

MEMORANDUM

To: Health Connector Board of Directors
Cc: Louis Gutierrez, Executive Director
From: Edward DeAngelo, General Counsel
Date: October 29, 2018
Re: Notification of Upcoming Contracts

OVERVIEW

This memorandum provides the Board of Directors with an update regarding contracts not subject to formal vote.

SUMMARY OF CONTRACTS

MEMORANDUM OF UNDERSTANDING WITH DEPARTMENT OF REVENUE

The Health Connector is seeking to enter a Memorandum of Understanding with the Department of Revenue (DOR) for a mailing to taxpayers who self-reported being uninsured on their 2017 Massachusetts Personal Income Tax Return. The DOR will send an estimated total of 145,000 letters for a total cost of \$79,924. This letter is intended to inform uninsured individuals about health insurance options and subsidies available through the Health Connector. This will be the third consecutive year that the Health Connector works with the DOR to send this mailing.

BROCKTON WALK-IN CENTER

Since October, 2017 the Health Connector has operated a year-round walk-in center in Brockton through a partnership with the Brockton Neighborhood Health Center. The purpose of the walk-in center is to provide a full range of customer service activities and ensuring Health Connector members in that area have opportunities to access in-person assistance. Brockton Neighborhood Health Center provides the walk-in center space at no cost to the Health Connector and the Health Connector, through NTT, staffs the office. Under the contract with NTT, the Health Connector has two customer service representatives and one supervisor on-site year-round, with one additional customer service representative added during open enrollment months (November through January). The contract will provide staff at the walk-in center from October 30, 2018 through October 31, 2019. The total budget with NTT is not to exceed \$150,000. The previous contract for the Brockton walk-in center, was executed for the period of October 30, 2017 – October 31, 2018, with a total budget not to exceed \$170,000.

BOOMI SOFTWARE

The Health Connector will enter into a contract with Dell Inc. to purchase a three-year annual subscription to BOOMI, Dell's Integration Platform as a Service (IPaaS). Dell BOOMI is commercial middleware used to implement data and API integrations between vendors and in support of Connector's data integrations with external vendors. NTT, our customer service vendor, has been using BOOMI to assist in various data

transfers that the Health Connector does with insurance carriers. This arrangement will permit us to deal directly with the platform vendor as opposed to going through NTT as a middle-entity. This contract will cost \$77,200 over three years, paid in three equal annual installments of \$25,733.33 at the start of each year of the agreement

EMPLOYEE INCENTIVE VENDOR

The Health Connector will be re-designing its employer wellness program starting in January 2019. The Health Connector will no longer outsource Wellness operations to a third party as it has done for the past several years. Instead, these functions will be performed in house.

Wellness is a program authorized by state statute passed in 2010. Under the program, small group employers can receive a discount if their employees participate in a wellness program designed by the Health Connector. Under the program, as designed by the Health Connector for 2019, employees will be able to earn a gift card as an incentive to participate in the wellness program. The Health Connector will contract with a vendor called Tango Card Enterprise to issue and manage the gift cards.

After careful consideration and review of several available market options, the recommendation is to contract with Tango Card Enterprise as the gift card vendor. Through the evaluation process, Tango's administrative and operations staff proved the most responsive and easiest to work with.

There are no initial setup or ongoing costs. The only cost to the Health Connector will be the face value of the gift cards that it distributes to the employees.

Tango is compensated by retaining the discounted money on the gift cards offered by the merchants. For example, if a merchant's offers a 2% discount per gift card, that merchant charges \$98 per \$100 gift card. The Health Connector will pay \$100 for the gift card and Tango will retain the \$2 difference. The arrangement with Tango will run indefinitely but can be canceled at will.