

FLORIDA HEALTH CHOICES
BOARD OF DIRECTORS MEETING
July 29, 2011

CONSENT AGENDA

These items are considered routine and are enacted by one motion. There will be no separate discussion of these items unless removal of the item from the Consent Agenda is requested by a Board Member for full Board discussion. If such a request is made, the item will be pulled from the Consent Agenda and placed on the Regular Agenda. Board Members will receive the Consent Agenda in advance of each board meeting. Supporting documents for each items listed on the Consent Agenda are behind each reference tab number.

Consent Item (1)

Page (3)

Approve Minutes of the Board of Directors Meeting – May 20, 2011

Summary: The Florida Health Choices Board of Directors met on Friday, May 20, 2011 in Tallahassee, Florida. The agenda included a treasurer's report, a status report from North Highland on the progress being made, an update from the 2011 legislative session, and a summary of the Solicitation of Interest.

Consent Item (2)

Page (7)

Approve Minutes of the Vendor Steering Committee – June 21, 2011

Summary: The Florida Health Choices Vendor Steering Committee met on Tuesday, June 21, 2011 in Tallahassee, Florida. The agenda included developing a committee charter, an update from Florida Health Choices CEO on recent events including the 2011 legislative session and vendor interest, a summary presentation on lessons from the State of Utah, and establishing workgroups.

Consent Item (3)

Page (11)

Approve Minutes of the Vendor Steering Committee Workgroup #1 – July 11, 2011

Summary: The Vendor Steering Committee Workgroup #1 met on Monday, July 11, 2011 in Tallahassee, Florida. The agenda included discussing the elements of a pilot program and value proposition of the proposed pilot.

Consent Item (4)

Page (12)

Approve Minutes of the Vendor Steering Committee Workgroup #1 – July 18, 2011

Summary: The Vendor Steering Committee Workgroup #1 met on Monday, July 18, 2011 in Tallahassee, Florida. The agenda included discussing elements of a pilot program and the value proposition of the proposed pilot.

Approve Minutes of the Agent Steering Committee – July 20, 2011

Summary: The Agent Steering Committee met on Wednesday, July 20th in Palm Beach in conjunction with the National Association of Insurance and Financial Advisors annual conference. The group reviewed recent activity of the corporation and heard input from Utah on their experience in building a small-business marketplace.

FLORIDA HEALTH CHOICES, INC.

Meeting of the Board of Directors

11:00 a.m. Friday, May 20, 2011
Hilton Miami Airport
5101 Blue Lagoon Drive, Miami, Florida

MINUTES

Board Members Present:

Aaron Bean, Chair
Walter Nason, Treasurer (By Phone)
Steve Marin, Director
David Medvedeff, Director (By Phone)
Durell Peaden, Director (By Phone)
Theresa Welles, Director (By Phone)
Liz Dudke, Ex-Officio
Michelle Robleto, Ex-Officio

Board Members Absent:

Sherri Meadows, Vice Chair
Becky Cherney, Director
Scott Edinger, Director
Cynthia Fuller, Ex-Officio

Others Present:

Wilbur Brewton, Brewton Plante
David D., 411 4 Benefits
Gina Evans, Brewton Plante
Mark Granholm, Ceridian
Aaron Groffman, The Ignition Group
Manny Hernandez, North Highland
Tony Martley, Agent Steering Committee Member
Lauren McCarthy, Florida Health Choices
Laura McMullen, The Ignition Group
Javier Mendoza, AvMed Health Plans
Rose Naff, Florida Health Choices
Scott Rainey, North Highland
Mark Reinisch, Ceridian
Joe Rogers, Brevard Health
Michael Schlossberg, Broward Assoc. of Health Underwriters
Michael Schooley, Connecture

Gerald Sternstein, Care Access Health Plan
Chuck Stout, Agent Steering Committee Member
Ted Toddei

Welcome and Introductions

Lauren McCarthy called roll, and with a quorum present Chair Aaron Bean welcomed everyone to the meeting of the Florida Health Choices Board of Directors.

Consent Agenda

Lauren McCarthy presented the consent agenda. There were no questions.

MOTION: Approve consent agenda. Adopted without objection.

Old Business

Wilbur Brewton, general counsel to Florida Health Choices, reported that all contract issues discussed at the March 25, 2011 meeting have been resolved. There are currently no outstanding issues with the third party administration contract or the contract for the independent project management office.

Report from Finance & Audit Committee

Walter Nason, Florida Health Choices Treasurer, presented the standard financial reports and reported no issues of concern.

Funds were moved to increase the balance of the money market account at Premier Bank as well as funds deposited into the new TD money market account. This will give the corporation the opportunity to earn interest on dollars not budgeted at this time. All accounts at Premier Bank, Capital City Bank, and TD Bank are within the FDIC limits and fully insured.

Florida Health Choices will be receiving a refund from the IRS as a tax credit for hiring new employees in 2010. These funds will be deposited into the Premier Bank checking account.

MOTION: Adopt financial reports. Financial reports were adopted as presented.

2011 Legislative Update

Rose Naff gave a report on the two pieces of legislation that passed the Florida House of Representatives and the Florida Senate. One will give the corporation the ability to protect the personal identifying information of program participants. The second piece of legislation was to correct some conflicts within the 2008 law, grant the corporation some flexibility in designing the program, creates the ability to share information with Kidcare programs.

Independent Project Manager's Report on Project Status

Scott Rainey of North Highland gave a report on the progress of Ceridian. Rainey explained that the project was moving forward, and there are no major concerns at this point. There have been some

adjustments in the calendar and expected milestone completion, but this is normal in projects of this size and they will continue to monitor.

There were two representatives present from Ceridian, but there were no questions for either North Highland or Ceridian.

Vendors and Offerings

Florida Health Choices issued a Draft Solicitation of Interest and received several non-binding letters of interest. Vendors were given a period to review the draft document and submit questions and/or comments.

Rose presented proposed program policies surrounding open enrollment periods. There were no questions from members of the board of directors.

MOTION: Adopted 60-day Enrollment Periods Applying to Risk-Bearing Products Only. Motion adopted without objection.

The Florida Health Choices statute requires the corporation to certify vendors. This is a procedure that needed to be developed and adopted by the corporation staff and board of directors. Naff explained the proposed vendor certification process for risk-bearing and non-risk-bearing vendors.

MOTION: Adopt Vendor Certification Process. Motion adopted without objection.

At a previous board meeting Quick Start Qualifying Life Events were adopted, but through further program and policy developments, revisions to the original document were identified. The changes are reflected on the document that was provided in the meeting packet.

MOTION: Adopted Revised Quick Start Qualifying Events. Motion adopted without object.

A Vendor Participation Agreement is being drafted, and in response to comments from the draft SOI, the draft document will be incorporated into the final SOI. The board of directors will vote on the final agreement at a future meeting.

On Thursday, May 19, 2011 three interested vendors attended discovery conferences. These informal meetings were to provide the vendors with a chance to learn about the process they will participate in when including their product on the Florida Health Choices portal. Ceridian was present to explain how plans would be loaded and verified into the portal, and the corporation was available to answer any questions of the program.

Florida Health Choices staff will publish the final Solicitation of Interest taking into consideration comments by vendors, changes in law passed during the 2011 session, and actions taken by the board at the board meeting on May 20, 2011.

Executive Director's Report

Rose Naff gave a brief update on recent and upcoming activities for the corporation. Rose is scheduled to meet with Michael Garner, chair of the Vendor Steering Committee, to schedule a meeting of the committee as well as develop an agenda for the meeting.

Staff will prepare an Invitation to Negotiate for Evaluation Services and solicit the interest of Florida's research universities in working cooperatively in identifying potential grant funding for evaluation efforts and to construct the data warehouse necessary to support evaluation activities.

During the previous week Rose attended a meeting regarding the Utah health insurance marketplace. The Utah model is similar to Florida Health Choices. Utah credits much of their success on the active participation of insurance agents and state officials shared lessons learned while launching the program there.

Next Meeting

The next meeting will be held in St. Petersburg at the Ceridian campus on Friday, July 29th. The meeting was adjourned at 12:00 p.m.

FLORIDA HEALTH CHOICES, INC.

Meeting of the Vendor Steering Committee

10:00 a.m. Tuesday, June 21, 2011
Florida Association of Health Plans
200 West College Avenue, Tallahassee, Florida

MINUTES

Committee Members Present:

Sherry Baker
Glenn Baker, via phone
Holly Benson, via phone
Michael Garner
Chip Kenyon
Javier Mendoza, via phone
Joe Rogers, via phone
Joy Ryan
David Schandel, via phone

Committee Members Absent:

Les Beitsch
Vincent DiBenedetto
Darcy Gartner
Tom Glennon
Carlos Lacasa
Tim Love
Lourdes Rivas

Others Present:

Bobby Bernal, United
Jim Bracher, Florida Association of Health Plans
Jimmy Card, Preferred Medical
Cynthia Fuller, Office of Insurance Regulation
RH Hahn, Coventry
Manny Hernandez, North Highland
Lauren McCarthy, Florida Health Choices
Rose Naff, Florida Health Choices
Bruce Platt, Akerman Senterfitt
Sheryl Rosen, Akerman Senterfitt
Mary Beth Senkewicz, Office of Insurance Regulation
Ken Stevenson, Earl Bacon Agency

Welcome and Introductions

Chair Michael Garnet welcomed everyone to the meeting of the Vendor Steering Committee, and asked everyone in the room and on the phone to introductions. Mary Beth Senkewicz, Deputy Commissioner at the Office of Insurance Regulation was introduced to speak to the group.

Remarks by the Office of Insurance Regulation

Mary Beth Senkewicz explained that her office is supportive of the program, and willing to assist in making Florida Health Choices successful. Senkewicz referenced the good working relationship that she has with corporation staff. She went on to explain that Florida Health Choices has the ability to build the practices and guidelines for the corporation, and that the Office of Insurance Regulation recognizes the unique statutory status of the marketplace provided in 408.910, Florida Statutes.

There were no questions for Deputy Commission Senkewicz at this time. Chip Kenyon of Blue Cross Blue Shield did comment that as the group works to build Florida Health Choices questions will probably come up, and the offer of assistance is appreciated.

Committee Charter

Chair Garner asked Rose Naff, CEO of Florida Health Choices, to present the draft Vendor Steering Committee Charter. There were the following edits requested by the group:

1. Page 1 of 3 under Purpose of the Steering Committee remove the word "Approval" from "Approval Responsibilities"
2. In the first sentence under "Approval Responsibilities" change the sentence to read "The Steering Committee reviews major project elements such as:"

MOTION: Approve changes #1 and #2 to the Vendor Steering Committee Charter. Motion by Joy Ryan, second by Sherry Baker. Approved unanimously.

3. Steering Committee Membership – Add Preferred Medical as a member of the Vendor Steering Committee as the appointment was recently made.

MOTION: Approve change #3 to the Vendor Steering Committee Charter. Motion by Michael Garner, second by Joy Ryan. Approved unanimously.

4. The group suggested the addition of an anti-trust statement to the Vendor Steering Committee Charter. Staff will work with Bruce Platt of Akerman Senterfitt on the appropriate language to include.

MOTION: Approve the addition of anti-trust language as discussed . Motion by Chip Kenyon. Approved unanimously.

5. Under the subsection Out of Scope, change the 3rd bullet to read “Pending legislation other than that related to Florida Health Choices.”

MOTION: Approve change #5 to the Vendor Steering Committee Charter. Motion by Chip Kenyon, second from Joy Ryan. Approve unanimously.

2011 Legislative Changes

Rose Naff reviewed the changes to the Florida Health Choices statute that took place during the 2011 legislative session. As of the meeting both pieces of legislation were with the governor’s office awaiting his signature.

Chair Garner asked if there was anything in the legislation that would require state agency rule-making. Rose explained that all program elements are subject to approval from the board of Florida Health Choices. The corporation has no rule making authority as it is not provided status as a state agency.

Draft Solicitation of Interest

The draft Solicitation of Interest went out geared towards individual products, but the portal is currently being built towards a group product format. This conflict is a decision that the Florida Health Choices Board of Directors is going to have to work through.

The Vendor Steering Committee expressed interest in forming a workgroup to review the next version of the Solicitation of Interest prior to it being released.

Vendor Interest

In the first version of the draft Solicitation of Interest, vendors were given the option of submitting a non-binding letter of interest. The Vendor Steering Committee was provided with a list of companies that chose to submit such a letter of interest.

Discovery Conferences

The conferences took place in Miami prior to the May meeting of the Board of Directors. This was a chance for vendors to ask questions of Florida Health Choices and the third party administrator. The Vendor Steering Committee was provided with a copy of the on-boarding timeline to help illustrate what the vendor implementation process will be like.

Lessons from Other States

Rose Naff was recently invited to attend a conference in Utah on exchanges and marketplaces around the country. The State of Utah made a presentation on their progress and lessons learned, as well as the model that they use for risk adjustment.

Naff explained to the steering committee that the Utah model started small and closed at a certain participation level to work out the problems and make changes to improve the program. They have reopened the program after some experience and legislative changes. They received three times the

participation upon opening the program this past January. Small businesses of 2 to 50 employees are supported in Utah. There is a 75% participation requirement of employees who work 30 hours or more weekly, and an employer contribution is optional.

Marketplace Proposals

Several marketplace proposals, policies, etc. were presented to the group.

Workgroups

The Vendor Steering Committee will create two workgroups. Workgroup number one will develop a viable small group pilot and a second group will assist in developing the final Solicitation of Interest. If steering committee members are interested in participating in one or more workgroups, or have expertise in their offices to offer, they were asked to contact Rose Naff directly. Naff will get a notice of additional meetings out to steering committee membership.

With no further business the meeting was adjourned at 11:52 a.m.

FLORIDA HEALTH CHOICES, INC.

Meeting of the Vendor Steering Committee

Workgroup #1

Monday, July 11, 2011 at 1:30 p.m.
Florida Association of Health Plans
200 West College Avenue, Tallahassee, Florida

MINUTES

Workgroup Members Present:

- Sherry Baker, via phone
- Heather Grzych, via phone
- Bob Heitman, via phone
- Chip Kenyon, via phone
- Javier Mendoza, via phone
- Lourdes Rivas, via phone

Others Present:

- Jim Bracher, Florida Association of Health Plans
- Manny Hernandez, North Highland
- Kevin Lee, Blue Cross Blue Shield of Florida
- Lauren McCarthy, Florida Health Choices
- Rose Naff, Florida Health Choices
- Christine Sexton

Welcome and Introductions

Rose Naff, CEO of Florida Health Choices, welcomed everyone to the meeting and thanked workgroup members for participating.

Discuss Possible Pilot Elements

Prior to the meeting corporation staff distributed a matrix of program options to launch the discussion. Workgroup participants accepted an invitation to work off of an initial draft proposal distributed after the meeting commenced. The members discussed the proposal section by section, and gave further suggestions and feedback. Rose agreed to get legal advice on some elements, and update the document with the suggested changes or clarifications.

Next Steps

The proposal will be updated and the group will meet again the follow Monday to discuss the second draft.

FLORIDA HEALTH CHOICES, INC.
Meeting of the Vendor Steering Committee
Workgroup #1

Monday, July 18, 2011 at 1:30 p.m.
Florida Association of Health Plans
200 West College Avenue, Tallahassee, Florida

MINUTES

Workgroup Members Present:

- Sherry Baker, via phone
- Bob Heitman, via phone
- Kevin Lee, via phone
- Heather Grzych, via phone
- Javier Mendoza, via phone
- Lourdes Rivas, via phone

Others Present:

- Jim Bracher, Florida Association of Health Plans
- Lauren McCarthy, Florida Health Choices
- Rose Naff, Florida Health Choices

Welcome and Introductions

Rose Naff, CEO of Florida Health Choices, welcomed everyone to the meeting and thanked the workgroup members for participating.

Discuss Possible Pilot Elements

The pilot program draft matrix was updated since the prior meeting and had been redistributed to the group for their further review. The group confirmed section by section the updated proposal, and a few more questions or suggestions were noted by the group. Rose asked that all final comments be received by Wednesday, July 20th and a final draft would be circulated to the group once more. The proposal will be presented to the full Vendor Steering Committee at their next meeting currently scheduled for Monday, July 25.

FLORIDA HEALTH CHOICES, INC.

Meeting of Agent Steering Committee

10:00 a.m. Wednesday, July 20, 2011
Four Seasons Palm Beach
2800 South Ocean Blvd., Palm Beach, Florida

MINUTES

Committee Members Present:	David Russell, Chair Ken Stevenson, Vice Chair (By Phone) Jerry Ashford Bonnie Evelyn Donna Fogle Corey McMeeking Pam Mims Terri Seefeldt Charles Stout
Committee Members Absent:	Marlo DeMoss Tony Martely
Others Present:	Lauren McCarthy, Florida Health Choices Rose Naff, Florida Health Choices Dave Jackson, UHE Risk adjuster Board Ernie Sweat, Utah Health Exchange Advisory Board Julian Lago, Plastridge Insurance Joshua Dorman, Plastridge Insurance Bobbie Vetere, Plastridge Insurance Albert Espinosa, AME Insurance

Welcome and Introductions

Chair David Russell welcomed all of the committee members and guests to the meeting of the Agent Steering Committee, and asked Lauren McCarthy to call the roll.

Review Recent Events

Florida Health Choices CEO, Rose Naff, gave a summary of the changes to the Florida Health Choices statute that took place during the legislative session including changes to program policy and public records law.

A draft solicitation of interest had been issued for vendors and others to review, comment, ask questions. A list of vendors submitting non-binding letters of interest in response to the draft solicitation were provided to the Agent Steering Committee. A second version of the solicitation of interest will be issued in the near future which will include proposed program rules, the vendor participation agreement and a uniform application for health coverage and health services.

Ceridian, along with Florida Health Choices, held Discovery Conferences for a few vendors who submitted letters of interest in response to the solicitation of interest. These were informal conversations to explain to the vendors what the process would be to onboard their products, and a chance for the vendors to ask any questions about this process.

At a previous meeting of the Agent Steering Committee a Terms & Conditions document for participating agents was drafted and approved. This document has gone to the Florida Health Choices Board of Directors for approval, and was provided back to the Agent Steering Committee for their information in its final form.

Lessons From Another State

Rose Naff recently traveled to Utah to learn how that state set up its marketplace. Rose gave a presentation on the manner in which the program operates, how they started, the uniform application, how risk adjustment is managed, etc.

Two guests joined the meeting via conference call, Ernie Sweat who participates on the Utah Health Exchange Advisory Board and David Jackson who participates on the UHE Risk Adjuster Board. Both of these guests gave information and answered various questions from their different perspectives of the program.

Next Steps

Rose explained that the Vendor Steering Committee formed a workgroup to prepare recommendations for a viable small group pilot program. The resulting outline will be recommended to the board of directors as a frame work for a pilot program enabling the corporation to have a period of time to test the program and allow the vendors to become comfortable with the process. A final recommendation is pending before the full vendor steering committee on the following Monday. Rose explained the various proposed elements which includes a uniform, on-line application, for participants. This proposal will be recommended by the workgroup on Monday to the Vendor Steering Committee as a whole, and then provided to the board at their Friday, July 29th meeting for review.

The meeting of the Agent Steering Committee was adjourned at 12:00 p.m.