



The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
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Boston, MA 02108

DEVAL PATRICK
Governor

TIM MURRAY
Lieutenant Governor

JAY GONZALEZ
Board Chair

GLEN SHOR
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

Thursday, December 8, 2011
9:00 AM to 11:00 AM
One Ashburton Place
Boston, MA 02108
21st Floor Conference Room

Attendees: Jay Gonzalez, Glen Shor, Ian Duncan, Celia Wcislo, Nancy Turnbull, Andres Lopez, Joseph Murphy, Julian Harris, Jonathan Gruber, George Gonser and Louis Malzone. Catharine Hornby attended in place of Dolores Mitchell.

The meeting was called to order at 9:04 AM.

- I. Minutes:** The minutes of the November 10, 2011 meeting were approved by unanimous vote.
- II. Executive Director's Report:** Glen Shor opened by providing an enrollment update for Commonwealth Care (CommCare), CommCare Bridge (Bridge) and Commonwealth Choice (CommChoice). He stated that December enrollment is 158,805 for CommCare, 13,411 for Bridge and 41,332 for CommChoice. Mr. Shor noted that CommChoice membership is measured by paid members which accounts for a significant amount of the month to month fluctuation in membership. Mr. Shor thanked the Board of the Commonwealth Health Insurance Connector Authority (CCA) for their attendance at the previous weekend's Board Retreat, where CCA staff presented the various activities involving the CCA and general issues regarding national health care reform. Mr. Shor added that at the beginning of the Retreat, Secretary Gonzalez noted the fiscal challenges facing the Commonwealth and the CCA in FY 2013, and that these realities are reflected in the CCA's update on the CommCare Oversight Initiative.
- III. Commonwealth Care Oversight Initiative Update:** Stephanie Chrobak and Daniel Apicella began by presenting the agenda and overview of this update to the Board. Mr. Apicella then provided an update on enrollment for CommCare, noting that much of the change in the distribution of membership by managed care organizations (MCOs) can be attributed to new members (with and without limited choice) enrolling in the lowest cost plans (CeltiCare and Network Health). Nancy Turnbull asked the CCA to provide a chart showing how membership distribution across the MCOs has changed throughout the history of CommCare. Ms. Turnbull

also requested that this chart indicate where there have been shifts in the CCA's procurement strategy. Mr. Apicella said the CCA would be able to provide this information to the Board. Mr. Gruber stated that he finds it interesting that most of the change in enrollment distribution across MCOs is attributed to new members, meaning that existing members who have the opportunity to switch to the lowest cost plan during open enrollment, largely, do not do so.

Next, Mr. Apicella provided an overview of the CommCare MCO provider networks. Ms. Turnbull reminded the Board that during the FY 2012 CommCare MCO procurement, the CCA made sure that the two lowest cost plans had complementary networks so incoming Plan Type 1 members with limited choice among plans would still have access to a wide network of hospitals. Ms. Wcislo requested a map of Massachusetts showing the location of the acute care hospitals and which MCOs provide access to these hospitals. Ms. Turnbull asked if the two lowest cost plans, Network Health and CeltiCare, provide access to the same community health centers within the Boston region. Mr. Shor replied that MCOs have most community health centers in their networks, so members of all MCOs have access to a wide range of community health centers. Ms. Turnbull asked if a primary care physician (PCP) needs to be a part of an MCO's CommCare network if the PCP is part of the MCO's commercial network. Ms. Yang responded that a PCP is not required to be part of both networks. Ms. Wcislo asked how the CCA would know whether PCPs have open panels or not. Ms. Chrobak replied that this information comes directly from the MCOs. Secretary Gonzalez then raised the question of how the CCA defines "narrow network" and asked why BMC HealthNet Plan would not be considered to have a "narrow network." Ms. Yang said that this is a valuable question to attempt to answer, which is why the CCA wanted to share data on the MCO provider networks with the Board. Secretary Gonzalez stated that none of the MCOs' networks are broad in the broadest sense. He then added that Network Health's network is currently narrower than in the past, but its network is still relatively broad. Finally, he stated that maybe the CCA and Board should not be thinking about networks as either "broad" or "limited" since all the MCO networks are limited to an extent. Mr. Shor agreed that labeling networks as either "broad" or "limited" is simplistic and stated that a plan being low cost does not necessarily mean that it has a limited network, although there has been a connection between cost and size of network. Ms. Turnbull stated that in every region of Massachusetts there is a dominant health system. In light of this, she requested information showing which MCOs provide access to the dominant health system in each region. Secretary Gonzalez highlighted that BMC HealthNet Plan does not contract with the dominant provider in the Boston region, but they are never referred to as a plan with a limited network. Following up on this comment, Ms. Turnbull stated that the CCA needs to be clear about how limited networks are defined. Ms. Wcislo asked if the CCA is concerned that, as more CommCare members enroll in the lowest cost plans, the number of PCPs with open panels will decrease. Mr. Shor responded that networks do evolve to meet need and that access to care will be a topic of conversation during subsequent Board meetings.

Next, Ms. Chrobak discussed the recent transfer activity within CommCare. Catharine Hornby asked why CommCare allows members to transfer because of a medical condition. Ms. Yang stated that CommCare will allow members to switch MCOs due to a medical condition if a member needs to see a certain provider that is out of network. She added that CommCare utilizes a high standard when deciding whether to grant a transfer on these grounds. Ms. Chrobak stated that the main message to take away from the data presented is that the number of transfers outside of open enrollment continues to be very small, which is an indicator of network adequacy. Noticing that the average number of monthly transfers outside open enrollment increased by about eighty members per month since the last open enrollment period, Ian Duncan asked the CCA to provide data to the Board showing which types of transfers account for this increase.

Ms. Chrobak then proceeded to provide an overview of the recent CommCare hardship waiver data. Ms. Turnbull asked how CommCare members are informed that they can file for a hardship waiver. Ms. Chrobak responded that outreach workers and call center representatives can provide this information, and that members are provided this information if they become delinquent on their premium payments.

Finally, Ms. Chrobak provided a CommCare call center and program integrity update. Mr. Duncan noticed that 26% of premium payments are made online and asked whether this number was meant to represent 26% of total membership or 26% of the premium paying members. Ms. Chrobak responded that 26% of total premium payments are made online. She also noted that Macs can now be used to make online payments. During Ms. Chrobak's program integrity update, Ms. Turnbull requested further information on why CommCare has experienced a higher volume of health plan referrals in FY 2012 than FY 2011.

IV. Health Connector Appeals Unit Update: Edward DeAngelo opened by providing an overview of the functions performed by the CCA Appeals Unit. He then provided a summary of the tax penalty appeals process. Ms. Wcislo asked if an appealing resident does not have to pay their tax penalty until after their appeal is heard and rejected, which Mr. DeAngelo confirmed. Jonathan Gruber asked how many residents have paid the penalty due to having insurance which does not comply with the Massachusetts Minimum Creditable Coverage (MCC) standards since they were instituted in 2009. Kaitlyn Kenney responded that the tax form used by residents to report whether or not they had MCC compliant insurance does not ask residents to indicate whether they did not have coverage at all, or whether they had coverage which was not compliant. Therefore, determining how many residents have been penalized specifically for having coverage that was not MCC compliant is impossible from the data collected through the tax form. Ms. Wcislo asked if national insurers are required to issue 1099-HC forms to their members who are Massachusetts residents. Mr. DeAngelo responded that a national insurer would need to issue 1099-HC forms if they are licensed in Massachusetts. Louis Malzone then asked whether a resident would receive a 1099-HC form if their employer and carrier are based out of state and their carrier is not licensed in Massachusetts. Mr. DeAngelo said that he would return to the Board with this information.

Next, Mr. DeAngelo provided a summary of the Appeals Unit's work on MCC Certification applications. Ms. Turnbull asked what the most common deviations from the MCC standards are which lead applications to be submitted. Leslie Bennett, CCA assistant general counsel responsible for MCC certification, answered that emergency room copays exceeding \$100 and not being counted towards the out of pocket maximum, and exceeding the annual deductible and out of pocket maximum limits are the most common deviations which lead to an application being submitted. Ms. Turnbull asked if the Appeals Unit ever receives applications from an insurer or employer with no Massachusetts residents on their plan. Ms. Bennett responded that this has happened but it is rare. Ms. Wcislo asked if self-insured plans need to comply with MCC standards. Ms. Turnbull stated that the requirement to obtain a compliant plan is part of the individual mandate. Therefore, it is a Massachusetts resident's responsibility to obtain a compliant plan if the resident can afford it, regardless as to whether the plan is self-insured or fully-insured. While viewing the MCC certification application determination data, Mr. Gruber asked which applications fall under the categories of "No Action Needed" and "Withdrawn." Ms. Bennett responded that "No Action Needed" indicates that a plan was submitted that had no deviations. She added that "Withdrawn" applications are those where a plan has been submitted with a deviation so significant that the Appeals Unit gives the opportunity for the applicant to withdraw their application instead of having it denied. Mr. Duncan asked how many of the applications are received with an actuarial certification. Ms. Bennett responded that not many include an actuarial certification because most of the plans

submitted have minor deviations from the MCC standards. She continued that if a plan identifies a deviation which is out of the ordinary the Appeals Unit will seek an actuarial attestation from the applicant. Mr. Duncan asked how many CCA staff members review these applications. Mr. DeAngelo replied that the CCA utilizes three reviewers and an administrative staffer as part of this process. Ms. Wcislo asked if the CCA ensures that applicants who are denied properly notify their members who are Massachusetts residents. Mr. DeAngelo responded that it is the responsibility of carriers to properly notify their Massachusetts residents as to whether their plan is MCC compliant, but there are some cases where carriers or employers have not fulfilled this requirement. Mr. Shor added that the Office of the Attorney General has pursued cases such as these in the past. Joseph Murphy stated that most carriers licensed in Massachusetts have shifted to only offering MCC compliant plans. Mr. DeAngelo concluded his presentation by providing an overview of the CommCare appeals process.

- V. **Public Education, Strategic Outreach and Advertising Procurement (VOTE):** Dick Powers began by providing the objectives the CCA is looking to accomplish through their advertising and strategic communications. Next, Mr. Powers provided an overview of the procurement process for obtaining a vendor to provide public education, strategic outreach and advertising and the scoring results of the procurement. Based on these results, he provided the CCA's recommendation that Weber Shandwick be awarded the contract. Mr. Gruber stated that most of the remaining uninsured population of Massachusetts is low income. In light of that, Mr. Gruber asked if Weber Shandwick has conveyed a strategy for reaching out to this population. Mr. Powers replied that Weber Shandwick does have ideas about reaching this population. However, he noted that at this point the first priority in public outreach for the CCA is the re-launch of Business Express. Ms. Turnbull added that Weber Shandwick has been great in their efforts to reach out to the lower income demographic throughout their relationship with the CCA and would like reaching this population to be a continued focus. The Board voted unanimously to authorize the Executive Director of the CCA to enter into an eighteen month contract, to expire on June 30, 2013 with Weber Shandwick, on the terms set out by staff, for public education, strategic outreach and advertising services.

The meeting was adjourned at 10:45 AM.

Respectfully submitted,
Andrew J. Graham