



# Conditional Award of the 2020 Seal of Approval (VOTE)

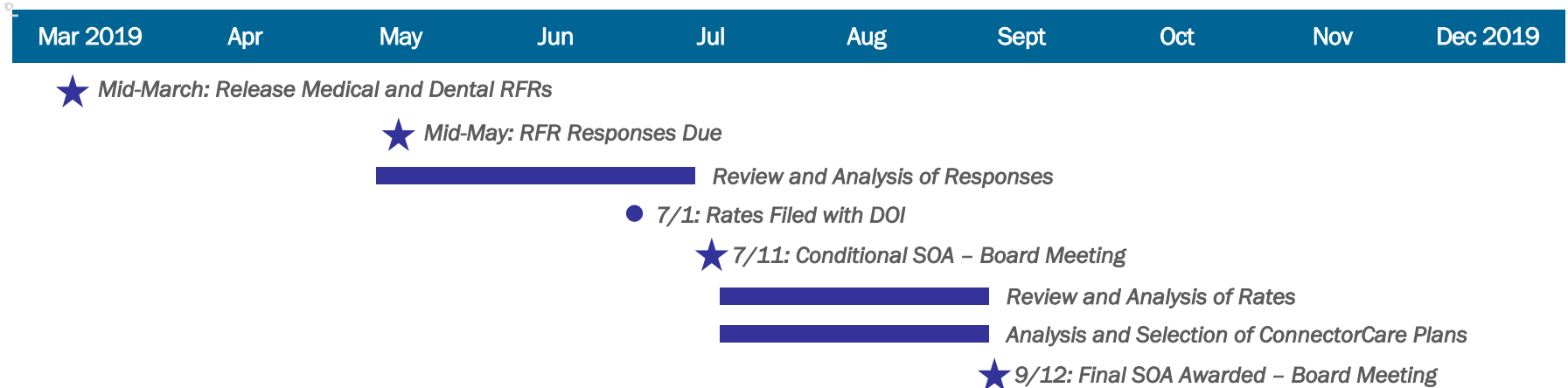
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Director of Health Plans & Operations

Board of Directors Meeting, July 11, 2019

# 2020 Conditional Seal of Approval

Today we will ask the Board to allow further consideration of the proposed plans we received in response to the Seal of Approval (SOA) Request for Responses (RFR) issued in March.

- A vote today authorizing the Conditional SOA allows us to consider these plans for sale through the Health Connector for the 2020 benefit year; it is not an indication of expected approval, but rather a signal to the market of the types of plans we are considering for sale
- We will return to the Board in September seeking a final award of the 2020 SOA, after the Division of Insurance (DOI) completes its form and rate filing review process and Health Connector staff complete review of the value the plans offer to our Marketplace





# **Qualified Health Plan (QHP) Submissions**

# Qualified Health Plans: Overview

As the SOA for Plan Year (PY) 2019 was highly dynamic with significant product shelf changes as we continued adjusting for the prior year's Cost Sharing Reduction withdrawal, the PY 2020 SOA reflects a relatively stable product suite in order to monitor uptake of new plans.

- As in Plan Year (PY) 2019, carriers continue to be required to offer:
  - A low gold (~76% actuarial value or “AV”) for both non-group and small group, with the aim of providing unsubsidized members alternatives to premium-loaded silver plans
  - A low silver (~69% AV), Health Savings Account (HSA)-compatible plan for small groups, in response small employer feedback requesting a wider array of HSA-compatible offerings
  - A PPO plan for small groups, in response to small employer feedback seeking a coverage solution for out-of-state employees
- As in PY 2018 and 2019, ConnectorCare carriers will continue to “load” their Silver tier non-group plans with an additional percentage of premium to offset the loss of federal cost-sharing reductions
- There are no new carrier entrants, and no carrier departures, for PY 2020



# Qualified Health Plans: Overview (Non-Group)

Nine medical carriers responded to the 2020 Seal of Approval (SOA), submitting a total of 56 non-group QHPs proposed for the Health Connector's consideration for 2020, a net decrease of one plan from 2019.

Issuers	Non Group 2020					Total 2020	Total 2019 for Comparison
	Platinum	Gold	Silver	Bronze	Catastrophic*		
AllWays Health Partners	1	2	1	1	0	5	5
Blue Cross Blue Shield	1	2	1	1	1	6	6
BMC HealthNet Plan	1	2	1	1	0	5	5
Fallon Health	2	5	3	2	1	13	13
Health New England	1	2	1	1	0	5	6
Harvard Pilgrim Health Care	1	2	1	1	0	5	5
Tufts Health Plan - Direct	1	2	1	2	1	7	7
Tufts Health Plan - Premier	1	2	1	1	0	5	5
United	1	2	1	1	0	5	5
<b>Total 2020</b>	<b>10</b>	<b>21</b>	<b>11</b>	<b>11</b>	<b>3</b>	<b>56</b>	
<b>Total 2019 for Comparison</b>	<b>10</b>	<b>21</b>	<b>11</b>	<b>12</b>	<b>3</b>	<b>57</b>	

\*Excludes Catastrophic plans requested for withdrawal – subject to review and Board approval.

# Qualified Health Plans: Overview (Small Group)

The chart below outlines the 69 small group QHPs proposed for the Health Connector's consideration for 2020, a net decrease of one plan from 2019.

Issuers	Small Group 2020					Total 2020	Total 2019 for Comparison
	Platinum	Gold	Silver	Bronze	Catastrophic		
AllWays Health Partners	1	2	3	1	N/A	7	7
Blue Cross Blue Shield	1	2	3	1	N/A	7	7
BMC HealthNet Plan	1	2	3	1	N/A	7	7
Fallon Health	2	5	6	2	N/A	15	15
Health New England	1	3	2	1	N/A	7	8
Harvard Pilgrim Health Care	1	3	2	1	N/A	7	7
Tufts Health Plan - Direct	1	2	2	2	N/A	7	7
Tufts Health Plan - Premier	1	2	2	1	N/A	6	6
United	1	2	2	1	N/A	6	6
<b>Total 2020</b>	<b>10</b>	<b>23</b>	<b>25</b>	<b>11</b>	<b>N/A</b>	<b>69</b>	
<i>Total 2019 for Comparison</i>	<i>10</i>	<i>23</i>	<i>25</i>	<i>12</i>	<i>N/A</i>	<i>70</i>	

# Qualified Health Plans: New, Closing, Waivers, and Frozen Plans

**No carriers proposed new plans for 2020, and only one 2019 plan is closing in 2020. The same carriers requesting waivers of their catastrophic offerings in 2019 again requested waivers for 2020, and the Health Connector is not permitting frozen plans for 2020.**

- Health New England is closing a non-standard bronze plan in PY 2020; it will be closed on both the non-group and small group shelves
  - The approximately 350 members currently enrolled in this plan will be mapped into HNE's standard bronze plan at time of renewal
- Six carriers submitted requests to waive offering a catastrophic plan: AllWays Health Partners, Boston Medical Center HealthNet Plan, Health New England, Harvard Pilgrim Health Care, UnitedHealthcare, and Tufts Premier
  - These are the same carriers that waived their catastrophic offerings in 2019
  - As the same set of catastrophic plans will be available in 2020, we do not expect any changes to geographic availability
- New in 2020, the Health Connector did not permit carriers to request “frozen” status for any previously-offered plans
  - As there were no frozen plans in 2019, this does not represent any member disruption



# **Qualified Dental Plan (QDP) Submissions**



# Qualified Dental Plans: Overview

## The proposed 2020 dental shelf is unchanged from 2019.

- Carriers proposed 14 plans for the small group shelf and 12 plans for the non-group shelf
  - Two existing carriers proposed to offer plans to the non-group and small group markets: Altus Dental and Delta Dental
  - Two additional carriers, BCBS and Guardian, again requested to waive on-Exchange sale, consistent with last year's approach and sufficient on-Exchange QDP participation
  - There are no new carriers exits or entrants
- All carriers submitted the required one plan for each of the three standardized plan designs: Family High, Family Low and Pediatric-only

# Qualified Dental Plans: Overview (cont'd)

The charts below outline the QDP product shelf proposed for the Health Connector's consideration for 2020.

Carriers	Plan Year 2020 (No change from PY19)						Total
	Non Group	Small Group	Intent to sell on exchange	High	Low	Pedi	
<i>Altus Dental</i>	✓	✓	✓	1	1	1	3
<i>Blue Cross Blue Shield of MA</i>		✓		1	1	2	4
<i>Delta Dental of MA</i>	✓	✓	✓	2	3	4	9
<i>Guardian</i>		✓		1	1	1	3
<b>TOTAL</b>				<b>5</b>	<b>6</b>	<b>8</b>	<b>19</b>

*All carriers meet product shelf requirements for 2020.*



## **Next Steps and Vote**

# 2020 Seal of Approval: Next Steps

**The Conditional Seal of Approval is an important step in the process, but more data and analysis, particularly regarding premiums, is required before the 2020 product shelves are finalized.**

- We will work closely with the Board throughout the summer to develop recommendations for final award of the Seal of Approval
  - Carriers must demonstrate compliance with all DOI requirements, including completion of premium rate review
  - Our final recommendation will be based on confirmation that all SOA plans offer good value to our consumers and carrier readiness to enter a contract with the Health Connector
  - The final SOA will also incorporate selection of ConnectorCare plans

# VOTE

**The Health Connector recommends allowing the 2020 Conditional Seal of Approval to enable consideration of all recommended standardized and non-standardized QHPs and QDPs proposed by the following carriers:**

- AllWays Health Partners
- Altus Dental
- Blue Cross Blue Shield of MA
- Boston Medical Center HealthNet Plan
- Delta Dental of MA
- Fallon Health
- Guardian
- Harvard Pilgrim Health Care
- Health New England
- Tufts Health Plan – Direct
- Tufts Health Plan – Premier
- UnitedHealthcare



# Appendix

# Qualified Health Plans: 2020 Standardized Plan Designs

Plan Feature/ Service <i>A check mark (✓) indicates this benefit is subject to the annual deductible</i>	Platinum	High Gold	Low Gold	High Silver	Low Silver (HSA)	High Bronze #1	High Bronze #2 (HSA)	
Annual Deductible – Combined	\$0	N/A	N/A	\$2,000	\$2,000	<b>\$2,900</b>	<b>\$3,500</b>	
	\$0	N/A	N/A	\$4,000	\$4,000	<b>\$5,800</b>	<b>\$7,000</b>	
Annual Deductible – Medical	N/A	\$1,000	\$2,000	N/A	N/A	N/A	N/A	
	N/A	\$2,000	\$4,000	N/A	N/A	N/A	N/A	
Annual Deductible – Prescription Drugs	N/A	\$0	\$250	N/A	N/A	N/A	N/A	
	N/A	\$0	\$500	N/A	N/A	N/A	N/A	
Annual Out-of-Pocket Maximum	\$3,000	\$5,000	<b>\$5,600</b>	<b>\$8,150</b>	<b>\$6,850</b>	<b>\$8,150</b>	<b>\$6,850</b>	
	\$6,000	\$10,000	<b>\$11,200</b>	<b>\$16,300</b>	<b>\$13,700</b>	<b>\$16,300</b>	<b>\$13,700</b>	
Primary Care Provider (PCP) Office Visits	\$20	\$25	\$30	\$30	<b>\$30 ✓</b>	<b>\$30 ✓</b>	<b>\$45 ✓</b>	
Specialist Office Visits	\$40	\$45	<b>\$55</b>	<b>\$60</b>	<b>\$60 ✓</b>	<b>\$60 ✓</b>	<b>\$75 ✓</b>	
Emergency Room	\$150	\$150 ✓	\$350 ✓	<b>\$350 ✓</b>	<b>\$300 ✓</b>	<b>\$350 ✓</b>	<b>\$300 ✓</b>	
Urgent Care	\$40	\$45	<b>\$55</b>	<b>\$60</b>	<b>\$60 ✓</b>	<b>\$60 ✓</b>	<b>\$75 ✓</b>	
Inpatient Hospitalization	\$500	\$500 ✓	\$750 ✓	\$1,000 ✓	<b>\$750 ✓</b>	\$750 ✓	\$750 ✓	
Skilled Nursing Facility	\$500	\$500 ✓	\$750 ✓	\$1,000 ✓	<b>\$750 ✓</b>	\$750 ✓	\$750 ✓	
Durable Medical Equipment	20%	20% ✓	20% ✓	20% ✓	20% ✓	20% ✓	20% ✓	
Rehabilitative Occupational and Rehabilitative Physical Therapy	\$40	\$45	<b>\$55</b>	<b>\$60</b>	<b>\$60 ✓</b>	<b>\$60 ✓</b>	<b>\$75 ✓</b>	
Laboratory Outpatient and Professional Services	\$0	\$25 ✓	\$50 ✓	<b>\$60 ✓</b>	<b>\$60 ✓</b>	<b>\$60 ✓</b>	<b>\$60 ✓</b>	
X-rays and Diagnostic Imaging	\$0	\$25 ✓	<b>\$75 ✓</b>	<b>\$75 ✓</b>	<b>\$75 ✓</b>	<b>\$75 ✓</b>	<b>\$75 ✓</b>	
High-Cost Imaging	\$150	\$200 ✓	<b>\$300 ✓</b>	\$500 ✓	<b>\$500 ✓</b>	\$500 ✓	\$500 ✓	
Outpatient Surgery: Ambulatory Surgery Center	\$250	\$250 ✓	\$500 ✓	\$500 ✓	<b>\$500 ✓</b>	\$500 ✓	\$500 ✓	
Outpatient Surgery: Physician/Surgical Services	\$0	\$0 ✓	\$0 ✓	\$0 ✓	\$0 ✓	\$0 ✓	\$0 ✓	
Prescription Drug	Retail Tier 1	\$10	\$20	\$25	<b>\$30</b>	<b>\$30 ✓</b>	<b>\$30</b>	<b>\$35 ✓</b>
	Retail Tier 2	\$25	\$40	\$50 ✓	<b>\$60</b>	<b>\$60 ✓</b>	<b>\$60 ✓</b>	<b>\$75 ✓</b>
	Retail Tier 3	\$50	\$60	<b>\$125 ✓</b>	<b>\$100 ✓</b>	<b>\$105 ✓</b>	<b>\$125 ✓</b>	<b>\$150 ✓</b>
	Mail Tier 1	\$20	\$40	\$50	<b>\$60</b>	<b>\$60 ✓</b>	<b>\$60</b>	<b>\$70 ✓</b>
	Mail Tier 2	\$50	\$80	\$100 ✓	<b>\$120</b>	<b>\$120 ✓</b>	<b>\$120 ✓</b>	<b>\$150 ✓</b>
Mail Tier 3	\$150	\$180	<b>\$375 ✓</b>	<b>\$300 ✓</b>	<b>\$315 ✓</b>	<b>\$375 ✓</b>	<b>\$450 ✓</b>	
Federal Actuarial Value Calculator	<b>89.38%</b>	<b>81.30%</b>	<b>76.04%</b>	<b>71.94%</b>	<b>69.42%</b>	<b>64.96%</b>	<b>64.95%</b>	

**Bold** indicates changes from PY19.

# Qualified Dental Plans: 2020 Standardized Plan Designs

Plan Feature/ Service	Family High	Family Low	Pediatric only
Plan Year Deductible	\$50/\$150	\$50/\$150	\$50
Deductible Applies to	Major and Minor Restorative	Major and Minor Restorative	Major and Minor Restorative
Plan Year Max (>=19 only)	\$1,250	\$750	N/A
Plan Year MOOP <19 Only	\$350 (1 child) \$700 (2+ children)	\$350 (1 child) \$700 (2+ children)	\$350 (1 child)
Preventive & Diagnostic Co-Insurance (In/out-of-Network)	0%/20%	0%/20%	0%/20%
Minor Restorative Co-Insurance (In/out-of-Network)	25%/45%	25%/45%	25%/45%
Major Restorative Co-Insurance (In/out-of-Network)	50%/70%	50%/70% No Major Restorative >=19	50%/70%
Medically Necessary Orthodontia, <19 only (In/out-of-Network)	50%/70%	50%/70%	50%/70%
Non-Medically Necessary Orthodontia, <19 only (In/out-of-Network)	N/A	N/A	N/A

*Note: Standard QDP designs are unchanged from 2019.*