



Commonwealth Care Customer Service Contract Extension (VOTE)

JEN BULLOCK
Director of Customer Service & Operations

Board of Directors Meeting, December 12, 2013

Background



- As part of the implementation of the Affordable Care Act (ACA), the Health Connector is currently in the process of transitioning members from its existing Commonwealth Care program to Qualified Health Plans (QHPs)
- The Commonwealth Care program formally ends on December 31, 2013
- However, Health Connector and the Executive Office of Health and Human Services (EOHHS) have worked collaboratively with CMS to provide continuation coverage through March 31, 2014 for Commonwealth Care members enrolled as of December 1, 2013 who are not eligible for Medicaid
 - This is being done to ensure that the Commonwealth Care population is afforded the full 6 month ACA Open Enrollment period to select a new plan and enroll in new QHP coverage
- During the transition time period of January – March 2014, enrolled Commonwealth Care members will need to have continued customer service, account maintenance and billing support
 - Dell Marketing L.P. (Dell) is the Health Connector’s customer service and business operations vendor for the Commonwealth Care program

Dell Extension

- In order to continue servicing Commonwealth Care members through the transition period, the Health Connector is proposing to extend its contract with Dell through June 30, 2014
 - Dell will offer continued customer service, account maintenance and billing support for existing members, offering a seamless experience for current enrollees
 - Dell will continue to maintain a wholly separate and dedicated Commonwealth Care Customer Service Center through March 31, 2014, aligning with the transition coverage period while also remaining separate and distinct from its new ACA Customer Service Center
 - The extension includes a 3 month “run off” period from April 2014 to June 2014 to manage any member activity, audit and reconciliation needs
- Enrollment in Commonwealth Care will decrease during the transition period as members shift to QHPs, but the overall breadth of functionality/servicing will need to be maintained

Dell Extension Financials



Commonwealth Care Customer Service Continuation – Contract Extension

- Dell will maintain its existing Per Member Per Month (PMPM) fee structure for membership at or above 150,001
- During any month in which the total number of enrolled members is 1-60,000, the Health Connector will be invoiced a flat fee equal to \$300,000, which will allow Dell to cover fixed costs as enrollment decreases
- For the run off period (April-June 2014) Dell will be paid a flat fee of \$35,000/month for technology and licensing in addition to labor costs charged at an hourly rate

Membership Band	Pricing Within Band	
1 to 60,000	\$300,000	Flat monthly fee for membership at or below 60,000
60,001 to 150,000	\$4.37	PMPM (applies only to this band)
150,001 to 155,000	\$4.60	PMPM (applies only to this band)
155,001 to 165,000	\$1.55	PMPM (applies only to this band)
165,001 to 175,000	\$1.39	PMPM (applies only to this band)
175,001 to 200,000	\$1.29	PMPM (applies only to this band)
200,001 to 215,000	\$1.24	PMPM (applies only to this band)
215,001 to 230,000	\$2.32	PMPM (applies only to this band)
230,001 to 250,000	\$2.06	PMPM (applies only to this band)

VOTE



Health Connector staff recommends that the Board authorize the Executive Director to extend the current contract with Dell Marketing L.P. to provide for transition activities and the servicing of existing Commonwealth Care enrollees through June 30, 2014.