



# **Kick Off: Strategic Planning 2019-2022**

Board of Directors Meeting, December 13, 2018

# The Health Connector's Long-Standing Mission and Values (For Review)

## Mission statement:

- Improve access to high-quality health care and transform the health care system by serving as the leading edge marketplace for Massachusetts residents and small businesses to come together and easily find and enroll in affordable health insurance.

## Values:

- Structure a health insurance shopping experience that makes it easier than ever before for individuals and small businesses to understand their health insurance options and choose, enroll in and maintain affordable coverage that best meets their needs.
- Transform the health insurance market and health care system through the power of competition.
- Expertly execute health care reform policymaking and other regulatory responsibilities to promote health insurance coverage and shared responsibility for sustaining health care reform.
- Fully embody the high standards inherent to serving as the Commonwealth's official public Health Insurance Exchange.
- Promote robust public engagement in and understanding of health care reform.

# The Health Connector's Mission and Values (DRAFT Proposed Adjustments)

## Mission statement:

- Advance access to high-quality health care by serving as a transparent marketplace for Massachusetts residents and small-businesses to come together and easily find, compare, and enroll in affordable health insurance.

## Values:

- Structure a health insurance shopping experience that makes it easy for individuals and small businesses to understand their health insurance options and choose, enroll in and maintain coverage that best meets their needs.
- Promote affordability in the health insurance market and health care system through the power of transparent competition.
- Capably assess and execute health care reform policymaking and other regulatory responsibilities to promote health insurance coverage and shared responsibility for sustaining health care reform.
- Fully embody the high standards inherent to serving as the Commonwealth's official public Health Insurance Exchange.
- Promote robust public engagement in and understanding of health care reform.

# Where is the Health Connector at the end of 2018?

## Highlights

- High water mark for CCA coverage in CCA history (~260K)
- Highest rate of insurance coverage in nation (97%)
- Lowest average premiums of any Exchange in 2018
- Expanding into small group market for first time in earnest with promising early trends
- CCA is 12 years old, has navigated and learned from multiple iterations of health reform
- Have preserved affordability programs that help low and lower middle income residents stay covered and able to afford to access care
- Systems stabilized after 2013-2015 troubles
- Have to date been able to stay true to purposes of Massachusetts health reform efforts, despite turbulent federal policymaking
- Other states looking to replicate features of CCA/MA approach to exchange and individual market stability (e.g., state mandate, state wrap program)

## Area of challenge

- Customer satisfaction plateauing
- Online consumer experience remains difficult to navigate, not consumer-friendly
- Continuing to devote substantial resources to navigating federal interventions in order to preserve MA approach
- ConnectorCare is programmatically complex, and has become more so in recent years due to federal factors
- The uninsured population has remained roughly static (in percentage terms) in recent years
- Federal actions on immigration policy may deter enrollment among uninsured and potentially reduce coverage among currently enrolled
- Health Connector is seeking to make substantive inroads in assisting the small group market and grow market awareness

# Areas of Strategic Focus

Against the backdrop of the Health Connector's mission, staff have proposed five areas that require focused agency attention and goal-setting.

## Strengthening ConnectorCare

### How can we make ConnectorCare more programmatically durable?

ConnectorCare has some structural vulnerabilities related to Cost Sharing Reductions, diminishing access to broad network plans, and areas of the state with only one carrier.

## Supporting the Unsubsidized

### What can CCA do to better serve and support the unsubsidized nongroup market?

Unsubsidized members are the least satisfied with CCA, have no financial assistance to pay for coverage, and face the largest number of options for coverage.

## Transforming the Customer Experience

### How can CCA create a Customer experience which meets member's evolving needs?

Decreases in customer satisfaction are driven by website usability challenges and other pain points in the overall customer journey, especially as compared to other purchasing experiences.

## Serving the Small Group Market

### How can CCA make the small group market in Massachusetts more competitive and efficient?

CCA is earnestly entering the small group market for the first time, and seeking to drive same competition-based value for small employers it has for non-group market.

## Covering Remaining Uninsured

### How can CCA escalate and elevate its efforts to cover those remaining without coverage?

CCA efforts to reach the remaining uninsured via outreach and public messaging, but closing the gap may require exploration of policy solutions beyond outreach.

# Strengthening ConnectorCare

**Issue: ConnectorCare has some structural vulnerabilities related to federal Cost Sharing Reductions (CSRs), diminishing access to broad-network plans, and areas of the state with only one carrier participating.**

- **Federal CSRs: ConnectorCare carriers continue to experience instability related to CSR withdrawal.**
  - For PY18 and PY19, ConnectorCare carriers raised premiums in reaction to the loss of federal CSRs
  - While carriers were generally made whole, this approach caused financial challenges for some ConnectorCare carriers with a higher proportion of lowest-income enrollees
  - A premium stabilization fund helped to address the disparity in PY19, but alternative solutions may be preferable in future years
  - In addition, it is unclear whether CMS will continue to permit this “silver loading” approach
- **Network issues: Some ConnectorCare carriers have concerns about the stability of provider networks.**
  - Remaining ConnectorCare carriers with broad networks featuring certain academic medical centers have signaled financial challenges related to their ConnectorCare participation
  - During PY2019, some carriers with narrow networks have indicated difficulty renegotiating competitive provider contracts, which may foretell future carrier participation issues or pricing challenges
- **Carrier participation: The number of carriers participating in ConnectorCare has declined.**
  - Over the last few years, two ConnectorCare carriers, CeltiCare and Minuteman, have exited the Exchange
  - The Health Connector continues to assess the risk of “bare counties” in Franklin (region A4) and the Islands (region G2), which currently have only one ConnectorCare option

# Strengthening ConnectorCare

## Questions for Board Consideration:

- What works well about ConnectorCare? What works less well?
- What do we want ConnectorCare to look like in 2022? What would be the mark of successful stewardship of this program by that time?
- How can we make ConnectorCare more programmatically durable?
- How should we address the risk of bare counties in areas of the Commonwealth where we are down to one carrier?
- How should we think about ConnectorCare only including a subset of the broader array of carriers on the Health Connector shelf/in the Massachusetts market?
- Would there be value to incentivizing or requiring participation among other carriers? What would the pros and cons of that be?
- How should ConnectorCare account for continued non-payment of federal Cost Sharing Reductions, which exposes carriers to different revenue gaps?
- What other risks to ConnectorCare's stability should the Health Connector anticipate in the next 3-4 years?



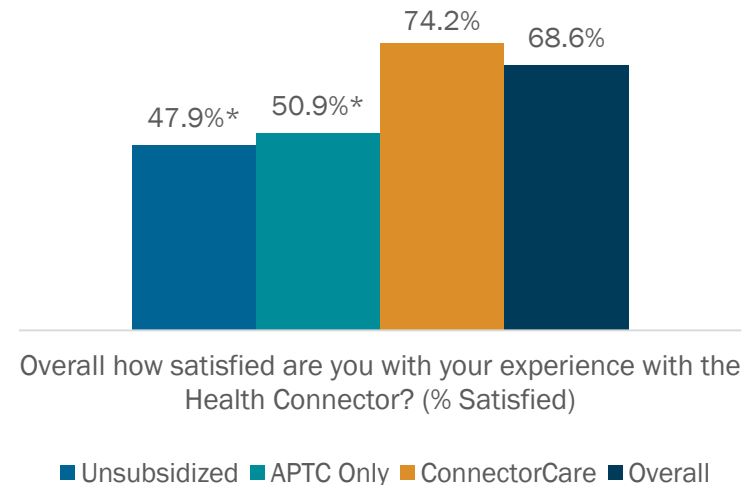
# **Board Discussion on ConnectorCare**



# Supporting Unsubsidized Enrollees

**Issue:** Unsubsidized members are the least satisfied with CCA, have no financial assistance to pay for coverage, and have to navigate the largest number of options for coverage.

- We currently have ~45,000 unsubsidized members, including individuals who lose eligibility for subsidies during the year
- Bronze is the most popular tier at 37% of unsubsidized members, closely followed by Silver at 36%
- The average unsubsidized household pays \$419 PMPM
  - Only 20% of members feel their premium is reasonable, and cost is a growing driver of dissatisfaction
  - While premiums are generally out of the Health Connector’s control, strategies to mitigate the impact of premium increases due to “CSR silver loading” may exist and warrant discussion, to the extent this loading continues to be permitted
- Although the Health Connector has streamlined its shelf over the last several years, 31% of unsubsidized members said it was difficult to compare plans



Year	# of Unsub/APTC-only Plans
2018	52
2017	67
2016	83
2015	126

# Supporting Unsubsidized Enrollees

## Questions for Board Consideration:

- What does the Health Connector do well for the unsubsidized and APTC-only population? What strikes the Board as the biggest challenges facing the unsubsidized and APTC-only population?
- What aspects of the unsubsidized market does the Health Connector have the ability to improve?
- What does the Board wish to see in terms of how the Health Connector is serving this population in 2021?
- Are there ways the Health Connector can better deliver affordable premiums to this population?
- Are there ways the Health Connector can improve the process of shopping for and enrolling in coverage for this population?
- What policy and program tools could the Health Connector bring to bear to improve general merged market stability for this population?
- Should Massachusetts consider additional financial assistance for this population?
- Are there creative ways the Health Connector can help unsubsidized enrollees who are facing “silver loaded” premiums?



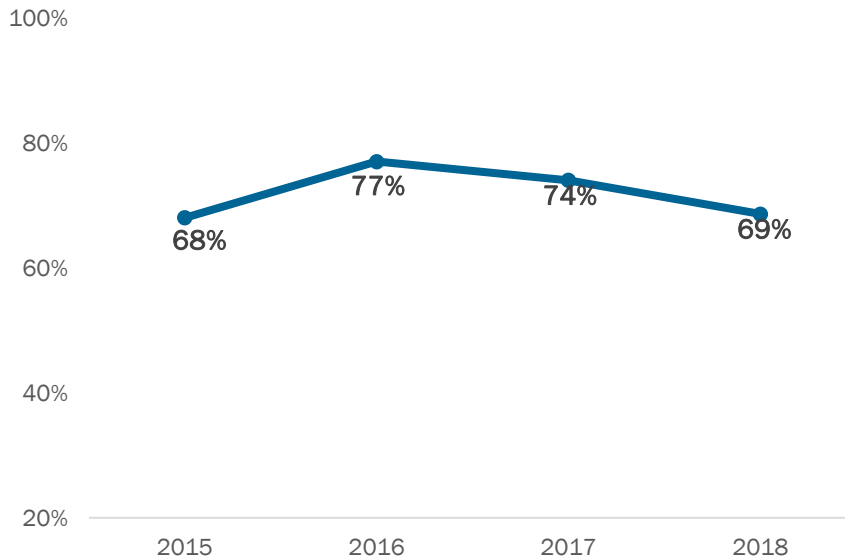
# **Board Discussion on Unsubsidized Market**

# Customer Experience: Our Belief and The Threat

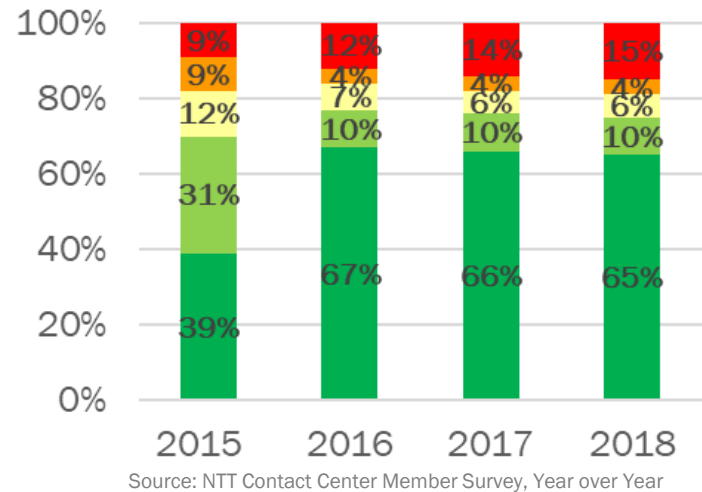
The Health Connector believes that high customer satisfaction with the overall experience to shop, purchase, and maintain health care is critical to keeping the public and legislature’s confidence and their commitment to health reform.

- While it is true the Health Connector has achieved overall stability for Operations, both in Program Integrity and Call Center responsiveness, the existing end-to-end Customer Service Delivery model lags significantly behind marketplace expectations for usability.
  - As a result, customer satisfaction has been slipping.

Overall Satisfaction with Health Connector



October YoY Overall Customer Satisfaction



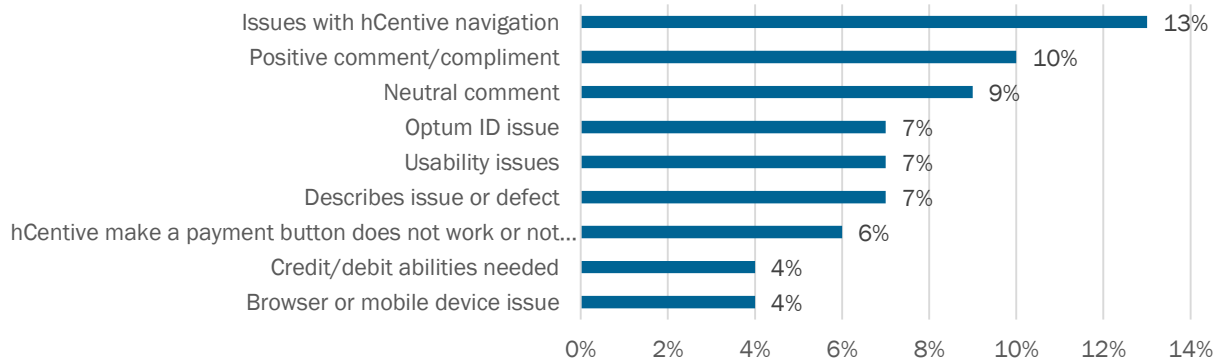
# Customer Experience Road Map: Framework for Decision Making

- Provide exceptional customer experience, for prospective and enrolled members, as they research options, purchase insurance, resolve issues or manage their account
- Tailor experience to meet member profiles based upon one or more of the following characteristics:
  - Demographics (e.g. income, age, ethnicity, primary language etc.)
  - Behavioral preferences of engagement (e.g. on-line, email, chat, text, mobile compatibility, calls, or in-person assistance)
  - Geographic location (e.g. proximity to walk-ins, navigators, etc.)
- Create service options which allow the member to see the same information and conduct the same activities regardless of the channel selected (e.g. web, mobile, email, click to call, text, phone, chat)
- Develop an increased understanding of our members which then affords the Health Connector the opportunity to more precisely target communications, design and implement service features and functionality, and proactively respond to issues. This should lead to an increase in customer satisfaction.
- Manage the delivery model via the most cost-effective solution available (as determined via continuous benchmarking) while maintaining program and financial integrity controls.

# HIX and Payment Portal Usability Challenges

- Significant issues with website’s usability and maneuverability exist and are directly impacting Customer Satisfaction based on feedback from our members:
  - “The website is difficult to navigate and not intuitive”
  - “I have my masters in computer science and your website design eludes me”
- The initial and subsequent member authentication process is cumbersome and difficult
  - As a result, instead of using the website, members are forced to call to enroll and manage their account
  - The HIX website issues also limit the use of the Payment Portal which was intended to drive down postage costs, among other objectives

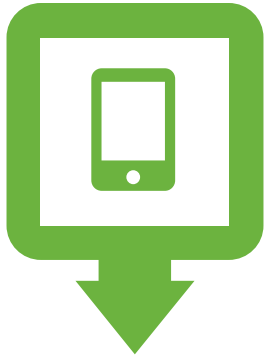
What users say about payment portal, top 10 comments



Source: Health Connector paperless attitudes survey November 2017

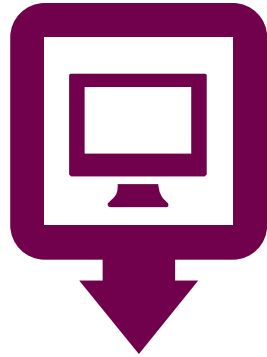
- The roadmap and development cycle is too long and expensive for incremental, modest changes such as updating the language on the payment portal click here button instructions
- Integration costs with third party solutions are too expensive which is why we have deferred integration with a cost calculator which is needed to support unsubsidized shopping

# Gaps in Expected Customer Experience



## Mobile compatibility

HIX Website available on-line but is not mobile compatible



## Language Preference

HIX Website, payment portal and bills/quotes are in English only



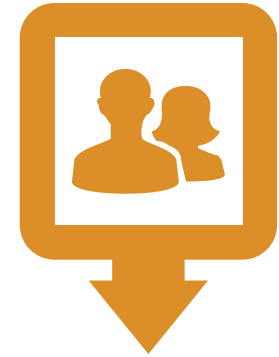
## Document Handling

RFI documents can only either be mailed or faxed, cannot be uploaded or emailed



## Payment Methods

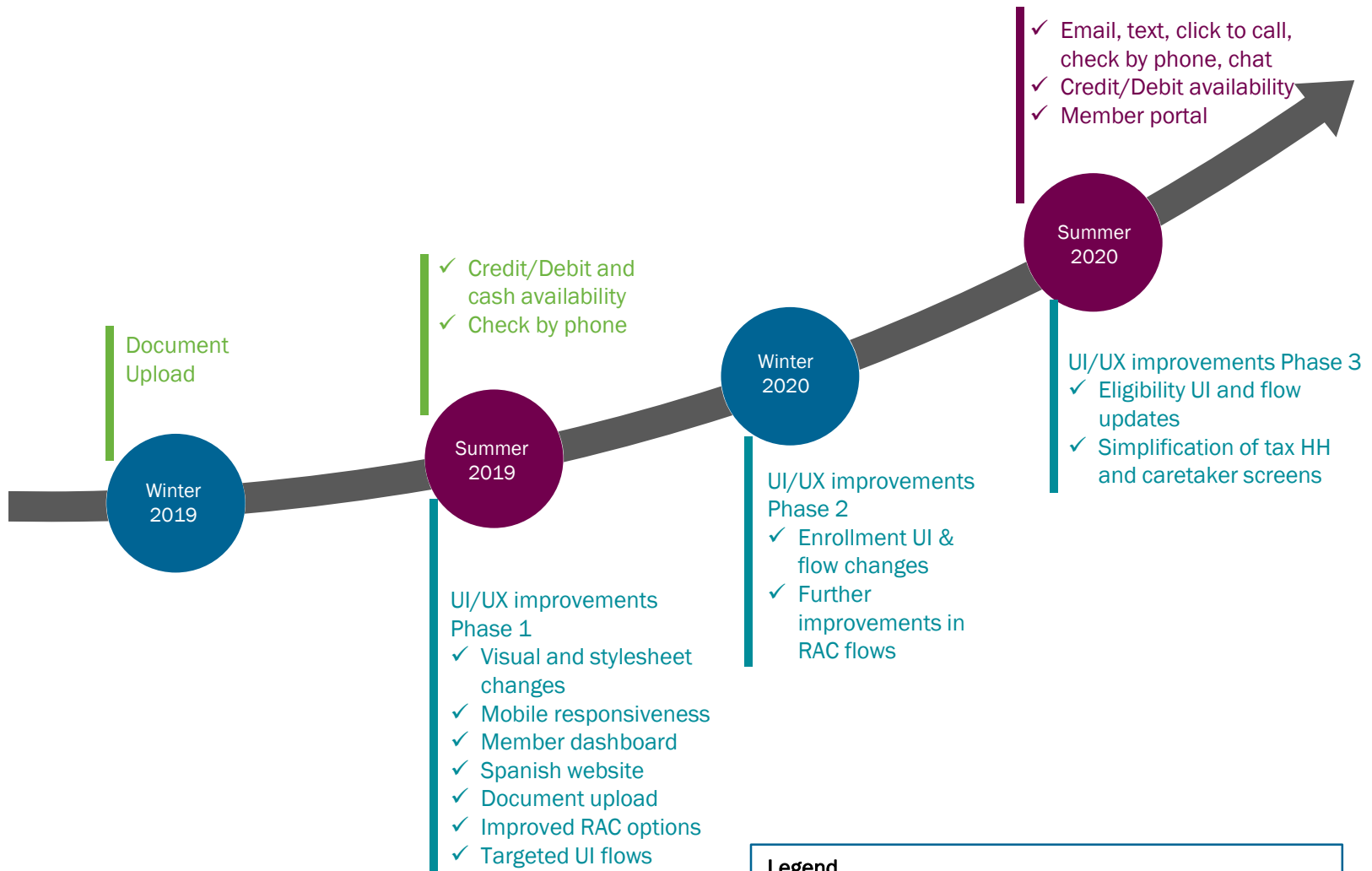
Credit, debit, or check by phone are not available



## Walk in centers

Full service sites are limited to 4 locations. Navigators are not intended to be full service

# Customer Experience Roadmap



**Legend**

- Will be delivered by CXPP project
- Planned for HIX releases
- Planned to be delivered through other Health Connector efforts





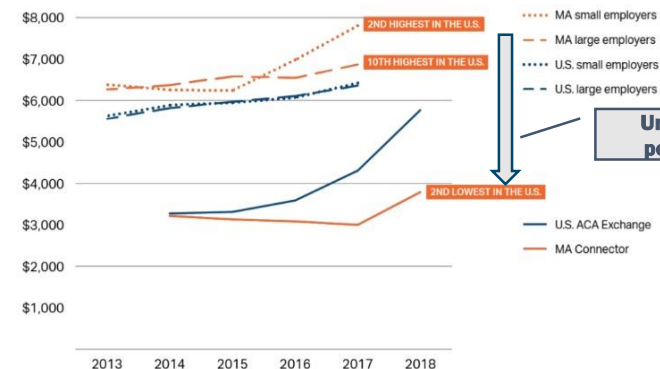
# **Board Discussion on Customer Experience**

# Becoming Stronger Presence in the Small Group Market

**Issue:** CCA is earnestly re-entering the small group market, and seeking to drive the same competition-based value for small employers it offers for the non-group market.

- Though the small group insurance market is well-established, it is not currently serving the needs of all small businesses
  - 35% of small businesses do not offer health insurance
  - 52% of companies with 3-9 employees do not offer health insurance
- The Health Connector has successfully built itself as the place for individuals and families to obtain coverage, but many in the Commonwealth are unaware of that the Health Connector also serves the small business community.
- The Health Connector offers a unique value proposition that exposes employers to all leading carriers, including smaller carriers not historically popular with small businesses. Small businesses save over 20 percent on average by shopping through Health Connector for Business.
- The small group distribution channels in the Commonwealth are mature and difficult to penetrate - especially those channels familiar to brokers and employer associations (i.e., intermediaries)

Annual premiums for single coverage in the employer market and average annual unsubsidized benchmark premium for a 40-year-old in the ACA Exchanges, MA and the U.S., 2013-2018



# Becoming Stronger Presence in the Small Group Market

## Questions for Board Consideration:

- What aspects of the Massachusetts small group market are working well? What aspects are not working well, and what role can the Health Connector play in improving in those areas?
- What would it take for the Health Connector to grow its scale in the small group market?
- How should the Commonwealth think about incentivizing small businesses to use Health Connector for Business?
- How should the Commonwealth think about its current wellness program incentive for small groups? Are there better ways to use such funds besides wellness promotion?
- Are there changes the Health Connector should make to the way it markets and outreaches to the business community about HCB?
- Are there policy solutions CCA and the Commonwealth should explore to drive more small groups through the Health Connector?
- What role should CCA play in educating employers about lower cost carriers and products?
- How to approach interest in growing scale with not disrupting ‘what works’ in small group market?
- How should the Health Connector approach this market segment and general Health Connector for Business endeavor in the most economical way?



# **Board Discussion of Small Group Market**

# Covering the Remaining Uninsured

**Issue:** Since Chapter 58, the Health Connector has played a leading role in educating Massachusetts residents about the importance of having health coverage, and the Health Connector serves as the “front door” to connecting residents who don’t get coverage from an employer with the coverage for which they qualify. Despite ongoing outreach and a state-level individual mandate, there remains a population of 200,000-250,000 uninsured in the Commonwealth.


- In 2017, MA had the lowest uninsured rate in the U.S. at 3.7% (compared to a national uninsured rate of 8.8%)
  - CHIA shows this rate as steady since 2014, but national sources show an increase
- A 2016 report found the remaining uninsured split evenly between chronically and temporarily uninsured residents
- Immigration status is likely a barrier to covering some portion of the uninsured – and federal public charge proposal likely to worsen coverage rates among those who are lawfully present and eligible for coverage
- As a percentage of its budget, Massachusetts is one of the state-based exchanges that spends the least on marketing and outreach
- The Health Connector is currently conducting an outreach experiment (J-PAL Eligible But Uninsured enrollment project) to test ‘prompts’ for enrolling
- Detailed mandate compliance data is not available to the Health Connector for outreach purposes

Uninsured sub-populations	% of overall uninsured population	Potential barriers to obtaining coverage
“Young Invincibles” aged 18-34	44%	<ul style="list-style-type: none"> <li>• Unaware of or newly subject to individual mandate</li> <li>• Low risk aversion</li> <li>• High cost of coverage</li> <li>• No plan for coverage after losing parent’s health insurance</li> </ul>
Men	65%	<ul style="list-style-type: none"> <li>• Low risk aversion</li> <li>• May place low priority on their own health</li> </ul>
Childless, single adults	63%	<ul style="list-style-type: none"> <li>• “No one to stay healthy for” mentality</li> <li>• Lack of contact with entities (schools, doctors etc.) that care if they have health insurance</li> </ul>
Minorities	24% Hispanic 14% Other or multiple races 7% Black	<ul style="list-style-type: none"> <li>• New residents of MA (international migrants)</li> <li>• Wariness about engaging with government programs</li> <li>• Language barriers</li> </ul>
Low income individuals	78% (under 400% FPL)	<ul style="list-style-type: none"> <li>• Cost of coverage</li> <li>• Fluctuating eligibility</li> </ul>

# Covering the Remaining Uninsured

## Questions for Board Consideration:

- What additional steps should the Health Connector pursue to escalate its efforts to get closer to 100% coverage in the Commonwealth?
- Should the Health Connector consider increasing outreach and marketing investments? How should it approach this decision?
- Are there mechanical solutions the Commonwealth should explore to automatically enroll individuals who are eligible for free or low-cost coverage?
- Are there adjustments to our individual mandate that we should explore, like the “down payment” idea from Maryland (i.e., where an individual without coverage is able to use the “penalty” they have to pay for non-coverage towards a “down payment” on coverage, and individuals can be automatically enrolled into coverage by the state)?
- Are there partnerships that can be established between the Health Connector and other state agencies to help identify and support the uninsured in obtaining coverage, while also being mindful of privacy?



# **Board Discussion on Covering the Remaining Uninsured**