



*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

GLEN SHOR  
Board Chair

JEAN YANG  
Executive Director

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

**Minutes**

Friday, November 16, 2012  
1:05 PM to 4:00 PM  
One Ashburton Place  
Boston, MA 02108  
21<sup>st</sup> Floor Conference Room

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**Attendees:** Jay Gonzalez, Glen Shor, Nancy Turnbull, Ian Duncan, Dolores Mitchell, George Gonser and Celia Wcislo. Robin Callahan attended in place of Julian Harris. Nancy Schwartz attended in place of Joseph Murphy. Jonathan Gruber, Louis Malzone and Andres Lopez were absent.

The meeting was called to order at 1:08 PM.

- I. Minutes:** The minutes of the November 8, 2012 meeting were approved by unanimous vote.
- II. Executive Director's Report:** Glen Shor opened by reporting to the Board that the Commonwealth Health Insurance Connector Authority (CCA) is ahead of the curve nationally in the exchange certification process. He informed the Board that the CCA has submitted their blueprint application well in advance of the federal deadline and is currently waiting to hear from the U.S. Department of Health and Human Services on whether the CCA is certified as being an Affordable Care Act (ACA) compliant exchange. Mr. Shor stated that the CCA's certification may be conditional because the CCA will need to demonstrate the ability to perform certain operations, such as retrieving data from the federal data "hub," prior to receiving full certification. He assured the Board that a conditional certification would represent a natural progression towards the CCA being fully certified as an ACA compliant exchange and that he would keep the Board updated on this subject.

Mr. Shor informed the Board that the CCA would be releasing its second broker newsletter on Monday, November 19, 2012.

Finally, Mr. Shor congratulated the CCA's Chief Financial Officer, Jean Yang, on being appointed to the Board of the Health Policy Commission. He stated that this Board, which also has Secretary Gonzalez as a member, is charged with setting goals and monitoring progress towards reducing growth in health care costs in Massachusetts. Secretary Gonzalez stated that the establishment of this board is an important step in the Commonwealth's effort to control

health care costs. At the first meeting, the board's chair, Stuart Altman, made a point of recognizing the fact that all the members have different backgrounds and represent different interests. However, Mr. Altman emphasized that the board needs to put the interests of the Commonwealth above all else. Secretary Gonzalez stated that the success of the Board of the Health Policy Commission will be based on its ability to find consensus, like the Board of the CCA has been able to accomplish.

**III. Customer Service Technology and Business Operations Services:** The PowerPoint presentation "Customer Service Technology and Business Operations Services" was utilized during Roni Mansur and Jennifer Bullock's presentation. Mr. Mansur opened the discussion by stating the goals of the customer service technology and business operations services procurement and providing some background information on Commonwealth Care (CommCare) and Commonwealth Choice (CommChoice). Dolores Mitchell asked if CommCare's customer service center fields questions about eligibility. Ms. Bullock replied that MassHealth handles matters pertaining to eligibility. Ms. Mitchell then asked if CommCare's customer service handles questions and complaints about benefits or claims. Ms. Bullock responded that CommCare's customer service center handles questions about benefits. However the program's managed care organizations answer questions about medical claims.

Mr. Mansur continued by stating to the Board that the CCA will be seeking one vendor to provide all of its customer service and business operations services under ACA. Ian Duncan requested an estimate of the number of members the CCA anticipates they will service under ACA. Mr. Mansur provided an estimate of 150,000 to 200,000, but added it is still difficult to estimate at this time. Next, Mr. Mansur reviewed the services the CCA will be requiring of the customer service technology and business operations services vendor which is selected during the procurement, pointing out that these services are different from what is currently required of the CommCare and CommChoice vendors. Mr. Duncan asked if the new CCA website being built for ACA will be owned by the CCA, which Mr. Mansur confirmed. Celia Wcislo emphasized that the vendor selected through this procurement must be capable of servicing many languages and be sensitive to varying cultural and income situations. Mr. Mansur informed the Board that the ability to fulfill this requirement is part of the request for responses (RFR) which will be issued by the CCA.

Next, Ms. Bullock reviewed the timeline for the procurement and the key requirements which need to be fulfilled by the bidding vendors. One of these requirements is to provide health benefits to all full-time employees. In regard to this requirement, Ms. Mitchell asked what the definition of a full-time employee is in this instance. Ms. Bullock said the CCA would return to the Board with this answer. Mr. Duncan pointed out the challenge the winning vendor will face in dealing with both a subsidized and non-subsidized population, which is not something the CommCare and CommChoice vendors do currently. Mr. Shor recognized that the CCA is setting a high bar for bidding vendors, but they are seeking strong responses in this regard. Dolores Mitchell emphasized the need for the selected vendor to have extensive training capabilities, which includes ongoing refresher trainings. Ms. Bullock replied that the RFR does include extensive requirements about training, including refresher training. The discussion concluded with Mr. Shor stating that this procurement is among the most significant endeavors the CCA will undertake during the ACA implementation, which has and will continue to require a significant amount of staff time. Secretary Gonzalez thanked the CCA for all of the work and planning that has gone into this procurement, which he emphasized will be a key component of the CCA's success under the ACA.

**IV. Licensing Procedures Request for Information:** The PowerPoint presentation "Licensing Procedures Request for Information" was used by Mr. Mansur during this section of the

agenda. Mr. Mansur began by reviewing the definition of a “Sub-connector” provided by Chapter 58 of the Acts of 2006 and stating that this law authorizes the CCA to certify entities to sell CCA products in the small business health insurance market. He noted that through certification of other entities, the CCA would be able to distribute their products to the small business market through additional channels. Mr. Duncan asked if a carrier could be certified as a “Sub-connector.” Mr. Shor replied that a carrier cannot be certified because a certified “Sub-connector” needs to offer plans from at least four of the carriers who participate in the CCA. He noted that the Small Business Service Bureau (SBSB) and Massachusetts Business Association are examples of entities that currently offer small businesses health insurance from four carriers also offered by the CCA. Mr. Shor then stated that authorization of “Sub-connectors” is not connected to the customer service needs of the CCA under the ACA, which are being addressed through the customer service technology and business operations services procurement described earlier in the meeting. Ms. Mitchell asked if the CCA is required to authorize “Sub-connectors” and if the CCA believes doing so would be beneficial. Mr. Shor explained that Chapter 58 authorizes but does not require the CCA to certify “Sub-connectors,” and offering CCA plans through multiple channels advances the mission of the CCA. He added that the CCA plans on obtaining feedback from the market on this concept through responses to a request for information (RFI) the CCA will issue.

Next, Ms. Mitchell asked if we will be providing financial compensation to “Sub-connectors.” Mr. Mansur responded that there would be no financial exchanges between “Sub-connectors” and the CCA. Ms. Mitchell inquired as to how a situation where an intermediary offered different plans from the CCA would be handled. Mr. Shor said if a small business shops through a “Sub-connector” and uses the CCA shopping experience, they would have the ability to pick from the full suite of plans offered by the CCA. If a small business selected a carrier not offered by the “Sub-connector,” they would enroll as a member of the CCA. Nancy Turnbull asked if the CCA had any concerns that potential “Sub-connectors” may have commission structures in place that would cause them to favor some carriers over others. Mr. Shor answered that the CCA will not intervene in any financial arrangements “Sub-connectors” have with carriers. Robin Callahan asked if utilizing “Sub-connectors” in this fashion should be thought of as a way of creating more “roads” to the CCA. Mr. Shor strongly agreed with this assessment and added that this concept of a “Sub-connector” provides a creative way for the CCA to mesh with the small business market, as well as provide the CCA with partners in this market. Ms. Mitchell asked if a broker could be a “Sub-connector.” Mr. Mansur replied that a broker would not be able to provide the robust technical functionality needed by a “Sub-connector.” Mr. Duncan asked, in light of the fact that the “Sub-connector” will be providing their own customer service, what value the CCA is adding for “Sub-connectors.” Mr. Mansur stated that the suite of products offered by the CCA is significantly different from what is currently offered through other intermediaries and that the CCA shopping experience that the “Sub-connectors” will have access to will be state-of-the-art. Mr. Shor added that employers purchasing insurance through “Sub-connectors” would have access to the CCA’s wellness program and could be eligible for the rebate associated with the program. George Gonser asked what the CCA’s rationale is for not allowing “Sub-connectors” to sell the CCA employee choice product. Mr. Mansur replied that the CCA envisioned a scenario where employees might end up choosing plans that are not offered by the “Sub-connector” but are offered through the CCA which would cause a small business account to be split between the “Sub-connector” and the CCA. Ms. Mitchell commented that the possibility of a small business coming to a “Sub-connector” and then choosing a plan not offered by that “Sub-connector,” causing them to lose the business to the CCA, would be a major annoyance for possible “Sub-connectors.” On this point, Mr. Gonser added that the state’s largest health insurance carrier does not currently offer their plans through any intermediary, but does offer small employer health insurance through the CCA. Mr. Shor recognized this concern, but

replied that “Sub-connectors” should see value in offering their clients the class-leading shopping experience offered by the CCA. Mr. Mansur added that intermediaries face the possibility of losing business to other channels for purchasing small business health insurance in the current market as well. Mr. Gonser then reiterated his point that intermediaries considering “Sub-connector” certification will be “exceptionally” concerned about the prospect of losing business to the CCA through employers selecting a plan which is not offered by the “Sub-connector.” Secretary Gonzalez recognized the legitimacy of Mr. Gonser’s concern, but stated that this concept of a “Sub-connector” is a way for intermediaries to be linked with the Commonwealth’s health insurance exchange. Mr. Duncan asked if Mr. Gonser’s concerns include the possibility of a broker losing sales if clients switch from “Sub-connectors” to the CCA through purchasing a carrier only offered by the CCA. Mr. Gonser replied that he had not directly considered that, but said the issue raised by Mr. Duncan would be of concern to brokers. Mr. Shor assured the Board that broker commissions would be paid in the situation raised by Mr. Duncan. Finally, Mr. Mansur closed this discussion through sharing the timeline around issuing the RFI and then establishing the final licensure criteria.

- V. Draft Wellness Regulations (VOTE):** Ashley Hague and Kristin McCarthy utilized a PowerPoint presentation entitled “Small Group Wellness Incentive Program Regulations – Draft for Public Comment (VOTE)” to guide discussion during this agenda item. Ms. Hague opened by providing background information on the small business wellness program rebate, including the eligibility criteria. Ms. Hague stated that the income requirement, in particular, has undermined participation in the program and in order to rectify this issue, last year’s state budget included language allowing the CCA to adjust the eligibility criteria. Next, Ms. Hague reviewed the proposed new eligibility criteria. In regard to the eligibility requirement around group size, Mr. Gonser asked that the term “covered lives” be used in the regulations to describe group size for clarifying purposes. Ms. Turnbull asked if the regulations specify minimum employer contribution as part of the eligibility criteria. Ms. Hague responded that employer contribution requirements are handled through the policies of Business Express, the program an employer needs to purchase insurance through in order to be eligible for the wellness rebate. Ms. Hague closed by presenting the next steps for updating the wellness regulations. The Board voted unanimously to approve the issuance of 956 CMR 7.00 in draft form for public hearing and comment.

The meeting was adjourned at 3:07 AM.

Respectfully submitted,  
Andrew J. Graham