



The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
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Boston, MA 02108

DEVAL PATRICK
Governor

GLEN SHOR
Board Chair

JEAN YANG
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

Thursday, March 27, 2014
9:00 AM to 12:00 PM
One Ashburton Place
Boston, MA 02108
21st Floor Conference Room

Attendees: Glen Shor, Dolores Mitchell, Jean Yang, Nancy Turnbull, Kristin Thorn, George Gonsler, Rick Jakious and Louis Malzone. Ian Duncan and Jonathan Gruber attended by phone. Nancy Schwartz attended on behalf of Joseph Murphy. Celia Wcislo was absent.

The meeting was called to order at 9:06 AM.

- I. Minutes:** The minutes of the March 17, 2014 meeting were approved by unanimous vote.
- II. Executive Director's Report:** Jean Yang pointed out that this would be the last of nine Board Meetings that were held during the open enrollment period. She stated that the types of information that have been conveyed through the "Open Enrollment Check-in" will continue to be provided at Board Meetings during closed enrollment, however, under a different title. Ms. Yang stressed the need for residents to take action during these final days of open enrollment, but also acknowledged that there are qualifying events that would allow a resident to enroll in a Qualified Health Plan (QHP) outside of open enrollment. Finally, Ms. Yang noted that the enrollment figures to be provided during the "2014 Open Enrollment Check-in" are still preliminary at the current time, and that the Board would be provided a final report during the April Board Meeting.
- III & IV. 2014 Open Enrollment Check-in / Weekly Health Exchange Briefing (Agenda items taken together):** The PowerPoint presentation "2014 Open Enrollment Check-in" was presented by Sarah Iselin, Roni Mansur and Ashley Hague. Ms. Iselin opened by informing the Board that paper application backlog has been fully eliminated. Kyle McDowell of Optum highlighted the collaborative effort it took between the Commonwealth Health Insurance Connector Authority (CCA), MassHealth and Optum to complete this work. Next, Ms. Hague summarized CCA and MassHealth enrollment figures by program. In particular, she noted an increase of approximately 12,000 in Qualified Health Plan (QHP) enrollment, which roughly doubles the QHP enrollment last reported to the Board. Dolores Mitchell asked if CCA set enrollment

estimates for non-group dental enrollment prior to launching the product line, adding that the current enrollment (2,187) seemed low to her. Ms. Hague responded that CCA did not establish specific enrollment goals for non-group dental insurance, but CCA is pleased with the current enrollment level, especially considering that an online shopping experience for non-group dental has not yet been launched. Nancy Turnbull requested that CCA conduct analysis and report back to the Board on how many residents have been newly brought into health insurance coverage through either CCA or MassHealth programs. Ms. Iselin confirmed that CCA would fulfill this request. Ms. Mitchell noted the fact that the average time for completing an application has been lowered from about two hours to half an hour and asked for an explanation for this improvement. Ms. Iselin responded that the application was redesigned in order to improve its flow. Mr. McDowell then provided an operations update to the Board during which he highlighted an across-the-board improvement in consumer experience, including decreasing average call answer times and call abandonment rates at the CCA call center, a reduction in outstanding payment suspense issues, and a decrease in average customer escalation turnaround time. Mr. Mansur called out the effort of Dell, CCA's customer service vendor, in improving the consumer experience since the last report. Mr. McDowell provided information on how Optum resources who were working to clear the paper application backlog will be redeployed, which answered an earlier question on the topic posed by Rick Jakious.

The next topic of discussion, led by Dan Zerafa of Optum, centered on program determination testing. Mr. Zerafa emphasized the importance of program determination testing, stating that Optum feels that the program determination rules are built on a solid platform, but extensive testing needs to be performed to ensure that the program determination tool can be used as part of CCA's long term website solution. Mr. Zerafa reported that 104 of the total 247 aid categories will be tested in the near term. These 104 aid categories are those specified by the Affordable Care Act (ACA). The remaining aid categories existed before ACA. Program determination for these aid categories can be handled through existing systems, and will be tested at a later time. Ms. Turnbull asked if CCA, MassHealth, and Optum are finding that a majority of applicants are falling within a smaller subset of aid categories, and if that is the case, whether an approach of focusing on those aid categories first could be adopted. Mr. Zerafa replied that CCA, MassHealth and Optum are considering that approach, but more analysis needs to be done to determine if there are a majority of applicants that fall into a select number of aid categories. Ms. Mitchell asked if CCA is continuing to use the program determination rules originally developed by CGI. Ms. Iselin replied that CCA is testing the rules developed by CGI and that CCA is working on getting access to the code for the rules to allow Optum to conduct further analysis and correction, as needed. Ms. Turnbull asked if testing has revealed problems that are worse than originally expected. Mr. Zerafa responded that the biggest issue encountered during testing so far was the stability of the test environment, which has slowed testing. However, he noted that Optum has worked to build a new test environment to avoid future issues.

Discussion then moved to CCA and MassHealth transitional populations, which need to be moved to permanent coverage and the timelines, by population, for when that could occur. Secretary Shor discussed the five populations which will be the near term focus of CCA and MassHealth. Ms. Yang added that transitioning these populations is one of CCA's top near term priorities and is expected to be accomplished in advance of having a fully functioning online exchange. She also recognized the significant operational effort accomplishing this will require.

Next, Mr. Zerafa outlined the long term website solution options CCA is currently considering. He informed the Board that CCA could either rebuild key components of the website, with the possibility of integrating vendor components to fulfill certain needs, or migrate to an external

health insurance exchange website created by another state or the federal government. Mr. Zerafa then discussed the ongoing research being conducted by CCA and Optum to determine which option to pursue. In determining whether or not to rebuild components of the website, CCA and Optum will need to assess the current state of the various components of the website. On this subject, George Gonser asked why CGI has not yet granted CCA and Optum access to the website code. Ms. Iselin assured the Board that CCA is on track to provide Optum with access to the website code soon. Ms. Turnbull asked if not having access to the code means that, during the program determination testing that has occurred to date, Optum, CCA and MassHealth have not been able to directly view the code to determine why certain test cases are failing, which Mr. Zerafa confirmed. Mr. Zerafa added that it is best practice to only provide a limited number of people with access to code for control purposes. In speaking about the possibility of utilizing another state's health insurance exchange website, Mr. Zerafa noted that CCA and Optum research has revealed no other state exchange websites that would completely fill the need of Massachusetts without modifications. Mr. Jakious asked if purchasing select components of another state's website is a possible approach, which Ms. Iselin confirmed, while noting that adopting such an approach could possibly limit the level of customization Massachusetts could exercise for those components.

Discussion then transitioned to CCA's preparation for moving to closed enrollment, which begins on April 1, 2014. Ms. Hague opened this topic by providing an overview of how transitioning to closed enrollment will affect residents' ability to obtain non-group health insurance, and how CCA is preparing operationally and technologically for closed enrollment. Ms. Hague pointed out that residents who are determined eligible for ConnectorCare during closed enrollment will be allowed to enroll, as this change in eligibility is considered a qualifying event. Ms. Turnbull recounted a personal experience where she was assisting someone who had COBRA coverage through a former employer and experienced a significant rate increase. Because this rate increase occurred during a closed enrollment period, the individual with this COBRA coverage could not switch to a lower cost option on the non-group market. Learning from this experience, Ms. Turnbull requested that CCA work with the Division of Insurance (DOI) on ways to educate COBRA participants on the rules regarding when they can switch to a non-group plan, as this can be a confusing matter. Ms. Hague agreed that the rules in this area are complex and that CCA and DOI should work collaboratively to better inform COBRA participants. Next, Mr. Mansur summarized the special rules for the end of this year's open enrollment period, which includes an extended payment deadline for applicants seeking April 1, 2014 coverage, and a special qualifying event that will allow applicants who had trouble with online shopping during open enrollment to shop and enroll in a plan between April 1 and April 15, 2014. Ms. Turnbull asked if CCA will be accepting a self-attestation for applicants who shop during the first fifteen days of closed enrollment due to having had problems shopping online during open enrollment, which Mr. Mansur confirmed. Ms. Hague added that the federal health insurance exchange is also accepting self-attestation for this special qualifying event.

Ms. Iselin continued providing an overview of the key next steps for CCA. Ms. Mitchell asked whether CCA had made a formal request to the federal government to extend Commonwealth Care beyond the end of June 2014. Ms. Iselin replied that CCA has not yet made that request, as they want to construct a long term plan to present to the federal government on this subject. Lastly, Ms. Iselin reviewed the "Massachusetts Health Exchange Dashboard" with the Board. She highlighted the improved performance of the CCA and MassHealth call centers, but acknowledged that there is still work to do to further improve the call center experience for Massachusetts residents. Ms. Iselin also informed the Board that information on the paper application backlog will be removed in the dashboard in future editions, as the backlog has been eliminated. She continued by explaining that CCA will be including an enrollment

dashboard in future editions and that CCA will strive to make that information “punchline-oriented” and presented in a way that is easy to understand.

- V. **2015 Seal of Approval Launch:** The PowerPoint presentation “2015 Qualified Health and Dental Plan Seal of Approval” was presented by Sarah Bushold and Ms. Hague. Ms. Hague opened by providing the Board with background information and the goals of the Seal of Approval process. She stated that the Seal of Approval process gives CCA the opportunity to assess the plans that are offered for both medical and dental coverage in order to ensure CCA is offering meaningful choice and providing value to consumers. Ms. Bushold informed the Board that CCA will be inviting currently participating carriers to apply for recertification of their existing plans and propose new non-standardized plans or existing plans on new networks. She also stated that CCA is inviting new health and dental insurance carriers to apply for Seal of Approval as well.

During discussion of the current QHP enrollment distribution by carrier and by metallic tier, Ian Duncan asked how many enrollments are reflected in the distribution charts presented to the Board. Ms. Bushold responded that the data shown to the Board is based on just over 25,000 enrollees, and the data is current as of March 24, 2014. Ms. Turnbull requested that CCA provide the Board with an analysis of the redistribution of members from pre-ACA to post-ACA, which will account for the shift in actuarial value ranges of the metallic tiers. Louis Malzone expressed his concern over the number of QHPs offered by CCA, stating that offering so many plans raises administrative costs and overwhelms consumers with too many choices. Ms. Mitchell seconded Mr. Malzone’s concern. Ms. Hague replied that current enrollment figures show a wide distribution across carrier and metallic tier, which indicates that consumers are making “comparative shopping decisions;,” this reflects positively on the number of QHPs offered by CCA. Ms. Turnbull requested that CCA provide the Board with data on enrollment by QHP. Mr. Duncan stated that, in light of the fact that Bronze and Silver QHPs are essentially new offerings from CCA, as no pre-ACA plans offered by CCA matched the plan design of ACA Bronze and Silver plans based on actuarial value, the current high enrollment numbers in these two metallic tiers indicates that CCA was not offering a wide enough selection prior to ACA. During discussion of the possibility of adding additional plans through the Seal of Approval process, Mr. Malzone asked that CCA be careful in their assessment of new plans to ensure that any new plans added are providing increased value to consumers. Ms. Yang assured the Board that CCA would be mindful of this when recommending plans to the Board for approval. Secretary Shor added that CCA has rejected non-standardized plans proposed by carriers in past Seal of Approvals. Ms. Turnbull stated that experience has shown that certain products are more appealing to the small group market, while others are more appealing in the non-group market. In light of this, Ms. Turnbull asked that CCA explore separating the products offered to the two lines of business as part of future Seal of Approval processes, which would allow CCA to offer a smaller, more targeted set of plans for the non-group and small group markets. Discussion on QHPs ended with an overview of the ConnectorCare product requirements as part of Seal of Approval.

Next, discussion turned to Seal of Approval for Qualified Dental Plans (QDPs). Ms. Turnbull expressed her dissatisfaction with the carriers’ lack of response to CCA’s request that they offer embedded or bundled health and dental products. She emphasized that offering bundled and embedded products is especially important for CCA because health insurance carriers are not required to offer pediatric dental coverage as part of their QHPs offered through CCA because standalone dental plans are offered by CCA. Ms. Turnbull asked that CCA aggressively pursue this matter with the participating health and dental carriers. Nancy Schwartz stated that health insurance carriers in Massachusetts are required to offer pediatric

dental as part of the plans they offer outside of CCA. In response, Ms. Turnbull questioned why carriers would be comfortable offering bundled and embedded plans outside of CCA but not inside CCA.

The final topic of discussion for this agenda item was the administrative fee that CCA charges to carriers for the services CCA provides. CCA suspended charging administrative fees to carriers for the 2014 calendar year, which was made possible by federal funding that will cover most of CCA's operating costs for 2014. Ms. Hague informed the Board that CCA is still assessing how to reinstate administrative fees for 2015 and that CCA will return to the Board with a formal recommendation.

The meeting was adjourned at 11:33 AM.

Respectfully submitted,
Andrew J. Graham