



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

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Governor

MARYLOU SUDDERS
Board Chair

KARYN POLITO
Lieutenant Governor

LOUIS GUTIERREZ
Executive Director

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

Thursday, December 12, 2019
9:00 AM to 11:00 AM

50 Milk Street, 8th Floor
Boston, MA 02109

Attendees: Louis Gutierrez, Marylou Sudders, Nancy Turnbull, Michael Chernew, Mark Gaunya, FayeRuth Fisher, Gary Anderson, Joan Matsumoto, Rina Vertes, Lou Malzone and Cassandra Roeder (who was sitting by designation on behalf of Secretary of Administration and Finance Michael Heffernan).

The meeting was called to order at 9:03 AM.

- I. Special Announcement:** Prior to commencing the annual meeting, Secretary Sudders called to order the December meeting to recognize departing Executive Director of the Group Insurance Commission (GIC), and Health Connector Board member, Dr. Roberta Herman. Secretary Sudders informed those who were not aware, that Dr. Herman would be leaving state government.

Dr. Herman addressed the Board and shared that one of the highlights of her role as Executive Director for the GIC was serving on the Health Connector Board. She commended the incredible work of Executive Director Gutierrez and Health Connector (CCA) staff. She stated that she will be leaving behind a phenomenal team at GIC and introduced current Chief of Staff Joan Matsumoto, who would be taking on the role of interim Executive Director. Dr. Herman noted that Ms. Matsumoto has extensive experience in public service, and the agency will be in excellent hands following her departure.

Secretary Sudders shared that it was a privilege to work with Dr. Herman and noted that while it is not easy work, it is amazing to see what government can do. She thanked Dr. Herman for all of the work that she had done on behalf of the Commonwealth, and the Board.

Ms. Turnbull offered her gratitude to Dr. Herman, commenting on the length of time that they had known each other and the many different roles that they had worked in together. She stated that Dr. Herman has made enormous contributions in all of her roles. She wished her the best of luck in her next chapter and hoped that their roles would continue to allow them to work together in the future.

Secretary Sudders then welcomed Interim Executive Director Joan Matsumoto to the Health Connector Board prior to adjourning at 9:08AM to call the annual meeting to order.

The December Board meeting was again called to order at 9:09AM

- II. Minutes:** The minutes of the October 10, 2019 meeting were approved by unanimous roll call vote, but Cassandra Roeder and Joan Matsumoto abstained because they were not present at that meeting.
- III. Executive Director's Report:** Mr. Gutierrez began the meeting by reminding the Board that while December 15th is a major deadline for Exchanges that operate through the federal marketplace, Massachusetts has an extended Open Enrollment (OE) that runs through January 23, 2020. He noted that an important deadline is approaching for January 1st coverage. He informed the Board of continued strong activity and that the CCA is again seeing an increase in participation. He noted that after five weeks overall enrollment is at nearly 288,000 members, an increase from the same time last year. He stated that CCA is hopeful that we will cross the 302,000 member-mark, and when doing so, Massachusetts will be the only state to see an increase in enrollment for seven years in a row. He reiterated that there are eleven days until the 12/23 deadline for January 1st coverage, highlighting some of the upcoming events to bring attention to Open Enrollment and informing the Board of the new partnership with the MassCultural Council. Mr. Gutierrez stated the importance of consumers using the correct Health Connector website to enroll in coverage, as it is the only pathway to access subsidies and only place to find the Navigator Organizations that assist members.

Mr. Gutierrez commented on the continued growth of Health Connector for Business and the new membership being generated by the broker community before reviewing the items on the agenda for the meeting.

Secretary Sudders commented on the continued progress of Open Enrollment and the extended enrollment period in Massachusetts.

- IV. Final Approval for Proposed Amendments to Minimum Creditable Coverage (MCC) Regulations (VOTE):** The PowerPoint presentation "Final Minimum Creditable Coverage (MCC) Regulations Amendments" was presented by Kayla Scire, Marissa Woltmann and Andrew Egan. Ms. Scire began the presentation by providing background on the MCC regulations and the proposed amendments that were brought before the Board in October. She provided a high-level overview of the comments received, noting that commenters were generally supportive of the indexing of deductibles, though further study of the impact on consumers was recommended. She informed the Board that CCA received comments in support of providing additional safeguards for health arrangements offered by religious organizations, though there was disagreement on how

to accomplish this. She noted that there were no comments received regarding the technical or organizational changes. She then reviewed the modifications that were made to the amendments in response to comments, including the addition of text regarding separate prescription drug deductibles, disclosure of financial audits required by federal law, use of paid agents and additional clarifications as requested with respect to amendments related to health arrangements offered by a religious organization.

Ms. Woltmann provided a more detailed review of the feedback that was received from commenters with respect to MCC deductibles, including highlighting the tension that exists between the deductibles and other out-of-pocket expenses, and another commenter's interest in premium adjustment percentage methodologies. She reviewed one commenter's request for guidance relative to the timing of deductible setting, noting that CCA agrees and intends to provide annual guidance in or around March.

Ms. Woltmann agreed with a comment from Ms. Turnbull regarding the need to understand the relationship between drug deductibles and overall deductibles in the market before voting on deductibles. Ms. Woltmann reviewed a comment that suggested any standard plans sold through CCA automatically meet MCC. She stated that staff believe the current process regarding standard plan designs is adequate to ensure a streamlined process for carriers submitting plans for Seal of Approval. Ms. Woltmann reviewed a final comment requesting that plans be automatically deemed MCC so long as they had an actuarial value equivalent to the lowest level Bronze plan sold by CCA. She stated that this would diminish MCC standards and reduce the importance and purpose of MCC, therefore no action was taken.

Mr. Egan then provided review of amendments and comments received with respect to health arrangements. He reminded the Board that the intention of the amendments is to ensure that when a consumer goes to the market to seek coverage for medical needs that the difference between health arrangements and insurance is snapped into focus for them. The amendments, he stated, do not have the intention of banning health care sharing ministries, but rather of setting standards consistent with statutory mandates. In response to a question from Ms. Turnbull, Mr. Egan noted that CCA does not have reliable data on how many individuals are members of health arrangements in the state. He continued to note that one of the regulation amendments will require reporting by health arrangements, which will give an idea of how many people in the state are covered. Ms. Turnbull supported this measure.

Commissioner Anderson reminded members of the Board that in June of 2019 the Division of Insurance (DOI) issued a warning to consumers about organizations that were operating fraudulently. He stated that he believed consumer protection issues are being addressed as part of the regulation and believes it is both wise and helpful to collect this information. He shared that other states are also going through similar exercises to figure out exactly what organizations are operating within their states.

Ms. Turnbull commented that, in general, she would be interested in understanding if there is a relationship between the MCC religious exemption and health care sharing ministries in anyway. Mr. Egan stated that within the current framework, and the framework going forward, belonging to a health care sharing ministry will continue to meet MCC standards and the Department of

Revenue will continue to oversee the religious exemption. In response to a question from Ms. Roeder, Mr. Egan replied that yes, the Attorney General did submit comments and that they will be highlighted. He stated that there was strong support to amend regulations with respect to fraudulent entities, noting that the sentiment to reduce misleading marketing practices was expressed broadly by advocates, health care sharing ministries, and the Attorney General's Office. He noted that some commenters expressed concerns over the ability to continue in their current health care sharing ministries and their preference for this structure. Mr. Egan emphasized that so long as the arrangements meet the requirements, individuals can continue in their arrangements. He further clarified, in response to a comment, that being in a health arrangement is not an exemption to MCC rather that it satisfies the MCC requirement, and this will continue to be the case. He provided detailed review of additional comments submitted and how CCA proposes to respond.

In response to a comment received relative to health arrangements making representations of financial soundness, Mr. Egan noted that this amendment was clarified to address the federal requirement that health care sharing ministries disclose financial statements. Mr. Gutierrez also noted that a commenter suggested that health arrangements be registered as a 501(c)3 to which he stated that the amendment only requires that health arrangements be not for-profit, not more specifically registered as a 501(c)3.

In response to a question from Ms. Turnbull regarding commenters' reference to Massachusetts General Law Chapter 93A, Mr. Egan stated that comments suggested that CCA rely on consumer protection laws under this Chapter. He stated that MCC is separate from Chapter 93A and therefore CCA would not be amending the regulations to reflect this comment, noting that this replacement would not provide sufficient consumer protections. In response to a question from Ms. Turnbull regarding the definition of sales agents, Mr. Egan noted that member referrals often result in a small compensation for the member, which is not what CCA is looking to address through this regulatory amendment process. Ms. Turnbull then recalled the deceptive practices that were used in the past to encourage consumers to enroll in programs. Mr. Egan continued, noting that the Attorney General suggested adding more words that should not be used in marketing materials for an arrangement that is not health insurance, and that CCA added such additional words to the regulations.

Mr. Egan provided review of additional comments that were received and the broad support for reporting requirements, including the reference to registration requirements in other states and the use of memorandums between the health arrangements and states DOIs, and while those recommendations were appreciated CCA elected to not adopt them.

Following review of the next steps, the Board voted in favor of issuing the final Minimum Creditable Coverage regulation amendments and Ms. Matsumoto abstained.

V. Customer Experience Project Update: The PowerPoint presentation "Customer Experience Project Update" was presented by Vicki Coates and Michael Piantanida.

Prior to the start of the presentation, Mr. Gutierrez noted that the Boston Globe recently published a letter from a member who went to a website that they believed to be the Health Connector's and

instantly began receiving hundreds of calls, voicemails and outreach from sales agents trying to enroll the individual into some sort of coverage. Mr. Gutierrez stressed the importance of encouraging consumers to only use the Health Connector's website at www.MAhealthconnector.org. In response to a question from Ms. Turnbull regarding enforcement, Mr. Gutierrez noted that CCA makes an effort to protect its trademark when sites attempt to replicate CCA, but it is difficult to track them down and pursue enforcement.

Ms. Coates began the Customer Experience Project Update presentation by reviewing the progress that has been made and an overview of the upcoming activities. She reminded the Board that CCA selected three vendors to replace the current vendor who handles all customer service, enrollment and premium billing, and the mail center for CCA and reviewed the lifecycle of the project.

Mr. Piantanida then provided an update on the progress that has been made by Softheon, the vendor that will be assuming enrollment and premium billing functions for CCA. In response to a question from Ms. Turnbull, Mr. Piantanida stated that the notices portion is more complicated than originally projected, and that different notices are generated as a result of multiple triggers. He informed the Board of the risks and mitigation strategy that are in place.

In response to a question from Dr. Chernew relative to the importance of this project and how the Board will be apprised of timely developments, Mr. Gutierrez stated that regardless of a monthly meeting the Board will receive monthly updates and that if there are critical developments, CCA will not wait for a monthly cadence to report to the Board.

Mr. Piantanida emphasized that notice development is a critical path and is being monitored closely as a risk. He continued with an update on the status of data conversion. In response to a question from Ms. Turnbull regarding data conversion, Mr. Piantanida noted that there is no standard approach and that it will vary from system to system but that it is not uncommon to break up data and load it at different points for stability purposes. He continued to note that so far results are positive. It was noted that there was an outstanding discrepancy with respect to the data conversions and as of this morning, the matter had been reported as resolved.

In response to a question from Secretary Sudders relative to the term "terabyte" it was explained that it is a file so large that Amazon has a special device called a snowball that is used to facilitate the transmission of large data sets from the cloud. Mr. Gutierrez stated that this is the first test to understand if data from the current vendor, NTT, can be transferred to the new vendor, Softheon. He elaborated that the data conversion results are very promising.

Mr. Piantanida provided additional details on what makes the noticing requirements so complex, noting that there are over 50 unique notices generated for CCA and Spanish language notices will be expanded upon. He stated that notices are such an important part of the member experience that it is critical that this is completed correctly for Go-Live. In response to a question from Secretary Sudders, Ms. Coates stated that all adaptive devices are available through the contact center for individuals who may be deaf or hard of hearing.

Ms. Coates then provided a review of the contact center progress, informing the Board that it is going as expected. She noted that there are productive daily sessions to advance work on all key

systems that Faneuil is responsible for, including the system of record and production of the script to lead contact center representatives.

In response to a question from Ms. Turnbull regarding the customer experience, Ms. Coates stated that a significant amount of time was spent going through the Integrated Voice Response (IVR) to ensure that consumers are not lost in too long a chain of prompts when trying to use self-service, noting that it can be disrupted by the user if needed. Ms. Coates commented that CCA requested revisions on materials from Faneuil to ensure that all milestones are reflected, but that this request will not impact the overall project timeline. She informed the Board that the decision was made to maintain existing walk-in centers, which will benefit members who are familiar with existing locations and will also remove risks from Go-Live.

Ms. Coates provided an update on the Electronic Data Management Center (EDMC) implementation and stated that it is on track to switch over on March 27th.

Before concluding the presentation, Mr. Piantanida reviewed the risks against the project, citing the need for business requirements to be finalized by the end of December.

VI. CCA Strategic Plan 2020-2022: Discussion and Overview of Initial Steps towards Implementation: The Presentation “CCA Strategic Plan 2020-2022: Discussion and Overview of Initial Steps towards Implementation” was presented by Ms. Gasteier and Ms. Coates. Ms. Gasteier began the presentation by reminding the Board of the process of creating the Strategic Plan and reviewing its objectives. She informed the Board of the first steps that would be taken in the next calendar year to move the plan towards implementation.

She began by sharing key findings from the member survey fielded in the fall, noting that some topics caught the attention of CCA as they aligned with the goals outlined in the Strategic Plan. She provided a high-level review of the member survey, stating that while overall member satisfaction remained constant, there was an increase in dissatisfaction among members leaving coverage. She stated that CCA continues to receive feedback from members about the website, noticing, and cost. Affordability and cost-sharing concerns, she noted, are not unique to CCA, informing the Board that members are reporting forgoing care due to cost. She stated that the increase is not statistically significant, but that in the past few years there has been an uptick in uninsurance among former Health Connector members. She shared member’s comments and areas for improvement prior to providing a deeper analysis of the member survey findings. She highlighted the dynamics between the reporting of satisfaction and the eligibility categories of members, noting that non-ConnectorCare members tend to be less satisfied with their coverage. She explained that individuals receiving Advanced Premium Tax Credits (APTCs) get the least amount of help, yet they are just over the threshold for the financial assistance offered through ConnectorCare, without a lot of disposable income, and therefore it is understandable why they would be the least satisfied.

In response to question from Ms. Turnbull relative to how these findings compare with prior years, Ms. Gasteier noted that they are consistent in terms of percentage. She went on to say that the Center for Health Information and Analysis (CHIA) does survey work and there is consistency in the forgoing of care because of cost, so these findings are not out of step with CHIA’s independent

findings. Ms. Gasteier continued to review the increase in delayed care on account of costs and members reporting having difficulty paying bills.

In response to a question from Dr. Chernew regarding the role of actuarial value, Ms. Gasteier confirmed that plans are bound by actuarial value and there are restrictions with respect to what is being sold and members are gravitating towards plans that have higher out-of-pocket costs. Ms. Gasteier continued with a more detailed review of the type of care deferred due to cost, noting that there are areas CCA would like to explore further. Ms. Turnbull noted that many of the increases in deferred care are statistically significant.

In response to a question from Ms. Turnbull regarding the increase in Medicare as a source of coverage for members after leaving CCA, Ms. Gasteier replied that CCA does not yet have a hypothesis for this increase and the decrease in MassHealth for the same category. Secretary Sudders then commented that MassHealth enrollment has declined in general, and that they are witnessing members migrating to employer sponsored insurance (ESI) or ConnectorCare, which is a positive occurrence.

Ms. Gasteier then provided a review of the Strategic Plan, stating that the presentation would focus on the early steps being implemented in pursuit of these goals. She reminded the Board of the importance of preserving the approach to coverage and affordability for the ConnectorCare program, and the importance of ensuring access to services for members of this population. In addition noting the great work done by the Division of Insurance (DOI) relative to ensuring network adequacy, Ms. Gasteier stated that data showing member access to providers, where members live and what challenges they face in accessing medical services would help inform the current and future work of CCA. She shared with the Board the steps being taken to develop member profiles to help inform this work. Commissioner Anderson thanked Ms. Gasteier for the work of CCA on network access issues, noting that self-reported provider data used by DOI can be tricky, but that the partnership between the two organizations is helpful to DOI.

Ms. Gasteier continued with review of the primary goals of the Strategic Plan which includes gaining a better understanding of the unsubsidized population and how to better serve them. She noted that CCA has a robust offering of plans and being able to provide decision support tools for members to help themselves navigate their options would be great for this segment of the market. She thanked Mr. Gaunya and the broker community for working with CCA to better serve the small group market. She noted that CCA will begin issuing a member survey on its small group population in early 2020 which will be helpful in better understanding the struggles facing this population. She highlighted the importance of studying other small group health insurance platforms in other states to learn where others have succeeded and informed the Board that the anonymous browse tool for the small group has been completed. She emphasized the value that the Health Connector for Business has brought to small employers and their employees and the importance of showcasing this value. She then reminded the Board of the Merged Market Advisory Council (MMAC) that was created by Governor Baker to study the merged market and respond to affordability and stability concerns of the market. Mr. Gaunya recommended that CCA collaborate with brokers when working with associations, noting that CCA has made great inroads but would benefit from collaborating with brokers.

In response to a question from Ms. Turnbull regarding the MMAC, Secretary Sudders replied that there is one appointment remaining and Commissioner Anderson added that the schedule has been mapped out.

Ms. Gasteier then provided review of the member experience priority in the Strategic Plan, noting that the Customer Experience Project (CXP) is part of this, but in entirety it is a larger array of efforts. She noted that understanding member personas will be baked into internal decision making. In response to a request for greater clarification from Ms. Turnbull, Ms. Gasteier elaborated on the process of and intention behind creating a member profile, noting that CCA serves a wide array of people and member profiles will bring a particular group of people into greater focus to inform our messaging. In response to a follow up question from Ms. Turnbull, Ms. Gasteier stated that there will be a digestible number of profiles to represent who we serve so that staff can internally test policy and program decisions or changes against the diverse parties that CCA interacts with and serves. In response to additional comments, Ms. Gasteier agreed that this is a piece of a larger constellation and will not replace direct interaction with our members and recognized the importance of keeping the number of profiles to a minimum.

Ms. Gasteier provided a high-level review of CCA's goal to cover the remaining uninsured, the final strategic priority included in the plan. She reminded the Board that Massachusetts continues to have the highest rate of insured in the nation, but that the uninsured rate has not budged in recent years. She stated that the uninsured population continues to churn, and that the population is not the same 200,000 - 250,000 residents each year. In order to reach this population, she noted, there is a need to think and act differently. She shared ideas that CCA has had, including increasing outreach and enrollment efforts through CCA's partnership with DOR, including adding an additional mailing to uninsured residents each year, an activity that DOR kindly completes for CCA on an annual basis currently.

Ms. Gasteier reviewed the success of the Navigator program, highlighting the enormous amount of work that the programs do each year. She reviewed the power of "nudging" eligible but unenrolled individuals to return and see their eligibility, sharing details about the J-PAL study that was recently completed and noting the recent findings of the National Bureau of Economic Research (NBER) study. She elaborated to note that the NBER study found that mailings from the Internal Revenue Service in 2016 to uninsured individuals encouraged enrollment into coverage and saved lives. She stressed the importance of taking these learnings and turning them into action, stating that with access to enhanced data from DOR, CCA would be able to better understand and more effectively outreach the remaining uninsured and assist them getting into coverage.

In response to a recommendation from Ms. Fisher regarding partnerships with other state agencies to interact with populations that may not interface with CCA, Ms. Gasteier agreed that this is something outlined in the Strategic Plan but not present in this phase of the presentation.

Ms. Gasteier continued to provide details on the Navigator program and how members prefer in person assistance. Based upon review of the program and the relatively flat funding in contrast to an increase in the populations being served, she informed the Board that next budget cycle there is expected to be a potential increase in funding for the Navigator program. She reviewed cities where there is no Navigator presence, like Lowell, noting that these communities could benefit

from a local Navigator, and noted that even in areas where there are Navigators, they are at or approaching capacity.

In response to a question from Dr. Chernew regarding how to address regions where there is one provider system, Ms. Gasteier noted that CCA engages in ad-hoc communications as these issues arise and elaborated that carrier participation in specific regions is not a concern outside of ConnectorCare and is a challenge created by the program. She continued to note that there have been worsening dynamics, and though eleventh-hour conversations have been able to address these issues as they arise, there is a need to create more stability. In response to a second question from Dr. Chernew, Ms. Gasteier emphasized the importance of having close relationships with the carriers to identify problems that plans may be encountering as it relates to provider market dynamics and member access impacts. She stressed the importance of creating a level of comfort and predictability in their space, enabling them to make informed financing and plan design decisions. She continued to note that there are some aspects that CCA is unable to control, for example the dynamics with federal cost-sharing reductions (CSRs). Dr. Chernew welcomed the opportunity to discuss further how funding can be used to encourage stability.

In response to a comment from Mr. Gaunya regarding the increase in employer sponsored insurance as a source of coverage for members leaving CCA, Ms. Gasteier stated that this is an interesting and positive trend and will require examination of a longer time period to understand the trajectory. In response to comments from Mr. Gaunya relative to the use of Navigators in the small group market, Ms. Gasteier stated that if there was a program, it would not replicate the individual market Navigators, and could be a role served by any type of entity, including brokers. Mr. Gutierrez further clarified that the proposed expansion of the Navigator program noted earlier in the presentation is strictly within the individual market and would not be competing with brokers.

Prior to adjourning, Secretary Sudders commented on the extraordinary amount of detail and attention that goes into the work of CCA, acknowledging how much it matters.

The Board then voted to adjourn at 10:53AM.

Respectfully submitted,

Erin E. Ryan