

MetroPlus Health Plan, Inc.
Board of Directors Meeting
June 2, 2020

Minutes

The meeting of the Board of Directors of the MetroPlus Health Plan, Inc. (hereafter “MetroPlus or the Plan”) was held in the 12th Floor Executive Conference Room at 160 Water Street, New York, NY 10038, on the 2nd day of June 2020 at 2:30 P.M., pursuant to a notice which was sent to all the Board of Directors of the Corporation and which was provided to the public by the Secretary. The following Directors were present via video conference:

Ms. Sally Hernandez- Piñero
Dr. Talya Schwartz
Ms. Nella Lewis
Mr. Matt Siegler
Dr. Eric Wei
Mr. Christopher Roker
Mr. Lloyd Williams

Ms. Hernandez-Piñero chaired the meeting and Kathleen Nolan, Secretary to the Board, kept the minutes, thereof.

ADOPTION OF THE MINUTES

The minutes of the meeting of the Board of Directors held December 3, 2019 were presented to the Board. On a motion by Ms. Hernandez-Piñero and duly seconded, the Board adopted the minutes.

CHAIRPERSON’S REPORT

Ms. Hernandez-Piñero welcomed everyone to the first MetroPlus Board meeting of 2020. Ms. Hernandez-Piñero that Dr. Schwartz and the Executive Team had several updates for the Board and that there would be three resolutions for approval. Ms. Hernandez-Piñero asked Dr. Schwartz to present the CEO report.

CHIEF EXECUTIVE OFFICER’S REPORT

Dr. Schwartz’s remarks were in the Board of Directors packet and a copy is attached hereto and incorporated by reference.

Dr. Schwartz stated that MetroPlus started planning in February for its response to COVID-19. The Plan identified critical functions and projected paused functions. The IT Department rapidly equipped almost 930 staff to work remotely with company issued laptops and virtual desktop

infrastructure which was rolled out to allow staff to remote into their office desktop. The Plan shifted the print of Utilization Management and Claims letters to an external print vendor, eliminating dependency on printing at a specific office location. The development of the electronic timesheet for MetroPlus employees, thanks in part to John Cuda, was so well received that it is now being used by the entire New York City Health and Hospitals (NYC Health + Hospitals) workforce. Also, on the staff front, most of employees are now transitioned to direct deposit and all incoming mail is sorted, scanned and saved for departmental access.

Dr. Schwartz reported that approximately 170 MetroPlus employees were redeployed to assist with emerging needs at both NYC Health + Hospitals and Human Resource Administration (HRA). At NYC Health + Hospitals nursing and medical staff manned call centers established through 311 and 844-NYC-4NYC. Staff assisted in COVID patients follow up, food assistance, staffing Community Care hotels, onboarding new employees to NYC Health + Hospitals and telephonic outreach to over 7,000 physicians to assist with NYC Health + Hospitals volunteering. MetroPlus coordinated and donated coffee and tea delivery to acute facilities and hotels where caffeine was much needed. Staff also worked with NYC Health + Hospitals' Pediatric Ambulatory Care department to contact parents of under-immunized infants. At HRA, staff assisted with Cash Assistance and SNAP applications.

Mr. Roger Milliner, MetroPlus' Chief Growth Officer stated that, due to COVID-19, the Growth Division had to adopt many of the regulatory and program changes implemented by the New York State of Health (NYSoH) to ensure New Yorkers had easier access to healthcare/insurance during the Corona Virus Pandemic. Some of the changes that the MetroPlus Marketplace Facilitated Enrollers had to apply during the education and enrollment process included; Implementation of a Special Enrollment Period for Uninsured New Yorkers, authorization of Application Assistors to conduct Telephonic Enrollments through the New York State of Health for the Medicaid, Essential Plan, Child Health Plus and Qualified Health Plan programs, suspension and deferment (extended for four (4) months) of the renewal/recertification process for enrollees with coverage in the Medicaid, Essential Plan and Child Health Plus programs, assist with the manual Identity Proofing Process for applicants unsuccessful in being identity proofed through the on-line process, assist consumers with the download and usage of a NYSoH Mobile Upload Application to easily and securely submit documents to the Marketplace, etc.

Mr. Milliner reported that the New York State of Health (NYSoH) has extended the open enrollment period until June 15th, 2020. The NYSoH also relaxed many of the documentation and eligibility requirements in order to aid in the smooth enrollment process for consumers facing hardships during the crisis, which prompted Plan representatives to re-screen former and existing members to re-determine eligibility for a lower cost/tier line of business due to changes in income and employment status.

The NYSoH temporarily allowed Assistors to contact the NY State of Health Customer Service Center to transfer a consumers Dashboard without the consumer present on a three-way call. They also allowed consumers to estimate their Unemployment Insurance Benefit amount as proof of income while waiting to apply or in the process of applying for Unemployment Benefits. This relaxed rule related to income verification allowed MFEs to process applicants at a faster rate.

Ms. Lauren Leverich, MetroPlus' Chief Administrative Officer, provided the Board with a detailed overview of the Plan's current membership by line of business. Ms. Leverich stated that in January

2020 Plan membership was 513,287 and as of the end of May 2020 it is 540,679, indicating an increase of 27,392 members.

Dr. Sanjiv Shah, MetroPlus' Chief Medical Officer, reported that the Plan offered free COVID testing and related services which resulted in over 8,000 members tested for the virus and 1,500 tested for antibodies. MetroPlus offered free telemedicine services and as of May 17, 2020, a total of 5,700 members enrolled on the MetroPlus Virtual Visit platform and attended over 2,200 Urgent Care visits. Since field visits were suspended, new Managed Long Term Care enrollments are taking place via telephonically or virtually. MetroPlus launched its new portal which includes secure messaging, coverage, price comparison, claims status, gaps in care, print membership cards, health resources and facts on COVID. There have been almost 7,500 member hits in two weeks.

Dr. Shah stated that on the pharmacy side the Plan has extended the supply of HIV medications for 371 members, relaxed refill restrictions such as early refills and 30-day refills without a script, allowed over 13,000 early refill overrides, provided prescription refill support offered free home delivery, 90-day refills for chronic medications and during COVID, the Plan allowed the use of Out-of-Network pharmacies.

Dr. Shah stated that during this pandemic, MetroPlus has delivered 10,000 food boxes to high need members. The Plan is continuing its work assisting members with housing. During the pandemic 16 members were placed in permanent housing and 28 members were placed in supportive housing.

Mr. Milliner reported that the Growth Division has implemented the usage of several new technology platforms to increase brand awareness and promotion of the Plan's sales force accessibility during the COVID-19 Pandemic. A virtual office was created for consumers to find a Marketplace Facilitated Enrollers (MFE) that speak their language in their neighborhood via the MetroPlus website. Zoom and Skype presentations, virtual town hall meetings, text & email blast campaigns, Facebook Live, live feeds on the MetroPlus web page and other forms of video conferencing have become an effective way to conduct group presentations during the quarantine. Several videos have been posted to YouTube to promote MetroPlus and methods in which consumers could contact us. MFEs have begun utilizing their personal "Social Media" accounts/channels such as Facebook, Instagram, Linked-In and Twitter to share personalized representative flyers and business cards.

Dr. Shah stated that all utilization management has been suspended during the pandemic. Dr. Shah stated that there is no de-credentialing of participating providers that are in good standing and there has been addition of medical professionals to practice in New York State if they are in good standing in any State, without registration in New York. The Plan has accelerated claims processing to assure cash flow to providers, extended timeframe for claim submissions, 90 days to 180 days and postponed implementation of exclusion of OON labs not to limit testing capacity. The new provider portal was launched on January 16, 2020. At this time, approximately 1,400 providers have signed on. The portal includes access to pay-for-performance dashboards, utilization reports, online authorizations, service code lookups, secure messaging, and online claim submission.

Ms. Leverich advised the Board that MetroPlus has seen a 10% reduction in paid claims compared to the same time period in 2019. The cost reduction is primarily being driven by IP Beacon: -38%,

Ambulatory Surgery: -48%, Emergency Dept: -20%, Lab & Radiology: -28%, Primary Care: -38% and Specialty Care: -40%. Ms. Leverich stated that at the same time the Plan is seeing a 7.6% increase in expense for inpatient admissions.

Mr. John Cuda, MetroPlus' Chief Financial Officer, stated that, in anticipation of the COVID crisis, MetroPlus increased medical expense by an estimated \$3 million quarter 1 of 2020. This increase was offset by reduction in normal outpatient visit volume and elective surgeries related to the COVID crisis. MetroPlus anticipates \$16 million impact in April and \$7 million impact in May. New York State (NYS) has directed plans to extend grace periods placing some member revenue at risk for MetroPlus, \$70,000 to date. NYS directives also included additional extensions of Medicaid coverage which has eliminated disenrollments impacting Plan membership and increasing revenue to the Plan. Revenue reduction coupled with increased underwriting expenses of \$2 million contributed to a Quarter 1 net loss of \$2.2 million. The Plan is working to track revenue and expenses while collecting additional actual claims data to take necessary actions to control expenses and revenue.

Mr. Cuda reported that, for the 3 months ended March 31, 2020, total administrative expenses of \$65.2 million were \$6.3 million or 9% under budget. Total personnel costs of \$34.5 million were \$2.9 million or 8% under budget due to 200 vacant positions. OTPS expenses of \$30.6 million were \$3.4 million under budget due to a \$1.2 million dollar favorable-spend in clinical and fulfillment services, MetroPlus has purchased gloves, masks and 200 laptops for telecommuting staff in addition to incurring additional cleaning services expenses. All of those expenses are being tracked as COVID-19 expenditures to be reported to FEMA.

Mr. Cuda reported that there has been a 1.5% Across the Board (ATB) budget cut imposed by NYS. 1% reduction is equivalent to (-\$28M). 0.5% additional rate cut effective April 2020 will have an additional impact of (-\$9M) to generate a \$37 million reduction. The Quality Pool was reduced January – March 2020 with a loss of \$6 million but was restored at 50% from April – Dec 2020. Anticipated \$7.9 million (compared to \$24 million previously). Numerous revenue cuts plus anticipated COVID expenses have reduced projected surplus from 2019 by \$88 million. MetroPlus actions toward these reductions include, but are not limited to: position elimination, scrutiny of backfill staffing and new hires, increased focus on Special Investigations Unit activities for savings related to fraud, waste and abuse, disallowing physician office testing outside of their specialty, and reduction of MetroPlus travel, food and training budgets.

Mr. Cuda reported that HRA sent lists of members to NYS Plans requesting the return of premiums for members who were identified as Medicare eligible for the period beginning October 2015 through October 2019. Over 6,000 MetroPlus members were identified representing \$23 million in premiums owed to NYS. The New York State Department of Health has agreed to pay the claims for the members included in the recoupment activity. The Plan has valued this at \$20 million. The net loss to MetroPlus is \$3 million. The Supreme Court ruled in favor of a class action suit in which MetroPlus participated and the Plan is entitled approximately to 31 million dollars.

Mr. Ryan Harris, MetroPlus' Chief Human Resources Officer gave the Board an update regarding staff during the pandemic. Currently 69 employees have reported COVID related symptoms with 36 employees confirmed positive and unfortunately, 2 staff have passed away. The MetroPlus Human Resources department has been conducting daily health checks for symptomatic, COVID positive or are in self quarantine employees. MetroPlus has recently hired its first Senior Director

of Customer Experience. This role will centralize all member and provider complaints and will be responsible to oversee process improvement. It will focus on member experience throughout the company to improve retention. Currently MetroPlus has 168 vacant positions with an approximate salary expense of \$12.6 million. Based on state budget uncertainty, the Plan has put 22% (41) of the positions on freeze for annualized savings of \$2.8 million and 23 positions were eliminated.

Dr. Shah informed the Board that a Behavioral Health Administrative Director has been hired. The Quality Department will incorporate behavioral health service requirements by the end of the first Beacon contract extension. Case Management services will transition gradually with Beacon staff attrition. The Plan is working with NYS on the extended contracting and transition plan, this is expected to be completed by the end of 2021. Dr. Shah stated that the Plan is proceeding with implementation throughout the COVID crisis and will present its transition plan and implementation activities at a future Board meeting.

Ms. Leverich stated that Medicare financial performance has been restated from a loss of \$9.3 million to a loss of \$6.8 million. The release of prior year IBNR put a positive \$2.44 million in net income for the Medicare line of business. The Plan engaged HMA to assist with optimizing Medicare opportunities and to identify cost containment initiatives, to date, no glaring gaps have been identified. The expected loss for 2020 is \$2.2 million.

Dr. Shah stated that Medicare patients with chronic low back pain will have acupuncture as a covered benefit beginning 2020. Up to 12 visits in 90 days are covered. This change requires the Plan contract with providers, update system configuration, member materials, and develop UM policies. MetroPlus' Medicare bid for 2021 is extremely aggressive. MetroPlus' application for the MAP plan has been completed and submitted for approval.

Ms. Kathryn Soman, MetroPlus' Director of Communications, reported that MetroPlus Health Plan is rebranding after 35 years. The Plan's new brand will send the message that MetroPlus is committed to members' health and well-being in the fullest sense of those words. Honoring this new perspective, the Plan is rebranding as **MetroPlusHealth**. The name of the company will remain MetroPlus Health Plan however, the new logo was launched mid-March on the Plan's website, social media platforms, advertising, letterhead, signage and promotional items.

ACTION ITEMS

The first resolution was introduced by Mr. Christopher Roker, Chair of the MetroPlus Finance Committee.

Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus" or the "Plan") to negotiate and execute a contract with Buck Global, LLC to provide actuarial and managed care consulting services for an amount not to exceed \$3.3 million the first three years, (\$1.0 million for year 1, \$1.1 million for year 2, \$1.2 million for year 3) and \$2.7 million for a 4th and 5th year option (\$1.3 million year 4 and \$1.4 million year 5).

Ms. Hernandez-Piñero stated that the resolution was fully reviewed at the Finance Committee on May 15, 2020.

The adoption of the resolution was duly seconded and unanimously adopted by the MetroPlus Board of Directors.

The second resolution was also introduced by Mr. Roker.

Authorizing the Executive Director of MetroPlus Health Plan, Inc. (“MetroPlus” or the “Plan”) to negotiate and execute a contract with Wakely Consulting Group, LLC to provide actuarial and managed care consulting services for an amount not to exceed \$3.3 million the first three years, (\$1.0 million for year 1, \$1.1 million for year 2, \$1.2 million for year 3) and \$2.7 million for a 4th and 5th year option (\$1.3 million year 4 and \$1.4 million year 5).

Ms. Hernandez-Piñero stated that the resolution was fully reviewed at the Finance Committee on May 15, 2020.

The adoption of the resolution was duly seconded and unanimously adopted by the MetroPlus Board of Directors.

The third resolution was introduced by Ms. Hernandez- Piñero.

Approving a resolution to be presented to the New York City Health + Hospitals (“NYC Health + Hospitals”) Board of Directors to approve the replacement of Tamira Boynes with the appointment of Soraya Pares as a member of the Board of Directors of MetroPlus Health Plan, Inc. (“MetroPlus”), a public benefit corporation formed pursuant to Section 7385(20) of the Unconsolidated Laws of New York, to serve in such capacity until her successor has been duly elected and qualified, or as otherwise provided in the Bylaws of MetroPlus.

EXECUTIVE SESSION

The Board of Directors convened in Executive Session. The session took place from 3:53 P.M. to 3:59 P.M. In the Executive Session the Board discussed personnel matters.

When the meeting reconvened in open session, Ms. Hernandez-Pinero asked for a vote to submit a resolution to NYC Health + Hospitals to approve the replacement of Tamira Boynes with the appointment of Soraya Pares as a member of the Board of Directors of MetroPlus Health Plan.

The adoption of the resolution was duly seconded and unanimously adopted by the MetroPlus Board of Directors.

There being no further business Ms. Hernandez-Pinero adjourned the meeting at 4:01 P.M.