

MEMORANDUM

To: Health Connector Board of Directors
Cc: Louis Gutierrez, Executive Director
From: Health Connector Staff
Date: March 13, 2019
Re: 2020 Seal of Approval Strategy

Overview

Health Connector staff will present the Health Connector's proposed 2020 Seal of Approval (SOA) at the Board of Directors meeting on Thursday, March 14th. The Health Connector's proposed 2020 SOA approach aims to maintain stability amidst a continued dynamic health care landscape. The key features of the Plan Year (PY) 2020 SOA are:

1. Maintain a steady-state product shelf, with modest tweaks to standard plan designs to meet federal actuarial value requirements.
2. Maintain current ConnectorCare structure, with updates to enrollee premium contributions.
3. Minor modifications to promote carrier participation across different geographic regions.
4. Strengthen member experience through increased monitoring of carrier behavioral health efforts, network adequacy, benefit/formulary design, and contractual compliance practices.

This proposal is provided as a draft and may be modified in response to Board member feedback and carrier operational capabilities.

Health and Dental Product Shelf

To allow greater familiarity with new requirements introduced last year, the proposed structure of the PY 2020 product shelf remains the same as PY 2019 (*see Appendix*). New for PY 2020, some standard plan designs will require increases in cost-sharing to comply with the federal Actuarial Value Calculator (provided under separate attachment). The following standard plans will require cost-sharing increases in PY 2020:

- Low Gold (non-group and small group)
- High Silver (non-group and small group)
- Low Silver, HSA-compatible (small group only)
- Bronze, HSA-compatible and non-HSA-compatible (non-group and small group)

The Health Connector's proposed changes to these plans aim to maintain a similar actuarial value range, premium price point, and cost-sharing structure as PY 2019 designs, with the goal of maximizing enrollee continuity year-over-year.

ConnectorCare Program Structure

To promote ConnectorCare stability, the Health Connector proposes to retain the same program structure as PY 2019, including the requirement that carriers restrict non-group silver offerings to the standard plan to maximize the availability of federal Advance Premium Tax Credits (APTCs).

In addition, the Health Connector continues to work with the Division of Insurance (DOI) to examine carrier concerns over side-effects of silver loading, with the goal of developing any needed market guidance along with rate-filing guidance (typically released in April).

Carrier and Plan Availability

New for PY 2020, the Health Connector proposes prohibiting carriers from shrinking service areas smaller than what was offered in PY 2019 (with exception if, in the judgment of the Health Connector, shrinkage is needed to avoid bare counties).

In addition, to promote increased ConnectorCare carrier choice, the Health Connector is considering a modification to the network adequacy requirement of “one hospital per county” to permit written request/justification for an exception in limited circumstances if, in the judgment of the Health Connector, the network can still meet reasonable, community standards for access; is currently approved to offer coverage to unsubsidized and APTC-only individuals in the requested exception zip codes; meets all other network adequacy requirements of the Health Connector and DOI; and is in the best interest of enrollees.

Member Improvement Initiatives

Substance Use Disorder Reduction

The Health Connector proposes to continue existing substance use disorder reduction initiatives, including the requirements that: (1) ConnectorCare carriers offer zero cost-sharing for medication assisted treatment and overdose antidotes, and (2) all carriers implement a Quality Improvement Strategy related to substance use disorder.

New for PY 2020, the Health Connector proposes requiring carrier participation in a behavioral health survey, following up on the survey fielded in 2016. Survey questions would ask carriers to provide utilization data to evaluate the 2017-2020 zero cost-sharing intervention, as well as carriers’ coverage of Emergency Service Program providers and recovery coaches.

Network Adequacy Monitoring

Beginning in PY 2020, the Health Connector plans to enhance its network adequacy monitoring efforts, leveraging existing provider data submissions and newly-developed “GIS” mapping capabilities.

The PY 2020 SOA also includes new proposed carrier inquiries regarding any opportunities for alignment between participating carriers’ MassHealth ACO initiatives and Health Connector networks.

Benefit & Formulary Design Monitoring

New for PY 2020, SOA submission requirements will require carrier attestation that formularies meet non-discrimination standards, in alignment with concurrent DOI activity to monitor prescription drug benefits, to ensure member consistency and protection across carriers.

In addition, the Health Connector proposes enhancing the existing allowance for Value-Based Insurance Design strategies within Health Connector-defined guardrails, requiring that carriers that offer “flex”

plans with cost-sharing reductions for specific providers/sites-of-service/prescription drugs to make this feature available in Health Connector plans.

Contractual Compliance

New for PY 2020, the Health Connector proposes revising select portions of its carrier contract to better align with existing business practices and expectations. This should allow the Health Connector to more consistently manage its contractual relations with carriers.

Next Steps

Health Connector staff will present this proposal to the Board on Thursday, March 14th. We welcome Board member feedback or questions as we prepare to release the PY 2020 SOA Request for Responses on Friday, March 15th.

Appendix: Qualified Health Plan Product Shelf Summary

Non-Group	Small Group
Standard Platinum (required)	Standard Platinum (required)
Standard High Gold (required)	Standard High Gold (required)
Low Gold (required)	Low Gold (required)
Standard High Silver (required)	Standard High Silver (required)
	Standard Low Silver HSA (required)
Non-Standard Silver plans prohibited	Non-Standard Silver plans allowed
Standard High Bronze #1 or #2 (required); no Bronze waivers allowed	Standard High Bronze #1 or #2 (required); no Bronze waivers allowed
No requirement regarding PPOs	At least one PPO if offered off Exchange, on either the Gold or Silver tiers (required)
Catastrophic waivers allowed	N/A