't
19 know. I certainly would agree with Andres that there is
20 a significant opportunity or possibility that we'll see
21 very good numbers that last week. We'll certainly know
22 soon enough. But we're going to have to just sort of
23 wait and see.

24 DR. JAMESON: And do you know whether that was
25 like a huge percent of the total enrollment?

1 MR. GILBERT: Yeah, Bruce Gilbert, for the
2 record.

3 It was not a huge percent of the total
4 enrollment. My recollection is that we may have added
5 between eight and ten thousand people. And that's off
6 the top of my head. But.

7 DR. JAMESON: And in the overtime, the grace
8 period, what percent were added by the grace period?

9 MR. GILBERT: Yes, thank you. Bruce Gilbert,
10 for the record.

11 It was a very low number. We did not sign up a
12 lot of people over the course of the special enrollment
13 period that was provided. I think, it was less than
14 2,000 or 2,500, although I don't know the exact number.

15 DR. JAMESON: And did anyone else have any
16 questions or comments regarding the report?

17 Excellent job, well-done.

18 MS. HALABUK: Just one comment. This is Patty
19 Halabuk, for the record.

20 Anecdotally, from a marketing perspective, I'd
21 just like to add, in observing at the enrollment events,
22 specifically the kickoff events, and then moving
23 forward, we saw, as far as our target audiences, much
24 more of the older demographic and the families and less
25 of the millennials.

1 So anecdotally-speaking, I don't know if there
2 may be a tendency for that group to wait till the later
3 time or if they're using other means, such as enrolling
4 online. So that'll be interesting to see over the next
5 couple of weeks.

6 DR. JAMESON: Thank you. That is an
7 interesting, because (indistinct).

8 MS. KORBULIC: I think, we lost it.

9 MR. GILBERT: Did we lose?

10 UNIDENTIFIED: Yes, uh-huh (affirmative).

11 MS. JAMESON: Perhaps, also, the millenniums
12 are more comfortable online. And so it will be
13 interesting statistics.

14 Thank you so much.

15 I wonder if the mics just overheat and then
16 shut off.

17 Counsel review of the recent revisions to the
18 Affordable Care Act.

19 MR. BELCOURT: Chair and members, Dennis
20 Belcourt, Deputy Attorney General.

21 I was tasked to take a look at the amendments
22 to the Affordable Care Act, and I identified initially
23 three salient amendments, all of which affected taxes
24 under the Affordable Care Act, taxes which are not tied
25 into supporting any programs offered under the

1 Affordable Care Act. So, in essence, they don't
2 directly perhaps affect Exchanges, you know, to the best
3 I can identify.

4 The devices tax, delayed -- or excuse me -- a
5 moratorium in two years on that. The Cadillac tax
6 delayed another two years to 2020. The medical health
7 plan provider -- or health plan provider tax -- or
8 excuse me -- fee, health plan provider premium fee, a
9 moratorium for 2017. Also, the Cadillac tax was
10 lessened in impact by allowing it to be deductible.

11 In further review, I -- that's all in the memo
12 I provided you.

13 In further review, there's also, there was,
14 apparently, an extension of the risk corridor funding
15 limits that were previously put in place. These affect,
16 as I understand it, the ability of companies that -- you
17 know, to get -- not made whole, but get helped out in
18 the event that they encounter unexpected risk. The
19 funding limit is, apparently, the -- it's the extent of
20 excess profits of carriers. And I do not have any
21 in-depth knowledge on this area.

22 And, also, there were some other minor changes
23 in the legislation, such as, you know, calling for
24 general accounting office to review subsidy coordination
25 between HHS and the IRS. Defunding a board. And that's

1 the IPAM. And then, also, I think, there's -- I
2 believe, there is one other. I know. I'm not finding
3 that.

4 But, anyway, those were the ones I was able to
5 identify in my review. And if I missed something, I
6 apologize. It would be -- you know, there was quite an
7 extensive legislation that was passed in December. And,
8 you know, there -- and so I might have missed something.
9 But I stand to be -- you know, request anybody to
10 supplement if I did.

11 Thank you.

12 DR. JAMESON: Are there any questions from the
13 Board? Comments?

14 MS. CLARK: I just had a quick question, Madam
15 Chair. Valerie Clark, for the record.

16 I hadn't heard about the IPAM board. Did that
17 truly get defunded?

18 MR. BELCOURT: Well, I've just read reports. I
19 actually didn't see that in the legislation itself. It
20 was in a report on the legislation that came out
21 December 16th. So I can double-check it.

22 MS. CLARK: I would just be curious. I don't
23 think it has an effect on cost per se. I just was
24 curious. I hadn't heard that. So it's very, very
25 interesting. That was very controversial in the

1 beginning.

2 DR. JAMESON: Thank you, Valerie.

3 I did mean to make one comment regarding what
4 Lavonne had asked about the numbers, with Andres. I
5 just wanted to say that in the past, we did see larger
6 numbers attending the events.

7 And, honestly, I think that this is the -- the
8 lower numbers are not a reflection that you aren't
9 advertising and other issues as much as, I think, it's a
10 reflection of the fact that our system, our Exchange,
11 our online, the website, our call center, that
12 everything is now meeting the needs, that they find less
13 need to come in, in person. And I just think that.

14 So I wanted just to make a comment that the
15 lower numbers do not -- not attending the events, did
16 not concern me. I think, it's an overall reflection of
17 the success of our entire program. That is a little bit
18 of an assumption, but I think it is.

19 Going on to the next item, the quarterly, the
20 sustainability update.

21 MR. GILBERT: Thank you, Madam Chair. Bruce
22 Gilbert, for the record.

23 The last time that we gathered together, the
24 Board had asked that we spend some time talking about
25 sustainability. The proposed rule had just been issued

1 by CMS. And it was suggested that we get together and
2 specifically talk about this particular topic.

3 If you've gone through the report, you can see
4 that everything is fairly well set out as far as what's
5 occurred to this point in time.

6 Back in May of 2014, a determination was made
7 to move away from the Xerox platform, which was
8 dysfunctional. And CMS invited us to utilize
9 healthcare.gov for our eligibility application and
10 enrollment platform. The Board chose to do that at that
11 time. And as of November 15th of 2014, that transition
12 was, in fact, successful.

13 We had a number of discussions with our friends
14 at CMS and were informed that a process to continue to
15 lease healthcare.gov and set an access fee would be
16 forthcoming and necessitate payment to be made to CMS
17 for use of the platform and the associated called
18 center, beginning in plan year 2017, and that the
19 process would be set out when the proposed notice of
20 benefit and payment parameters came out. That, of
21 course, was issued officially on December 2nd, and
22 comments were required to be submitted on or before
23 December 21st.

24 You know, prior to the issuance of the proposed
25 rule, we had traveled to CMS headquarters. A member of

1 the Board actually accompanied us on those travels. And
2 we met with CMS leadership to discuss our concerns with
3 respect to the setting of an access fee, specifically
4 given our size and the financial constraints for our
5 particular Exchange.

6 We were told at that time that official
7 guidance was expected to be available at the
8 sustainability conference, which would be held in July.
9 We, in fact, attended that conference July 30th and
10 31st. And the conference certainly addressed many areas
11 concerning state-based marketplaces and sustainability.
12 However, no information was provided at that time on
13 what might be the recommended access fee for continued
14 state use of healthcare.gov and the call center.

15 We now know that the number was set at
16 3 percent. Although there is discussion of a
17 transitional year for 2017, which may be lower perhaps,
18 half of that, one and a half percent of premium, for a
19 transitional year, with the full 3 percent attaching for
20 plan year 2018.

21 And as soon as we became aware of that, and the
22 impact which we believed it would have on the Exchange
23 and our activities, we've had ongoing discussions of our
24 concerns with CMS leadership and with others.

25 We filed comments to the proposed notice of

1 benefit and payment parameters. And I will tell you
2 that our comments and concerns were echoed by a number
3 of states, including Hawaii, New Mexico, Oregon,
4 Arkansas, Washington, the District of Columbia,
5 California.

6 Additional comments were submitted by our Board
7 chair -- thank you very much for that, by the way -- by
8 affected consumers and a host of others. And everybody,
9 essentially, made the same point, which was that the
10 user fee, as proposed, at the level that it was
11 proposed, would both increase premiums for consumers in
12 Nevada and significantly decrease the availability of
13 funding for marketing and outreach efforts, which is the
14 lifeblood really of what we do.

15 We've had a number of discussions, as I said,
16 with CMS. We have also undertaken -- begun to
17 undertake, I guess, I should say, a review of more
18 affordable alternatives which could be used to replace
19 the federal platform and call center. And additional
20 information will be provided to the Board as it is
21 developed.

22 Finally and most importantly, and I cannot
23 overstate the importance of this or the significance of
24 this, we are working with other states on identifying
25 potential technology solutions that will offer a

1 cost-effective alternative to the federal
2 infrastructure.

3 In fact, the Exchange will be providing a
4 representative to serve on the Oregon Health Insurance
5 Marketplace RFP Evaluation Committee. That's
6 extraordinary, frankly. No two states have worked
7 together to do this before.

8 And that committee has issued an RFP, and they
9 will be reviewing existing technology. And the reason
10 that "existing" is in there is, just like Nevada, Oregon
11 is not looking to build itself a new Frankenstein
12 monster. It is interested only in those technology
13 programs which currently exist and are currently
14 servicing states and providing the platforms for their
15 Exchanges.

16 I'm really very proud of that, that we have had
17 the opportunity to do that. And I appreciate very much
18 my friends in Oregon for offering us the opportunity to
19 take advantage of that.

20 You know, we've always been willing to
21 compensate whoever, whether it was CMS or a private
22 vendor, for the market value of the services that would
23 be rendered for us to provide a technology solution and
24 sign up Nevadans. But our sustainability requires that
25 we retain sufficient revenues to do what we have to do.

1 All of our money can't be tied up in technology. We
2 have to be able to market. We have to have consumer
3 outreach. We have to do plan certification. We have to
4 control our market. And that's what this is really all
5 about.

6 The rationale here for having a state-based
7 marketplace hasn't changed in any way, shape or form.
8 We are best served in Nevada by having decisions
9 affecting our insurance market made locally rather than
10 in Washington D.C.. You know, our carriers pay lower
11 fees, and our consumers pay lower premiums by having a
12 state-based Exchange.

13 Our funding for consumer outreach and education
14 is far greater than that which would be provided through
15 the Federally Facilitated Marketplace.

16 And our commitment to work together with our
17 agent and broker communities to reduce the number of
18 uninsured Nevadans would never be replicated if the FFM
19 were to come here, especially for a state whose citizens
20 make up less than one-10th of one percent of enrollees
21 nationwide.

22 You know, while we await the issuance of the
23 final rule by CMS, it only makes sense for us to take a
24 look at options and alternatives. And we will continue
25 to identify and evaluate what we believe are various

1 cost-saving options to assure Exchange sustainability,
2 and provide updates to the Board over the coming months
3 as available.

4 And that would be the sum and substance of my
5 report, Madam Chair. I'm more than happy to answer any
6 questions.

7 DR. JAMESON: Excellent report, Bruce,
8 recounting the history as well as where we are today.
9 And I do look forward to those updates.

10 Lavonne.

11 MS. LEWIS: Yes, thank you, Madam Chair.
12 Lavonne Lewis, for the record.

13 Mr. Gilbert, do you feel that the proposals
14 that will be received by the Oregon state-based plans
15 will allow for payments of less than 3 percent of the
16 premium, that, you know, so that we will be able to
17 remain sustainable?

18 MR. GILBERT: For the record, Bruce Gilbert.
19 Mrs. Lewis, thank you very much for that question.

20 One of the things that we've learned over the
21 course of the past year, or couple of years, is that
22 size matters, that it's one thing for an Exchange that
23 is 50,000 or 60,000 people to look for a technology
24 solution on its own, where it's a completely different
25 thing when you have over 200,000 enrollees talking to

1 potential vendors.

2 My assessment is that it is highly likely that
3 there will be options that are affordable to us and
4 available to us to replace healthcare.gov at a cost
5 which will not impair our other responsibilities.

6 DR. JAMESON: Are there any other comments or
7 questions?

8 MR. MELENDREZ: Yeah, I just wanted to real
9 quick. Jose Melendrez.

10 Bruce, I just want to ask. Well, for one, I
11 want to commend you and your staff for standing up to
12 those big meanies in Washington, and hold them
13 accountable here.

14 From what you're seeing, then, are we -- with
15 the other states you're talking to and all of that, are
16 we right in line in that sense? I know maybe we're not
17 as big as some of the other ones and -- but are we right
18 in line in the sense of calling them out on this? And
19 the other states, are there other states as well who are
20 going to be challenging this?

21 MR. GILBERT: Bruce Gilbert, for the record.
22 And thank you, Jose.

23 And the answer is there is a significant
24 undercurrent of dissatisfaction among the states, and
25 not only those with state-based marketplaces. But to

1 give you some idea of the depth of that disappointment,
2 my friend, Mr. Lee, in California, who runs the Exchange
3 there, Covered California, which is significantly larger
4 than us, and it spends significantly greater resources
5 than we do, one of the points that he made was that
6 if -- if the Federally Facilitated Marketplace takes all
7 of our money, or a significant portion of it, what's
8 going to happen is that consumers will suffer, that we
9 won't be able to conduct the outreach to underserved
10 populations that we need to conduct, and that we're
11 expected to conduct, frankly, by the consumers of
12 Nevada.

13 And, consequently, even those states that are
14 not directly affected by the cost of moving from the
15 federal platform, or having to pay that 3 percent, will
16 be impacted. Because what the federal government is
17 telling us is this: Yeah, it's three and a half
18 percent, but we're going to take 80 percent of that, and
19 that applies to our technology costs. And then we only
20 spend half a percent on plan certification and
21 management, and on marketing, and on outreach, and on
22 consumer education.

23 You know, I have a friend who's a school
24 teacher in Philadelphia, and she follows me to Facebook.
25 And she reached out to me one day, and she said, "You

1 know, I don't understand something. I think, we have a
2 marketplace here. But I never see any of this
3 advertising, and I don't see these outreach efforts.
4 And what is it that you have and we don't?"

5 And the short answer to that is, we have a
6 state-based marketplace that is concerned about,
7 specifically concerned about the consumers in our state.

8 And the Federally Facilitated Marketplace will
9 never do that, not for a state our size. Now, they may
10 care about Pennsylvania, and they may care about Texas,
11 and they may care about Florida, but they're not going
12 to care about us here.

13 And so if we are to do what we need to do, it
14 needs to be done as a state-based marketplace.

15 MR. MELENDREZ: Well, thank you. Thank you for
16 your efforts on that.

17 DR. JAMESON: Thank you, Mr. Gilbert.

18 And moving on to the quarterly budget update.

19 MR. FRANTZ: Thank you, Madam Chair, members of
20 the Board. For the record, Aaron Frantz, Finance
21 Officer for the Silver State Health Exchange.

22 Real quick, budget overview.

23 In state fiscal year '16, the Exchange became
24 self-sustaining and operates only on PMPM fees.

25 The Exchange was granted an extension to use

1 1311 Establishment Grant funds through the second
2 quarter state fiscal year '17. I'll get to that later
3 in my report.

4 State fiscal year '16 budget. The state fiscal
5 year second quarter has come to a close. As of December
6 31st, the Exchange has collected \$3,945,545 in per
7 member per month fees. This represents 64 percent of
8 the PMPM budgeted to collect in state fiscal year '16.

9 The first and second quarter PMPM was collected
10 at \$13 per member. PMPM for the third and fourth
11 quarter will be based on 3 percent of total premiums
12 written.

13 With early robust enrollment numbers, the
14 Exchange should surpass budgeted revenue collections by
15 year end.

16 Expenditures totaling \$2,169,322 through the
17 second quarter, this represents 29 percent of the
18 expenditures budgeted for state fiscal year '16.

19 The budget is tracking as expected through the
20 second quarter, with an uptick in expenses expected
21 through the third quarter, with open enrollment winding
22 down.

23 An update on grants. After several submittals
24 by the Exchange to rebudget and extend 1311
25 Establishment Grant funds, CMS did extend approximately

1 \$6,772,794 through December 2016. \$4,406,469 of the
2 funds will be used for targeting Nevada's unreached
3 population in the forms of outreach and education.

4 The remaining \$2,366,325 will be used for
5 project management. Project management consists of
6 safeguarding data, computers and networks, as well as
7 implementing Exchange security plans, data retention
8 plans, IT security plans, and our own risk reward plans.

9 That's the sum of my report, and I'll be happy
10 to answer any questions.

11 DR. JAMESON: Do any of our Board members have
12 a question or comment on the budget report?

13 Thank you for that good -- oh, yo, Lavonne,
14 please.

15 MS. LEWIS: Well, I just want -- Lavonne Lewis,
16 for the record.

17 And I just wanted to comment on the fact that
18 we appear to be managing our finances quite well. And I
19 am very pleased to see that.

20 DR. JAMESON: Thank you. I agree. So far,
21 we're quite sustainable and robust.

22 Discussion and possible action regarding our
23 dates, times, and agenda items for the future meetings.

24 Does anyone here have any questions or comments
25 regarding the dates, times of future meetings or

1 something they would like to see added to the future
2 agenda?

3 I just had one thought, when we're talking
4 about budgets. I was just curious, with regard to the
5 events which were so critical in year one and two, and I
6 still think play a very important role, but I would be
7 interested in looking at the cost-effectiveness.

8 We had quite a few wonderful events. And I'm
9 wondering what the cost of those events are and the
10 actual number of enrollees that we yield. Perhaps we
11 could get a little follow-up on that in our next meeting
12 as we look at budget and sustainability and, I know, as
13 we continue, as we did this year, to make major changes
14 re-creating ourselves to adapt to the needs of the
15 community.

16 So, Bruce, perhaps you could see if that's
17 possible.

18 MR. GILBERT: Yes, Madam Chair, we'll make sure
19 that's on the agenda for the next meeting.

20 DR. JAMESON: Were there any other questions?
21 Comments?

22 MS. LEWIS: Well, I would just like to see
23 continued reports on our progress in terms of moving
24 away from the Federal Exchange to one that would be more
25 representative of what we need in Nevada.

1 DR. JAMESON: Excellent. I agree with you,
2 Lavonne.

3 That was a wonderful update. And to have that
4 continued update on CMS and on our hopeful options for a
5 new platform, we'll look forward to that.

6 I know you're going to have a series of
7 meetings on the 19th, 20th and 21st with CEOs of other
8 organizations. And, I think, you're going to have a lot
9 to share with us next time.

10 So I'd like to put that, as Lavonne suggested,
11 on the agenda as well.

12 MR. GILBERT: Bruce Gilbert, for the record.
13 We will do that, Madam Chair.

14 DR. JAMESON: Well, it's time for public
15 comment.

16 Is there any public comment in the north?

17 MR. GILBERT: None, Madam Chair.

18 DR. JAMESON: Any public comment here in
19 Henderson?

20 Seeing no public comment, is there any -- I
21 think, that would be time to adjourn, then.

22 Does anyone want to move to adjourn?

23 MS. CLARK: Valerie Clark, for the record.
24 I'll make a motion to adjourn.

25 DR. JAMESON: Thank you.

1 We will see you next month. Thank you,
2 everyone, so much for your support and for attending our
3 meetings and participating. Bless you.

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