



*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, March 11, 2021
9:00 AM to 11:00 PM

Live Stream

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

Attendees: Louis Gutierrez, Marylou Sudders, Nancy Turnbull, Michael Chernew, Mark Gaunya, Matthew Veno, Rina Vertes, Gary Anderson, Dimitry Petion, FayeRuth Fisher, Zaranique Watson Pope, Cassandra Roeder (who was sitting by designation on behalf of Secretary of Administration and Finance Michael Heffernan)

The meeting was called to order at 9:00 AM.

Secretary Sudders greeted the Board noting that the day prior marked the one-year anniversary of the declaration of the public health emergency in the Commonwealth. She commented that there is a more positive feeling recently and shared that she had the privilege of visiting a Massachusetts manufacturer producing N95 masks whose entire supply chain is domestic, in recent days. She applauded the state's ability to support local manufacturers and enable them to convert their operations. She remarked that as a result of domestic manufacturers and state support, the state is now in a place where it will not need to worry about our nurses and nursing homes having access to personal protective equipment in the future.

- I. Minutes:** The minutes of the December 10, 2020 meetings and the December 28, 2020 meeting were approved unanimously by roll call votes.
- II. Executive Director's Report:** Mr. Gutierrez began the meeting by reviewing the agenda items before the Board, noting that two of the items are routine annual business and the third item is significant and will review the implementation of the expansion of federal advance premium tax credits (APTC). He stated that there remains a concern about contact center operations and the level of support and assistance that can be provided to members.

He continued to note that performance remains subpar, and that work continues towards a fully functional call center.

He stated that the Health Connector (CCA) remains in an extended Open Enrollment period and shared updates on the status of membership and enrollment. He commented that for 2021 there was a reduction in membership of seven percent from 2020. He elaborated that this is the result of a decrease of newer members rather than member terminations and likely a result of the MassHealth protections. He continued with review of metrics compared to last year, noting that the retention rate remained steady at ninety-two percent and that of the 35,000 new members after November, only 9,000 have never submitted an application before. He concluded with a review of how many members would likely return to CCA following the end of the public health emergency and stated CCA was committed to ensuring a smooth transition back.

III. 2022 Health and Dental Plan Preliminary Seal of Approval: The Presentation “2022 Health and Dental Plan Preliminary Seal of Approval” was presented by Maria Joy Dawley, Sam Adams and Audrey Morse Gasteier. Ms. Gasteier began the presentation by providing the Board with an overview of the Seal of Approval for 2022, including its goals and alignment with CCA’s Strategic Plan.

Ms. Dawley then provided a high-level review of the strategy for 2022, noting that CCA remained focused on improving affordability within some standard plans while strengthening certain non-standard plan offerings. She informed the Board of some of the improvements to the standard plan designs, including a decrease in the cost-sharing in standard bronze and silver plan designs. In response to a question from Dr. Chernew asking why the actuarial value (AV) calculator for 2022 is more stable, Ms. Dawley responded that underlying claims data and medical trend assumptions were not changed from prior years. A trend factor of 0% was used for CY 2022 due to uncertainty related to COVID-19, resulting in no change to plans’ AVs. She noted that when using the calculator for PY22 there is more space to lower copays in areas, and so CCA is proposing a savings for members now while cautioning that 2023 dynamics remain uncertain. Dr. Chernew stated his support for the targeted approach of CCA and providing members with the opportunity to have lower medical expenses for the time being. Ms. Dawley continued with review of additional changes made for the upcoming plan year, noting that while Low Gold and PPO plans will continue to be required, there will be new parameters. In response to a question from Ms. Turnbull regarding the parameters, Ms. Dawley stated that the offerings do not need to be non-standard and that some PPO plans use a standard design. Ms. Dawley elaborated that there are relatively few enrollees in non-standard plan designs and this requirement is in response to carrier requests for flexibility. In response to concerns by Ms. Turnbull that the product shelf may be cluttered with non-standard plans, Ms. Dawley noted that this can be considered in the future. Ms. Dawley informed the Board that while there are no significant changes recommended to the ConnectorCare program for 2022 at this time, there are efforts to strengthen requirements to enhance the member experience, especially when considering patient-provider relationships.

Mr. Adams then reviewed efforts by CCA to improve quality and value, with a focus on equity, for PY22. He informed the Board of CCA's proposal to expand its existing insulin coverage requirements to ensure that pen injectors are offered at tier-1 level cost-sharing by all carriers. He stated that diabetes has a disproportionate impact on Black and Hispanic communities. He stated that for PY22, CCA will continue to require ConnectorCare carriers to provide key treatments for opioid use disorder at zero-dollar cost sharing for program enrollees. He informed the Board of CCA's focus on reducing disparities in carriers' quality improvement strategies and working to support the Executive Office of Health and Human Services (EOHHS) with respect to the Behavioral Health Roadmap. He continued with review of SOA timeline and where in the SOA process CCA currently stands.

Mr. Petion applauded CCA for addressing parity and their work to increase access to medication for those suffering with diabetes. In response to a follow up comment that, in addition to diabetes, co-pays for hypertension and asthma can be prohibitive for the economically disadvantaged and asked if there were efforts to address this, Ms. Dawley commented that CCA is not quite there yet, but this is exactly what CCA is considering and exploring further. Ms. Dawley stated that this is also along the lines of work Dr. Chernew has conducted on value-based insurance design, and that while CCA is not quite there for 2022, it is being explored for future years and would welcome additional feedback.

Mr. Gaunya commented that the location of certain pharmacies can play a role in the cost of prescription drug coverage. He noted that by using mobile apps a person can find an alternative pharmacy that might offer cost-savings for their prescription.

Ms. Turnbull provided a final comment, stating that in addition to the action CCA is taking, another part of health equity is giving access to the same health plans and same providers to all members and that is something that CCA has not been successful on and should focus on.

- IV. TOPICS RELATED TO THE INDIVIDUAL MANDATE FOR CALENDAR YEAR 2022 (VOTE):** The Presentation "Topics Related to the Individual Mandate for Calendar Year 2022 (VOTE)" was presented by Marissa Woltmann. Ms. Woltmann began the presentation with a review of the two items that would be presented to the Board for their consideration, the 2022 Affordability Schedule and the 2022 Deductible Limits within Minimum Creditable Coverage (MCC). Following review of the individual mandate and CCA's role, Ms. Woltmann provided an overview of data available through the Department of Revenue regarding the uninsurance rate of tax filers in the Commonwealth. She noted that between 2013-2016 the rate of uninsurance in the state fell by .9 percentage points while the number of residents insured increased by 1.4 percentage points. She reminded the Board that the affordability schedule determines whether an uninsured individual should be subject to a penalty if they forgo health insurance coverage and that CCA has intentionally aligned ConnectorCare premiums to the schedule. She emphasized that the schedule does not require carriers to offer affordable plans.

Ms. Woltmann continued with a review of the 2022 affordability schedule proposal which will increase the base premiums for ConnectorCare enrollees by one dollar in plan types 2B, 3A, and 3B. She walked through the proposed changes for individuals, couples, and families for 2022 prior to requesting the Board's approval.

With no questions or discussion, the Board voted unanimously by rollcall vote to approve the affordability schedules presented for plan year 2022.

Ms. Woltmann then moved on to the second portion of the presentation requesting the Board's approval for MCC deductible limits for calendar year 2022. She provided a review of what the deductible limits determine and emphasized that the deductible limits do not require carriers to increase the deductibles of plans, rather allows an individual to attest that they complied with the state's individual mandate if their plan has a deductible at or under the limit.

Ms. Woltmann reviewed the proposed 2022 deductible limits for individuals and families, noting the limits for medical coverage and separate limits for prescription coverage. In response to a question from Ms. Turnbull regarding the ability of the federal Department of Health and Human Services to modify the approach in setting the adjustment percentage, Ms. Woltmann responded that the final premium adjustment rate that the deductibles are indexed to is not set in regulation, rather it is at the discretion of HHS.

Dr. Chernew noted that he does not generally support deductibles and requested clarification on the deductible limits' relation to the SOA process; Ms. Woltmann responded that the deductible limits are set for the entire market, for all residents to consider. She explained that CCA wants to design plans that would prevent penalties and a few years ago brought the MCC increase to the Board in light of challenges CCA faced in designing a plan within the MCC deductible limits, particularly bronze plans.

With no additional questions or discussion, the Board voted unanimously by rollcall vote to approve the deductible limits as presented for plan year 2022.

- V. **Policy Updates:** The Presentation "Policy Updates" was presented by Audrey Morse Gasteier. Ms. Gasteier began the presentation by providing an overview of recent changes in the federal policy landscape and how those changes will impact CCA, its members and the state. She noted that the presentation will provide a closer look into the executive actions taken by the new Biden-Harris Administration and details about the American Rescue Plan (ARP) recently passed by Congress and expected to be signed into law by President Biden in the coming days.

She shared that early after taking office the Biden-Harris Administration issued an executive order affirming their commitment to protect and strengthen access to affordable health care coverage through Medicaid and the Affordable Care Act. At that same time, she stated, the federal Administration extended the 2021 Open Enrollment (OE) period, and CCA announced shortly thereafter a similar extended OE period. She reviewed the details of additional executive orders along with actions to halt implementation of the

public charge rule that could potentially have negative impacts on lawfully present immigrants seeking green cards who were eligible for or used public benefits.

In response to a question from Mr. Gaunya regarding the impact of executive actions on Individual Coverage Health Reimbursement Arrangements, Ms. Gasteier stated that a suite of rules is under review by the new federal administration and rulemaking will ultimately determine this.

Ms. Fisher commented on the exciting work ahead for CCA and the changes to the public charge rule, noting that this rule was particularly concerning, and she looks forward to clarification on the rule. Secretary Sudders noted that there is a dedicated EOHHS webpage that speaks to the public charge rule and changes will be made to this webpage to reflect updates.

Ms. Gasteier then reviewed the American Rescue Plan with the Board, informing them that this legislation represents the most significant federal expansion of coverage and affordability in over a decade and will have significant impacts on CCA members and operations. She informed the Board of the enhancement of federal advance premium tax credits to enrollees who may already be eligible for financial help and the expansion of the availability of these tax credits to households that may not have previously been eligible based on their household income. She commented that previously, a household over 400 percent of the federal poverty level may be paying as much as over 20 percent of their income towards health insurance coverage but the ARP, she noted, will ensure all enrollees have access to a plan that is eight-and-a-half percent of their income.

Mr. Gaunya commented on the great benefits that these provisions will provide and in response to a question regarding how to address underlying health care costs, Ms. Gasteier noted that CCA is assessing how immediate relief can be provided to individuals who are bearing the brunt of rising health care costs.

In response to a question from Ms. Turnbull regarding the “family glitch”, Ms. Gasteier stated that the provisions in the ARP do not correct the “family glitch” and that affordability standards continue to only take into consideration individual affordability, rather than family affordability. She stated that it doesn’t seem inconceivable that the new federal Administration attempts to address this in the future.

Ms. Gasteier then provided a more detailed review of the real-life benefits of ARP for Massachusetts residents. She walked through a graphic representing the current subsidy structure in the state, she noted at which threshold ConnectorCare enrollees could expect their premium contributions to be further reduced as a result of ARP. She stated that outside of the ConnectorCare program, it is expected that enrollees who are only receiving APTC currently or those who may be fully unsubsidized have the opportunity to avail new cost-savings. She did explain that the ARP will not create new cost-saving opportunities for everyone, as there are a number of unsubsidized and off-exchange individuals who currently have access to a plan that is eight-and-a-half percent of their income. She then remarked on the remaining uninsured in Massachusetts, noting a large percentage of which

will likely now qualify for even more cost-savings, eligible for zero-dollar or very low-cost coverage. She cited data to share that perceived cost is a barrier to individuals enrolling in coverage when in fact many of the uninsured in the state are believed to be eligible for low-cost or no-cost coverage options.

Ms. Gasteier then reviewed examples of possible cost-savings for individuals of specific ages, within certain income ranges across the state. She noted the differences in expected cost-savings based on these factors, specifically recognizing the potential savings available in the Cape and the Islands region, especially for individuals who may not be receiving financial help and the need to be strategic and intentional in the messaging and outreach CCA conducts. She then provided a review of the implementation timeline and how members will experience the implementation. She shared that in April CCA will automatically re-run the applications for individuals who are currently APTC and subsidy eligible, with the over 400 percent members being re-run in May. She informed the Board of the intended communications approach for members and additional features and considerations being reviewed by CCA.

She then provided a more detailed review on the ARP provision related to access to tax credits towards health insurance coverage for any individual who receives unemployment assistance at any time in 2021. She shared that is an extraordinary benefit, essentially providing access to a benefit level equal to individuals at 133 percent of the federal poverty level, or essentially having access to a zero-dollar premium plan and robust cost-sharing. She did explain the numerous considerations that CCA staff are currently reviewing as implementation approaches are discussed. Mr. Gutierrez commented that these are nontrivial challenges and that CCA has been in contact with other state exchanges to discuss implementation. Ms. Gasteier added that her interpretation is that pegging the unemployment assistance benefit to a 133 percent FPL benefit level is to account for, nationally, the states that have not expanded Medicaid and catching those individuals caught in such coverage gaps and getting them into free coverage through the exchanges. She continued with review of CCA's considerations with respect to implementation.

Before moving on Ms. Fisher commented on the proactive outreach efforts of CCA staff and engaging with the unemployed and those losing employer sponsored insurance. She noted that the outreach efforts conducted have been really significant and the fact that it is conducted in a multi-lingual way is also very important. She thanked CCA for their continued work connecting with workers and those in need of assistance. Ms. Gasteier noted that CCA is taking into consideration the many people who may not be familiar with or have never interacted with CCA before when considering its outreach approach. She continued to note the importance of taking into consideration the prior experience of these individuals when speaking to them, recognizing that this is a different population and different approach for CCA.

Ms. Vertes noted that this has been a challenging year and believes the state and federal support to provide stability is fantastic, but noted that she is concerned that these are time limited supports and questioned what happens when the support comes to an end. She commented on the costs and concerns associated with managing the cost of the supports.

She shared that the Merged Market Advisory Council (MMAC) is attempting to raise awareness of the overall cost of health care and relative access, and while it may be more appropriate to focus through MMAC, she wanted to note that health care can't just be issued a blank check, costs need to get under control. Ms. Gasteier commented that she certainly understands Ms. Vertes concerns.

Ms. Gasteier then presented an update on State policy activity, which included a review of proposed legislative language in Governor Baker's FY22 budget recommendation that would authorize the Health Connector to conduct tailored outreach to individuals who request to be contacted with information about what they may qualify for through the Health Connector. She relayed staff's enthusiasm with the Board regarding how CCA could use existing data to provide a new link to CCA resources to the uninsured. She explained there is extensive research that shows tailored "nudges" to individuals are effective in prompting enrollment. She states that this is an initiative being taken up in other states, including Maryland where they have already implemented a similar approach.

In response to a question from Ms. Turnbull regarding outcome of outreach in other states, Ms. Gasteier stated that this program has been very successful in Maryland. She continued to note that Maryland is rolling this out in phases, but they are making inroads at getting to the uninsured population. She noted that the population of the uninsured in Maryland is greater than that in Massachusetts, so their experience will differ, but Massachusetts has existing mechanics already partially in place so may be easier to implement here, if the budget language is successful.

Ms. Gasteier then discussed the path ahead for CCA, noting that the ARP is expected to be signed by President Biden tomorrow and CCA is prepared to move forward without delay to ensure our members can fully benefit from the new law's provisions.

Ms. Turnbull commented that this is the best public policy update in four years.

Secretary Sudders added that the public charge update alone was exciting. She recognized the comment made by Ms. Vertes earlier and thanked her for raising, noting the importance of factoring in all of these changes when considering consumer impacts and impacts on the state on a longer horizon. Ms. Turnbull agreed that costs and subsidy stabilization was a significant advocacy challenge and noted that if it is believed that this subsidization should be a part of the permanent landscape then it is their job to fight for enduring stability.

Secretary Sudders shared that the state's Medicaid program, MassHealth, is a good, strong benefit compared to what is offered in many other states. She stated that enrollment was down between 2017-2019, but that they are projecting two million enrollees for this fiscal year and two-point-one- million for FY22. She noted that the increased enrollment will bring increased FMAP revenue into the state, which is a good thing, but that there are certain actions to manage the program, like conducting redeterminations, that can't be completed until the next calendar year. She was confident the state would continue to manage these challenges.

Secretary Sudders then provided an update on recent action taken by MassHealth to extend non-emergency transportation across its entire book of business, including Health Safety Net, for anyone to have transportation for vaccination purposes. In addition to this effort to remove barriers to accessing the vaccine, she also informed the Board of the mobile vaccination program to serve homebound individuals.

She welcomed additional comments and discussion from Board members and upon hearing none, the Board motioned and unanimously voted through roll call to adjourn at 10:22 AM.

Respectfully submitted,

Erin E. Ryan