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## **HIX Project Update**

Board of Directors Meeting, August 14, 2014

# Summary of Dual Track Implementation



- On August 7, 2014, the Commonwealth made the decision to move forward exclusively with hCentive and drop the FFM contingency track. CMS fully supports our decision
- This means that Massachusetts will remain a state-based Marketplace in control of the policies and programs that have made us first in the nation for health care
- hCentive now delivers the smooth consumer experience and back office functions our residents and our market depend on. We have seamlessly integrated the State Wrap program into the hCentive product. And hCentive now interfaces directly with Dell, the Health Connector's vendor that handles billing and enrollment transactions between health plans and their members
- For the first time in the history of Massachusetts health care reform, both Health Connector and MassHealth customers will go to one place to shop for and enroll in health insurance. hCentive will be the single front door to access health care in the Commonwealth, helping to mitigate confusion and enhance our efforts to provide consumers with quality, affordable health care options

# Summary of Dual Track Implementation (cont'd)



- We fully understand that hCentive's strong performance to date and the fact that it meets and performs core Exchange requirements will not prevent future challenges. The project's size and scope, combined with extremely tight timelines, requires us to constantly manage for risk
- Adding to that complexity, we must outreach to the hundreds of thousands of people currently in legacy or temporary Health Connector and MassHealth programs to encourage them to take advantage of the upcoming Open Enrollment period and submit new applications
- As we pivot the project from two tracks to one, we are bringing the same focus and discipline to our consumer outreach and member transition planning that we bring to our IT planning. The outreach piece will make all the difference, and it will require the hard work and coordination of our team and the coalition of insurers, providers and consumer advocates who have already helped this project come so far

# **HIX Project IT Update**

# Consumer Experience Overview

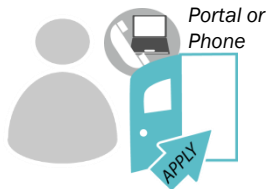
Completed Functionality

Currently Functional,  
Updates Needed

Work Needed



## 1. Front Door



Participant enters through a single Front Door for CCA & MassHealth (hCentive)

## 2. Apply



Participant creates account (Identity Management)

Participant completes application (hCentive)

## 3a. Verify Eligibility



Participant provides verification if necessary

Application data is verified (Federal Hub)

Eligibility is program determined (hCentive)

## 4a. Shop



Participant chooses plan – non state wrap (hCentive)

Participant chooses plan – state wrap (hCentive)

## Qualified Health Plan

## 5a. Bill Pay



Participant is invoiced and pays bill (FMS)

Suspense issue handled if necessary

Assessed to be Medicaid eligible

## Account Transfer

Full Outbound Account Transfer of Medicaid referrals (hCentive to MEP)

Full Inbound Account Transfer of Medicaid Denials & Determinations (MEP to hCentive)

## 6 & 5b. Enroll



Participant Receives Proof of Coverage

Participant may appeal decision or report a change

## 3b. Verify Eligibility



Determined not Medicaid eligible

Eligibility is program determined (MEP)

Participant provides verification if necessary

Non-MAGI manual processing (MA-21)

## 4b. Notification

Participant is noticed (MEP)



Medicaid Plan

# hCentive 2.0 Capabilities



***Release 2.0 contains functionality to support core Marketplace capabilities, as well as the State Wrap program; in addition, all plans have been loaded***

| Functional Area                     | Release 1.0 + 2.0 Core Exchange Capabilities   |
|-------------------------------------|--|
| Home Page, Content                  | Front Door, Individual Portal Landing Page, <b>MA-specific look and feel, Health Connector Logo, MA-specific content</b>   |
| Identity Management                 | Implement integrated Identity Management Solution (OptumID)  |
| Application Intake                  | Tax Household (QHP with APTC, <b>State Wrap</b> ) and Medicaid Household, CMS Streamlined Application  |
| Electronic Eligibility Verification | Core FDSH Services (SSA, IRS-Income, IRS-APTC, non-ESI MEC, VLP-1, RIDP), <b>MassHealth non-ESI eligibility check via MMIS</b>   |
| End-to-End Eligibility Application  | Business rules for Program Determination (QHP, APTC, Medicaid MAGI, <b>State Wrap</b> ), data stored in data repository, display results of Program Determination to user                              |
| APTC                                | Send 2nd Lowest Cost Silver Plan to IRS-APTC Service, dynamically display APTC in Shopping Experience, allow for reduction of APTC   |
| Plan Management                     | Load QHPs (including <b>State Wrap</b> ) and QDPs via SERFF 2015 templates and validate with Issuers (Plan Preview through Individual Portal)  |
| Shopping & Plan Selection           | Display and compare Health (including <b>State Wrap</b> ) and Dental Plans, including rates, application of APTC, ability to select plan, application submission, and viewing of submitted application |
| Eligibility Noticing                | Generate Eligibility Approval, Denial, Request for Information, Medicaid Assessment, and Tax Liability notices   |
| Enrollment & Billing                | Automated Outbound Enrolling & Billing interface between hCentive and Dell, Schema Validation  |
| Transfer to MassHealth              | Automated MassHealth Outbound Transfer interface   |

- As part of R2.0, closed R1.0 gap of IDM integration
- Demonstration for IV&V (8/5)
- Demonstration for CMS (8/6)
- ConnectorCare (State Wrap) functionality in R2.0 scope
- MassHealth interoperability further enabled by R2.0 functionality (Medicaid MAGI Household and Income, MassHealth MAGI data collection, Outbound Medicaid transfer)
- Completed Plan Loading
- Stood-up Optum Staging Environment

|                |                          |                            |                        |
|----------------|--------------------------|----------------------------|------------------------|
| <u>Legend:</u> | Fully Functional by R2.0 | Fully Functional post R2.0 | MA-Specific Capability |
|----------------|--------------------------|----------------------------|------------------------|

# hCentive Release 2.0: Demo Scenarios and Evidence

*A comprehensive end to end demonstration of 4 scenarios was conducted, highlighting both Front End and Back End capabilities.*

## 4 Scenarios

*Represents range of scenarios to exercise Release 2.0 Front-End and Back-End capabilities*

**Married pregnant couple at 199% FPL, 4 year old child, not filing taxes, being determined for QHP, Medicaid and CHIP**

**Married couple at 175% FPL, joint filers, being determined for APTC and Wrap**

**Anonymous Browsing**

**Single Medicaid Household at 200% FPL being determined for unsubsidized QHP**

## Demonstrated Capabilities

*Key Release 2.0 Scope*

- ConnectorCare (State Wrap)
- Medicaid Household, Income, and additional questions
- XML Outbound Account Transfer
- Additional Notices and automation of Notice generation
- Automation of Outbound Billing & Enrollment interface to Dell
- Verified Lawful Presence FDSH Service
- Non-ESI MEC service to MA MMIS
- Detailed Billing Calculation, Quote, and Invoice generated from Dell
- Simulation of payments via Lockbox
- Effectuation of enrollment and transmission to hCentive
- Generation of 834
- Generation of 820

## Front and Back End Evidence


*Live Front End demo plus back-end evidence highlights*

- FDSH Logs, including VLP1
- XML to MMIS for non-ESI MEC
- Billing & Enrollment XML
- Notice Generation XML
- Notices
- Outbound Account Transfer XML
- Invoice
- Financial Management System UI
- Enrollment Effectuation XML
- X12 translation
- 834 EDI file
- 820 XML
- Boomi console (Financial Management orchestration)



# hCentive 2.0: State Wrap



**Release 2.0 includes State Wrap. After an applicant indicates they want financial assistance and provides income information, they are presented with their Advanced Premium Tax Credit (APTC).**

[Apply for Coverage](#)[Find a Plan](#)[My Account](#)

[Learn More](#)[Get Assistance](#)

 0 |  | testdata1 | [Sign Out](#)

[Overview](#)[My Profile](#)[My Eligibility](#)[My Documents](#)[My Appeals](#)[My Exemption](#)[My Enrollments](#)

## Results

[Application Summary](#)

To begin shopping for plans, click the Find a Plan button below.

**Household[1] - Application Result** **FPL : 222.8**

This household also qualifies to receive a tax credit to help lower monthly health coverage costs.

For lowering health coverage costs the people below who qualify for premium assistance will receive a maximum Advance Premium Tax Credit in the amount of: **\$ 273<sup>00</sup>**

| NAME               | PROGRAMS ELIGIBLE FOR      | DOCUMENTS REQUIRED  |
|--------------------|----------------------------|---|
| ANITA JANE WONDERS | <b>ConnectorCare Plans</b> | <b>Proof of U.S. Citizenship Status</b><br><b>Proof of Social Security Number (SSN)</b> |

Submission date = 08/02/2014



# hCentive 2.0: State Wrap (cont'd)



*Next the applicant is invited to shop. The applicant can choose to rearrange the Advanced Premium Tax Credit (APTC) by clicking “Change Tax Credit”.*

The screenshot shows the Massachusetts Health Connector website. The top navigation bar includes links for "Apply for Coverage", "Find a Plan" (highlighted in blue), "My Account", "Learn More", and "Get Assistance". A dark purple bar below the navigation contains a shopping cart icon with "0", a globe icon, the text "testdata1", and a "Sign Out" link.

On the left side, there is a sidebar with links: "Getting Started", "Select Coverage Type", "ConnectorCare Plans", and "ANITA JANE WONDERS". Below these is a "Quick Filters" section with a "Plan Quick Filters" link and instructions to use filters to narrow search results. There are buttons for "Apply Filter", "Reset All", and "Search by Providers" with a "Provider Look-up" button.

The main content area is titled "Find a Medical Plan for ANITA JANE WOND .." with a "Sort By" dropdown menu. Below the title, a paragraph states: "The monthly premium shown below has been reduced by an Advance Premium Tax Credit of \$273<sup>00</sup>. You are eligible for an Advance Premium Tax Credit up to \$273<sup>00</sup>. For individuals eligible for Catastrophic Health Plans, premium amounts do not reflect any Advance Premium Tax Credit as Catastrophic Health Plans are not eligible to receive tax credits. [Change Tax Credit](#)".

Below the paragraph are buttons for "Compare 0 Plans", "Back", and "Save and Continue to Checkout". A red link "View More Plans Here" is also present.

At the bottom, there is a table with columns: "MONTHLY PREMIUM", "CARRIER DETAILS", "PLAN DETAILS", "ANNUAL DEDUCTIBLES", and "EST. OUT-OF-POCKET COSTS". The table shows one plan: "BMC HealthNet Plan - Silver A". The monthly premium is \$78<sup>00</sup>. The carrier is "BOSTON MEDICAL CENTER HealthNet Plan". The plan details include "Preferred Drug List" and "HMO/SILVER". The annual deductibles are "Not Applicable/Person" and "Not Applicable/Family". The estimated out-of-pocket costs are "Annual Max. Costs \$0<sup>00</sup> / Person" and "Est. Costs based on Use N/A". There are icons for "Rx", "Tooth", and "Eye" in the "EST. OUT-OF-POCKET COSTS" column. A "Add To Cart" button is at the bottom right of the table.

| MONTHLY PREMIUM    | CARRIER DETAILS        | PLAN DETAILS  | ANNUAL DEDUCTIBLES                                 | EST. OUT-OF-POCKET COSTS  |
|--------------------|------------------------|---|--|---|
| \$78 <sup>00</sup> | <br>Rating in progress | <b>BMC HealthNet Plan - Silver A</b><br><br>Preferred Drug List<br><br>HMO/SILVER | Not Applicable/Person<br><br>Not Applicable/Family | <u>Annual Max. Costs</u><br>\$0 <sup>00</sup> / Person<br><br><u>Est. Costs based on Use</u><br>N/A |

# Account Transfer – Overview



a

Consumer completes application, verifies data and is assessed if likely Medicaid/CHIP

Consumer account updated in hCentive

b

Account Transfer Service creates XML file

## Data Elements Passed to/from hCentive

- Transfer Header
- Insurance Application
- Applicant
- Referral Header
- Assister
- Authorized Representative
- Primary Contact
- Household Member
- Eligibility
- Medicaid Household
- Tax Return
- Verifications



c

**MEP Processing**  
prepares and tracks files for Program Determination

i

**Account Transfer Service**  
sends the response back to hCentive with eligibility status

d

Account Transfer Service adds account data to MEP Database



**Program Determination**



e

Update Eligibility Information

MEP

Send eligibility determination through an existing web service

f

Send eligible Medicaid individual using eligibility web service

g

Send self-selecting "Disabled" through automated process

h

Moved to MA-21 through manual process

MMIS

MA-21

# Account Transfer – Current Progress



## GATEWAY

- Database design **complete**
- Database build **complete**
- Test environment build **complete**
- Outbound Request persistence **complete**
- Outbound Request acknowledgement **complete**

Week of 8/4:

- Complete build of Outbound Request web service to MEP
- Complete design of Outbound Response from MEP



## MEP

- Review of Business Requirements for SDD/ICD **complete**
- Design 90% complete – SDD/ICD including injection of transaction into MEP
- Test case development 40% complete
- Development started on Outbound Request insertion into MEP 7/30
- System component testing start date targeted for 9/2
- Integration testing with hCentive start date targeted for 9/25


# Program Determination



- PD risk has been dramatically mitigated by reducing scope from an original list of 252 aid category types to 24 for this Fall; 24 are focused on most critical MAGI coverage
- As part of Release 1.2, all 89 group C test cases have been executed as part of UAT. 83 of 89 test cases passed. **Complex family scenario test cases are now passing at a higher rate as a result of Release 1.2 PD change requests (93% now versus 40% previously).**
- Test case failures are under analysis to identify resolution that will further improve pass rates.
- Including testing prior to Release 1.2, 472 total test cases have now been executed against PD with an 93% overall pass rate.
- Current test environments are experiencing instability and delaying testing schedule – being researched and remediated by Optum

## Key Expected Improvements

- Correct program determination outcomes in absent parent situations
- Correct caretaker relative logic
- Correct definition of parent
- Allow self-attestation for residency



# **Consumer Outreach and Member Transition Strategy**

# Massachusetts Health Care Reform: What's at Stake



- Health care reform is a values statement in Massachusetts, and is embraced by residents, government, providers, insurers, business and community organizations
- More residents have coverage, more businesses offer employer-sponsored coverage and more people are going to the doctor and getting treatment since Massachusetts enacted health care reform in 2006
- The Commonwealth handled IT system challenges during the Affordable Care Act's (ACA) first Open Enrollment by working together and collaboratively with our federal partners and stakeholder coalitions, allowing us to provide alternative pathways to coverage and coverage extensions where necessary
- Because of those efforts, Massachusetts continues to be number one in the nation for health care coverage and has added to the ranks of the insured
- As we move into the next Open Enrollment period, leveraging the new hCentive platform that will make the application and enrollment process easier than ever for consumers, we have the task of reaching out to members, many of whom are in legacy or temporary coverage. We need to encourage them to take advantage of the ACA Open Enrollment and submit new applications for coverage beginning in 2015

# Guiding Principle & Strategy



*Our highest priority is ensuring access to coverage so that the people who have it do not lose it or experience unnecessary gaps, and the people who need it can get it without unnecessary confusion or delay.*

*The outreach effort will be an “all hands on deck” operation, with proper governance and accountability, cross-market collaboration and rigorous execution and resource plans.*

- Foundation of success: a dependable, functioning **IT & Operations system**
- Leverage existing **single point of accountability governance model** that put project back on track
- A **coordinated, holistic campaign** that serves the entire target population (e.g., Medicaid or Exchange, subsidized or unsubsidized)
  - Clear and effective **messaging** that helps engage the market early and keeps people informed
  - **Multi-faceted outreach** for call-to-action, leveraging cross-market collaboration mixing proven and new strategies for success

# Challenges & Advantages



## *Challenges:*

- Extremely short timeframe to transition a lot of people
- “Behind the scenes” migration of members not feasible because: 1) member information on file is dated; and 2) the existing HIX system has significant data quality problems
- Historically the low-income population, many with language and literacy barriers, is very passive and hard to engage

### **What We Achieved During Fall 2013 Open Enrollment**

- Over 260,000 people affirmatively applied for coverage despite IT problems
- Made ~500,000 outbound calls
- Knocked on over 50,000 doors

## *Advantages:*

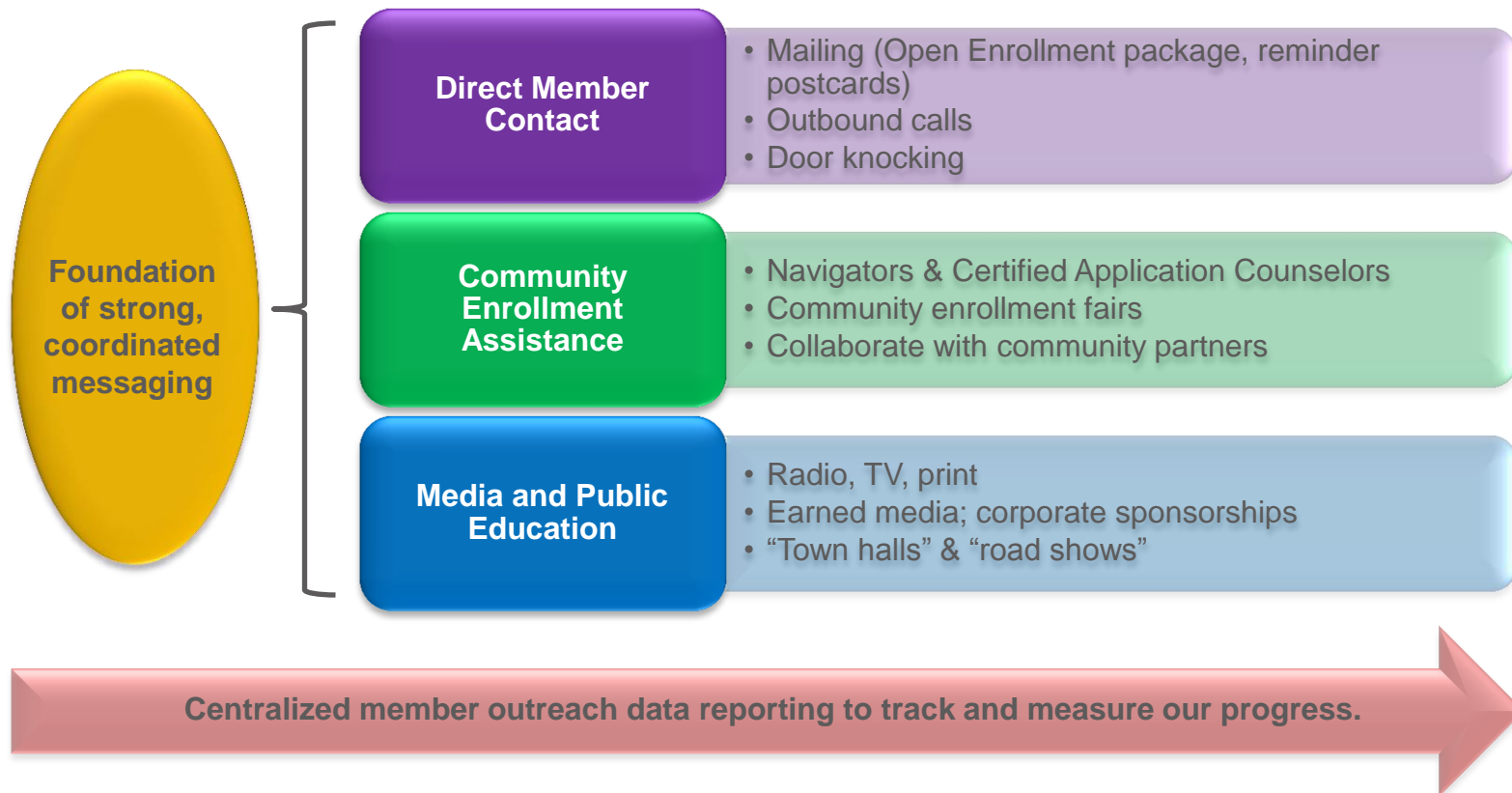
- This is a population that is known to us – we can locate them
  - We have addresses for virtually all of them and phone numbers for approximately half of them
- We have a market that continues to be favorable towards health reform (May/June 2014 Harvard School of Public Health found 63 percent of respondents favor health care reform), supported by a strong coalition of partners
- CMS support – federal partners share our desire to maintain and expand coverage



# Multi-faceted Outreach Campaign



*Building upon the foundation from last year's campaign, we will leverage high intensity, multi-faceted outreach strategies, with the goal of getting to every single person in need of coverage.*





# **Project Budget & Contract Update**

# HIX/IES Budget & Contract Update



- On July 31, 2014, the Executive Office of Administration and Finance and the Executive Office of Health and Human Services submitted a report on costs related to the HIX-IES project to the Joint Committee on Health Care Financing, as required by the fiscal year 2015 General Appropriations Act
- The report highlighted that:
  - We have met the primary objective of state and federal health care reform – expanding access to affordable, quality health insurance – by newly enrolling over 337,000 people in state-subsidized health insurance
  - Despite IT system challenges, the cost of providing health care to people through these programs is in line with what we budgeted for fiscal year 2014
  - We will continue to manage and report on fiscal year 2015 coverage and project costs, consistent with our established practice of providing frequent public updates to the Board, stakeholders, legislators and others

# HIX/IES Budget & Contract Update (cont'd)



- The Commonwealth's contract negotiations with Systems Integrator Optum are nearly complete. We have been working to ensure the final agreement includes pay-on-delivery, at-risk provisions that protect the Commonwealth's best interests and hold Optum accountable
- Due to recent negotiation progress, we know we will be seeking CMS approval for enhanced federal matching funds to support approximately \$80M in new IT project costs
- We have made progress on reducing the size of our request for federal funds by tightening project scope and repurposing resources already secured for the original IT project
- The final contract and budget will be released as soon as they are completed, consistent with our commitment to transparency

# Next Steps



- Final contract and budget
- Next Health Connector Board Meeting: September 11, 2014
- Check-in with CMS: Mid-September