

FLORIDA HEALTH CHOICES
BOARD OF DIRECTORS MEETING
July 18, 2012

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 (2)

Approve Minutes of the Board of Directors Meeting –May 25, 2012

Summary: The Board of Directors met on May 25, 2012, in Tallahassee, Florida. Members reviewed the corporation budget, were provided a summary of the Third Party Administration Services, and discussed awarding a new contract for services.

Consent Item (2)

Page (5)

Approve Minutes of the Executive Committee Meeting –May 29, 2012

Summary: The Executive Committee met on May 29, 2012, in Tallahassee, Florida and via phone to discuss a financial plan moving forward with the third party contract award winner.

Consent Item (3)

Page (7)

Approve Minutes of the Vendor Mini-Conference –June 28, 2012

Summary: Interested vendors met in Tampa, Florida on June 28, 2012. The vendors were shown a demonstration of the user experience and received an update on the implementation schedule and the 2012 Solicitation of Interest. The Vendor On-Boarding process, Pathfinder requirements, Customer Contact Center, and Evaluation of the marketplace were discussed.

Consent Item (4)

Page (10)

Approve Minutes of the Agent Steering Committee –July 10, 2012

Summary: The Agent Steering Committee met via internet and in Tallahassee, Florida on July 10, 2012. The agents were shown a WebEx demonstration on the user experience and were updated on the implementation schedule. Agent/pathfinder policies were reviewed.

FLORIDA HEALTH CHOICES, INC.

Meeting of the Board of Directors

11:00 a.m. Friday, May 25, 2012
Florida Health Choices
200 West College Avenue, Tallahassee, Florida

MINUTES

Board Members Present: Aaron Bean, Chairman (via phone)
Sherri Meadows, Vice Chair (via phone)
Walter Nason, Treasurer (via phone)
Steve Marin, Director (via phone)
Durell Peaden, Director (via phone)
Laura Rumph on behalf of Elizabeth Dudek, Ex-Officio
Barbara Crosier, Ex-Officio (via phone)

Board Members Absent: Becky Cherney, Director
Cynthia Fuller, Ex-Officio
Theresa Welles

Others Present: Sherry Baker, Aetna
Wilbur Brewton, Brewton Plante
Adam Dunn, Florida Health Care Plans
Donna Fogle, The Bailey Group
Johnny Gonzalez, Xerox
Manny Hernandez, North Highland
Lauren McCarthy, Florida Health Choices
Pam Mims, Florida Health Care Plans
Rose Naff, Florida Health Choices
Scott Rainey, North Highland
Carla Salario, Xerox
Chris Schoonover, Capital City Consulting
Kevin Walsh, Xerox

Welcome & Introductions

Chair Aaron Bean welcomed everyone to the Florida Health Choices board of directors meeting, and moved into the agenda.

Old Business

The corporation's treasurer, Walter Nason, presented the 2011 Financial Review that was reviewed at the previous board of directors meeting. There were no significant changes since the last meeting, and Mr. Nason had no unusual finding or items of concern.

MOTION: Adopt the 2011 Financial Review. Motion adopted without objection.

Consent Agenda

The consent agenda was presented.

MOTION: Adopt the Consent Agenda. Motion adopted without objection.

Treasurer's Report

Walter presented the standard financial reports, and informed the members that the spending was currently below budget.

MOTION: Adopt the Financial Reports. Motion adopted without objection.

Walter Nason asked Rose Naff to present the budget amendment. There was an increase in budget to line #32 for Third Party Administration Services that would be discussed in further detail later in the budget, and an increase in the dollars budgeted for legal services. The increase reflects the need for funds for an outstanding invoice with Brewton Plante for the negotiations in the separation from the Ceridian contract.

MOTION: Adopt budget as amended. Motion adopted without objection.

The corporation saw a need to acquire a new banking relationship for the management of premium dollars. During a previous review, Bank of America was found have the ability to provide all services needed at a good value for the corporation. (Walter Nason removed himself from discussion and voting due to business conflict.)

MOTION: Adopt Bank of America as the premium account. Motion adopted without objection.

Moving Forward

Rose Naff spoke about the inclusion of agents in the Florida Health Choices program. Agents will be eligible to participate, but may prefer receiving CEU credit to participate. This sets them apart from other agents, and they will be classified as Pathfinders in the Florida Health Choices program. Pathfinders will be participating in outreach as well as education of the small business interested in obtaining insurance through the program.

Third Party Administration Services

Rose presented several slides explaining the information reviewed over several weeks from Third Party Administration vendors, the components that each of the companies offered in the solution, and schedules. After an extensive review the corporation recommended Xerox with their partner CHOICE Administrators as the vendor demonstrating the capabilities needed for the marketplace.

Chairman Bean pointed out that while the contract dollars are large, the vendor is willing to risk much more financially than they are asking of the corporation.

While Walter Nason had some concern over the financial requirements on Florida Health Choices he is willing to discuss the approach. Sherri Meadows recognized Mr. Nason's concern, but also acknowledged that we must move forward at this point in order to get anywhere.

MOTION: Durell Peaden motioned to approve a contract award to Xerox without including the proposed Attachment F. Motion adopted without objection.

MOTION: Durell Peaden also motioned to delegate authority to the treasurer and the Executive Committee to continue negotiation of Attachment F and approve same. Motion adopted without objection.

Executive Report

Ms. Naff mentioned that the contract with the University of Florida Institute for Child Health Policy was revised to include a new timeline. This will conform the evaluation contract to the new implementation schedule.

Florida Health Choices is also working on a partnership with the Florida Department of Children and Families to make people aware of public programs that they may be eligible for.

There was a change to the board meeting calendar to align the September meeting with the Florida Association of Health Plans annual meeting in Miami.

The next meeting will be held in Orland in conjunction with the Florida Association of Insurance and Financial Advisors.

With no further business the meeting was adjourned at 11:40.

FLORIDA HEALTH CHOICES, INC.

Meeting of Executive Committee

12:00 p.m. Tuesday, May 29, 2012
Florida Health Choices
200 West College Avenue, Suite 203, Tallahassee, Florida

MINUTES

Board Members Present: Aaron Bean, Chairman (via phone)
Sherri Meadows, Vice Chair (via phone)
Walter Nason, Treasurer (via phone)

Others Present: Wilbur Brewton, Brewton Plante
Kate Brown, Xerox
Johnny Gonzalez, Xerox
Lauren McCarthy, Florida Health Choices
Rose Naff, Florida Health Choices

Chair Bean began the meeting explaining that Treasurer Nason had been reviewing Attachment F and negotiating final terms with Xerox. This was a decision of the board meeting on the previous Friday.

Walter Nason explained that while he did not have concern over Xerox and their ability to fulfill the contract, he had requested more time to understand the financial obligations of the contract.

It was explained that \$4.6 million in development costs can stay outstanding until there is an alternative funding source located, but that the fixed fee was of concern. Xerox was willing to negotiate this expense, but making only half of the fixed fee payable, and recovering the remaining balance of the fixed fee with .75% of premium collections.

Given estimated calculations it could take several years for Xerox to recover all of the billable dollars, but they are willing to keep the amount current while Florida Health Choices works to pay each month.

Rose Naff was asked if there were any comparable states procuring the same services and the cost and payment structure of these services. Rose cited two states, one on the low end and one on the high, but both states have very different demographics and programs so they are not necessarily a good comparison. Rose explained that Xerox, the Treasurer, General Counsel and staff have negotiated throughout the weekend and they are comfortable with the payment terms that they have come to.

Wilbur Brewton, general counsel to Florida Health Choices, was involved in all negotiations and felt that we were at a point where it was comfortable for the corporation to move forward in approving the fees and payment structure associated with the contract.

MOTION: Adopt the fees and payment structure set forth in Attachment F of the Xerox contract.

Motion adopted unanimously.

Meeting was adjourned.

FLORIDA HEALTH CHOICES, INC.

Vendor Mini-Conference

8:00 a.m. Thursday, June 27, 2012

Doubletree Hotel

3050 North Rocky Point Drive West, Tampa, Florida

MINUTES

Committee Members Present:

Sherry Baker, Aetna
Robert McDonald, Argus Dental Plan
Chip Kenyon, Blue Cross Blue Shield of Florida
Tom Glennon, Capital Health Plan
Michael Garner, Florida Association of Health Plans
Glenn Baker, United Healthcare of Florida

Committee Members Absent:

Joy Ryan, America's Health Insurance Plans
Javier Mendoza, AvMed Health Plans
Joe Rogers, Broward Health
Holly Benson, Centene Corporation
Vincent DiBenedetto, Consumer Health Alliance & Coverdell
Darcey A. Gartner, Coventry Health Care of Florida, Inc.
Josh Babyak, Dentalplans.com
Lourdes Rivas, DentaQuest
Les Beitsch, FSU School of Medicine
Greg Mellowe, Florida C.H.A.I.N.
David C. Schandel, Florida Health Care Plans
Tim Love, Humana
Scot Giambruno, Liberty Dental Plan of Florida
Alberto Arca, Preferred Medical Plan

Others Present:

Angel Cuervo, Argus Dental Plan
Jennette Harshman, Argus Dental Plan
Steve Nguyen, Blue Cross Blue Shield of Florida
Jerry Sternstein, Care Access Health Plan
Suzanne Dowling, Care Access Health Plan
Rita Angel, CHOICE
Joe de la Cruz, CHOICE
Chad Hogan, CHOICE

Tamra Reise, CHOICE
Todd Smiley, CHOICE
Lety Rodriguez, Consult-A-Doctor
Alfredo Franco, Consult-A-Doctor
Paulette Blinn, Delta Dental
Jacob Costa, Florida Health Care Plans
Sherri Hutchinson, Florida Health Care Plans
Cyndi Martinez, Florida Health Care Plans
Pam Mims, Florida Health Care Plans
Rose Naff, Florida Health Choices
Laura Schaecher, Florida Health Choices
Jacqueline Baron-Lee, Institute for Child Health Policy
Callison Brakefield, MCNA Dental Plan
Johnny Gonzalez, Xerox
Greg Vitiello, Xerox

Welcoming Remarks

Rose Naff welcomed vendors and key leaders from CHOICE Administrators and Xerox to the meeting.

Shop and Compare User Experience

Vendors were provided with a web demonstration of the user experience when shopping the marketplace from the perspective of both employees and employers. Vendors were invited to ask questions throughout the demonstration. Participation requirements, paperless invoicing, enrollment files, and payment files were discussed.

Implementation Schedule

The implementation schedule was reviewed. The schedule is aggressive but on target. In September 2012, representative rates and benefits will be loaded for employers and agents to preview how to shop and compare sample rates. Agent open enrollment will begin. In October, the customer contact center will go live, and there will be an employee upload so that employees can begin signing up for benefits effective January 1, 2013. Integration testing of risk-bearing dental vendors and products will also take place. In December, enrollment transmissions to vendors for effective coverage 1/1/2013 will begin, as well as payments to vendors. There will be a quarterly cycle for on-boarding vendors.

2012 Solicitation of Interest

The SOI was reviewed and revisions regarding vendor responsibilities, participation agreement, the grievance process, and retainment of records were discussed. Further revisions are forthcoming.

Vendor On-Boarding Parts I, II, and III

Vendors were provided with flow charts detailing each step in the process, starting with Initial Risk-Bearing Vendor Certification and Vendor Engagement and Data Collection. Process step actors and key contacts were identified. Vendors were also provided with a detailed calendar for July, Medical Plan

Submission Instructions for a small group data model, a Health Benefit Example Grid, and a Sample Invoicing & Renewal Calendar. Vendors were invited to ask questions and provide feedback.

Agent/Pathfinder Requirements

The process by which agents can become Pathfinders to guide participants was reviewed. Agents must complete training within 90 days. It was recommended that there be no fee for agents to become registered Pathfinders and enter the marketplace.

Contact Center

The Customer Contact Center will serve vendors, agents/pathfinders, employers, and employees. The Center will handle calls relating to application and renewal processing, enrollment processing, payment inquiry and processing, web portal navigation and assistance, and vendor, agent, employer, employee issue/complaint resolution. Operations, service levels, and the technology to be utilized were discussed.

Reporting and Evaluation

Jacqueline Baron-Lee from the Institute of Child Health Policy (ICHP), University of Florida, presented an overview of the evaluations to be performed for the Corporation. ICHP will provide a Data Warehouse and conduct Focus Groups in order to learn insurance agents' views on barriers to participating and strategies to enhance collaboration. Enrollment and Health Status Reports will help understand enrollment patterns and enrollee health status. Employer Analysis will characterize types of participating employers and compare participating and non-participating employers. And Health Care Use Reports will detail potentially preventable events and quality of care. The deliverable dates are flexible and will change based on the implementation schedule.

Closing Remarks

Rose Naff provided a brief summary of the major objectives going forward.

With no further business the meeting was adjourned.

FLORIDA HEALTH CHOICES, INC.

Meeting of the Agent Steering Committee

1:00p.m. Tuesday, July 10, 2012

Florida Health Choices & Via Phone & Internet

200 West College Avenue - Suite 203, Tallahassee, Florida

MINUTES

Committee Members Present:

Jerome Ashford
Donna Fogle
John Lacy
Corey McMeeking
Pam Mims
D. David Russell
Terri Seefeldt
Kenneth Stevenson
Charles Stout

Committee Members Absent:

Marlo DeMoss
Bonnie Hauck Evelyn
Tony Martely

Others Present:

Joe de la Cruz, CHOICE
Jim Bracher, FAHP
Christine Jordan Sexton, Health News Florida
Beth Carter, Xerox
Johnny Gonzalez, Xerox
Mark Roberts, Careington
Rose Naff, Florida Health Choices
Laura Schaecher, Florida Health Choices
Wilbur Brewton, Brewton Plante, P.A.
Aaron McWilliams
Adam Dunn, FHCP
Amy Kurella
Angel E. Cuervo
Angela Meadows
Buddy Johnson
Carol Gormley, Florida Senate
Chip Kenyon, BCBS

Chris Schoonover, Capital Consulting
Darcey Gartner
David Parker
Doris Graumann
Wendy Myers, FHCP
Cynthia Fuller, OIR
Greg Mellowe, CHAIN
Heidi Otway, Salter Mitchell
Jane Johnson, OPB
Jena Grignon
Jenn Stoll
Jennette
John O'Donnell
Joy Ryan, Blank Meenan
Kate Brown, Xerox
Kimberly Pugh
Leslie Dughi
Lisa Johnson
Lynne Shaw
Manny Hernandez, Northhigland
Michele Tallent, OPB
Mike Vance
Pam Mims, FHCP
Paula Cooper
Robert Morfin
Shane Thomas
Tamra Reise, Choice Administrators
Tia Mitchell, Tampa Bay Times
Toma Wilkerson
Walter Sachs

Welcome and Introductions

Chair Russell welcomed all members to the meeting.

Platform Demonstration and Implementation Timeline

Joe de la Cruz of CHOICE provided a web demonstration of the user experience when shopping and enrolling in the marketplace from the perspective of agents, employees and employers. Features of the Agent Portal were demonstrated. There is a broker portion on both the employee and employer section, and there will be the ability to input agency affiliations. Committee members were invited to ask questions throughout the demonstration. Jerry Ashford asked if one can enroll without selecting a doctor; the answer was yes. Chuck Stout inquired about the purpose of asking if the enrollee is the

primary tax filer. This is related to public program eligibility. Mr. Stout also noted that care will need to be taken with the Out-of-Pocket Calculator feature in order to ensure accuracy in relation to true costs.

Johnny Gonzalez of Xerox provided members with an overview of the implementation calendar.

Vendor Mini-Conference & Solicitation of Interest

A mini-conference for vendors was held in Tampa on June 27, 2012, to provide a web demonstration of the Marketplace experience and review the on-boarding process. The Solicitation of Interest has since been updated and is available on-line. Vendors have been asked to signal their interest by July 16, 2012 with a Letter of Interest.

Agent/Pathfinder Policies

The Committee agreed with staff's recommendation that agent fees be dropped to zero for participating in the Marketplace. Donna Fogle raised a question about appointments with a carrier. There can be the option to show only plans for companies with whom an agent is appointed in a future development cycle.

More clarification is needed regarding the ability to offer training with Continuing Education credits. Training may be provided without that option. The Proposed Agent Survey will be set aside until the Marketplace has been functional for a few months to get feedback on the user experience.

Evaluation

The Institute for Child Health Policy, University of Florida, would like to arrange for agent focus groups in August at the next proposed meeting.

Upcoming Meetings and Conferences

The next meeting of the Agent Steering Committee is proposed for August 14, 2012 in Kissimmee, Florida.

With no further business the meeting was adjourned.