Update on Health Connector for Business and Broker Commission (VOTE)

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Health Connector Board of Directors Meeting
December 28, 2020
Update on Health Connector for Business

The Health Connector continues to support small businesses in Massachusetts seeking affordable and flexible coverage options. CCA has sought to support small businesses impacted the pandemic, via extending payment deadlines, providing resources and information, and continuing broker engagement.

- **Employer resources and information**
  - Since the last update at the May 14th Board meeting, the Health Connector has been providing ongoing updates to small businesses on how to access affordable coverage

- **Payment flexibility for small groups**
  - The Health Connector continues extended payment deadlines with an additional 30 days in accordance with MA DOI guidelines

- **2020 HCB survey findings point to strong small business satisfaction**
  - Of the 412 current and former HCB employer groups surveyed in the fall, satisfaction among small groups is at 86 percent
  - Small groups indicated their positive experiences were driven by HCB’s communication and ease of contact. Among the 30 percent of surveyed HCB groups that relied on assistance from a certified broker, 93 percent were satisfied with the help they received
Health Connector for Business Enrollment: Membership Growth During 2020

Although growth has slowed, overall enrollment has remained stable trending upwards since March. New business growth has offset enrollment terminations.

![Total HCB Membership Count](chart.png)
Health Connector for Business Enrollment:
Growth by Groups During 2020

*membership as of 12/2/2020
Health Connector for Business: YTD New Sales

*membership as of 12/2/2020*
Choice Models: Health Connector for Business
Enrollment YTD 2020

51 percent of new groups are offering a Choice Model, while 58 percent of new membership is in a Choice Model.

Groups by Plan Offering
- One Plan: 49%
- One Carrier: 26%
- One Level: 25%

Members by Plan Offering
- One Plan: 42%
- One Carrier: 28%
- One Level: 30%
Broker Engagement
Broker Engagement

Brokers play a key role in educating the employer community about the benefits of Health Connector for Business and all available offerings from the Health Connector.

▪ New Trainings
  • The Health Connector conducted 103 one-on-one remote trainings with brokers since the beginning of 2020
  • Broker refresher training seminars were held on April 28th and November 18th. Both seminars were attended by an average of 50 brokers. A ConnectWell training seminar for brokers held on December 2nd was attended by 40 brokers
  • As most brokers are not familiar with the Health Connector’s individual and family offerings, educational materials about the individual market have been provided to brokers who may have clients who are in need of individual coverage. Brokers have also been invited to and attended all six presentations designed to inform termed and furloughed employees of their health insurance options on the individual marketplace

▪ Shopping Assistance
  • Brokers are uniquely positioned to help businesses who want to continue to offer coverage, but may be experiencing financial strain. Certified brokers can help businesses find affordable coverage through the choice models and the variety of carriers offered through the platform
Broker Engagement (cont’)

Brokers continue to be a leading partner in driving new membership. Broker certifications and sales steadily increased in 2020. Year to date in 2020, 74 percent of new sales membership was a result of a broker sale.

- **Certified Brokers CY 2020**
  - Jan 20: 332
  - Dec 20: 409 (23% increase)

- **Total Brokered Groups CY 2020**
  - Jan 20: 442
  - Dec 20: 660 (49% increase)

- **2020 New Members by Broker Status**
  - Brokered: 74%
  - Non-Brokered: 26%
Updated Broker Commissions

Ensuring commission parity between on and off-Exchange is paramount to our continued collaboration with the broker community and to ensure small businesses have access to Health Connector offerings.

- The last review and update of commissions was completed in 2017 for commissions effective in 2018. Carriers and intermediaries normally amend commissions annually.

- To inform revised broker commissions, a full survey of the existing marketplace commissions was conducted:
  - The results of the survey indicate that the Health Connector medical commissions should increase broker commissions to ensure parity with the off-Exchange market.
  - Dental commissions would not need to be amended to create parity based on the results of the survey.
  - For FY 21, the proposed increase in broker commissions is accounted for in the budget pending board approval.
Updated Broker Commissions
(cont’d)

The Health Connector staff proposes the following revised broker commission schedule based on market research to be effective January 1, 2021.

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Board Vote
Board Vote

The Health Connector requests that the Board approve the revised broker commission schedule for Health Connector for Business sales and renewals beginning January 1, 2021 as outlined during today’s presentation.