



*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  
Administration and Finance Subcommittee Meeting**

**Minutes**

Monday, May 10, 2021  
2:00 PM to 3:00 PM

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

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**Attendees, Members:** Secretary Marylou Sudders, Rina Vertes, Dimitry Petion, FayeRuth Fisher, and John Stephan

**Non-Members:** Louis Gutierrez, Kari Miller, Edith Boucher Calvao, Andrew Egan, Vicki Coates, Audrey Gasteier, Nupur Gupta, Kathy Hogan, Nikhita Thaper, Undersecretary Lauren Peters, Olivia Graham, and Spencer Gurley-Green.

The meeting was called to order at 2:03 PM.

Ms. Vertes began the meeting by reviewing the agenda items before the Board, including changes to the budget because of the American Rescue Plan (ARP) and, in Executive Session, call center contract rights.

- I. American Rescue Plan (ARP) Implementation Budget:** Ms. Audrey Gasteier began the presentation by contextualizing budget with respect to the Health Connector's progress in implementing the law. She noted that the law expanded Advance Premium Tax Credits (APTCs) to people under 400 percent of the Federal Poverty Level (FPL), which are used to build the ConnectorCare program. Additionally, Ms. Gasteier informed the subcommittee that the Health Connector was the first state in the country to plug into the new subsidy amounts, running automated batch updates through the month of April to allow the Health Connector's subsidized membership immediate access to expanded APTCs for their May coverage. She noted that these changes have had material impacts for the Health Connector's subsidized membership with, on average, a 31 percent reduction in premium contributions for subsidized enrollees' May coverage, a savings of roughly \$26 per month.

Ms. Gasteier continued the presentation by noting that the Health Connector recently lifted the cap on premium subsidies for the over 400 percent FPL population (or someone earning over \$51,000 per year). Many of these individuals can now access APTCs if they qualify. She elaborated that older individual in the non-group market are among those most likely to qualify for these new subsidies because of the premium amounts they are charged due to age rating.

Ms. Gasteier noted that in the next leg of implementation, the Health Connector will focus on operationalizing a new benefit being afforded for 2021 only for individuals collecting unemployment income (UI) at any point during the year. The ARP requires Exchanges to treat these individuals as though their income were at 133 percent of the FPL which means in Massachusetts translates to a ConnectorCare Plan Type 2A plan. This benefit will go into effect for July coverage, consistent with the federal Exchange's roll-out in terms of timing. She highlighted that Health Connector is in close contact with colleagues at the Department of Unemployment Assistance who will help communicate the new benefit to people receiving UI in 2021.

In response to a question from Secretary Sudders, Ms. Gasteier stated that the Health Connector's targeting to enroll 25,000 new people into Health Connector coverage. She noted that the Health Connector is trying to aim as high as possible in terms of casting a wide net to the existing uninsured and approximately a quarter of individuals who buy their own coverage off-Exchange who may be newly eligible for subsidies. While the target is 25,000 new enrollees, the Health Connector is hoping to communicate to as many residents as possible.

Next, Mr. Gutierrez began the portion of the presentation pertaining to the various budget asks the Health Connector is putting forward for Board consideration. He noted that paid marketing and additional staffing in support of the call center are the two largest budget items. The remaining budget items are related to communications efforts, HIX and Softheon development efforts, a revamp of the online cost calculator, and efforts being undertaken with the unemployment insurance agency. He continued by stating that the federal CMS agency is expected to entertain grant requests in the approximate order of \$1 million for state Exchanges going through ARP implementation. The grants will retroactively cover expenses for this purpose. Mr. Gutierrez then clarified that the ask before the ANF subcommittee in terms of spending is approximately \$5.2 million for the full implementation of the ARP.

Mr. Gutierrez then reviewed the ARP budget spreadsheet, highlighting the Health Connector's proposal to draw the \$5.2 million budget ask from the Commonwealth Care Trust Fund (CCTF) as an offset to the savings being created there due to the ARP. In response to a question from Secretary Sudders, Mr. Gutierrez clarified that federal ARP funding is displacing large amounts of state wrap funding for the ConnectorCare population. Ms. Kari Miller then specified that for Fiscal Year 2022, CCTF savings approximate \$81 million net of Federal Financial Participation (FFP).

Ms. Vertes then commented that because the federal government is expanding the subsidy program, they are a picking up a larger share of the money that previously would have been paid by the state which is worth approximately \$81 million.

In response to a question Ms. Vertes, Ms. Miller clarified that the budget spreadsheet presented reflects the Health Connector's administrative budget but does not reflect the budget for the CCTF which is where the Connector Program is funded from. Regarding the budget ask, Secretary Sudders noted that the budget would be net neutral to the state because of the inputs and outputs that come into and leave the CCTF.

In response to a question from Ms. Vertes, Mr. Gutierrez clarified that if the Health Connector was planning for an \$81 million net savings to the state, that would become approximately \$70 million after this budget ask. Additionally, Mr. Gutierrez noted that a formal vote was not required on this item and a formal vote would be required at the full Board meeting regarding the communications budget due to its size.

Ms. Fisher voiced support for ARP implementation, noting that she was struck by the potential for outreach and how it might help to achieve the goals put forth for the strategic plan including insuring the uninsured and work around racial equity. Mr. Gutierrez then emphasized that the communications campaign would also be used to reinforce messaging around vaccination.

Ms. Vertes voiced support for ARP implementation. In response to a comment from Ms. Vertes regarding ARP funding expiration, Mr. Gutierrez noted that currently ARP funding is for two benefit years, 2021 and 2022. However, the President made a specific point in his address to Congress to ensure long term funding for the program and policies.

With no additional questions on the ARP budget item, it was noted that the balance of the meeting would occur in Executive Session off the public channel. Additionally, Health Connector staff would not be present for the discussion.

All Health Connector staff except Mr. Gutierrez, Mr. Egan, Ms. Hogan, and Ms. Thaper left the meeting and the subcommittee voted to enter the Executive Session at 2:22 PM.

Respectfully submitted,

Nikhita Thaper