



# **Update on Health Connector for Business and DC Health Benefit Exchange Authority MOU (VOTE)**

CHAITRA SANDERS

Associate Director Health Connector for Business

VICKI COATES

Deputy Executive Director and Chief Operating Officer

Health Connector Board of Directors Meeting

March 10, 2022

# Update on Health Connector for Business

**Health Connector for Business (HCB) continues to support small businesses in Massachusetts seeking affordable and flexible coverage options, continues to see enrollment growth and market interest among small employers and brokers.**

- HCB reached milestone membership in October 2021, nearly doubling enrollment since 2017
  - HCB's 10,000 members reflects significant growth since the launch of the platform. Notably, this growth has occurred at a time when the broader small group market has experienced some enrollment declines
- 2021 HCB survey findings point to strong small business satisfaction
  - Of the 503 current and former HCB employer groups surveyed in Fall 2021, satisfaction among small groups is at 86 percent. Of the 20 brokers surveyed in the end of 2021, satisfaction among brokers is at 75 percent, while the other 25 percent were neither satisfied nor dissatisfied
- Employer resources and information
  - Throughout 2021 and early 2022, the Health Connector has continued to conduct outreach to the small business community about Health Connector for Business and pathways for obtaining affordable, flexible coverage options for employees

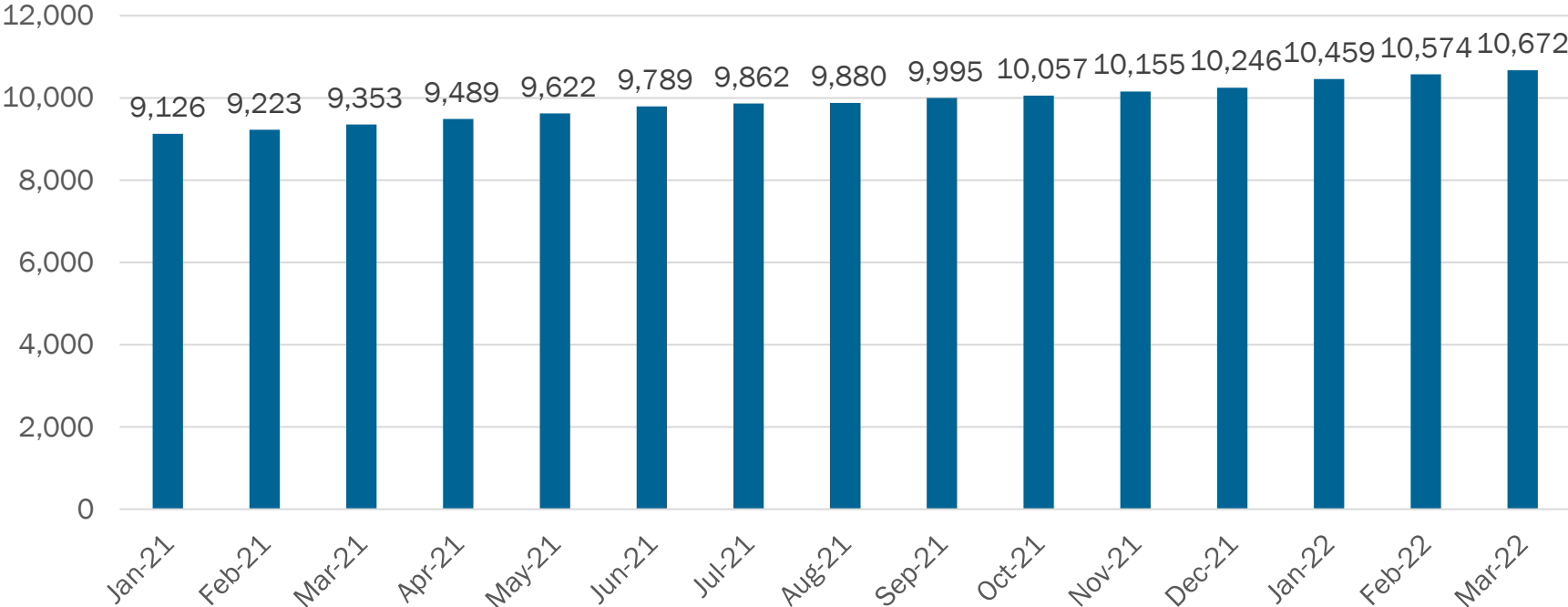


# **Health Enrollment Overview**

# Health Connector for Business Enrollment: Membership Growth During 2021 and 2022

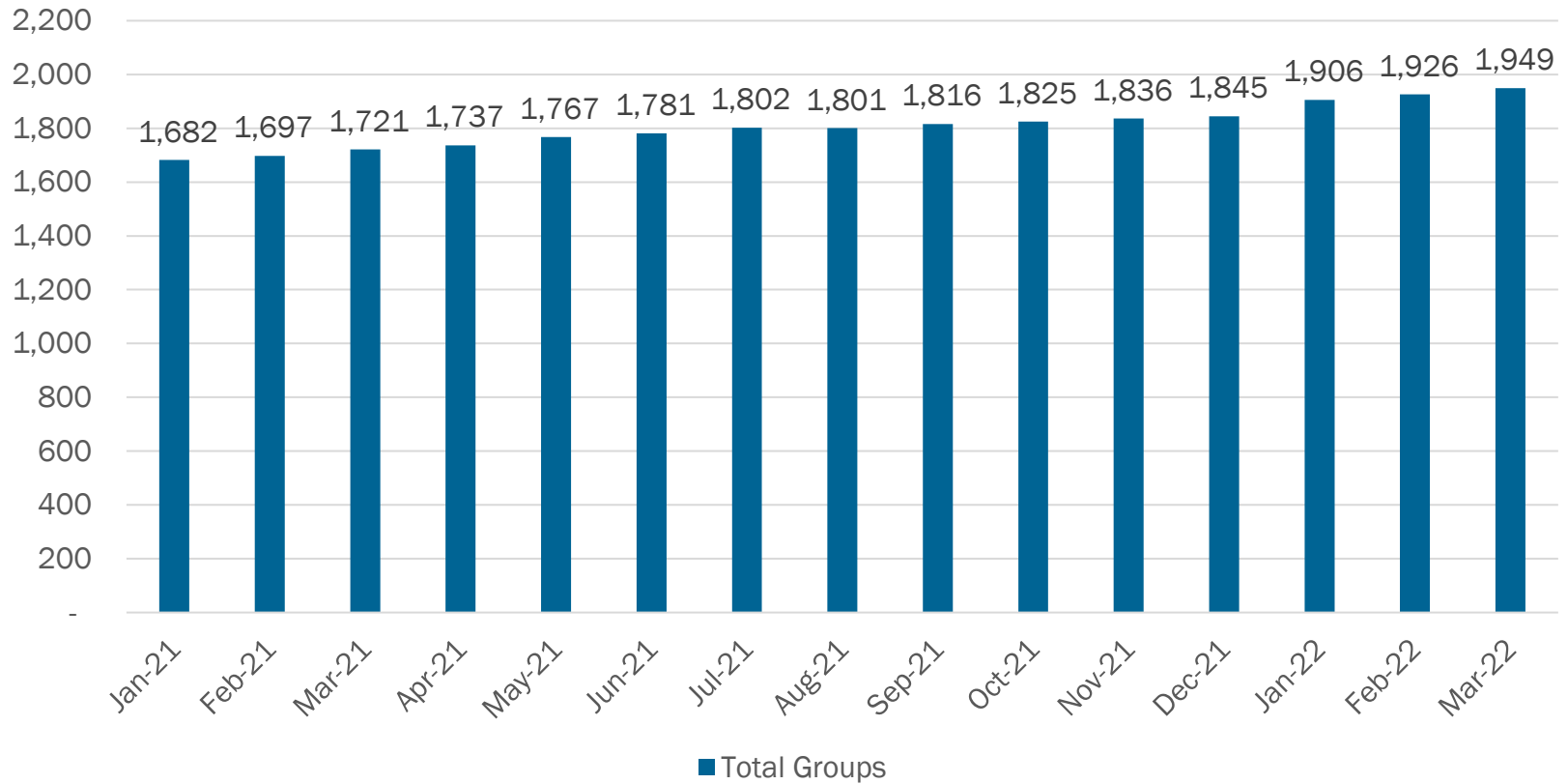
Although growth has slowed compared to prior years, overall enrollment has remained stable trending upwards throughout the year. New business growth has offset enrollment terminations. The Health Connector recently cleared 10,000 enrollments in HCB. Compared to our lowest enrollment point of 5,463 members, enrollment is now 95 percent higher.

Total HCB Membership Count



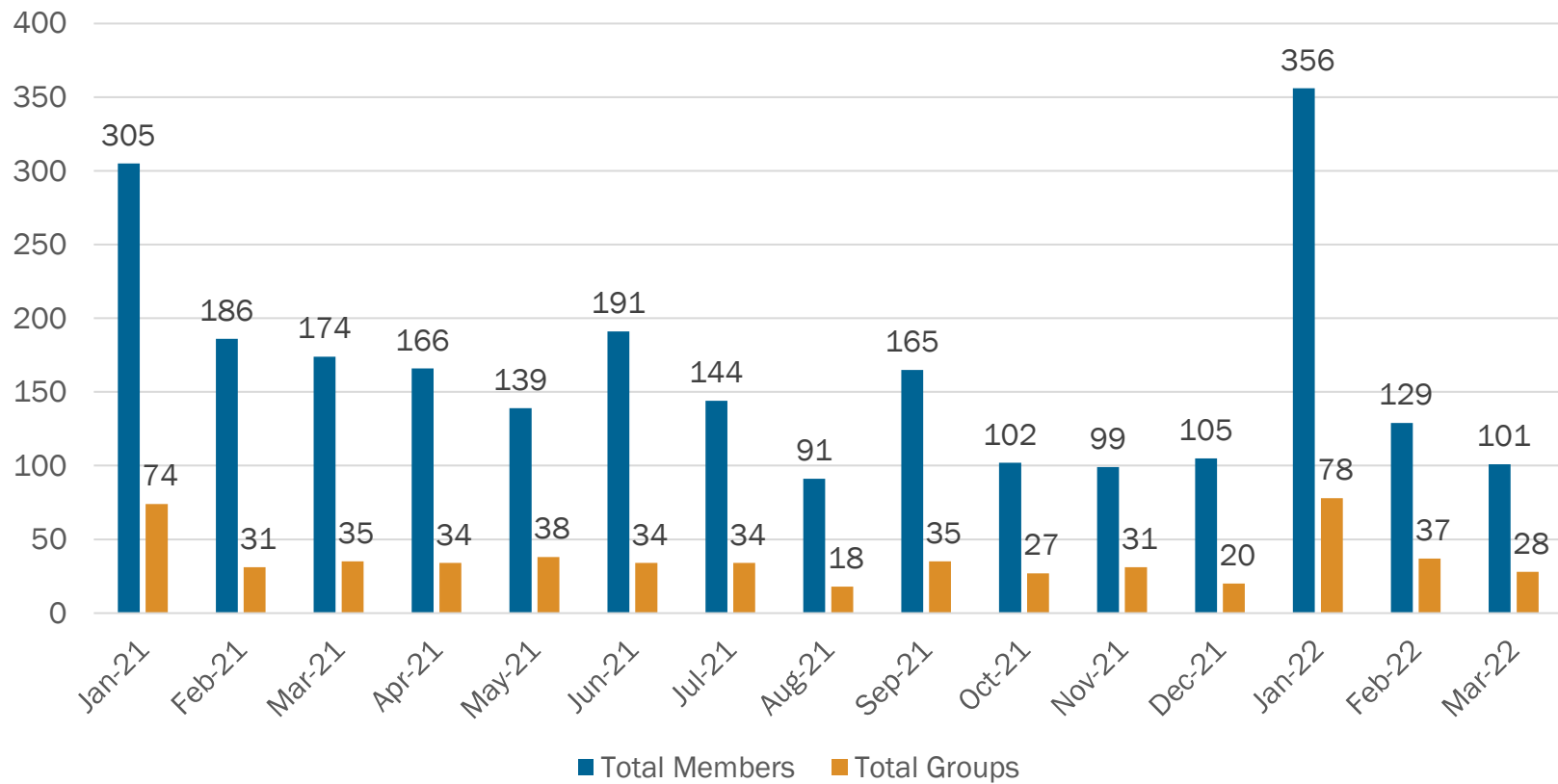
# Health Connector for Business Enrollment: Growth by Groups During 2021 and 2022

Total HCB Group Count



# Health Connector for Business: New Sales 2021 and 2022

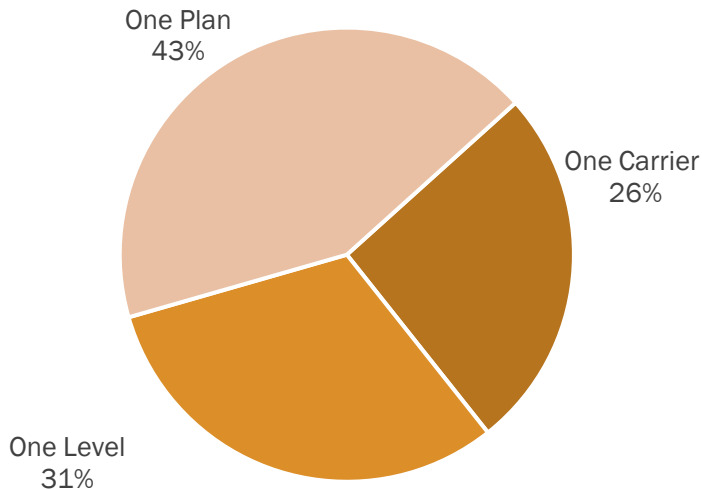
Total HCB Count



# Choice Models: Health Connector for Business Enrollment 2021/2022

53 percent of new groups are offering a Choice Model, with 54 percent of new membership in a Choice Model. Staff continue to see Choice Models as a key value proposition of on-exchange coverage for small employers since it allows for unprecedented flexibility for small employers and their employees, unavailable elsewhere in the market.

Groups by Plan Offering

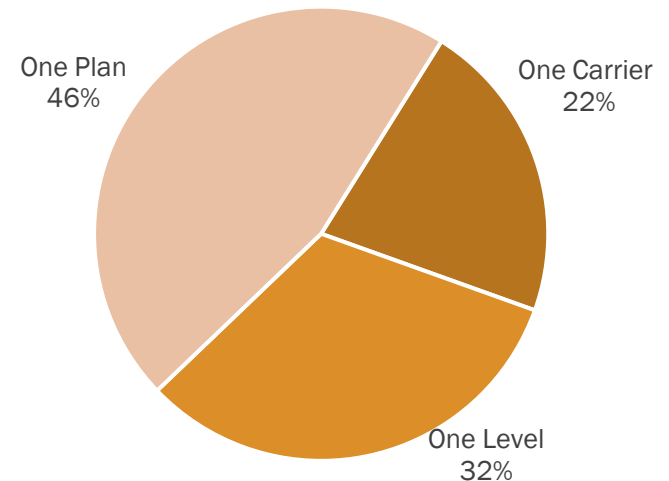


**One Plan:** Employer picks a plan and level of company contribution, and all employees enroll in that plan.

**One Level:** Employer picks a plan and the level of company contribution in one benefit level, and employees can choose among a range of carriers.

**One Carrier:** Employer picks a carrier and the level of company contribution, and employees can choose which plan from that carrier best meets their health care needs.

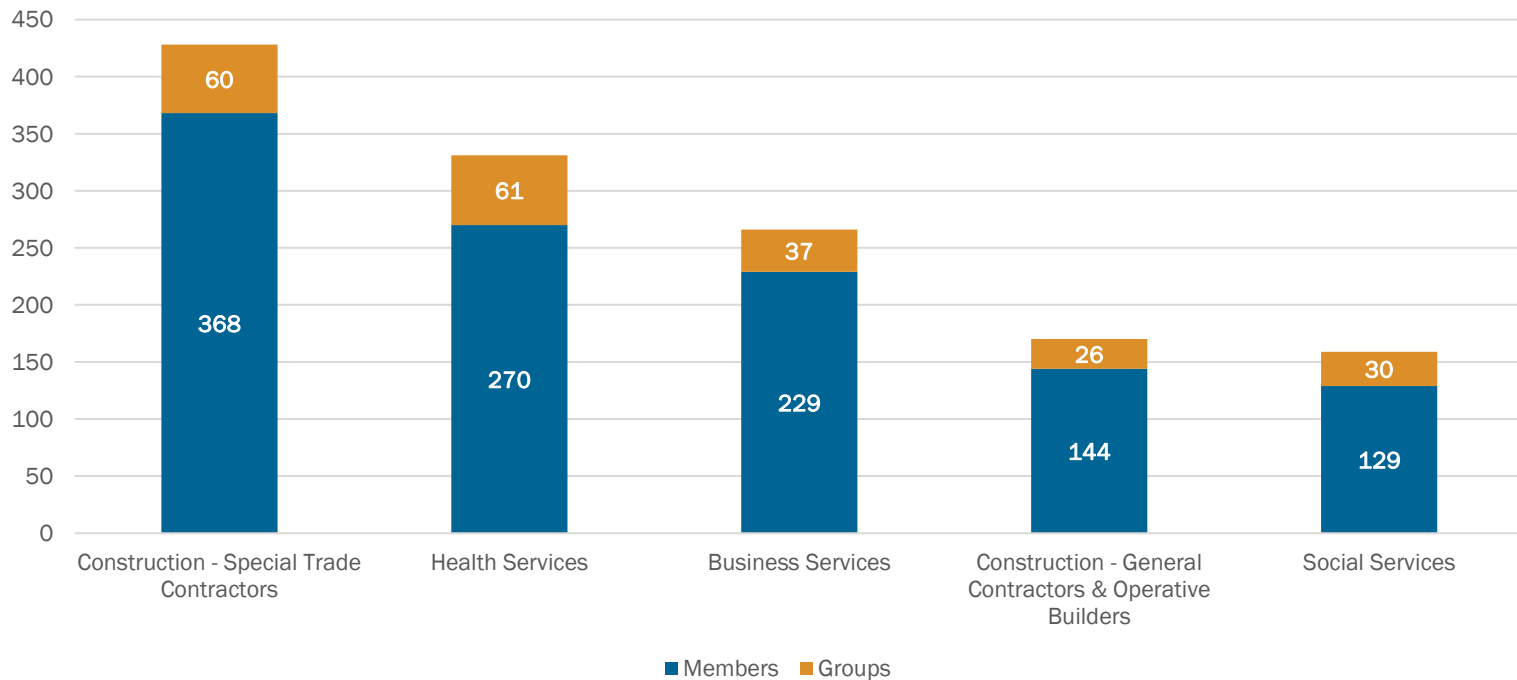
Members by Plan Offering



# New Groups by Industry

- Years to date (2021/2022), the Health Connector for Business has enrolled 2,546 new members across 554 new groups.

2021/2022 New Sales- Top 5 Industries





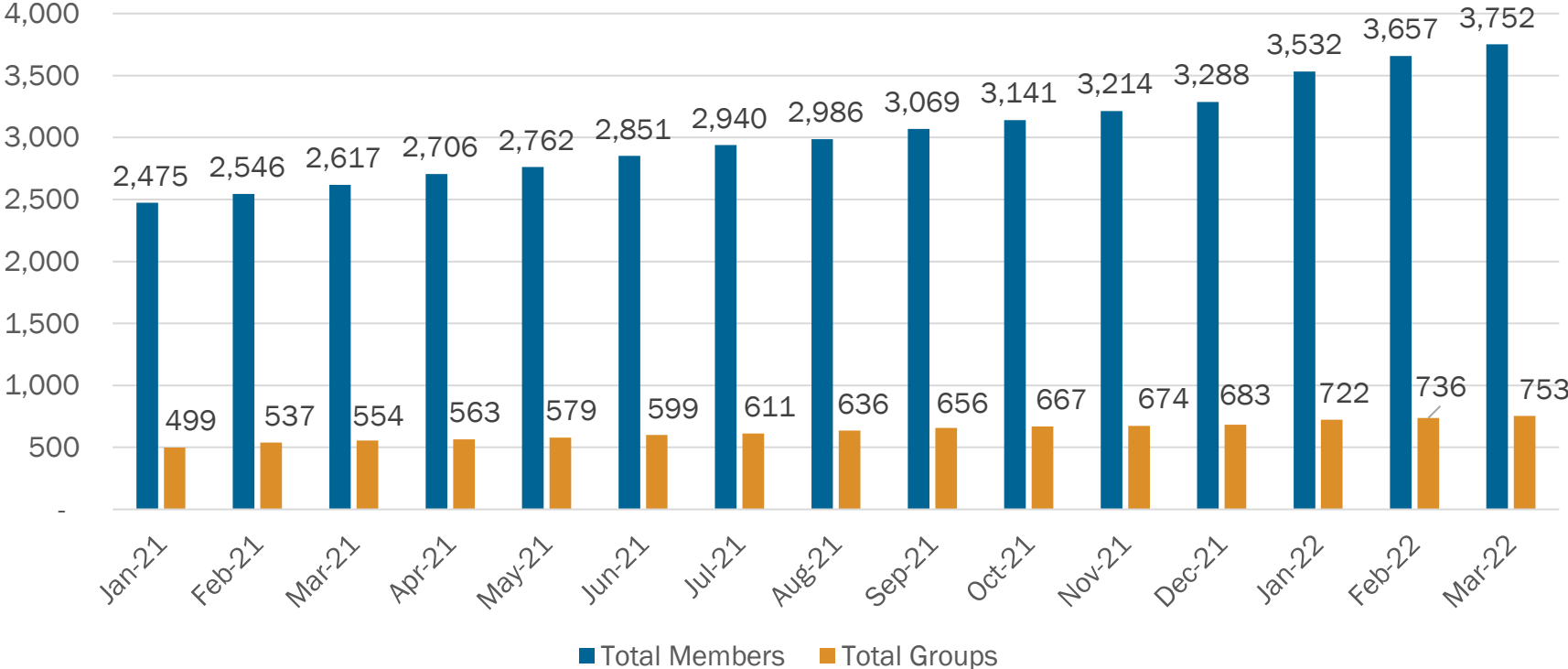


# **Dental Enrollment Overview**

# Health Connector for Business Enrollment: Dental Membership Growth During 2021/2022

While health membership has steadily grown in small increments, dental membership has reflected significant growth in both new and renewing groups.

Total HCB Membership Count

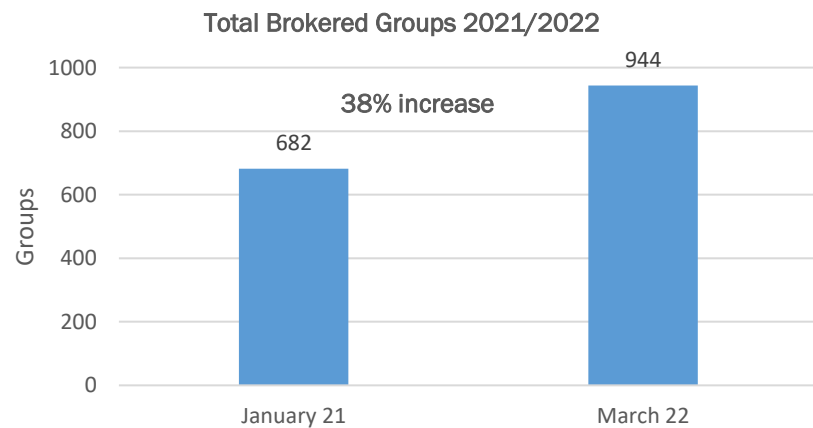
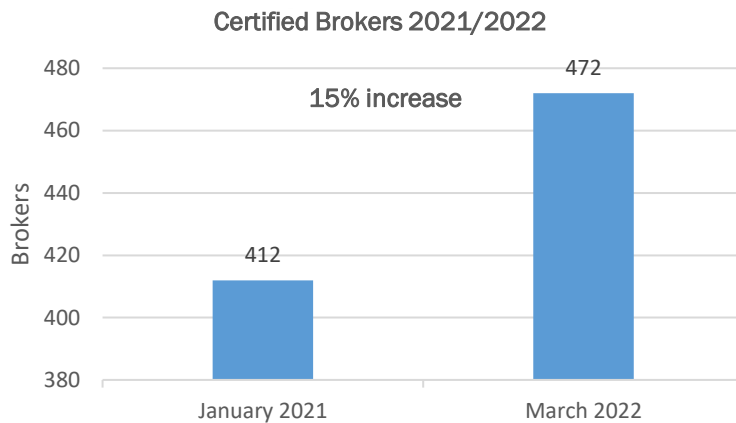




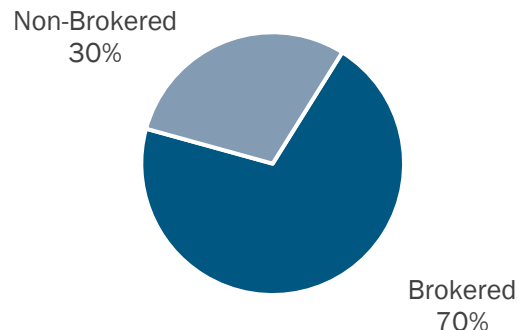
# **Broker Engagement**

# Broker Engagement

Brokers continue to be a leading partner in driving new membership in Health Connector for Business. Broker certifications and sales steadily increased through 2021 and 2022. Since January 2021, 70 percent of new sales membership was a result of a brokered sale.



2021/2022 New Members by Broker Status





# **Overview of Agreement and Board Vote**

# Overview of Agreement of Terms

- Staff are proposing another three-year Memorandum of Understanding (MOU) with two, automatic, one-year extensions unless either party provides nine months notice of non-renewal
- Full term, with extensions, is from March 15, 2022, through February 28, 2027
- Either organization has ability to terminate with 90 days notice, based on a prescribed set of circumstances, which include loss of funding or changes in the law or program
- Upon notice to term or non-renewal, the Health Connector is entitled to six months of transition assistance
- The budget is prepared annually and presented to the Board for approval in July of each year
- Attached to the Memorandum of Understanding (MOU) is an Operating Procedure manual. This was last updated in January 2022 and will be reviewed, and updated if needed, on an annual basis

# DCHBX Fiscal Year 22 Budget

<b>Health Connector for Business</b>	<b>FY22 Budget</b>
Business Operations and Customer Service Support	\$ 920,000
Contracted DevOps Technology Support	\$ 1,448,000
Direct Expenses and Services	\$ 557,544
Contact Center Services	\$ 502,880
Miscellaneous Other Services	\$ 30,900
Other Tools & Licensing	\$ 91,624
Customizations	\$ 400,000
6% Administrative Fee	\$ 237,057
<b>Total</b>	<b>\$ 4,188,005</b>

# Board Vote

**The Health Connector requests that the Board authorize the Health Connector to enter into a new Memorandum of Understanding with DC Health Benefit Exchange Authority to support the Health Connector for Business platform for 3 years beginning March 15, 2022, with two optional one-year extensions, on the terms described herein.**