



*The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
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DEVAL PATRICK
Governor

TIM MURRAY
Lieutenant Governor

LESLIE KIRWAN
Board Chair

JON M. KINGSDALE
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

Thursday, October 8, 2009
9:05 AM to 11:00 AM
One Ashburton Place
Boston, MA 02108
21st Floor Conference Room

Attendees: Leslie Kirwan, Jon Kingsdale, Jonathan Gruber, Louis Malzone, Joe Murphy, Celia Wcislo, Nancy Turnbull, Terry Dougherty, and Rick Lord. Ian Duncan was absent.

The meeting was called to order at 9:20 AM.

Minutes: Minutes of the September 10th meeting were approved by unanimous vote.

Executive Director's Report: Jon Kingsdale offered remarks on the pending departure of Secretary Kirwan. He stated that he appreciated her thoughtful leadership during their three-year working relationship. He also stated that this would be the last Board meeting for outgoing Director of Commonwealth Care Melissa Boudreaault, whom he said had poured her heart and soul into the Commonwealth Care program for the three years during which she served as Director. Secretary Kirwan interjected to state that she appreciated Melissa as a true problem-solver who always handled the great pressure of her job with poise.

Draft revised minimum creditable coverage (MCC) regulations: Jamie Katz explained that the Board is now at the next step in the process of considering revisions to existing MCC regulations and would be voting on draft revisions. The revisions currently up for Board consideration were introduced by the staff at the Board's previous regular meeting, held on September 10, 2009. He summarized the revisions currently up for consideration:

1. Expanding the definition of "core services" to include prescription drugs, effectively prohibiting an overall benefit maximum limit on prescription drug coverage;
2. Requiring a plan that covers dependents to provide coverage for the same "broad range of medical benefits" to dependents as is offered to the subscriber;
3. Introducing an indexing mechanism for the maximum deductible and maximum out-of-pocket (OOP) expenses currently allowed under the MCC standards;
4. Redefining the calculation of a plan's OOP maximum to include a covered person's cost-sharing for prescription drugs and/or imposing a separate prescription drug OOP cap; and
5. Several technical amendments.

In response to several questions from Board members about details of the revisions under consideration, Mr. Katz stated that it is not employers who will act as "the keepers of MCC knowledge," but the health insurance carriers, brokers and benefit administrators, so efforts to expand upon the proposed revisions may generate

push-back from employers, who may be frustrated by the fact that they do not have the expertise to understand or implement the revisions. Jon Kingsdale asked Mr. Katz if the proposed revisions raised any ERISA issues. Mr. Katz said that ERISA issues may arise, but that he views the administrative burden of implementing the revisions as a bigger issue. He stated that he foresees a large volume of MCC appeals coming down the pike as revisions are made.

The Board voted unanimously to approve draft revisions to the minimum creditable coverage regulations.

Kaitlyn Kenney then provided a summary of the MCC policy issues that the Board may wish to consider in the future. As she queued up her presentation, Mr. Kingsdale called the Board members' attention to the Fiscal Year 2010 Plan of Operations, copies of which had been provided to each Board member. He thanked Deputy Director Rosemarie Day for all of her work on the document.

Ms. Kenney then opened her presentation by recapping current MCC regulations. She reviewed some of the revisions currently under consideration, as well as the distribution of medical spending and out-of-pocket cost maxima as configured in the regulations currently. She also discussed the impact of various revisions that may be considered in the future. Finally, she offered some input on health insurance carrier feedback on MCC policy issues.

Jon Gruber and Nancy Turnbull both requested to see plan-specific impacts of proposed revisions. Mr. Gruber also requested a better breakdown of the out-of-pocket cost analysis at a future meeting.

Mr. Kingsdale stated that possible revisions to out-of-pocket maximum calculations would be administratively very burdensome and stated that it falls to the Board members to decide if this is something that they wish to pursue.

Commonwealth Choice: Shopping Demonstration: Bob Nevins and Paul Wingle then walked the Board through a demonstration of the Commonwealth Choice program's new online shopping experience. Celia Wcislo asked if the Board members could go online to try it out for themselves. Mr. Kingsdale stated that they would be able to do so by the end of the month. Ms. Wcislo asked if the site would have Spanish-language functionality. Mr. Nevins stated the pending redesigned site did not have such functionality, but that staff would look into this. Mr. Gruber stated that he thought the new site is fantastic. Ms. Wcislo asked if the new site had been tried by actual customers. Mr. Nevins responded that it had through a number of focus groups. Dolores Mitchell asked if the participating health plans had signed off on the redesigned site. Mr. Nevins stated that they had. Mr. Kingsdale stated that the health plans had been good partners throughout the site redesign process.

Commonwealth Care: Quarterly Program Update: Melissa Boudreault opened her remarks by thanking a number of individuals with whom she had worked over the last three years, including the Board members, fellow Connector staff, staff at other state agencies and her family. She then provided an update on the Commonwealth Care program for the first quarter of fiscal year 2010. Ms. Wcislo asked if the federal subsidy for certain purchasers of COBRA coverage – as authorized by federal stimulus funding – was having an impact on Commonwealth Care applications and enrollment trends. Ms. Boudreault stated that management is working to understand the impact of COBRA subsidies on the program. Rick Lord stated that it was his understanding that the COBRA subsidy was having a significant impact on the Medical Security Program, particularly because of all the unemployment insurance extensions that have taken place. Ms. Wcislo asked if the 1-2% rate of disenrollment for failure to pay premiums that Ms. Boudreault reported is “incredibly low” in comparison to other programs. Ms. Boudreault responded that it is, especially given that premiums for some Commonwealth Care members may be significantly higher than what other subsidized health insurance programs require.

There being no further business before the Board, the meeting was adjourned at 11:15 AM.

Respectfully submitted,
Eric R. Dahlberg