Good morning, everyone, and thank you for coming.

In the room this morning, we have leadership and staff from the Connector and MassHealth, as well as members of the media. That’s because I want both you who work directly on health care issues and the people we serve to hear directly from me and from some of the others here whom I will introduce in a minute.

We’re going to talk about the implementation of the ACA here in Massachusetts. Specifically, I want to cover where we are, how we got here, and where we’re going from here.

And we’re going to stay here and take as many questions from you on staff or from the media as we can.

So, first, where are we? Well, thanks to you, before the ACA we led the nation in the proportion of our people who were insured. 97 percent of our residents have the security of health insurance. No other state in America can touch that.

That also means that for us in Massachusetts, implementing the ACA is fundamentally different than it is in the rest of the country. In every other state, the big challenge is expanding coverage to hundreds of thousands or even millions of people.

In Massachusetts, our main task has been to transition about 300,000 people who get their coverage through the Connector from their old plans to new ones that comply with the ACA.

That is a big challenge. And we have made real progress.

On January 1st, over 130,000 people transitioned smoothly from coverage provided by the Connector to coverage provided by MassHealth. This transition enables us to access more federal funding for health care, without skipping a beat in providing high-quality coverage.

We also added about 30,000 more men, women and children to the ranks of those insured through the Connector and MassHealth.

Meanwhile, small businesses can shop and enroll on the website, end-to-end, without a problem. David Kerrigan and the business development team have done a great job reaching out to brokers to make sure the small business community is aware of the new federal tax credit and Wellness Track discounts available through the Health Connector.

That’s the good news.

But it has not been easy.

Not everyone who has had to reenroll has been able to; for those who have, some have ended up in short-term coverage plans and others who paid for health care weren’t enrolled in a timely fashion. The website is still too cumbersome and as more people need to update their coverage in the coming weeks there is no assurance that the current system can handle that traffic.

Bottom line: the website that was supposed to make it easy has not worked well enough and the vendor on whom we relied has not been reliable.

That has been frustrating to our customers, to all of you and to me. And it is unacceptable.

Now, how did we get here?

As you know, we asked CMS to engage an independent consultant to help us understand how we got here. They brought in the Mitre Group, who has prepared a report. Their report is public today.

It is clear from the report that the performance of the vendor we hired to build and expand the website has been consistently substandard. That vendor, CGI, was understaffed, did not meet deadlines and failed to deliver the system we hired them to deliver.

That failure has placed an overwhelming burden on our call centers and other customer support tools. It has forced us to establish manual work-arounds that have made a difference in the short-run, but are not sustainable for the long-term.

The Mitre report also identifies changes we need to make in project oversight. They focused specifically on the steering committee that consisted of UMass Medical School, the Connector and MassHealth that was originally tasked to manage the contract. The report makes clear that that structure is not suited to manage a vendor that is substandard.

There is one other takeaway from the Mitre report, which is this: every time the technology broke down, the people in this room found a way to work around it. You worked hard to make sure that people who had health care didn’t lose it and that people who are looking for care could get it. Thank you.
But even with that, we need – and our residents deserve – a functional, easy-to-use system to find and enroll in health care plans. So, we need to make some changes.

To improve state oversight of the project, I am immediately disbanding the steering committee that has overseen the contract with CGI. And I am pleased today to appoint Sarah Iselin as the state executive responsible for managing this project.

Sarah comes back to state service from Blue Cross Blue Shield. Before Blue Cross, Sarah oversaw the implementation of several critical phases of health care reform in the Commonwealth as the Commissioner of the Division of Health Care Finance and Policy. She is a lifelong advocate for access to health care for all of our residents, and an effective manager.

She will be responsible for getting this project back on track. She will report to me, and will brief me daily for the time being on her progress. She will ensure unified execution across all state agencies involved so that we have a plan to achieve the best and most convenient shopping and coverage experience for all the people who use the website. She is coming to help for a short period as my point person; to be clear, she is not taking over day-to-day or program operations at the Connector or MassHealth; her job is to help us fix the website.

As good as Sarah is, I do not believe that she alone can fix this. As today’s report makes clear, the problems we are having are primarily a result of poor performance to date by our IT vendor. While the architecture is fixable and the hardware they have invested in is workable, they have not been able to make this work.

I have met with the CEO of CGI myself and expressed to him my disappointment, and he has acknowledged his own.

Of course, that is not enough.

So, we have engaged the technology firm Optum to advise Sarah and the Commonwealth on precise short- and long-term action steps to address the website issues and enhance our capacities to perform the necessary workarounds while we repair the website.

Optum has a proven track record in this field. In recent months, they helped improve the federal government’s IT systems and a number of state-based health insurance marketplaces as well. We have had a number of visits with their team over the last several weeks.

Andy Slavitt from Optum has a team on the ground now, based in Boston, and has spent the past week working with many of you to identify immediate action steps to improve the performance of our entire system.

We have also relieved UMass Medical School of all responsibilities for the contract with CGI and assigned those responsibilities to ANF. Sarah will serve as the single point of contact on the Commonwealth side for the Optum team and CGI.

The work of fixing this system has already begun.

I have authorized the team to bring as much operational support as necessary, immediately, to make sure that the 30,000 people who have applied already through the website and the thousands more who will apply in the months ahead are able to navigate from old policies to new ones, whether through the web, a call center or a paper application.

In addition, our team will travel to DC tomorrow to meet with federal officials to make sure that we have the flexibility we may need to complete this transition.

Lastly, I have asked Optum and Sarah to develop and share a schedule for regular improvements to the website and customer service operations at the Connector.

The point is to catch up on the backlog and deliver a system that will give our residents convenience and peace of mind when it comes to health care coverage.

So, that’s where we are, how we got here, and where we’re going.

My thanks again to Mitre, to Optum, to Sarah, to Secretaries Polanowicz and Shor, to Commissioners Yang and Thorn, and all of you for all you have done to get us so far, and for sticking to it until we get all the way home.

And to the people whose transition has not been smooth, I join my colleagues from the Connector and MassHealth in apologizing for any inconvenience. Thank you for your patience. Let me assure you we will not let you slip through the cracks.

There have been challenges and complexities, some foreseen and some unforeseen and unforeseeable. But as you work through the IT issues, and all the political subtexts around the ACA, keep in mind what matters most.

And that is that in Massachusetts, we still believe health is a public good and everyone deserves access to quality, affordable care. Our job is to assure the people we serve have a convenient and reliable way to get it.

Now, I want to yield the podium to Sarah and then Andy, and then we’ll take your questions.