



MHBE

Small Business Programs Advisory Committee

January 31, 2024

1:00PM – 3:00PM

Online Via Google Meets

Members Present:

Jon Frank, Co-Chair
Glenn Arrington
Brandon Burbage
Scott Brainard
Rob Cohen
Ileana Gonzalez
Alvin Helfenbein
Daniel Koroma
Mark Khatib
Levine Lane
Ainisa Broadway
Eugene Poole
Michael Rachesky
Kathy Sweely
Sandy Walters
Rick Weldon

Staff

Theresa Battaglia
Johanna Fabian-Marks
Dawn Fairburn
Dinesh Ganesan
Makeda (Mimi) Hailegeberel
Kimberly Edwards
Michelle Eberle
Amelia Marcus

Members of the Public

Chris McCarten
Allison Mangiaracino
Stephanie Klapper

Welcome, Agenda, and Meeting Minutes

Jon Frank, Co-Chair, opened the meeting. Mr. Frank thanked Lane Levine for acting as co-chair for the past year and explained that Mr. Levine has decided to step back from being co-chair so Mr. Frank will take over as lead chair until a new co-chair is appointed. He asked for members who are interested in being co-chair to contact Makeda Hailegeberel. Mr. Frank went through the list of Committee members for 2024 and those present at the meeting introduced themselves.

Mr. Frank then moved onto the meeting minutes from the October 25, 2023, meeting. He asked Committee members if there are any corrections or changes that should be made to the meeting minutes. No one had corrections or changes. The minutes were approved by unanimous consent by the Chair.

Follow-up Items

Mr. Frank provided an update on a follow-up item from the October meeting. He explained that the Maryland Health Benefit Exchange (MHBE) decided not to pursue the

sponsorship of a bill focused on implementing a special enrollment period (SEP) for newly hired employees within small businesses.

2024 Objectives

Makeda Hailegeberel, Small Business Programs Manager at the MHBE provided an overview of the MHBE's objectives for the small business program in 2024. The objectives include the development of the Maryland Health Connection for Small Business (MHC-SB) enrollment portal, small business policy and regulation changes, and marketing initiatives.

MHC-SB Enrollment Portal Status

Ms. Hailegeberel provided an overview of a timeline displaying the status of the MHC-SB enrollment portal. The MHBE has completed the requirements and design phase and is currently in the development and carrier participation phase. The internal testing and carrier integration and testing phase will begin in April. The targeted launch for the MHC-SB portal is late spring 2025. Please see the presentation slides for more detail.

Sandy Walters asked when the request for proposal (RFP) for the third-party administrator (TPA) will be released. Ms. Hailegeberel responded that MHBE is working on the RFP and would like to release the RFP soon so there is plenty of time for the TPA's on-boarding process. Ms. Hailegeberel will continue to provide updates on the RFP during the monthly Committee meetings.

Michael Rachesky asked who MHBE's contact at United Healthcare has been for this project. Ms. Hailegeberel will follow up with him.

Mr. Rachesky asked who is on the committee to review the TPA proposals and the criteria for evaluating the proposals. Ms. Hailegeberel responded that MHBE will establish a committee when the RFP is released but are currently still developing the RFP. Ms. Hailegeberel will update the Committee on the progress of the RFP during future meetings.

Mr. Rachesky asked about the source of funding for the development of the MHC-SB portal. Ms. Hailegeberel will circle back to this question later.

Mr. Frank commented that everyone is aware of the budget issues associated with the Maryland General Assembly this year. He noted that some of the planning for the MHC-SB enrollment portal could be delayed due to budget issues, but it does not stop the MHBE from developing specifications and looking internally at the IT systems capabilities to determine how to implement the MHC-SB portal.

Mr. Frank commented that he thinks the RFP for the TPA would have to be released in March to meet the timeline because the next phase is testing. Ms. Hailegeberel clarified that the testing with the TPA begins in July 2024, so the MHBE would need to select a TPA by May in order to have the TPA ready to begin the testing process in July.

Mr. Rachesky asked about the expected launch date for the MHC-SB enrollment portal and whether carriers would have enough time to become familiar with the new portal. Ms. Hailegeberel responded that MHBE expects the portal to launch in May or June 2025, assuming the TPA is onboarded on schedule and there are no unexpected problems.

Johanna Fabian-Marks addressed the funding question that was raised earlier. She explained that the MHBE is in the process of examining the fiscal year (FY) 2025 budget and there is a commitment from leadership to fund the development MHC-SB enrollment portal. Now that the Governor's budget has been announced, the MHBE has the information needed to identify the funding for the portal.

Enhanced Enrollment for Small Business Portal Design

Dinesh Ganesan with the IT department at MHBE presented the portal design for MHC-SB. He started by showing a commercial that was created for the MHC-SB. The portal has separate categories for employers, employees, and brokers. Mr. Ganesan showed what the portal will look like for each of these groups. He also demonstrated how an employer would add employees to the group plan and the broker dashboard. Please see the slides for this presentation for more detail.

Michael Rachesky asked who will be responsible for enrolling employees in the plans. Ms. Hailegeberel responded that the broker would have primary responsibility for enrolling employees in plans but if a small business does not have a broker, then the employer and employee would be responsible.

Mr. Rachesky asked if there is a way to upload a spreadsheet listing all employees at once instead of adding them individually. Ms. Hailegeberel responded that there will be an option for employers to upload a spreadsheet listing all employees.

Ileana Gonzalez asked whether an account would be the same if they leave a small business to work for another small business participating in the exchange and whether an employee should use their work or personal email address for the account. She also asked if an employee could use the same account for the individual exchange. Ms. Hailegeberel responded that the employer will probably use the employee's work email address during the initial setup of the account, but when the employee logs into the account for the first time they will have the option to add an email address and will be able to update the email address at any time. The employee would keep their account even if they move to another employer participating in the exchange. Ms. Hailegeberel noted that currently there is no plan to integrate the Small Business Health Options Program (SHOP) with the individual exchange, but MHBE can revisit this issue in the future. If an employee loses coverage from their employer, they will receive notice with information regarding Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage and individual coverage.

Ms. Gonzalez asked who would be responsible for COBRA. Ms. Hailegeberel responded that the exchange would be responsible for administering COBRA in collaboration with the TPA.

Ms. Gonzalez asked how long it will take for coverage to be terminated when an employee is terminated. Ms. Hailegeberel responded that the MHBE currently does not have a time limit but can consider notifying employers that they must notify the exchange within a certain amount of time. Ms. Gonzalez noted that a time limit is important because of regulatory requirements regarding COBRA.

Mr. Rachesky asked about the quote output when a broker or employer requests a quote from a carrier. Mr. Frank added that it seems like the portal will collect a lot of information on the front end before issuing a quote, but employers may be reluctant to provide that much information to get plan information and an initial quote.

Mr. Rachesky commented that general agents play a critical role in this market and asked about the expectations around their role in the Maryland SHOP. Ms. Hailegeberel responded that after conversations with general agents, the MHBE is allowing general agents to be tagged to the broker's account and they will have the ability to view the group and the broker attached to the group. The general agent may be able interject on the broker's behalf for commissions and enrollment related issues, but they will not be able enroll or disenroll employees in the group. Mr. Rachesky asked for clarification on how a general agent would be able to interject on broker's behalf for enrollment related matters but will not have the ability to enroll or disenroll employees. Ms. Hailegeberel responded that the general agent would not be able to manually enroll or disenroll groups or employees, but the general agent would be able to contact the carrier on the broker's behalf regarding payment management. Mr. Rachesky asked for more exploration of this issue because if someone else such as a general agent or TPA is handling the billing and the premium collection then the carrier would not have all the information on their side unless the carrier has received the eligibility file from the exchange so there could be conflicting information depending on the timing of the eligibility file. He commented that his understanding is that the purpose of the RFP is to find a TPA vendor to collect and remit premiums. Ms. Hailegeberel responded that there will be more information regarding this issue during the MHBE's calls with the carriers including which files are transferred between the exchange and carriers. She will add Mr. Rachesky to these calls in the future.

Mr. Ganesan showed what the employer will be able see on the MHC-SB dashboard regarding cost, plan information, enrollment, minimum participation, and quote history. He then showed the employee dashboard with information regarding cost, deductible amount, and the provider directory.

Mr. Rachesky complimented the design of the portal. He noted that the goal of the Committee last year was to lower the uninsured population in Maryland and asked what happens when a group does not meet the participation requirements. Mr. Ganesan responded that the dashboard will clearly indicate the next steps that the employer must

take, for example how many employees need to enroll to meet the minimum participation requirement. Ms. Hailegeberel added that a group that cannot afford coverage or cannot meet the participation requirements can go the individual exchange, but this will require assistance from a broker to walk them through the options on the individual exchange because a group would not be able to do it on their own. Mr. Ganesan showed how the dashboard will display that more employees need to enroll in a plan to meet the minimum participation requirement. Mr. Rachesky asked if there will be a link to educate employers on other opportunities such as the individual exchange if they do not meet the minimum participation requirement. He commented that not all brokers will be able to provide assistance with exploring other options outside the SHOP. Ms. Hailegeberel responded that this is a good suggestion that she will provide to the IT and requirements team for consideration.

Glenn Arrington commented that as brokers who work with a large variety of groups including large groups, small groups, and the individual market, the broker dashboard in the portal should inform brokers of the options available outside of SHOP such as the individual exchange and Individual Coverage Health Reimbursement Arrangements (IHRAs) because some brokers may not be well informed of the possible options.

Mr. Arrington asked whether Mr. Ganesan helped develop the DC exchange. Mr. Ganesan responded that he was not worked with the DC exchange or federal exchange, but he is familiar with them.

Daniel Koroma asked if the MHC-SB portal will be compatible with mobile devices. Mr. Ganesan responded that the portal is mobile responsive, but the IT team is still determining which features should be included in the mobile version of the portal. Mr. Koroma then asked about the percentage of functionality available for mobile devices compared to a desktop. Mr. Ganesan responded that tablets will have 100% functionality, but the functionality level for mobile devices has not been determined yet.

Ms. Gonzales asked whether employees who waive or decline coverage count against the minimum participation. Ms. Hailegeberel responded that employees with a valid waiver do not count against participation. Mr. Frank commented that employers will still be required to collect waiver information from their employees. Ms. Gonzales asked about the documentation of an employee's waiver of coverage. Ms. Hailegeberel responded that when an employee logs into their account to select or waive coverage, they can select the reason for waiving coverage and exchange will collect an attestation that the information provided is true and accurate. The employee would not be required to submit additional information.

Ms. Gonzales asked about who is responsible for renewals. Ms. Hailegeberel responded that she will address this issue later in the meeting, but the system will include an auto-renewal feature. The group can choose not to enable the auto-renewal feature and then will have to manually enroll in coverage at the end of the year.

Mr. Rachesky asked if a carrier's health or wellness initiatives will be communicated through the portal. Mr. Ganesan responded that he will follow up with Mr. Rachesky on what information he thinks should be included on the portal. Ms. Hailegeberel asked if having a tab with information on carriers' wellness initiatives would be sufficient. Mr. Rachesky responded that this would be helpful, but it would need to clearly display which initiatives are available for each plan. Ms. Fabian-Marks added that on the individual exchange, carriers can provide a link where consumers can access more information which cannot be included on the benefit comparison in the individual portal so that is a possible option. Eugene Poole recommended calling it ancillary coverage instead of wellness initiatives and suggested that it may not be needed in the initial launch but could be added later. Ms. Gonzales commented that the wellness initiatives are more an add-on than ancillary coverage and suggested that carriers and brokers should also be providing information on wellness initiatives to employers.

MHC for Small Business Policy

Ms. Hailegeberel began with an overview of the policy for crosswalked plans and auto-renewals. Crosswalked plans are plans that are identified as similar or comparable to an individual's existing plan. Currently, individuals are given the option to choose a new plan from the crosswalked options provided by the carrier. This allows them to maintain coverage while accommodating changes in cost-sharing. Ms. Hailegeberel asked whether members would support MHBE proposing that carriers offer the same plans for a minimum of two years to minimize disruptions to small businesses and to provide stability and continuity, particularly for their most popular plans.

Mr. Poole commented that he thinks the proposed policy is a good idea. He noted that carriers may discontinue plans for a variety of reasons, and they often provide similar plans to enrollees at renewal. He also noted that for individuals who lose Medicaid coverage and enter the individual exchange, there are cross-walked qualified health plans (QHPs) available. Mr. Poole reiterated that he thinks it is a great idea to have crosswalked plans to minimize disruption.

Rob Cohen commented the two-year minimum requirement for plans could be good for consumers but could also raise rates.

Mr. Walters commented that the two-year minimum requirement could be difficult for carriers because deductibles and rates change yearly, so, in the long run, costs could be more expensive for consumers.

Ms. Hailegeberel explained that during the last Committee meeting, there was discussion about the number of plans allowed in each metal tier for SHOP. At the time of the discussion, each carrier was allowed to offer four plans per metal tier. Ms. Hailegeberel provided an overview of a table displaying the number of small group plans offered by each carrier on the exchange in 2024 and then a table showing the carriers' plans by metal tier. She explained that this is background information for a regulation change that came out of the 2022 Affordability Workgroup. Ms. Hailegeberel reported that a proposed amendment to COMAR 14.35.15.08C would have limited

carriers to three plans per metal level instead of four as recommended by the 2022 Affordability Workgroup to address consumer choice overload during plan shopping. Ultimately, the MHBE submitted comments to the attorney general arguing that limiting SHOP market plans to three per metal level is unnecessary because “choice overload” is not a problem in the SHOP market, which is broker focused. This change back to the status quo is in alignment with federal regulations. Ms. Fabian-Marks commented that the final version of the amendment does include four plans per metal level.

Mr. Frank commented that if the three-plan maximum went into effect, then seven or eight plans would be eliminated based on the previous table showing small group plans by carrier and metal level.

Ms. Hailegeberel explained that a proposed amendment to the regulations for the employee choice model (COMAR 14.35.18.06) would allow employers to select all four metal tiers for employees instead of two consecutive metal tiers, has received public feedback. In response to comments, the MHBE is conducting additional market analysis and stakeholder discussions to carefully assess the implications of altering the employee choice model requirements. During public feedback, concerns were expressed about potential increased risk selection leading to higher premiums in the small group market, potentially reducing SHOP exchange appeal to carriers.

Discussion

Mr. Frank commented that the employee choice model was not addressed during the presentation on the MHC-SB enrollment portal design. He noted that it is unique to the SHOP and how the employee choice model is displayed on the portal is a critical issue. Mr. Frank added that the employee choice model has not been a popular option at this point because there is not a good vehicle for a small employer to adopt. Ms. Hailegeberel will provide an example of how the employee choice model is displayed on the portal at the next Committee meeting.

Mr. Arrington agreed with Mr. Frank that all of the products available through the employee choice model may be a lot for a small employer to handle. Mr. Arrington recommended using widgets on the portal to display the relevant value-added services for carriers.

Mr. Arrington commented that he loves the approach of the Pennie exchange that links the national producer number to applications from the beginning, which is more efficient than the individual market, where the broker is not always linked to an individual's application.

Mr. Poole agreed that the Pennie system works well. He also asked for the contact information for the other SBPAC members. Ms. Hailegeberel responded that she will send out the contact information for all the members.

Allison Mangiaracino with Kaiser Permanente asked for clarification regarding the proposal that carriers offer the same plans for a minimum of two years, specifically

whether it is the same plan portfolio or same benefits and rates for two years. Ms. Hailegeberel responded that the initial thought process was that the benefits would stay the same, but the rates could change. Ms. Mangiaracino commented that a carrier may need to change benefits if the plan falls outside the actuarial value range.

Mr. Arrington commented that carriers change deductibles and rates every year so it would be difficult to promise consumers that plans would be locked in for two years.

Public Comment

None offered.

Adjournment

The meeting adjourned at 2:32 PM.

Chat Log

00:00:16

Makeda Hailegeberel -MHBE-: Meeting is being recorded.

00:04:12

Makeda Hailegeberel -MHBE-: Please mute yourself if you are not speaking.

00:07:50

Scott Brainard: here mi not working

00:07:54

Scott Brainard: mic

00:07:57

Scott Brainard: sorry

01:17:17

Scott Brainard: not at this time