



*The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
100 City Hall Plaza
Boston, MA 02108*

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Governor

MARYLOU SUDDERS
Board Chair

KARYN POLITO
Lieutenant Governor

LOUIS GUTIERREZ
Executive Director

**Board of the Commonwealth Health Insurance Connector Authority
Minutes**

Thursday, September 13, 2018
9:00 AM to 11:00 AM

One Ashburton Place
Boston, MA 02108
21st Floor Conference Room

Attendees: Louis Gutierrez, Marylou Sudders, Gary Anderson, Rina Vertes, Nancy Turnbull, Lou Malzone, Michael Chernew, Roberta Herman, Mark Gaunya, FayeRuth Fisher, Elizabeth Denniston (who was sitting by designation on behalf of Secretary of Administration and Finance Michael Heffernan), and Dimitry Petion who was joining by telephone because of geographic distance.

The meeting was called to order at 9:03 AM.

- I. Minutes:** The minutes of the July 12, 2018 meeting were unanimously approved.
- II. Executive Director's Report:** Mr. Gutierrez began the meeting by informing the Board that Open Enrollment 2019 preparations are in full swing, with shopping beginning for members on November 1, 2018 for January 1, 2019 coverage. He noted that this has been among one of the most stable anticipated Open Enrollments to date, with the average increase in 2019 premiums at just under five percent, lower increases than the previous year. He commented on the addition of new offerings within existing tiers and the messaging that members will receive to encourage action if they experienced eligibility changes. He informed the Board of the new small group options and the addition of Tufts Premier to the small group platform. He stated that premium stabilization funds will ensure greater access to at least two plans at the lowest level of affordability for ConnectorCare members.

Mr. Gutierrez informed the Board of the on-going work of the call center to improve customer service experience in advance of Open Enrollment and provided comments on the procurement for new customer service vendor(s). He continued with a high level review of the federal policy landscape of interest to the Health Connector. He then informed the Board of the 2017 United States' census data that placed the uninsured rate in Massachusetts at under three percent, while acknowledging that the uninsured rate has bumped up slightly and that affordability remains a barrier.

Secretary Sudders concluded that Massachusetts does have some protections to mitigate concerns about some changes in federal policy or law, but in the event that a rule on public charge is proposed, the Health Connector will be prepared to direct consumers to trusted allies in the consumer advocacy space.

III. Final Award of 2019 Seal of Approval (VOTE): The PowerPoint presentation “2019 Preliminary Seal of Approval” was presented by Emily Brice, Maria Joy Dawley and Edith Boucher Calvao. Ms. Brice began the presentation by providing an overview of the Seal of Approval (SOA) process, and the strategy that informed this year’s approach. She noted that the Health Connector (CCA) formed its strategy in response to federal activity, needs of unsubsidized members, and feedback from the employer community. She informed the Board of strong market response and resulting expansion of plans. She thanked the Division of Insurance (DOI) for partnership and making sure there is a stable insurance market with a level playing field. In response to a question from Ms. Turnbull regarding rates with member aging, Mr. Gutierrez noted that adding about two percent for a member is an accurate reflection of the new premium a member would experience as they age upward. Ms. Brice continued with review of carrier participation for the next plan year, noting that UnitedHealthcare will be joining the Exchange. In response to a question from Secretary Sudders regarding the change in branding by Neighborhood Health Plan, Ms. Brice noted that the carrier would be doing business as AllWays Health Partners.

Ms. Brice provided review of the ConnectorCare program and placement of carriers for plan year 2019, noting the value of competition and importance of minimizing member disruption. She stated that the reordering of carrier placement in the program is in response to the lack of federal payment for Cost Sharing Reductions (CSRs) and that the Health Connector recommends extending the affordability schedule’s defined enrollee contribution amount to the second lowest cost carrier in some cases, so long as the second lowest carrier’s pricing remains competitive. She noted that CCA continues to learn with each year and adjust the program in response to program needs, stating that this recommendation is for 2019 and each year may differ depending on the environment. In response to a question from Dr. Herman regarding total financial impact for fiscal year 2019 (FY19), it was noted that it would be \$2.7 million net after federal funds are considered. Ms. Turnbull commented that this is a wonderful proposal and is grateful to Secretary Sudders and staff for making this possible. In response to a question from Ms. Turnbull about whether the 2019 order would require a significant number of members to switch plans in any region, Ms. Brice confirmed that it would not.

There was then a discussion regarding Neighborhood Health Plans' rates, Dr. Chernew suggested that it may be a result of providers that the carrier contracts with, Ms. Turnbull noted that the carrier is not consistently higher priced in other markets. Dr. Herman proposed, that, while she did not have direct knowledge of the cause, it may be that the carrier is moving from a predominantly Medicaid based book to a commercial based book and as it crosses that threshold it may find that its providers cannot tolerate Medicaid rates. Dr. Chernew remarked that the stabilization funds are a one year fix for the identified problem but that going forward it creates a deleterious dynamic for how the process works; he added that finding a solution going forward may require more in-depth and thorough thought. Mr. Gutierrez confirmed that CCA is careful to note that this response is for the one year only and CCA will look for a long-term solution, however difficult it may be, given federal uncertainty. Ms. Vertes agreed with Dr. Chernew and said she supported the recommendation but has concerns with what things may look like when subsidization is unraveled, adding that advanced financial modeling would be beneficial to making a decision in the future. Secretary Sudders noted that there will likely be a period of federal uncertainty for several more years and there is a need to start modeling in order to reach a long term solutions.

Ms. Dawley then reviewed premium changes before Advanced Premium Tax Credits (APTCs) are applied, noting that increases are varied. In response to a question regarding larger increases in platinum and catastrophic plan premiums, Ms. Dawley noted that it is weighted by membership. Mr. Petion commended the team for keeping the rates as low as they are and was interested in knowing the geographical differences of rate increases and how they vary. Ms. Brice noted that CCA has this information and can provide it. Ms. Vertes noted that a mix in different regions may be due to carrier participation. Ms. Dawley then reviewed the range of premiums within each metallic tier. She continued with an explanation of CCA's approach to close non-group, non-standard silver plans, and elaborated upon the new gold and bronze offerings. She stated that the small group platform would also include an increase in the number of plans offered with new health saving account (HSA) plans and PPO plans. She then reviewed the dental offerings and waiver requests, noting that dental rates remain stable. In response to a question from Mr. Petion about participation in dental coverage, Ms. Calvao stated that there was a significant increase in January of this year and has been stable. Ms. Brice elaborated that CCA believes dental will continue to be an area of growth as it is brought back to the small group platform.

Ms. Turnbull raised concerns about UnitedHealthcare's participation on the Exchange and their volatile historical participation in federal health care reform. She added that she remains deeply concerned about United's product being added to the Health Connector shelf and does not believe it adds value. She noted that if United does not act appropriately, she will vote against a proposal including them next year.

With no additional comments the Board voted to unanimously approve the Health Connector's Final Award of 2019 Seal of Approval recommendation.

IV. Open Enrollment Readiness: The PowerPoint presentation “Open Enrollment Readiness” was presented by Vicki Coates and Marissa Woltmann. Ms. Woltmann began the presentation providing an overview of the Open Enrollment timeline, noting that the preliminary eligibility phase was almost completed. She explained that as in years past, the Health Connector was projecting a loss of subsidies for members and are notifying those individuals, encouraging them to make the necessary updates to their applications. In response to a question from Ms. Turnbull, Ms. Woltmann provided an explanation on a table displaying 2019 expectations of how many members would not experience a change. In response to a question from Dr. Chernew regarding auto-enrollment and member mapping, Ms. Woltmann described how newly unsubsidized members are mapped into the unsubsidized version of the plan they were previously in rather than being unenrolled. She noted that mapping applies to everyone, and eventually, if a member does not make payments, that member would be unenrolled. In response to a question from Ms. Denniston regarding the number of members that ended up losing subsidies last year, Ms. Woltmann stated that by December only ten percent overall did not regain their ConnectorCare subsidies. Mr. Gutierrez added that the preliminary eligibility notice is the first notice that members receive. He continued that members continue to receive notices throughout October and November and the January bill spurs the biggest activity by members to make necessary changes to their applications. He noted that last year the projection for loss of subsidies was particularly high. In response to a question from Ms. Fisher regarding the impact of public charge on eligibility, outreach and messaging, Mr. Gutierrez stated that any proposed rule and final implementation of a rule would be clarified to the market and CCA would work closely with allies on outreach. Secretary Sudders stated that if and when a rule comes out, a list of trusted advocates would direct individuals to non-government resources.

In response to a question from Mr. Petion regarding effectiveness of messaging among returning members, Mr. Gutierrez noted that this is not yet a topic of survey work. Mr. Petion pointed out that some members move more often than others, making noticing more difficult. Mr. Gutierrez pointed out that the figure being discussed is before outreach, with preliminary eligibility being the first time that members are notified of their eligibility for the upcoming plan year. Ms. Woltmann noted that the notices inform members why they can and should send information back. She noted that enhancements for customer self-service would be live the next day and reviewed additional customer supports and the types of notices members would be receiving throughout Open Enrollment. She informed the Board that CCA is fortunate to have a robust set of data that informs planning at the outset of Open Enrollment and assists in evaluating success of Open Enrollment throughout.

Ms. Coates then reviewed the preparations being made by the Operations team and noted that the call center metrics have improved for this month in comparison to the most recent months. She stated that a number of call center representatives have come on board in August and expect that results will be back on track for November 1st. She reviewed the hours of operations for the walk-in centers and changes to Saturday and Sunday schedules to ensure the best use of staff time. In response to a question on federal maintenance of websites and the availability of the federal data hub to CCA, Mr.

Gutierrez noted that CMS is provided a detailed schedule of batch runs that require the hub and that there is a path for escalations to CMS if there are any difficulties encountered. Ms. Woltmann concluded with an overview of remaining activities for Open Enrollment and the focus of the Health Connector moving forward.

- V. **Outreach Strategy Update:** The PowerPoint presentation “Outreach Strategy Update” was presented by Ms. Gasteier and Jason Lefferts. Ms. Gasteier began the presentation noting that CCA’s outreach approach keeps a number of different audiences in mind, particularly those at risk of uninsurance, but also those that may be new to the state or may have newly lost coverage. She noted that while Massachusetts remains the nation leader in the rate of insured, detailed data from Center for Health Information and Analysis (CHIA) and the census reveal that there are pockets of the population that lag behind when it comes to the rate of insurance. She reviewed the details of the uninsured population in the state, noting that the majority of the uninsured in the state would be eligible for subsidies. She explained the micro-trends that emerge from data show an uptick in uninsurance on the Cape and Islands and among other populations. She provided an overview of reasons why individuals remain uninsured and CCA’s intended approach to reach those members.

She informed the Board that for the first time CCA embarked upon a closed enrollment marketing campaign using ethnic media to target key populations. She commented on the possible public charge rule and whether it is having impacts on enrollment at this stage and noted that should a rule be proposed CCA would partner with consumer advocacy groups. She reiterated that any future proposed rule is not final until it is formally adopted after notice and comment. In response to a question from Ms. Turnbull regarding strategy to ensure that resources are available for advocate groups, Secretary Sudders commented that there are active conversations with advocate groups about strategy and response to the community. Ms. Gasteier shared the Open Enrollment 2019 target communities, which include municipalities with the most concentrated needs. She reviewed the strategy to reach the target communities and highlighted the #StayCovered campaign to ensure residents know that the state mandate is different from the federal mandate.

Mr. Lefferts then informed the Board of the new Market Awareness Program that will be critical in assisting members in navigating market confusion and federal uncertainty that is expected over the next few years. He reviewed the details of the program and the expected activities, including focus on promoting the #StayCovered message. He provided review of the Navigator procurement and the importance of Navigators in assisting 80,000 new and returning members and serving as a trusted resource for their communities throughout the year. In response to a comment from Mr. Gaunya about linking Navigators to small businesses and the new Health Connector for Business platform, Mr. Gutierrez noted that there is an active interest in pursuing this connection to support small businesses. Mr. Lefferts highlighted the addition of two new Navigators for this year, serving communities that are in great need, Fall River and Framingham. He noted that the first Navigator training had occurred just the day before and it went very well. In response to Ms. Turnbull’s comment about the increased uninsured rate on the

Cape and Islands, Mr. Lefferts noted that CCA would be spending a lot of time in that region this fall with community events scheduled, including organizing a “Days of Coverage” event in the area and increased paid media in the Cape and south coast region. In response to Ms. Turnbull’s comment that these areas have less competition, Ms. Gasteier agreed and noted that it is a higher cost region. She commented that the Blue Cross Blue Shield of Massachusetts Foundation did a report on unexpectedly high risk of uninsurance and found that one risk factor was untraditional employer / employee relationships, such as seasonal work, which is characteristic of the workforce in this region. She recognized that outreach will require a different approach for this group of uninsured. The presentation was concluded with a look at how CCA intends to conduct future outreach.

It was noted that the next meeting would be after the beginning of Open Enrollment. Prior to adjourning, Secretary Sudders commented on the extraordinary work of CCA.

The meeting adjourned at 10:26 AM.

Respectfully submitted,

Erin E. Ryan