



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

CHARLES BAKER
Governor

MARYLOU SUDDERS
Board Chair

KARYN POLITO
Lieutenant Governor

LOUIS GUTIERREZ
Executive Director

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

Thursday, October 8, 2020
9:00 AM to 11:00 AM

Live Stream

<https://www.youtube.com/user/TheMAHealthConnector>

Attendees: Louis Gutierrez, Marylou Sudders, Lauren Peters (who was sitting by designation on behalf of Secretary of Health and Human Services Marylou Sudders), Nancy Turnbull, Michael Chernew, Mark Gaunya, Matthew Veno, Rina Vertes, Gary Anderson, FayeRuth Fisher, John Stephan (who was sitting by designation on behalf of Secretary of Administration and Finance Michael Heffernan), Dimitry Petion.

The meeting was called to order at 9:02 AM.

- I. Meeting Minutes:** The minutes of the September 10, 2020 meeting were approved by roll call vote. Mr. Petion abstained from voting.
- II. Executive Directors Report:** Mr. Gutierrez began the meeting by updating the Board on the status of call center operations, noting that the Health Connector (CCA) is at a critical point where it will ask for consideration to approve two items that should improve operations for Open Enrollment (OE). He stated that the proposed measures are an effort to make sure that members and applicants receive quality and timely assistance. He outlined the need for repairs and supports in a number of areas, noting that after five years of continued improvements it is difficult to confront these challenges again. He informed the Board that there continues to be difficulty, by the vendor, in recruiting and training staff, and absenteeism and attrition among staff. He stated that there is also a need to improve inventory management in advance of OE. He informed the Board that CCA would also be recommending the option to staff additional call center agents through a third party, Accenture, to handle increased call volume as a result of the upcoming OE period. Mr. Gutierrez noted that trends and customer satisfaction rates are improving but service is still not at an acceptable level. He stated that Faneuil continues to express its own commitment to improving. He informed the Board that after OE, CCA will reassess and work on next steps.

He shared that CCA continues to work with Softheon on their premium controls and refund processing. He informed the Board that at the end of September, CCA successfully completed their Open Enrollment Readiness Review with the Centers for Medicare and Medicaid Services (CMS). He noted that with the walk-in centers remaining closed CCA expanded Navigator capacity to continue to provide resources to people in their communities.

In response to a question from Mr. Petion regarding any misrepresentation on the part of Faneuil during the procurement process, Mr. Gutierrez stated that he is aware of other Exchange customers who remain satisfied with the performance of Faneuil. He added that he believes there was an underestimation by the vendor with respect to the complexity of the Massachusetts Exchange operations, drawing attention to the unique nature of CCA's own premium billing functionalities and state contribution. He also noted that Faneuil appears to be more comfortable in a brick and mortar setting, and were not necessarily well prepared to manage remote call center operations.

Prior to concluding his Report, Mr. Gutierrez noted that the two voting items on the agenda that were previously listed separately have been combined into one presentation.

III. Open Enrollment Readiness & Preparedness Contract to Supplement Faneuil (VOTE) & Customer Service Representative Staffing Contract (VOTE) : The PowerPoint presentation "Call Center Management Contract" was presented by Vicki Coates. Ms. Coates began the presentation providing an overview of contact center challenges that vendor, Faneuil, has faced since the transition, including under-performance when meeting set abandonment rates, members satisfaction rates and managing inventory totals. She reminded the Board that in August CCA triggered a corrective action plan to improve performance but that as of the meeting needed action to improve the performance had not been completed. She provided the Board with a daily review of the abandonment rates of the call center since the transition to Faneuil, noting only 13 of those days met the required service level agreement. She provided a review of customer satisfaction metrics since the transition which revealed a steep drop in customer satisfaction and high dissatisfaction scores of nearly 20 percent of members surveyed. She then shared an overview of the overall case inventory that Faneuil has accrued since go-live, which has started to decrease in recent weeks, but remains higher than required and aged. She outlined the actions that CCA has taken to mitigate the performance issues, including a three-week assessment of capabilities and readiness for Open Enrollment by third party vendor Accenture. She reviewed the findings of the assessment which included that Faneuil lacked the key management staff and capabilities to be prepared for Open Enrollment. With these findings, CCA is seeking Board approval to enter into a contract with Accenture to provide additional management support to CCA and Faneuil to stabilize operations and prepare for Open Enrollment. She reviewed the contract amounts with the Board.

In response to a question from Mr. Petion regarding the dollar amount CCA expects to recover from Faneuil for the cost of the third party contracting, Mr. Gutierrez stated that it would be premature to offer a figure, but that this will require negotiation and will likely involve legal counsel on both sides.

In response to a question from Ms. Turnbull regarding changes in call volume from prior years, Ms. Coates replied that the contact center is currently experiencing a 14% increase in call volume from the previous year which is attributed to unemployment and growth in membership. She also noted that the remote nature of most workplaces has led to an increase in call volume. On account of the high abandonment rate, Ms. Coates added that the contact center is also seeing a 16% increase in repeat calls. In response to a follow up question from Ms. Turnbull about the change from closed enrollment call center operations to OE operations, Ms. Coates noted that staff increases from 220 call center representatives during closed enrollment to 400 during OE. Ms. Coates confirmed for Ms. Turnbull that the doubling in staff was not to make up for the deficit but typical staffing for Open Enrollment.

Ms. Coates then provided a review of the challenges that Faneuil continues to face with maintaining appropriate levels of staff, noting that with OE on the horizon, Faneuil will need to begin bringing in larger classes of recruits. She provided a comparison between the number of scheduled contact center representatives and the actual number of contact center representatives that attended work each day, beginning on September 1, with each day experiencing a differential between the two. Given the attendance adherence issues CCA has determined that an alternative plan is needed to best serve the members of CCA and residents of the Commonwealth. After review of a number of options, CCA recommends that the most effective way to rapidly secure and manage staff is through contracting with Accenture to supply 100 staff and associate supervisors. She noted that the staff are employed through Accenture and will be pivoted as customer service representatives with the first wave of staff expected to begin on October 26 in order to be prepared to serve members early in OE. She reviewed the details of the second Board vote request with the Board, noting that CCA retains the option to ramp down the number of Accenture customer service representatives if they are not all needed.

Mr. Gutierrez then provided a review of the financial impacts to fiscal year 20 (FY20) and fiscal year 21 (FY21) as it relates to the operation adjustments. He noted that for a number of reasons FY20 will end on a favorable financial note. He then reviewed the FY21 approved budget and how it will be impacted based on the interventions, totaling of \$5.6 million. He noted that a yet to be determined amount is the amount to be negotiated to be recovered from Faneuil. He continued to note that if Faneuil stabilizes then there may not be need for additional interventions, but that will also be determined following Open Enrollment.

In response to a question from Ms. Turnbull regarding the value of the Faneuil contract, Ms. Miller stated that it is roughly \$16.3 million.

In response to a question from Mr. Gaunya regarding the financials and the terms “prior year reversals” and “unanticipated savings”, Mr. Gutierrez noted that CCA held liabilities against prior years of HIX services that were finally resolved which accounts for prior years reversals. Ms. Miller added that unanticipated savings would include savings from postage, credits and penalties from the previous vendor NTT, customer experience project implementation savings, in addition to a variety of savings across a number of line-items.

In response to a question from Mr. Petion regarding the platform availability and scaling to meet the needs of the new Accenture staff, Mr. Gutierrez noted that one of the benefits of selecting

Accenture is their existing infrastructure and ability to connect with their remote staff. In response to a follow up question from Mr. Petion regarding additional technology costs that may need to be accounted for, Mr. Gutierrez noted that while there may be some, it is not expected to be material.

At 9:40AM Secretary Sudders joined the meeting.

Ms. Vertes commented on the financials, noting that reserves are, to some extent, intended for crisis situations and wants to make sure that this is not being viewed with too much of an emphasis on financials. In response to a question from Ms. Vertes regarding how Accenture pricing compares to the rest of the market, Mr. Gutierrez and Ms. Coates noted that Accenture rates are about \$47 per hour for agents compared to NTT's rate range of \$35-37 per hour. Mr. Gutierrez noted that this is not the standard run rate for Accenture call agents, rather reflects Accenture pulling together consultant staff at short notice to serve as call center agents. He continued to note that there are positives to using consultants, but there is also a need to manage certain risks, including the need for customer service orientation for individuals and recognition that customer service business requires humility. He emphasized that this is cause for the price differential.

Dr. Chernew thanked CCA and the Board for the thorough conversation and noted that CCA is three weeks away from Open Enrollment and wanted to stress that being prepared for Open Enrollment at this time is the priority. He noted that if CCA has the money and is being as efficient as possible in the procurement for a third party, which he believes it is, then it would not be wise to risk a successful OE.

Mr. Gutierrez continued to note that while CCA could go to a state blanket to contract, the harm is that there is lack of management structure, and Accenture brings with it direct line of management to ensure that workforce, scheduling and attendance are managed appropriately. Dr. Chernew thanked Mr. Gutierrez for the comparison to the alternative.

In response to a question from Ms. Turnbull regarding management and accountability structure, Mr. Gutierrez stated that Faneuil continues to own accountability for the delivery of services. He noted that there is a tension between Accenture providing support and not taking over the operation, while also being accountable. Mr. Gutierrez outlined how he would envision the governance structure of Accenture and Faneuil to interact.

Mr. Gaunya agreed with Ms. Turnbull's concerns regarding potential and likely challenges and the importance of a strong governance structure permitting collaboration between two competing organizations while avoiding potential finger pointing.

Mr. Gutierrez agreed and noted that it has been made clear to Accenture that the best-case scenario is one where Faneuil stabilizes, stating that Faneuil has remained committed to serving the Commonwealth throughout these challenges. Mr. Gaunya commented that he continues to have concerns about the leadership and culture of Faneuil and what that may mean for CCA staff and members in the future.

Secretary Sudders thanked the team for their work and confirmed her understanding that Accenture is being brought in to make sure that CCA has a successful Open Enrollment, and eventually there

will be a root cause analysis, but that Faneuil will remain accountable and Accenture will bring in their support to assist with a short term stabilization process. Mr. Gutierrez confirmed that this was the correct understanding and added that he asked that Accenture be provided with access to the Faneuil client management system so that there are not dueling systems.

In response to a question from Ms. Turnbull regarding how quickly staff can be brought on for training, Mr. Gutierrez noted that his would likely occur in two waves, with the first wave becoming available for call center operations beginning October 26. Ms. Coates added that there is a possibility for the first wave to begin earlier, as October 26 marks a no-later-than date, but details will need to be worked out with Faneuil and Accenture.

Mr. Veno commented on the enormous amount of work to be done in the next three weeks, noting that there appears to be no ideal option available but agreed that Open Enrollment remains the top priority. He noted that the financial resiliency of the agency is a positive and while he anticipates future conversations on Faneuil and holding them accountable, the focus for today's conversation is on Open Enrollment and how to prepare as best as possible.

The Board then took up both votes before the Board. The Board, by roll call vote, unanimously approved CCA's request to work with Accenture for management services to support Faneuil through January 15, 2021.

The Board, by roll call vote, also unanimously approved the second request, authorizing CCA to contract with Accenture for supplemental customer service workers to support Faneuil through January 31, 2021.

IV. Brief Updates Open Enrollment 2021 Readiness: The PowerPoint presentation "Brief Updates Open Enrollment 2021 Readiness" was presented by Audrey Gasteier, Vicki Coates and Jason Lefferts. Ms. Gasteier began by noting that the presentation before the Board would provide additional developments and preparations underway in advance of kicking-off Open Enrollment 2021. She informed the Board that key OE milestones remain on track and members are receiving necessary notices including messaging to remind members to update their information as needed.

Mr. Lefferts then provided an overview on the expansion of Navigator capacity to off-set the remained closure of walk-in centers. He noted that while CCA has not heard from members about being particularly disrupted by the closures of the walk-in centers, CCA acknowledges the need for additional supports during OE. He stated that ten organizations will be expanding their capacity and that these organizations are located in areas that would have been close to a walk-in center. He informed the Board that there has been messaging to members to make them aware of the walk-in center closures and new capacity of trusted community organizations, including weekend availability. He reviewed the cost of the Navigator expansion noting that it will be offset by the walk-in center budgeted amount.

Ms. Gasteier continued with review of external dynamics and how CCA has responded to many different factors of the pandemic, including working with community organizations to adjust messaging and outreach approaches. She noted that CCA is taking a fresh look at the member experience and how individuals may be interfacing with CCA for the first time and how we can

best serve them. She commented on the potential member confusion in response to the increased media coverage on the upcoming Supreme Court case on the Affordable Care Act. She noted that this is not the first time CCA is facing a threat to the ACA, and as such CCA will be pulling from prior experience in preparing messages for our members and the public. She informed the Board of the recent extension of the public health emergency and its impacts on CCA, including most notably the lack of transition of MassHealth members to CCA. She informed the Board of the successful Open Enrollment Readiness Review which occurred in the end of September marking Massachusetts' official readiness for Open Enrollment.

She stated that as CCA moves forward the focus remains on a stable OE with strong member supports available to help our members through these challenging and disruptive times. CCA is committed to making this OE successful for our members and serving new portions of the population who may be coming to CCA for the first time as a result of the pandemic.

In response to a comment from Ms. Turnbull regarding provider network changes, Ms. Gasteier replied that messaging on provider network changes are baked into member communications. She explained this includes specific messaging from CCA as well as from AllWays Health Partners notifying them of possible changes in their provider networks.

Prior to adjourning, in response to a question from Ms. Turnbull regarding expected communications on the status of the call center going forward, Mr. Gutierrez stated that he will continue with the weekly Board updates.

With no additional items before the Board, the question then came on adjourning the meeting. The Board voted unanimously, by roll call vote, to adjourn the meeting at 10:18 AM.

Respectfully submitted,

Erin E. Ryan