



Customer Service Technology and Business Operations Services

**Roni Mansur
Chief Operating Officer**

**Jen Bullock
Director of Customer Service and
Operations**

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Overview

- The Health Connector intends to issue a procurement for a single customer service and business operations vendor for 2014 coverage
- This is a critical component of the Health Connector's efforts to comply with the Affordable Care Act, serve our members and offer value to the market
- We will be seeking a high-performing, technology-driven, flexible and scalable customer service and business operations partner to keep pace with changes in law, the market, e-commerce and customer needs
- We must launch this procurement now because we need significant lead time to select a vendor and ensure they are well-positioned to support our members as the Affordable Care Act takes full effect in Massachusetts



Overview (cont'd)

- The Health Connector currently has two coverage programs, Commonwealth Care and Commonwealth Choice
- Commonwealth Care
 - Currently serves over 190,000 members
 - Program Details
 - Subsidized coverage for low-income adults
 - Pricing based on specific health experience of population
 - Annual procurement process
 - Customer Service and Business Operations
 - Eligibility determination performed/supported by MassHealth
 - Call center, premium billing, member web portal services
 - Maximus provided call center and premium billing services 2006–2008
 - Was replaced by Dell in late 2008; Dell provides these services plus member web portal



Overview (cont'd)

- Commonwealth Choice
 - Currently serves over 43,000 members
 - Program Details
 - Unsubsidized coverage for individuals and small employers
 - Pricing based on merged market rules (*e.g.*, modified community rating)
 - Annual Seal of Approval process
 - Customer Service and Business Operations
 - SBSB has been vendor since program launch in 2007, providing call center, premium billing and small group website services



Changing Needs for Customer Service & Business Operations

- Under the Affordable Care Act, the Health Connector will administer a single integrated program for individuals (subsidized and unsubsidized) and small employers, based on one set of pricing rules (merged market), established through one Seal of Approval/Qualified Health Plan (QHP) Certification process
- Accordingly, we are seeking a single vendor to meet our customer service and business operations needs
 - Best positions us to achieve economies of scale
 - Provides single point-of-contact for Health Connector staff and carriers, simplifying interactions and operations



Changing Needs for Customer Service & Business Operations (cont'd)

- Our customer service and business operations vendor will have to perform functions that go beyond those required today
 - Providing call center support in connection with real-time, integrated eligibility determination for individuals seeking to enroll in QHPs, including low-income populations who may be eligible for Advanceable Premium Tax Credits (APTCs) and Cost Sharing Reductions (CSRs)
 - Includes supporting initial transition of tens of thousands of current Health Connector members to new Connector programs or MassHealth, as well as inter-program transitions on an ongoing basis
 - Supporting an enhanced shopping experience
 - With new products (*e.g.*, dental)
 - Through new programs (*e.g.*, employee choice)
 - With new subsidies (*e.g.*, federal tax credits and/or cost-sharing subsidies up to 400% FPL)
 - Supporting members with new tools like web chat (during extended hours) and email message center
 - Supporting new populations (*e.g.*, in the future, businesses with up to 100 employees)
 - Interfacing with new technology systems being built by the Health Connector through the HIX-IES project



Changing Needs for Customer Service & Business Operations (cont'd)

- We need a high-performing, technology-driven, flexible and scalable customer service and business operations vendor
 - Must have a consumer-centric focus
 - Able to adapt to new market trends
 - Must collaborate closely with MassHealth to manage transitioning members and support integrated eligibility determination
 - Deeply vested in the success of the Health Connector
- The Health Connector has no margin for error in meeting the customer service needs of its members
 - Many potential shoppers need multi-channel, customer-friendly support in order to be comfortable purchasing health insurance online
 - Commercial health insurance marketplace and e-commerce is making rapid, technology-driven advances in servicing members



Key Considerations

- Timeline / Key Dates
 - Dell contract for Commonwealth Care expires in June 2013
 - SBSB contract for Commonwealth Choice expires in December 2013
 - Open Enrollment as defined in the Affordable Care Act will begin October 1, 2013 for coverage effective January 1, 2014
 - All systems, enhanced customer support functions and shopping experience must be available in time for Open Enrollment, with all ACA coverage changes taking effect January 2014



Customer Service and Business Operations Procurement

- Issue a Request for Proposals (RFP) to select a single customer service and business operations vendor that best meets the needs of the Health Connector and the populations it serves
- Extend the contract with Dell for Commonwealth Care to December 2013 to align with the effective date for the Affordable Care Act's Exchange-related provisions
 - Ensures high quality customer service for Commonwealth Care population between July and December 2013



Customer Service and Business Operations Procurement (cont'd)

- Contract term for the customer service and business operations vendor
 - Three (3) year term with the option of three additional one (1) year contract extensions, at the discretion of the Health Connector
- We are seeking price responses from the Bidders for each implementation phase to best reflect the work that needs to be performed during each of these phases in order to facilitate a smooth transition to ACA Go-Live
 - Start-up and Transition Phase (Mar–Sep 2013)
 - Operations Launch Phase (Sep–Dec 2013)
 - Ongoing Operations Phase (Jan 2014–onwards)
 - Tiered pricing option based on membership ranges to capitalize on increased administrative efficiency from economies of scale
 - Pay-for-performance elements are included, *i.e.*, penalties and incentives tied with Service Level Agreements (SLAs)



Scope and Key Requirements

- The vendor will establish a Customer Service Center, which will include a Contact Center and Business Operations
 - Customer Service Center must be located in Massachusetts
 - Principal place of business that is within approximately a 10 minute walk from a mass transit location
 - The vendor must provide health benefits to all full-time employees
- The vendor's operations, systems and infrastructure must be scalable and flexible to rapidly adapt to new market trends, meet state and federal legislative requirements and anticipate future consumer needs
- The vendor must understand the health care or health insurance market, key market participants and the complexities of the industry



Scope and Key Requirements (cont'd)

- The Contact Center will service members through multiple channels – *e.g.*, phone, online chat, email, in-person
 - Assist members through eligibility determination, shopping, bill payment, account management, coverage issues, qualifying events, etc.
 - Must have an empowered and skilled vendor staff and a consumer-centric management culture, focused on understanding the needs of shoppers and helping them overcome the challenges of purchasing and maintaining health coverage
 - Differentiated support for different shoppers (subsidized individuals, unsubsidized individuals, small businesses, brokers, navigators)
 - Provide decision support to shoppers who will encounter some changes in the Health Connector shopping experience
 - Assist individuals in understanding subsidy mechanisms, including APTCs and CSRs not previously available to individuals and/or replacing historic subsidies offered through Commonwealth Care
 - Help small businesses shop for coverage and understand small business tax credits, and support new businesses that may seek coverage through the Exchange (up to 100 employees in the future)
 - Provide enhanced support for brokers and Navigators



Scope and Key Requirements (cont'd)

- Business operations includes administrative staff to perform a number of administrative functions, including:
 - Support eligibility determination
 - Process applications/enrollments
 - Premium billing and collections
 - Noticing
 - Mailroom services
 - Reporting
 - Quality management
- Vendor staff will need to work closely with Health Connector staff to coordinate with MassHealth programs, transition populations, and “mixed households” to best serve impacted members



Scope and Key Requirements (cont'd)

- The vendor will need to develop and implement the following technology systems:
 - Customer Relationship Management (CRM) system and IVR
 - Premium Billing & Financial Management system
 - Workflow Management System (WMS)
 - Knowledge Management System (KMS)
 - Contract Management Portal (CMP)
- The vendor's business operations and systems will need to interface with systems developed as part of the HIX-IES project
 - Need to transfer data both to and from systems delivered by the HIX-IES project to keep membership data in sync, fully serve customers on the website via features like web chat and perform premium billing functions
 - Vendor contact center and administrative staff will need access to systems developed through the HIX-IES project



Procurement Timeline and Next Steps

Timeline	Key Activity
November 16, 2012	Issue RFP
November 28, 2012	Bidder's Conference
November 30, 2012	Post Bidder's Conference submission of written questions to Health Connector due
December 5, 2012	Health Connector responses to submitted questions due
December 6, 2012	Notice of Interest from Bidders due
January 9, 2013	Proposals from Bidders due
January 28-29, 2013	Oral Presentations (at Health Connector's discretion)
January 30-31, 2013	Site Visits
February 6, 2013	Select Bidder
February 28, 2013	Execution of Agreement
October 1, 2013	ACA Non-Group Open Enrollment Begins
January 1, 2014	ACA Implementation Date

Note: Dates and timeline subject to change at the discretion of the Health Connector