



# Amendments to ConnectorCare Regulations (VOTE)

MARISSA WOLTMANN

Chief of Policy

ANDREW EGAN

General Counsel

Board of Directors Meeting, August 14, 2023

# Overview

**The Fiscal Year 2024 Massachusetts budget includes a section that directs the Health Connector to implement a two-year pilot program that extends eligibility for premium assistance and cost-sharing reductions for individuals between 300 and 500 percent of the federal poverty level (FPL) beginning January 1, 2024.**

**Today, staff seek a Board vote to approve amending ConnectorCare program regulations to include individuals between 300 and 500 percent FPL to comply with this new law and provide accurate eligibility determinations to members as the Health Connector begins preparations for Open Enrollment 2024.**

1. Overview of ConnectorCare program and expansion readiness
2. Review of emergency regulation process and ConnectorCare regulations
3. Board vote
4. Next steps



# **Overview of ConnectorCare Program and Expansion Readiness**

# ConnectorCare Background & Overview

**ConnectorCare pairs federal Advance Premium Tax Credits (APTC) with state subsidies to individuals and families up to 300 percent of the federal poverty level to reduce monthly premiums and point of service cost-sharing for members.**

- Currently, ConnectorCare makes up roughly 52 percent of all health and dental enrollment through the Health Connector, with about 143,000 members as of August 2023
- To qualify for ConnectorCare, members must qualify for APTCs and have household income as a percentage of the federal poverty level (FPL) within the defined eligibility range
- Although the Affordable Care Act (ACA) caps income eligibility for APTCs at 400 percent FPL, the 2021 American Rescue Plan lifted this cap and allowed households at higher incomes to qualify; this rule is in effect through the duration of the pilot

## ConnectorCare Eligibility

- Must qualify to shop through the Health Connector
  - Be a resident of Massachusetts
  - Be lawfully present in the U.S.
  - Not be incarcerated
- Must not have or have access to affordable, comprehensive coverage from an employer
- Must not qualify for Medicare, MassHealth, or other public insurance programs
- Must have household income within the allowed range

# Planned Pilot Approach

To implement the new pilot, the Health Connector will add two plan types to the ConnectorCare program’s “Plan Type 3.”

- ConnectorCare members are split into three Plan Types based on their income, each reflecting a different set of point-of-service cost sharing
- Within Plan Types 2 and 3, members are further broken into two groups 2A/2B, and 3A/3B. Enrollee contributions are determined at this more granular level to provided targeted premium support
- Technical limitations prevent the addition of more benefit designs, so the proposed approach for the expansion pilot is to add two additional subgroups to the Plan Type 3 benefit design
- Further, the FY2024 Budget requires that plans made available through the pilot program have an actuarial value (AV) of at least 90 percent, and Plan Type 3 plans are over 93 percent AV

	Plan Type 1	Plan Type 2		Plan Type 3			
Subgroups	n/a	2A	2B	3A	3B	3C	3D
Income range (% FPL)	0-100%	100.01-150%	150.01-200%	200.01-250%	250.01-300%	300.01-400%	400.01-500%
Minimum 2024 enrollee contribution	\$0	\$0	\$49	\$96	\$142	\$219	\$255

# ConnectorCare Expansion Pilot Readiness

The Health Connector has monitored the status of the proposed ConnectorCare expansion pilot and prepared itself to move forward with implementation, if needed.

Function Area	Areas of Work
Legal	<ul style="list-style-type: none"> <li>▪ ConnectorCare regulation updates for Board approval</li> </ul>
IT	<ul style="list-style-type: none"> <li>▪ Completed development and testing of a configurable setting to expand ConnectorCare eligibility beyond 300% FPL in the eligibility system (HIX)</li> <li>▪ Coordination of carrier testing for transactions based on new plan types</li> </ul>
Policy and Plan Management	<ul style="list-style-type: none"> <li>▪ Communication of potential for changes to carriers</li> <li>▪ Amendments to the Seal of Approval RFR posting</li> <li>▪ Development of enrollee contributions consistent with current ConnectorCare affordability standards</li> </ul>
Operations	<ul style="list-style-type: none"> <li>▪ Creation of training and standard operating procedures for contact center agents</li> </ul>
Communications and Outreach	<ul style="list-style-type: none"> <li>▪ Compilation of an inventory of public-facing materials that would require updating to reflect new eligibility rules</li> <li>▪ Creation and updating of training materials for enrollment assisters (Navigators and Certified Application Counselors)</li> <li>▪ Communication with consumer advocates</li> </ul>
Finance	<ul style="list-style-type: none"> <li>▪ Amendments to the FY24 budget to include changes in enrollment projections associated with the implementation of expanded ConnectorCare eligibility</li> </ul>

A faint, light blue graphic of a scale of justice is visible in the background of the slide. It features a central vertical pillar with a curved arm extending from the top, holding a circular weight. The graphic is semi-transparent and occupies the upper portion of the slide.

# **Review of Emergency Regulation Process**

# Emergency Regulation Amendment Process for Health Connector Program Regulations

**The January 1, 2024 start date for the pilot program requires immediate action to create the program by amending the Health Connector regulations at 956 CMR 12.00.**

- Federally required renewal and open enrollment processes for January 1, 2024 coverage begin in mid-August
- The Health Connector must promulgate the pilot program in regulation, but there is not enough time for the normal regulation amendment process, which can take 3–4 months
- The state's Administrative Procedures Act permits an emergency regulation process, which allows for immediate amendment of the Health Connector Program regulations to create the pilot
- Amendments will take effect when filed with the Secretary of State, and will remain in effect for 3 months
- During that 3 months, the Health Connector will hold a public hearing on the amendments, and then return to the Board to vote on whether to make additional changes, or leave the regulations as amended, which will lead to one of two outcomes:
  - If the Board votes for no further changes, the regulations will be finalized and made permanent
  - If there are additional changes, the Board will approve them and then the updated version will be filed with the Secretary of the Commonwealth, and made permanent once published in the Massachusetts Register



# Health Connector Program Regulation Amendment Details

**Targeted amendments to the Health Connector's Program Regulation rules regarding ConnectorCare will bring the pilot program into existence.**

- Health Connector staff propose to amend the eligibility criteria for ConnectorCare in the regulations at 956 CMR 12.00 to include incomes from 300 percent FPL to 500 percent
- Specifically, proposed amendments to 956 CMR 12.04(3)(b) create two additional Plan Types within Plan Type 3: Plan Type 3C, for individuals above 300 percent and not above 400 percent FPL and Plan Type 3D, for individuals above 400 percent but not above 500 percent FPL
- Staff also propose, as part of this amendment process, to correct an erroneous cross-reference at 956 CMR 12.04(3)(c)



# **Board Vote**

## **Vote**

**Health Connector staff recommend that the Board approve the emergency amendment of the regulations at 956 CMR 12.00, as described in this presentation.**



# Next Steps

# Regulatory Timeline and Next Steps

