



*The Commonwealth of Massachusetts*  
*Commonwealth Health Insurance Connector Authority*  
*100 City Hall Plaza, 6<sup>th</sup> floor*  
*Boston, MA 02108*

DEVAL PATRICK  
Governor

TIM MURRAY  
Lieutenant Governor

JAY GONZALEZ  
Board Chair

GLEN SHOR  
Executive Director

**Board of the Commonwealth Health Insurance Connector Authority**

**Minutes**

Thursday, May 10, 2012  
9:00 AM to 11:00 AM  
One Ashburton Place  
Boston, MA 02108  
21<sup>st</sup> Floor Conference Room

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**Attendees:** Glen Shor, Louis Malzone, Nancy Turnbull, Joseph Murphy, Julian Harris, Andres Lopez, George Gonser, Celia Wcislo and Jonathan Gruber. Catharine Hornby attended in place of Dolores Mitchell and Candace Reddy attended in place of Jay Gonzalez. Ian Duncan was absent due to geographic distance.

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

- I. Minutes:** The minutes of the April 12, 2012 meeting were approved by unanimous vote.
- II. Executive Director's Report:** Glen Shor opened by updating the Board on the enrollment figures for Commonwealth Care (CommCare) and Commonwealth Choice (Comm Choice). Mr. Shor stated that CommCare enrollment climbed in May to 184,281, a meaningful increase over April, as 7,464 individuals formerly on the Aliens with Special Status (AWSS) waiting list enrolled in the program. May 1, 2012 was the first day in which individuals on the waiting list could enter into CommCare. Mr. Shor then informed the Board that there are currently 39,382 members enrolled in CommChoice, a slight decrease in paid subscribers from April 2012. Mr. Shor noted that the decrease in membership can be attributed to payment activity as enrollment has leveled off after experiencing an increase in the number of payments for the month of April as members paid past due balances.

Next, Mr. Shor explained that the Commonwealth Health Insurance Connector Authority (CCA) is currently preparing for Open Enrollment for both the CommCare and CommChoice programs. Open Enrollment for CommCare runs from June 1<sup>st</sup> to July 22<sup>nd</sup> while Open Enrollment for CommChoice takes place from July 1<sup>st</sup> to August 15<sup>th</sup>. During CommChoice non-group open enrollment this year, the CCA is making it easier for individuals to renew, enroll or switch plans by using the CCA website. In regard to open enrollment for CommCare, Mr. Shor noted that additional call center staff was hired at the beginning of May to assist with

increased call volume. Enrolled CommCare members will begin receiving letters or inserts in their monthly invoices this week alerting them that open enrollment is coming.

Mr. Shor also updated the Board on the CCA's role in the Gate Review. Mr. Shor explained that the CCA, as a recipient of federal funds, is required to periodically report on its progress in meeting key milestones associated with the Level 1 Establishment Grant. Mr. Shor informed the Board that on May 8, 2012, the CCA and EOHHS, among others, participated in the first of three "Gate Reviews" with federal officials from CMS, CCIIO and the IRS to discuss the Commonwealth's progress to date in transitioning to a compliant Exchange. On May 9, 2012, the Commonwealth, Rhode Island and Vermont participated in a Tri-State Information Technology (IT) Session on reusability and knowledge sharing with federal officials. Mr. Shor then explained how the CCA staff provided a detailed overview of its progress, emphasizing that the Commonwealth is leveraging existing practices and knowledge garnered from its own health care reform implementation to the greatest extent possible. Mr. Shor stated that federal officials were very engaged, looking to learn more about how Massachusetts' experiences are guiding and shaping the CCA's implementation efforts.

Mr. Shor also took a moment to note that the House enacted a \$72 million supplemental appropriations bill that included, among other provisions, language formally designating the CCA as the state's ACA-compliant Health Benefits Exchange. Mr. Shor further explained such language formally vests the CCA with the full power anticipated of state-based exchanges under federal reform. Mr. Shor emphasized the importance of this news and expressed his appreciation toward the Governor and the Legislature for their continued commitment to the CCA and formally recognizing the CCA as the state's Exchange.

**III. Commonwealth Choice 2013 Seal of Approval (SoA):** Sarah Stephany opened discussion by reviewing background information on the Seal of Approval process. The power point presentation entitled "Commonwealth Choice 2013 Seal of Approval" was used during Ms. Stephany's presentation to the Board and was subsequently posted to the CCA website. Ms. Stephany noted that the current Commonwealth Choice SoA contracts are scheduled to expire at the end of 2012. Ms. Stephany provided the Board with an overview of several improvements that have been made to the Commonwealth Choice program. In discussing the 2013 SoA Recommendations, Ms. Stephany explained that in addition to offering standardized products on their broadest commercial network, carriers will be invited to offer narrower network products on all standardized plan designs for at least one benefit tier and/or other popular and/or innovative products. Celia Wcislo asked whether plan designs that would help lower costs specifically meant such plans would have lower premiums. Mr. Shor indicated that the CCA would be open to innovative products that offer improved value for customers in any way, shape or form.

Nancy Turnbull asked Mr. Shor for clarification on the idea that carriers could offer narrower network products on all standardized plan designs for at least one benefit tier (i.e., Gold, Silver, Bronze). Mr. Shor explained that Gold, Silver and Bronze refer to standardized plan designs. Moreover, any product has to meet minimum creditable coverage (MCC) standards, but the CCA's tiers are defined specifically by standardization. Mr. Shor further added that a carrier could propose a product that does not reflect the CCA's standardized plan designs, and as such, the product is not by definition Gold, Silver or Bronze. Such a proposal is what the CCA is open to reviewing. Ms. Turnbull questioned whether, apart from MCC, the CCA ties Gold, Silver and Bronze benefit tiers to actuarial equivalents. Mr. Shor noted that the CCA does not currently define its tiers by actuarial value; rather the tiers are defined by standardized plan designs. Mr. Shor added the CCA would review a plan and assess whether such a plan added

value to the CCA shelf. If such a plan did add value, the CCA would assess the most consumer friendly way to structure the product.

Jonathan Gruber expressed his view that the CCA must move away from standardization in a way that consumers can still understand what they are purchasing. Mr. Shor cautioned against saying the CCA is moving away from a standardized product. Rather the CCA is seeking the potential to supplement standardized products being mindful of the fact that the market is evolving rapidly. Mr. Shor further added that based on feedback from brokers and small businesses, the CCA is seeing proliferation of tiered co-pay products that would be hard to square with the CCA's approach to standardization to date. Mr. Shor recognizes that simplicity on the CCA shelf is a real value. However, if the market is evolving quickly, it is important to balance those considerations as well. Mr. Gruber expressed the need for an out-of-pocket cost calculator, as it would be a valuable decision support tool. Mr. Shor agreed with Mr. Gruber that there is a nexus between growing product diversity on the CCA shelf and strong decision support tools. Mr. Shor emphasized the CCA's commitment to the provider search tool in the CommChoice shopping experience. Mr. Gruber suggested that now is the time for the CCA to start thinking about partnering with vendors to help with decision support for 2013. Ms. Wcislo emphasized the CCA should carefully scrutinize any additional health plan offerings and carefully determine exactly what costs are being transferred over to the consumer.

Ms. Stephany then explained that all proposed products will be subject to the CCA's review and approval based on numerous criteria. George Gonser asked whether the proposed products will be categorized into the current standardized benefit packages (i.e., Gold, Silver and Bronze) or whether a fourth tier will be created. Ms. Stephany replied that depending on what kinds of plans the CCA receives from the carriers, the CCA might need to develop a new benefit tier or package. Ms. Stephany stressed that if any changes are made, the CCA would make certain that any changes to the website would be streamlined to ensure that shopping remains easy for consumers. Mr. Shor indicated that as carriers offer proposed products, the CCA staff will work very closely with the Board to assess how to structure the additional product offerings.

Lou Malzone commented that he does not support the idea of proliferating products, in that they end up becoming incomprehensible to the consumer. Mr. Malzone further stressed that our society needs health care at a reasonable cost in order to sustain the economy and cautioned against moving in the wrong direction. Ms. Wcislo asked whether the CCA is guaranteeing that it will continue to offer the 48 standardized products on the shelf and then add a few more. Roni Mansur replied that the CCA's objective for 2013 is to maintain the baseline of standard plans because the CCA recognizes the benefits of standardization. However, Mr. Mansur noted that during the re-launch of Business Express, small businesses and brokers indicated they were looking for the popular products that carriers are offering in the market.

Ms. Wcislo asked whether the CCA would continue to have six standardized tiers moving forward. Mr. Shor replied that for 2013 the foundation of the CCA's shelf will remain with its current standardized products. If additional health plan offerings add value to the CCA shelf, the CCA will augment its shelf with some additional products. Mr. Shor also indicated that the form of carrier engagement, their products and performance will help inform the CCA's thinking for 2014, which will be more comprehensive in scope. In endorsing the CCA's decision to permit carriers to offer narrower network products, along with more popular and innovative products, Mr. Gruber emphasized that it is important to reach a middle ground. Mr. Gruber noted that the types of products are more important than the number of products. Candace Reddy recognized that this is new and unknown territory. However, she emphasized Secretary Gonzalez's support for the option to provide additional product offerings. Ms. Reddy

also noted she agrees the Board needs to play a critical role in determining what consumers are purchasing.

**IV. Exchange Project Management Contract Extension (VOTE):** Mr. Mansur opened discussion by providing background on the Request for Proposals (RFP) for project management assistance associated with the CCA's national health care reform transition efforts that was issued in Fall 2011. The power point presentation entitled "National Health Care Reform Transition Planning: Continuation of Project Management Assistance" was used during the presentation to the Board and was subsequently posted to the CCA website. In providing an overview of the Board review and approval process, Mr. Mansur explained that the Board approved the CCA's recommendation to contract with Deloitte LLP for project management assistance (Phase 1). CCA staff then returned to the Board and the Board approved the CCA's recommendation to continue the engagement with Deloitte into Phase II of the project management engagement. Mr. Mansur noted that Deloitte has provided high quality project management support to the CCA, successfully completing all deliverables required under Phase 1 of the engagement. In highlighting some of Deloitte's Phase 2 accomplishments to date, Mr. Mansur stated that Deloitte has facilitated working sessions, meetings and other workgroup activities. In addition, Deloitte has scheduled and coordinated weekly meetings with eight workgroups and six work threads as well as owners of milestones and key activities.

Mr. Mansur stated that CCA staff have determined that continued project management support is needed for ongoing ACA planning and implementation. Project management assistance provides the day-to-day support necessary to effectuate the revised transition governance structure and employ project management tools. Mr. Mansur further stressed that continued support from Deloitte enables senior staff to dedicate appropriate time and attention to substantive policy and programmatic considerations related to both "Connector 1.0" and "Connector 2.0." Mr. Mansur also introduced a new, additional focus where Deloitte will help the CCA coordinate and execute engagement of external stakeholders on major policy and operational decisions.

Next, Ed DeAngelo recommended that the CCA extend the current work order with Deloitte for an additional 16-week period and renew the underlying contract for the period between July 1, 2012 and June 30, 2013. Mr. DeAngelo explained that the current work order, as extended, will cost approximately \$200,000 per month over the next four months. Mr. DeAngelo also noted that the CCA's engagement with Deloitte has been funded exclusively with federal Exchange Planning and Level 1 Establishment grants.

The Board voted unanimously to renew the Deloitte project management assistance contract for a term expiring June 30, 2013, as recommended by the Board.

The meeting was adjourned at 9:55 AM.

Respectfully submitted,  
Kristin M. Faucette