



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

MAURA T. HEALEY
Governor

KIMBERLEY DRISCOLL
Lieutenant Governor

KIAME MAHANIAH, MD, MBA
Board Chair

AUDREY MORSE GASTEIER
Executive Director

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

Thursday, June 11, 2026
9:00 AM to 11:00 AM

Live Stream

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

Attendees: Audrey Morse Gasteier, Secretary Kiame Mahaniah, Commissioner Michael Caljouw, Bela Gorman, Eric Gulko, Catia Ruth Sharp (who was sitting by designation on behalf of Secretary of Administration and Finance Matthew Gorzkowicz), Rebecca Gutman, Robyn Olson, Dimitry Petion, Nancy Turnbull, and Executive Director Matthew Veno

The meeting was called to order at 9:06 AM.

- I. **Minutes:** The minutes of the Board meeting on May 14, 2026, were approved by roll call vote.
- II. **Executive Director's Report:** Ms. Gasteier began by thanking the Board of Directors for the May in-person conversation about strategic topics, including the Health Connector's technology roadmap and scenario planning. Additionally, she thanked Health Connector staff for the ongoing work to transition the enrollment and premium billing vendor from Softheon to Maximus and for managing a challenging federal policy environment. Ms. Gasteier noted that the Health Connector remains focused on enrolling and providing coverage to as many Massachusetts residents as possible.

During the meeting, Ms. Gasteier welcomed seven undergraduate and graduate students who formed the summer cohort of the Health Connector's Intern and Fellowship program. She then previewed the Board meeting agenda, which included an update on the Health Connector's fiscal year (FY) 2026 operating budget and an overview of the FY27 budget. The second item on the agenda was a request for approval to renew the building lease of the Health Connector offices at 100 City Hall Plaza.

- III. **Fiscal Year 2027 Administrative Budget (VOTE):** The presentation "Health Connector Administrative Finance Update (VOTE)" was presented by Rikita Lakdawala. Ms. Lakdawala began by sharing that the purpose of the presentation was to review the current fiscal year (FY) 2026 administrative budget projections and present the recommended budget for FY27 for a Board vote, noting that the Health Connector's administrative budget remains steady and the year-end reserves for both fiscal years 2026 and 2027 are within the range recommended by auditors.

Ms. Lakdawala then shared that FY26 enrollment reflected a 2 percent decrease in total member months compared to the projections shared in July 2025. She explained that most of the enrollment decline from January 2026 occurred among individuals with income below 100 percent of the federal

poverty level, as well as those between 400 and 500 percent of the federal poverty level. Overall, the Health Connector predicts to end FY26 with approximately 404,000 members after accounting for retroactive changes.

In terms of a high-level overview of the FY26 administrative budget, Ms. Lakdawala shared that revenues grew by approximately \$3.5 million driven by higher premium rates for Plan Year 2026. Additionally, the FY26 budget reflected a healthy year-end reserve of approximately \$69 million. Ms. Lakdawala explained that the Commonwealth Care Trust Fund, which supports operations, remains consistent, with a \$3.5 million increase in revenue. While in terms of expenses, the largest variance is a \$5.7 million reduction in enrollment and premium processing costs. She noted that expenses related to information technology, personnel, pension, benefits, and consulting support were below budget.

Ms. Lakdawala presented the FY27 enrollment summary, mentioning a 5 percent decrease in total member months compared to projections from FY26 primarily due to federal changes regarding the eligibility for advanced premium tax credits for non-citizens starting in January 2027. She stated that the ConnectorCare Pilot Expansion, which benefits individuals with incomes between 300 and 400 percent of the federal poverty level, is expected to end in December 2026. Ms. Gutman asked for clarification on the FY27 projected enrollment, which Ms. Lakdawala, Ms. Gorman, and Ms. Gasteier responded to. Ms. Turnbull suggested presenting projected health and dental enrollments separately at future Board meetings.

In terms of the FY27 administrative budget, projections are modestly higher than FY26, reflecting one-time cost factors in the coming year. Revenue is projected to decline by \$3 million, primarily due to anticipated lower enrollment levels and expenses are expected to increase by \$10.9 million, due to one-time implementation costs from the enrollment and premium billing vendor transition being postponed from FY26 to FY27. Lastly, she explained that reserves are projected at \$55 million, remaining consistent with the level recommended by auditors. Mr. Gulko asked a clarifying question about the six months of reserves recommendation. Ms. Lakdawala noted that while fiscal year 2027 includes higher administrative expenses related to ongoing transitions and implementation activities, fiscal year 2028 is expected to benefit from the completion of these implementations.

Ms. Lakdawala concluded the presentation by aligning the budget to the Health Connector's 2024-2028 Strategic Plan, explaining that it serves as a roadmap for strategic resource allocation and operational decision making.

With no additional questions or comments, the Board voted unanimously to approve the proposed fiscal year 2027 administrative budget recommendation.

- IV. Health Connector Office Lease Renewal (VOTE):** The presentation "100 City Hall Plaza Lease Renewal (VOTE)" was presented by Andrew Egan. Mr. Egan began by sharing that the Health Connector leases 13,780 square feet on the sixth and part of the fifth floor of 100 City Hall Plaza, which the Health Connector has been occupying since 2007. He noted that the lease expires at the end of November 2026 and that the executive team undertook an extensive needs assessment and market review to inform their decision-making.

Mr. Egan then presented the proposal for the lease renewal, which includes a five-year extension, and five months of rent abated throughout the term. The lease also includes a tenant improvement allowance of \$826,800, providing an opportunity to modernize technology and use space more effectively. Other lease terms include full-time security personnel in the lobby, basement storage space, and the right of first offer on the remainder of the fifth-floor space, if needed. Furthermore, Mr. Egan stated that after a thorough analysis of the lease, the renewal terms were favorable compared to other options in the market. This decision also directly aligns with the Health Connector's strategic objective of maintaining and strengthening organizational structure and system reliability. In response to a question from Mr. Gulko regarding impact on staff working in the office during renovations, Mr. Egan explained that there is the ability to use other space in the building at no additional cost and the option to work remotely.

With no additional questions or comments, the Board voted unanimously to authorize the Executive Director to execute an extension of the lease at 100 City Hall Plaza on the proposed terms.

With no further agenda items before the Board, the Health Connector Board of Directors motioned and voted unanimously to adjourn the meeting at 9:45 AM.

Respectfully submitted,

Nuryelis Herrera Pena