



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

CHARLES D. BAKER
Governor

KARYN POLITICO
Lieutenant Governor

MARYLOU SUDDERS
Board Chair

LOUIS GUTIERREZ
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

Thursday, March 12, 2015
9:00 AM to 12:00 PM

One Ashburton Place
Boston, MA 02108
21st Floor Conference Room

Attendees: Louis Gutierrez, Marylou Sudders, Kristen Lepore, Nancy Turnbull, Dolores Mitchell, Celia Wcislo, Louis Malzone, Rina Vertes, Mark Gaunya and Gary Anderson.

The meeting was called to order at 9:05 AM.

- I. Minutes:** The minutes of the February 12, 2015 meeting were unanimously approved.
- II. Executive Director's Report:** Mr. Gutierrez noted that it was the end open enrollment for 2015 and provided an update on membership as well as two personnel announcements. He stated that 124,215 people enrolled in a Health Connector (CCA) plan for enrollment through March 1, 2015. He explained that CCA continues to see people enrolling for April 1 coverage and that, including those enrollments, there are 128,133 members enrolled for non-group medical coverage. He stated that, additionally, there are 31,104 individuals enrolled in non-group dental, 479 individuals enrolled in small group dental and 4,248 individuals enrolled in small group medical. Mr. Gutierrez noted that CCA has added more than 8,000 individuals in Qualified Health Plans (QHPs) and over 80,000 members in subsidized coverage. He stated that CCA expects that the subsidized population grow beyond 91,000 throughout the year and have also seen significant interest in dental coverage. He explained that at a future meeting CCA will discuss how legacy members moved into new coverage and why they did not in some

cases. He noted that CCA continues to move forward on number of items, including planning for 2016 open enrollment.

Mr. Gutierrez introduced Vicki Coates and Patricia Wadda. Vicki Coates, the new CCA Chief Operating Officer was noted to have significant experience in health care and the Affordable Care Act (ACA) and had worked with companies such as DentaQuest, Harvard Pilgrim Health Care and Blue Cross Blue Shield, bringing deep experience in carrier operations and will work closely with CCA and vendors to improve consumer experience and carrier interface. He also introduced Patricia Wadda, the new special advisor and program manager for HIX/IES initiative, as the central point of accountability for shared system. Mr. Gutierrez described Ms. Wadda's deep experience in state government, health care and Information Technology (IT). He noted that he has worked with her in the last 20 years and has not met a more capable large program implementation lead. He explained her role in implementing the new system at social services, the state's new personnel payroll system and new Medicaid Management Information System (MMIS).

Ms. Wadda expressed her pride to be joining a team who has accomplished such a great deal in a short period of time. She noted her state service experience, as was described by Mr. Gutierrez. She expressed looking forward to collaborating with consumers and the health care community, the Governor's office, MassHealth as well as CCA, and will learn from this year to prepare for open enrollment 2016. She stated that she will continue the single point of accountability structure, will implement ruthless pragmatism about prioritization and will be transparent about challenges. She noted that she looks forward to working with the Board.

- III. Final Affordability Schedule for Calendar years 2015 & 2016 (VOTE):** The PowerPoint presentation "III. Final Affordability Schedule for Calendar years 2015 & 2016 (VOTE)" was presented by Marissa Woltmann. Ms. Woltmann presented the proposed approach for the 2015 and 2016 Affordability Schedules. She noted that CCA received one comment from the ACT!! Coalition, who expressed support for progressivity standards but concern that movement to the percentage based standards (as opposed to a static standard for an income cohort) created a relative increase for individuals at the higher end of an income cohort. The ACT!! Coalition also expressed concern that cost sharing is not taken into account of affordability standards as well as suggested modifications to other aspects of the individual mandate policy unrelated to affordability. Ms. Woltmann noted that if CCA were to change current progressive proposal due to the relative increase of affordability for individuals at higher incomes within an income cohort, ConnectorCare premiums would no longer be considered affordable for households who are at the low end of an income cohort. Further, she noted that cost sharing is an important component of cost and CCA looks forward to continuing collaboration with the ACT!! Coalition and others in exploring ways to thoughtfully incorporate this cost into affordability standards. Ms. Turnbull emphasized the importance of considering cost sharing when assessing affordability, especially in light of higher deductible plans. She cited a Kaiser study published on March 11, 2015 that highlighted the lacking availability of individuals to have requisite liquid assets to satisfy many

deductibles. She recognized that while the ConnectorCare program helps, there are moderate income households nationally for whom higher deductibles create a hardship, meaning they have to forgo care or face medical debt. She also noted that Blue Cross Blue Shield BCBS Foundation has done research to show that progress since 2006 has been declining because of rising out of pocket costs. The Board unanimously approved the issuance of the affordability schedules for calendar years 2015 and 2016 as final.

IV. 2016 Qualified Health and Dental Plan Seal of Approval: The PowerPoint presentation “2016 Qualified Health and Dental Plan Seal of Approval” was presented by Sarah Bushold, Heather Cloran and Ashley Hague. Ms. Hague provided a high level summary of the day’s presentation. She noted that CCA wants to simplify the product shelf to help consumer confusion when selecting plans. She explained that this would involve removing some plans from the standardized product shelf and otherwise limiting the number of products offered. She emphasized that CCA wants to encourage innovation and choice without overwhelming consumers. She noted this also creates gained efficiencies in operational work. Finally, she stated that this was also an opportunity to discuss ConnectorCare for 2016, but CCA cannot know who those carriers will be until they have rates filed in the summer.

Ms. Bushold reviewed the 2015 Seal of Approval (SoA) requirements and showed information on plan uptake from a metallic tier and standardization perspective as well as from a health plan perspective. Ms. Mitchell noted that she and Mr. Malzone have advocated for a significantly smaller product shelf and would like to have a discussion about policy preferences in terms of options. Secretary Sudders stated that this conversation could be had at the current meeting or a future meeting. Ms. Turnbull echoed Ms. Mitchell comments, noting that while the proposal is a step in the right direction, it still results in too many plans. She noted that what is important is what people who actually use the website and shopping experience and that CCA should conduct market research on the shopping experience as a starting point. Secretary Sudders’ agreed that direct consumer feedback is important, but that the group could certainly start with the Board’s thoughts while that research was being done. Ms. Wcislo stated that she has also heard that not having provider search functionality and a non-integrated payment system have been difficult to be without for consumers. Mr. Gutierrez agreed that those were both difficulties that consumers were facing. He noted that he didn’t know if full provider search will be available, but that CCA can be clearer about referring people to providers, noting when a plan is a limited network and that CCA intends to approach the market on a payment system replacement that is needed in order to improve the consumer experience. Ms. Hague noted that the information provided on slide five helps to inform that conversation. She explained that CCA is seeing an overwhelming attraction to the silver tier, which was expected and which is predominately standardized. She acknowledged the need to streamline the shelf and that CCA needs to do a better job in completing the mission to strike the right balance.

Ms. Bushold provided an overview of the 2016 QHP product shelf requirements and the elimination of certain standardized plan designs. She explained that retention of plans was informed by review of enrollment in plans as well as looking to provide a logical

step up in the way of deductibles available to a consumer among the tiers. In addition, she stated, the new federal actuarial value (AV) calculator changes caused the current plan design for the Bronze tier to fall out of the de minimus range. CCA therefore recommends to de-standardize the Bronze tier. Ms. Mitchell noted that, in addition to numbers, is it time to understand why people chose the products they chose. Ms. Hague stated that CCA will follow up this open enrollment period with a survey of consumers but noted that staff had seen trends among shoppers when providing in-person assistance. Ms. Bushold, in response to a question from Mr. Malzone, confirmed that the Bronze plans offered still need to have the appropriate AV level but CCA will not be prescriptive in plan design. Ms. Hague stated that carriers can propose plans so long as they meet state and federal law. She added that CCA always reserves the right to reject a plan that does not offer value to consumers and that CCA has introduced the same concept used for catastrophic plan offerings to provide carriers the flexibility to withdraw a plan if there is a sufficient number of these plans in the market. In response to a query from Ms. Weislo Ms. Hague noted that CCA is not required to offer a particular Bronze plan, and that under the Affordable Care Act (ACA) carriers are required to offer Silver and Gold plans. She did note, however, that in state regulations there is a cross-reference to CCA offering Bronze plans and thus CCA feels the need to consider offering this product. Mr. Gaunya echoed Ms. Turnbull's request to do a consumer survey and noted that he believes the decision to shop for a plan begins with providers since that is a personal relationship. Ms. Bushold finished reviewing the 2016 SoA requirements.

Ms. Cloran then reviewed the 2015 Qualified Dental Plan (QDP) product shelf including data on enrollment by benefit level and carrier. She noted that plan parameters would not change in 2016. In response to a question from Ms. Turnbull, Ms. Bushold explained that the AV for dental is 85 percent. Ms. Weislo asked why CCA would continue to offer non-standardized plans. Ms. Cloran noted that there are several non-standardized plans and that the SoA parameters seek to make sure there is a cap in place for non-standardized dental plans if they proliferate in the future. Ms. Turnbull noted that CCA has offered the pediatric dental benefit and in doing so had not required their QHPs to have this benefit embedded. She expressed that this thwarts the intention of embedding this benefit in QHPs under the ACA. Ms. Cloran stated that of those individuals who have purchased a QHP with children under 19, roughly 25 percent have purchased dental coverage.

Ms. Bushold reviewed key certification criteria. Ms. Mitchell expressed her appreciation for adding quality requirements and noted that it is generally unknown that the dental community has been slower to address quality issues. Ms. Bushold elaborated on the essential community provider requirement stating that there is a list provided by the federal government of who is considered such a provider, but health plans can argue other providers meet the definition of such a provider even if they are not on this list. Ms. Turnbull asked whether the National Committee for Quality Assurance (NCQA) certifies dental plans. Ms. Bushold explained that it only certifies medical plans. Ms. Bushold noted that the federal Centers for Medicare and Medicaid (CMS) recently stated that there are requirements specific to inclusion and implementation of a quality improvement work, which CCA will extend to medical and dental issuers. She noted that

if current initiatives meet the federal requirements, that would be sufficient. She added that there are federal requirements in recent technical guidance that carriers must submit results of enrollee satisfaction surveys and quality reporting and CCA will have to make this available as part of shopping experience for 2017 open enrollment. Ms. Turnbull commended CCA on the high number of dental enrollments. Ms. Hague then discussed next steps and timeline. Ms. Gutierrez noted that the SoA process is one of the biggest of CCA's year and thanked staff for the tremendous amount of work done.

The meeting was adjourned at 10:25 AM.

Respectfully submitted,
Rebekah D. Diamond