



Proposed Final ConnectorCare Regulations (VOTE)

MERRITT DATTEL MCGOWAN
Assistant General Counsel

EDWARD DEANGELO
General Counsel

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Background

- Since 2006, non-Medicaid eligible individuals in Massachusetts with incomes up to 300% of the Federal Poverty Level (FPL) have had access to Commonwealth Care
- For coverage starting in 2014, the Affordable Care Act (ACA) expands Medicaid for individuals up to 133% FPL and establishes advance premium tax credits for people up to 400% FPL
 - However, there is a gap in the levels of enrollee premium and cost-sharing between what is provided with federal subsidies alone and what is currently offered through Commonwealth Care
- To maintain coverage for the Commonwealth Care population that is as affordable to this population as it is today, the Commonwealth is investing additional state dollars to “wrap” ACA tax credits and subsidies for the population earning up to 300% FPL that is eligible for coverage through the Health Connector in a new program: ConnectorCare

Background (cont'd)



- At the October 10th Board Meeting, the Board authorized the issuance of draft regulations at 956 CMR 12.00 for public comment
- We held a hearing on November 21st at One Ashburton Place in Boston
- During the public comment period, we received 6 written comments
- Today, we are here to propose for your consideration final regulations with some amendments from the draft regulations for the ConnectorCare program at 956 CMR 12.00

Summary of Draft Regulations



- The draft ConnectorCare regulations borrow heavily from the Commonwealth Care regulations
- Eligibility is based on an individual's tax household Modified Adjust Gross Income (MAGI) up to 300% FPL and eligibility for federal premium tax credits
- For people who have difficulty making their premium payments, financial hardship waivers will be available
 - Retained most of the hardship waiver criteria as in Commonwealth Care
 - Added some greater consumer protections (*i.e.*, increase the look-back period from 6 months to 12 months for bankruptcy hardship reason)
- To replicate the continuous open enrollment period as well as other protections allowed under Commonwealth Care today, we proposed additional triggering events given the federal authority for a state to add additional consumer-friendly triggering events:
 - Determination of new eligibility for ConnectorCare;
 - Change in ConnectorCare Plan Type;
 - Approval for a hardship waiver; or
 - End of a hardship waiver period

Summary: Testimony and Public Comments



- Testimony and/or Comments were provided by the following:
 - ACT!! Coalition (ACT!!)
 - Health Law Advocates (HLA)
 - Massachusetts Hospital Association (MHA)
 - Massachusetts League of Community Health Centers (MLCHC)
 - Massachusetts Law Reform Institute (MLRI)
 - Mt. Auburn Hospital

Summary: Testimony and Public Comments (cont'd)



| <u>Public Comments</u> | <u>CCA Response</u> | <u>Reason(s)</u> |
|--|--|---|
| Clarity around the applicability of federal law to ConnectorCare for definitions, eligibility, and appeals process (MLRI) | Maintain original citations but not expand further | Repeating the entire federal regulatory language in place of a cite would be problematic if federal regulations change |
| Drafting changes in the definitions of “premium contribution” and “tax household” and in the plan type descriptions (MLRI) | Adopt these recommendations | The language as drafted was in error |
| Add a regulatory requirement stating that no premiums be charged for Plan Type 1 members (below 100% FPL) (ACT!!, MLRI) | Maintain original draft language | Health Connector made the decision this year not to charge premiums for any plans offered to Plan Type 1 members. Future decisions should continue to rest with the Board |

Summary: Testimony and Public Comments (cont'd)



| <u>Public Comments</u> | <u>CCA Response</u> | <u>Reason(s)</u> |
|---|---|---|
| <p>Require the Health Connector to cover a member's delinquent premium payments during the 90 day grace period before the member is terminated for non-payment of premium (ACT!!, MLRI, MHA, MLCHC, Mt. Auburn)</p> | <p>Maintain the original policy</p> | <p>This procedure is a requirement of federal law. It would not only be inconsistent with federal law but would also create a significant new financial cost to the program</p> |
| <p>Allow members to pay their premiums with credit and debit cards (ACT!!, MHA, MLRI)</p> | <p>Maintain current regulatory text</p> | <p>It would not be possible to do the operational work necessary to implement for ConnectorCare at this time. In the past, we had not sought to allow this because of a concern about member's incurring debt and interest payments. We can revisit in the future without a regulatory change</p> |

Summary: Testimony and Public Comments (cont'd)



| <u>Public Comments</u> | <u>CCA Response</u> | <u>Reason(s)</u> |
|--|--|--|
| <p>Concern with the language authorizing the Health Connector to recoup money paid on behalf of a member who should not have been enrolled in ConnectorCare (ACT!!, HLA, MLRI)</p> | <p>Adopt the recommendation, in part</p> | <p>We have clarified that the Connector has authority to seek recoupment only if a member received unwarranted benefits through fraud</p> |
| <p>Revise the language of the special enrollment provision allowing individuals to enroll whenever they are determined newly eligible for ConnectorCare (ACT!!, MHA, MLRI)</p> | <p>Adopt the recommendation, in part</p> | <p>We have amended the language to make clear that the provision applies to applicants, not just current enrollees, we do not recommend adopting the suggestion to remove “newly” from the provision because it would be inconsistent with other federal rules</p> |

Summary: Testimony and Public Comments (cont'd)



| <u>Public Comments</u> | <u>CCA Response</u> | <u>Reason(s)</u> |
|--|--|--|
| Add additional eligibility criteria to the hardship waiver process (HLA) | Maintain the waiver criteria as proposed | The criteria in the draft regulations align with those used in Commonwealth Care |
| Expand the list of appealable actions (MLRI) | Adopt the recommendation, in part | We have adopted one of the recommendations expanding the list of appealable actions to allow a member to appeal the assignment to a Plan Type. However, we believe that the draft language is sufficiently broad to cover the range of legitimate appealable actions |

Timeline

Develop ConnectorCare Regulations

 Friday, Oct. 4
• Send BOD draft regulation memo



Thursday, Oct. 10
• BOD votes on draft ConnectorCare regulations



Tuesday, October. 15
• Send notice and regulations to Local Government Advisory Committee (35 days before hearing; 14 days before publishing notice)

Notice and Comment period (starts with first notice and ends after hearing)



Friday, October 25
• File small business impact statement and notice of public hearing, along with draft regulations for publication with the Regulations Division (Regulations Division publishes notice on November 8th)
• Publish notice in local newspaper, etc. (no later than Tuesday, October 29)

Thursday, November 21
• Hold public hearing



Friday, December 6
• Send BOD final regulation memo and redlined regulations



Wednesday, December 11
• File amended small business impact statement



Thursday, December 12
• BOD votes on Final ConnectorCare Regulations (with any changes as a result of comments)



Friday, December 20
• Filing deadline for publication in Mass Register



Friday, January 3, 2014 – Final Regulations effective and published in Massachusetts Register

Proposed Board Motion



Health Connector staff recommend that the Board issue the final ConnectorCare regulations at 956 CMR 12.00, as amended.