Board of the Commonwealth Health Insurance Connector Authority
Minutes

Thursday, September 10, 2020
9:00 AM to 11:00 AM

Live Stream
https://www.youtube.com/user/TheMAHealthConnector

Attendees: Louis Gutierrez, Lauren Peters (who was sitting by designation on behalf of Secretary of Health and Human Services Marylou Sudders), Nancy Turnbull, Michael Chernew, Mark Gaunya, Matthew Veno, Rina Vertes, Gary Anderson, FayeRuth Fisher, Zaranique Watson Pope, Cassandra Roeder (who was sitting by designation on behalf of Secretary of Administration and Finance Michael Heffernan)

Prior to calling the meeting to order, Nancy Turnbull led members of the Board in bidding a happy retirement to the longest serving member of the Health Connector Board of Directors, Lou Malzone. Mr. Malzone was praised as a being a reliable consumer voice and critical to the enduring success of health care reform in Massachusetts. Advocacy group Health Care For All recognized Mr. Malzone and his tireless advocacy through written appreciation. Mr. Malzone was remembered for his support for simpler choices and making the process of selecting health insurance coverage easier to navigate, often reminding the Board that too many choices cause stress and anxiety, encouraging the Health Connector to keep options as simple as the three basic ice cream flavors. Board members wished him well in his retirement and noted that he was a professional and a gentleman.

The meeting was called to order at 9:07 AM.

I. Meeting Minutes: The minutes of the July 9, 2020 meeting were approved by roll call vote.

II. Executive Directors Report: Mr. Gutierrez began the meeting by offering his own thanks to Mr. Malzone for his work in fostering health care reform, noting he was always direct, candid and personable. He then welcomed new Board member Zaranique Watson Pope who was appointed to take Mr. Malzone’s seat. Mr. Gutierrez introduced Ms. Pope and expressed the enthusiasm of the
Health Connector (CCA) in working with her in the future. Ms. Watson Pope thanked the Board for their warm welcome and echoed her excitement in working with everyone in the future.

Mr. Gutierrez then provided an update on the performance of contact center vendor Faneuil, which continues to have unacceptable performance and appears to be unable to operate a remote workforce. He informed the Board of the Corrective Action Plan (CAP) that CCA has implemented and that consultant Accenture has been brought on to assess the performance and conditions of Faneuil. Mr. Gutierrez did state that the week prior had been the strongest contact center performance to date by Faneuil, but that if the level of service does not continue to meet the needs of CCA action will be taken. He noted that the Board will also vote on the Final Award of the 2021 Seal of Approval. He informed the Board that there will be three important changes for the upcoming plan year, including, the expansion of carrier Health New England (HNE) into Worcester County for the ConnectorCare program, which will also be the lowest cost option in this area, the departure of AllWays Health Plan from Worcester Country ConnectorCare coverage, and changes to the AllWays Health Plan network for the ConnectorCare program. He continued to note that while the proposed AllWays ConnectorCare network is not as broad as AllWays’ ConnectorCare plan network in 2020, the network was expanded significantly since the topic was reviewed during the proposed Conditional Seal of Approval in July. He stated that the Board will learn about the recent Navigator program announcement, and important member messaging as part of the Open Enrollment presentation. Prior to concluding, Mr. Gutierrez informed the Board of the final agenda item which would provide a high-level overview of policy updates.

III. **Customer Experience Project Status Update:** The PowerPoint presentation “Call Center Vendor Performance Board Briefing” was presented by Vicki Coates. Ms. Coates began the presentation informing the Board that consistent with what was reported during the July Board meeting, and as evident through the recent Board report, Faneuil continues to underperform significantly. She informed the Board of the areas where Faneuil continues to underperform, but highlighted that Faneuil really struggles to manage staff in a remote setting. She informed the Board that CCA is working with management at the highest level within Faneuil and has triggered a corrective action plan to improve performance. She continued to note that CCA informed Faneuil of the expectations for September, making it very clear these must be met in order to have acceptable performance. She reviewed measures put in place by Faneuil to improve performance in both the contact center and back office, including measures to increase attendance by staff and incentivize the uptake of overtime. She reiterated that CCA has made clear to Faneuil what the expectations are for September and that they must meet their projections for both the contact center and inventory by September.

She provided additional information on the corrective action plan which is already in place, noting that in addition to this CCA remains in contact with Faneuil leadership daily and is also contracting with a third party, Accenture, to assess Faneuil’s performance. She noted that Accenture has identified gaps and CCA is working with Faneuil to address these gaps and mitigate risks prior to Open Enrollment.

Dr. Chernew commented on how disappointing Faneuil’s performance continues to be and acknowledged how hard CCA has been pushing to resolve this matter. In response to Dr. Chernew’s question regarding flow of communication to the Board and how the Board can be most
helpful, Mr. Gutierrez stated that communications with the Board are at the discretion of the members, and proposed that he will communicate weekly with members, to inform them of interventions. He continued to note that there will likely be a need for additional intervention, and would look to the Board for guidance as CCA takes additional measure to bolster call center performance as we enter Open Enrollment. Dr. Chernew commented on how quickly the decisions and actions need to be made and offered his support of the actions that CCA needs to take. Undersecretary Peters confirmed that weekly updates to the Board would be appropriate and so that they can help to stabilize as needed. In response to a question from Ms. Turnbull regarding how much of this may be related to the difficult transition to remote work as a result of COVID-19 or if there are concerns that any capabilities were misrepresented, Mr. Gutierrez replied that he does believe a fair amount of this is related to the remote workforce. He stated that Faneuil came to CCA with excellent recommendations from other state clients, and noted that they have traditionally managed brick and mortar workforce well. He commented on the differences and challenges with managing a remote workforce, noting that he did not believe Faneuil yet had a handle on remote workforce management. He stated that he believes it is possible to turn this around based on experiences with the contact tracing efforts, but noted that it will require strong management, and that the need for further intervention by Accenture is likely. He then stated that he can’t know if there were misrepresentations, though he does find Faneuil’s senior management to be oriented to trying to do the right thing and is responsive to CCA’s request. He continued to note that the changes that will be needed in order to prepare for Open Enrollment will push them very far with respect to their traditional methods.

Mr. Gaunya commented that difficulty transitioning to remote work is not unique to Faneuil, as many employers that he works with are struggling with the transition to remote work. He stated, however, that it appears as though the businesses that are succeeding have a strong culture, promote connectivity with employees and enable their employees. He stated that if this is not part of Faneuil’s culture then he would be concerned about their ability to course correct.

In response to a question from Ms. Roeder regarding the status of NTT staff that were brought on to help with the transition in July, Ms. Coates responded that the NTT staff that subcontracted with Faneuil are still employed and are factored into the headcount through January. Ms. Coates informed the Board that CCA is also requesting a formal knowledge transfer from NTT staff that have been brought on to assist Faneuil before they depart to further help with the transition.

IV. Final Award of the 2021 Seal of Approval (VOTE): The PowerPoint presentation “Final Award of the 2021 Seal of Approval (VOTE)” was presented by Audrey Gasteier, Maria Joy Dawley and Samuel Adams. Ms. Dawley provided an overview of the presentation before the Board and reviewed the timeline for the Seal of Approval (SOA) process, noting that today’s presentation marked the final vote authorizing plans for the sale through the Health Connector (CCA) beginning on January 1, 2021. She provided a review of the Qualified Health Plans (QHP) and Qualified Dental Plans (QDP) proposed to be offered through CCA for plan year 2021 (PY21), noting the number of carriers and plans that will be offered throughout the non-group and small group markets. She noted that despite some changes for PY21 the ConnectorCare program continues to offer affordable choices with most regions having more than one carrier choice. Ms. Dawley continued with a high-level overview of the overall premium increases expected for the upcoming plan year, noting that members in ConnectorCare plans will be mostly buffered from these
premium increases. She continued with a more detailed review of carrier offerings, noting that the plan shelf remains stable, with no new carrier entrants, highlighting the change from July when AllWays Health Partners submitted two distinct carrier licenses. She continued to provide a review of the original submissions by AllWays Health Partners which were shared with the Board in July, comparing it to the updated, final AllWays Health Partners submission. She noted that while the final submission has a smaller provider and hospital network, which will serve ConnectorCare members, compared to its plan year 2020 (PY20) ConnectorCare offering, after working throughout the summer with AllWays Health Partners, the provider network has been expanded and meets ConnectorCare requirements in all regions.

Mr. Adams then provided a detailed review of the number of QHPs being offered by each carrier for PY21, noting a net increase of three plans in total from PY20 and a decrease of four plan offerings from the Conditional SOA presentation in July. He continued with a review of the small group plan offerings. He then reviewed the premium rates for PY21 for unsubsidized and advanced premium tax credit-only (APTC) non-group members. He informed the Board that in response to significant rate increases to the High Gold plan from some carriers, CCA has decided to map members currently enrolled in those carriers’ High Gold plans to Low Gold plans which will result in a lower average premium increase for the upcoming year. In response to the review of rates, Ms. Turnbull posed the question of why rates are increasing when plan utilization is lower than prior years because of COVID-19 and issuers are generally doing well financially. In response to Ms. Turnbull’s question, Mr. Gaunya commented that utilization patterns have recovered, and dental utilization is surging. He continued to note that a significant concern is the lower speed of take-up of preventative care and provided details on the services that are recovering rapidly. Ms. Turnbull commented that having been to medical offices since the onset of the pandemic, it is unlikely that providers are operating at the same level and welcomed comments from Commissioner of the Division of Insurance (DOI), Gary Anderson and Deputy Commissioner, Kevin Beagan.

Commissioner Anderson provided a high-level overview of the rate review process, noting that DOI reviews submissions by various carriers and noted the challenging nature of the review process given the pandemic. He explained that the Commissioner is not involved in this process because, if rates are disapproved there is a process in place that would ultimately require the Commissioner to weigh in on the matter. Mr. Beagan then provided additional information about the rate review process and informed the Board that 2020 utilization was down dramatically and has not yet reached a level of pre-COVID-19. He shared that it is difficult to try and predict what 2021 may look like, and that DOI reviews current trends and how that may impact the future plan year, including how utilization may increase because of the delay in care, or emergence of vaccines. He continued to note there was a wide range between the rates submitted and stated that DOI requested that all companies lower their rates, most of which were able to do so. He then provided specific details to the Board about the Tufts-Direct rate submission, reminding them that Tufts-Direct holds the bulk of CCA membership. Mr. Beagan continued to explain that there was a need for Tufts-Direct to increase their rates, as their 2020 rates were lower than they should have been. He stressed that the Tufts-Direct increase in 2021 is not to recover losses from the prior year, but to bring them up to the level that they should have been at in 2020. Taking this into consideration, however, Mr. Beagan stated that the rates submission still appeared to be higher than what would be appropriate. He detailed the steps that would have been taken with respect to
a hearing, noting that this would have delayed the filing of rates into October. He noted that DOI had regular conversations with CCA, recognizing that the delay of rates would be disruptive to members trying to select a plan without knowing rates. He informed the Board that DOI is requiring the issuer to submit their second quarter filings early as a pre-filing in order to give DOI more time to review. He provided review of everything that makes predicting rates for 2021 so challenging and how the experiences between issuers differ, greatly impacting the range of rates that are ultimately submitted. While Tufts-Direct did have a submission that was on the higher end of the range of rate increases, the premium continues to be on the lower side of the spectrum and therefore to avoid member disruption, DOI decided to not move forward with the hearing process, but for next quarter’s review, DOI will not be under the same timeframe constraints.

Mr. Veno then provided insight in the Group Insurance Commission’s (GIC) process sharing that the agency also closely follows trends and has access to real-time utilization information from carriers. He echoed the earlier comments from Mr. Gaunya, stating that they are witnessing a quicker return to utilization as demonstrated by claims and are working closely with outside actuaries to understand what may be expected for the coming months. He sympathized with his former DOI colleagues at the extremely difficult task before them.

Mr. Gaunya also commented on how the degree of uncertainty for the coming year impacts the volatility of rates, noting that he is also seeing a significant range of rates on products.

Ms. Turnbull appreciated all of the work done by DOI and asked a follow up question, noting that despite utilization rebounding, it has not returned to the level that was predicted when rates were originally set. She continued to note that some of the care that people are once again receiving will not make up for what was missed, noting that, for example, people who had weekly appointments will not now visit their provider five times a week to make up for the lost visits.

Dr. Chernew proposed the question of what portion of the rate increases may account for the cost of personal protective equipment and social distancing requirements. He questioned how much of the changes to the risk pool may be built in to the newly proposed rates and asked for more information on medical loss ratio (MLR) and the mechanics of issuing a rebate, noting that he does not believe it is good practice to overcharge people now and refund them later, but recognized the unique dynamics of projecting for PY21 in particular.

Mr. Beagan addressed the thoughts and questions from the Board members, beginning with Ms. Turnbull’s question on utilization and rate increases for Tufts-Direct. He agreed with her confusion, noting that DOI was pushing for a single digit rate increase, even after taking into consideration the unique factors for Tufts, such as the lower PY2020 rates. Mr. Beagan then provided the timeline for the MLR review process noting that in August of this year, claims data and premiums collected for 2019 would be reviewed to determine if they fall below the 88 percent threshold. He informed the Board that if needed issuers make payments back to all persons covered for the calendar year. He explained further that any rebates for the rates before the Board for PY21 would be issued in July 2022. It was noted that it is more important for individuals to have access to affordable premiums now, rather than rebates later. Mr. Beagan stated that many carriers, in response to DOI’s request, revisited their rates and lowered them, but Tufts-Direct was unable to do that. In response to a question from Dr. Chernew about MLR being returned to the subsidy
provider, Mr. Beagan confirmed that CCA may get some of the rebate, but the majority of money goes back to the person who chose the policy. Mr. Gutierrez thanked DOI for all of their work and confirmed that CCA gets a pro rata share of MLR that has been subsidized.

Ms. Turnbull commented on the healthy profits of UnitedHealthcare and the 14 percent rate increase for PY21 noting it was hard to stomach. Ms. Fisher thanked the Commissioner and Mr. Beagan for walking through the rate review process and noted that from a consumer perspective seeing that health care costs are going down for issuers but experiencing rate increases is troubling. She noted that she shares Nancy’s concerns about the disconnect between health care costs and actual utilization. She stated that understanding the rebate process is helpful, but it will be interesting to see how everything plays out.

Mr. Adams then provided an example of the range of premiums available to a 42-year-old residing in Worcester among each metallic tier.

Ms. Dawley continued with a review of the 2021 ConnectorCare program and notable changes. She highlighted the entrance of Health New England into Worcester county, noting that with their competitive rates they will be the lowest cost carrier in the region. She reminded the Board of the changes to the AllWays Health Partners submission and confirmed AllWays will be operating under its existing license, rather than the initially-filed two license structure. While CCA staff recommend that AllWays Health Partners participates in the ConnectorCare program in all of its proposed regions, there will still be member disruption. She then reviewed the provider network in the narrower AllWays Select Network and the associated member impact. She noted the differences in provider availability among counties and informed the Board of network improvements since the original submission in July. She reviewed the impact of the issuer’s departure from Worcester County, providing details on how members will be mapped and messaged. She informed the Board of the ConnectorCare program offerings statewide, highlighting that in most regions members will have access to two or more carriers. She continued with review of how the carriers rank with respect to underlying premium levels, in their respective regions, noting that the biggest carrier movement will occur in Region B. She provided detailed review of how premium stabilization efforts would be conducted this year, stating that the approach continues to encourage and reward competitive carrier behavior while limiting member disruption. In response to a question from Dr. Chernew regarding premium stabilization rules and the Tufts-Direct rate increase as it relates to overall ConnectorCare rankings, Ms. Gasteier responded that the overall premium increases from Tufts-Direct did not actually result in the base premiums being far off from other carrier rates, given the low premium that they started with. She continued to note, that while the stabilization does not entirely mask the premium increase, some of the very lowest income individuals will be shielded from shouldering the increase. She emphasized the attempt to strike a balance between rewarding carriers that come in with the lowest premiums while not exposing consumers to a lot of volatility.

Ms. Vertes stated that she is not a fan of premium stabilization, or smoothing, noting that when the course needs to be corrected it is very painful. She recalled the situation a few years prior when another carrier pushed the premium increases onto the state and voiced her concerns that this may be starting again. Ms. Gasteier thanked Ms. Vertes for her concerns and Mr. Gutierrez stated that the point is registered. He did note differences in the prior situation and the flat leveling approach
across carriers that led to a very difficult situation when it became unaffordable and the state had to sharply pull back. He noted that the current approach is more modest to retain choice at the lowest levels to avoid year over year disruption, but agreed that it’s important that the premium stabilization program be used modestly.

Ms. Turnbull stated that she is a big fan of premium stabilization and the balance it strikes, encouraging carriers to bid aggressively while providing stability for low-income earners who will find even a few dollars a month increase to be a hardship. She noted that over the years as networks have become narrower and providers do not overlap outside of carriers as often, the opportunity for members to maintain their care providers is supported through premium stabilization and remains a policy goal that she supports.

Ms. Dawley then provided a high-level review of the QDP offerings for PY21, noting that the shelf remains stable from PY20 and premium rates on average have decreased from the year prior.

Undersecretary Peters thanked the Division of Insurance for all of the additional information that contributed to the presentation and conversation. The Board proceeded with a roll call vote. Ms. Turnbull commented that she hesitates to approve the increase proposed by UnitedHealthcare, but ultimately, the Board unanimously approved the Final Award of the 2021 Seal of Approval.

V. Open Enrollment 2021 Readiness: The PowerPoint presentation “Open Enrollment 2021 Readiness” was presented by Marissa Woltmann and Jason Lefferts. Ms. Woltmann began the presentation by informing the Board that CCA remains ready to support members and applicants for Open Enrollment beginning on November 1, 2020. She reviewed how Open Enrollment will be affected by the pandemic, noting that CCA is monitoring overall enrollment in health insurance along with sister agencies DOI, MassHealth, and the Center for Health Information and Analysis (CHIA). She informed the Board of the possible extension of the public health emergency in October, but stated that should it not be extended, CCA and MassHealth are already working to collaborate on plans on how to remove the enrollment protections and best assist members with transitioning to their new coverage. She then reviewed a high-level timeline of the Open Enrollment process, reminding the Board that CCA is well underway with Open Enrollment preparations. She reviewed communications that members began receiving in August about what to expect for Open Enrollment.

Mr. Lefferts then provided a review of the outreach and messaging strategy going into a very different Open Enrollment period. He noted that previous outreach and messaging that has relied heavily on in-person engagement and will need to be reshaped. He shared that during last Open Enrollment 37 stops were made across the Commonwealth. With the need to re-envision outreach, he stated that there would be an increase in paid marketing and efforts to continue to expand existing platforms. He informed the Board that CCA will embark on a series of online and social media activities, including continuation and expansion of the monthly webinars that broadly speak to CCA and enrollment. He informed the Board of new outreach opportunities that were explored during the summer, including sponsoring a Facebook Live concert series and having on screen awareness at popup drive-ins. He shared that some Latin supermarkets continue to have people waiting in line, and so CCA is trying to reach people while they wait. In addition to targeting the communities with higher rates of uninsured, there is an additional focus this year on reaching those
who may be losing employer sponsored coverage and informing COBRA enrollees of lower cost options available to them.

He continued with the review of the 2020-2022 Navigator awards, noting that two new organizations have received Navigator awards for the next two-year session. Navigators will continue to target the uninsured and offer support for application and enrollment throughout the year and through adapted forums. In addition to providing remote assistance and limited-in person appointments, Navigator goals include increasing awareness of CCA through culturally and linguistically appropriate methods. Mr. Lefferts reminded the Board that walk-in centers remain closed for the foreseeable future and highlighted online and telephonic features that offer support for activities that were frequently processed through the walk-in centers. While CCA has not received feedback about the walk-in centers being closed, support remains critical and there is a possibility that expanding the Navigator role may fill this gap in the communities they serve. He provided review of the usual messages that members will receive, stressing the importance of updating income information in light of the COVID-19 pandemic and the related, fluctuating unemployment assistance benefits. He provided additional details on the specific member outreach that will be conducted to address smaller networks, including the importance of checking provider networks and the new Network Alert Flag that will better highlight these plans. He shared that the Health Connector will make automated calls to members that will be renewed into the new AllWays Select network. He then informed the Board of the call center hours of operation for Open Enrollment and efforts to ensure that the call center is prepared for increased volume.

Ms. Woltmann then provided a review of the key activities and dates in the months ahead, noting that member communications will continue throughout Open Enrollment. The focus remains on providing a stable Open Enrollment despite changing dynamics across the economy and government. Undersecretary Peters thanked CCA for their efforts in continuing to engage in outreach with members. Ms. Fisher echoed her thanks to CCA with respect to continued outreach to unions during the Special Enrollment Period (SEP) and to members who are losing employer sponsored coverage. She offered to provide assistance during Open Enrollment, noting that the resources and webinars from CCA are so appreciated as people lose their employer sponsored insurance.

VI. **Snapshot Policy Updates:** The PowerPoint presentation “Snapshot Policy Updates” was presented by Audrey Morse Gasteier. Ms. Gasteier began the presentation by providing an overview of the three topics that she would be covering as part of the Policy updates. She began with a review of how CCA has supported people losing job-based coverage during the pandemic, noting that the relative stability is not guaranteed to hold. She stated that a significant number of people were furloughed and CCA is watching this population closely. She spoke to the immense responsibility CCA has of catching these people if and when they fall out of job-based coverage. She reminded Board members of the monthly webinars CCA is hosting on how to navigate the application and enroll. These webinars are targeted at individuals who have lost job-based coverage. She encouraged Board members to share the information about the webinars with their networks, noting that a video library exists for people who could not attend the webinars live. She explained that these webinars are serving individuals who may not have interacted with CCA previously and are newly in need of assistance. She provided review of other messaging initiatives undertaken by CCA, including collaboration with the Executive Office of Labor and Workforce
Development and with carrier partners to ensure that individuals in need are aware of the resources available through CCA. Ms. Gasteier continued with a review of how CCA has supported members during the pandemic as well as an overview of the COVID-19 SEP, noting that 50 percent of members who came in during the SEP time period had a qualifying life event that did not require the SEP.

Ms. Gasteier informed the board that staff continues to monitor federal policy dynamics as they relate to the Affordable Care Act (ACA), with a specific focus on legislative priorities in the House of Representatives aimed at strengthening the ACA and the California v. Texas lawsuit challenging the constitutionality of the ACA. Lastly, she introduced an initiative CCA is undertaking in creating a proactive racial equity lens to help guide its work. She noted that with national attention turned towards topics of racial justice, it is an opportune time for CCA to reflect and implement its own racial equity framework to measure and address the racial equity dimensions of the agency’s policy and programmatic work. She provided a timeline for work to begin on this effort.

Prior to concluding the presentation, Ms. Gasteier assured the Board that CCA would continue to keep members apprised of the changing dynamics and progress in all policy topics discussed. Ms. Turnbull thanked Ms. Gasteier for the breadth of information provided in such a short amount of time and voiced her support for the development of racial equity framework. Dr. Chernew echoed his support for the racial equity framework. He continued to note that he was surprised that there hadn’t been a bigger change in enrollment in response to COVID-19, at this point. He stated that with respect to an earlier thought that changes in the risk pool could contribute to rate increases, he questioned what is driving rate increases having now learned that the composition of enrollment has not changed dramatically. Ms. Gasteier recognized that CCA has also been surprised by the relatively small enrollment changes to date, and contemplated whether some of the changes in enrollment are being staved off a bit longer, but noted that CCA did want to be prepared should that happen. Mr. Gaunya commented that Massachusetts is incredibly lucky to have such strong commitment to health insurance coverage from the employer community, noting that it is because of this commitment to providing benefits that we are not yet seeing a lot of churn. Mr. Veno also noted that from the perspective of the GIC, one would expect that employees may be adding spouses or dependents as a result of loss of employer sponsored coverage, but for the most part, they are not yet seeing that activity. Mr. Veno added that he attended a presentation recently that provided a national view on the change in coverage during the pandemic, noting that while coverage change varies widely by state, there are states where the growth in the uninsured population ranges from an increase of three percent to up to 18 percent. He noted that there are a number of reasons for the varying ranges, one of which being whether or not Medicaid expansion had been adopted. He concluded that this was just another example of how important it is to have all of the pieces in place, like we do in Massachusetts.

Undersecretary Peters thanked CCA for all of the incredible and important work completed over the last few months with respect to outreach, retaining stability in the market and preparing for Open Enrollment.

At 10:55 AM Ms. Vertes left the meeting.
With no additional items before the Board, the question then came on adjourning the meeting. The Board voted unanimously, by roll call vote, to adjourn the meeting at 10:59 AM.

Respectfully submitted,

Erin E. Ryan