



Massachusetts Health Connector Experience

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“Health Connector 1.0” – Under MA Health Reform

- Created in 2006 by Massachusetts health reform law (Chapter 58 of the Acts of 2006)
 - Quasi-public agency with eleven-member Board
 - Four ex-officio: Administration & Finance/Group Insurance Commission/Division of Insurance/Medicaid
 - Four Governor appointees: small business/actuary/health economist/broker
 - Three Attorney General appointees: consumer/labor/Taft-Hartley
- Staff of about 50 FTE’s: mix of private health care industry and public sector experience
- Annual operating budget of ~\$35M
 - State, private and federal matching/grant financing

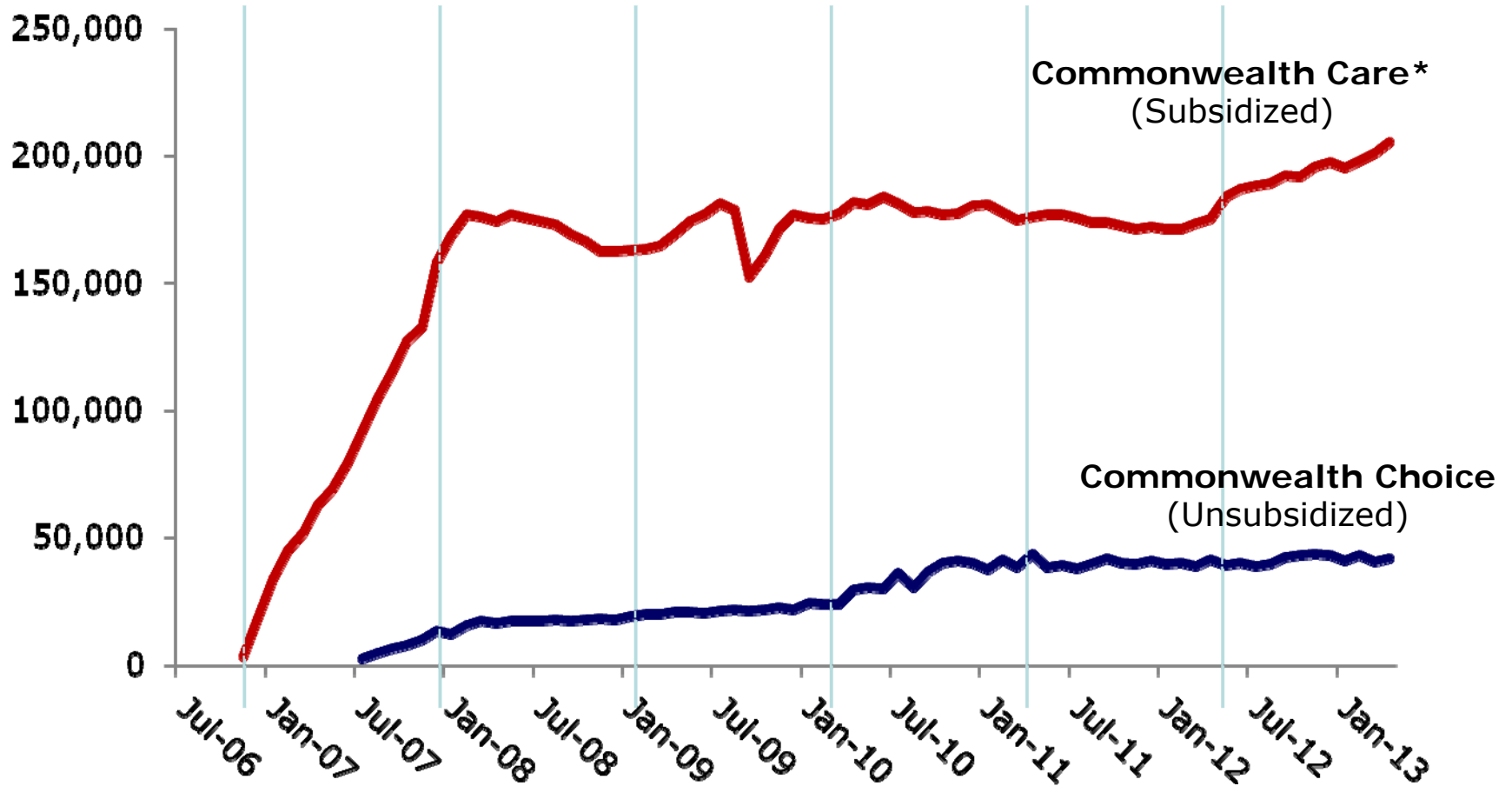


Health Connector 1.0 Roles

- Facilitates access to private **health insurance coverage**
 - Commonwealth Care – state/federal subsidized coverage for adults
 - Commonwealth Choice – unsubsidized coverage for individuals and small businesses
- Provides **enrollment, premium billing and customer service** functions associated with purchasing insurance through the Exchange
- **Policymaking and appeals** related to the Massachusetts adult health coverage mandate (“individual mandate”)
- **Outreach and public education** about the value of health insurance, where to find it, and the consequences of not having it



Enrollment History

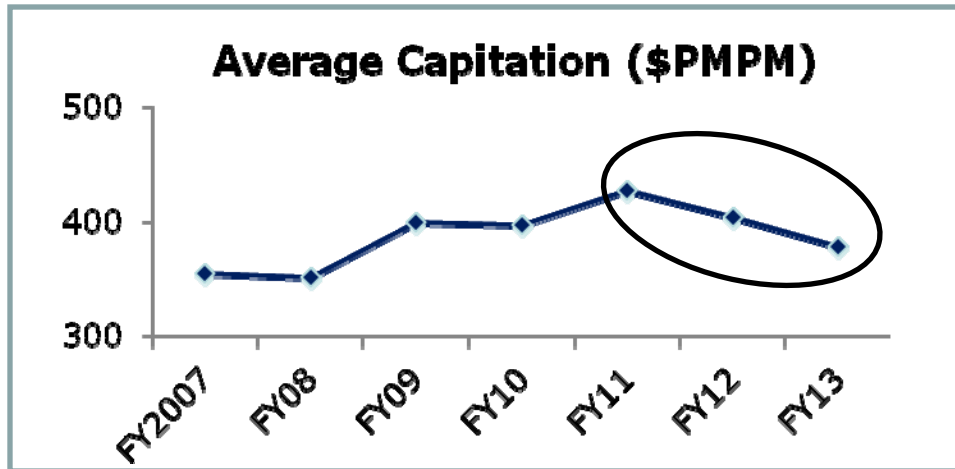


*Includes the lawfully-present immigrant population, which was temporarily covered under a separate program (Commonwealth Care Bridge) from 2009 through 2012

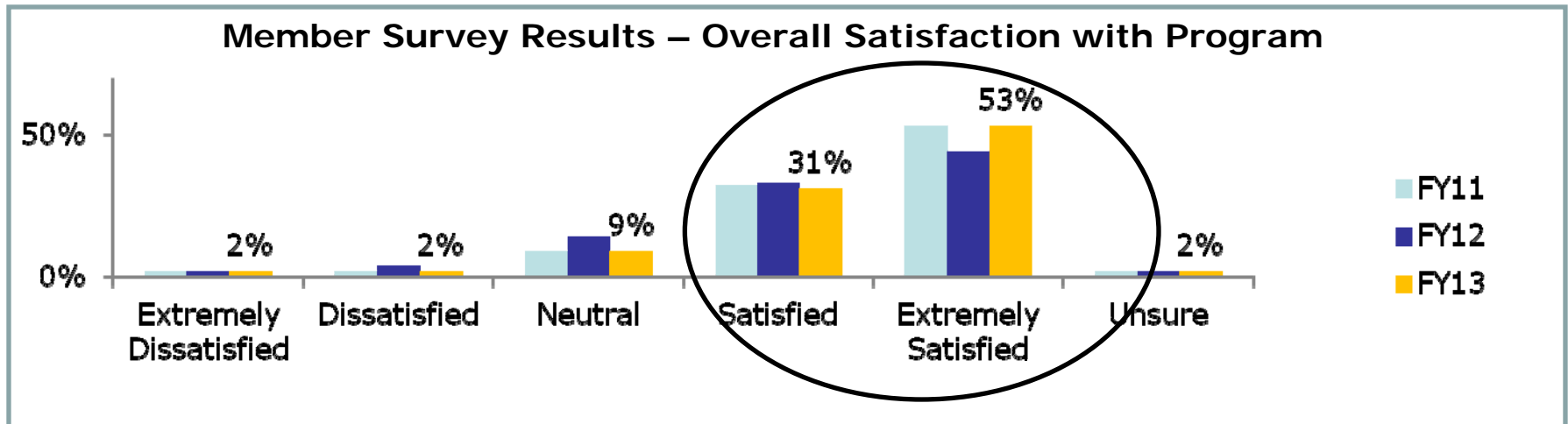


Cost & Quality Performance

Commonwealth Care Experience



- 12% capitation decrease over the recent two years, without reducing benefits or AV
- Consistent and high member satisfaction: >80% satisfied with program





Transparent and Consumer-Friendly Shopping Experience

Commonwealth Choice Experience

	Monthly Cost	Annual Deductible	Annual Out of Pocket Max.	Doctor Visit	Generic Rx	Emergency Room	Hospital Stay
STANDARD BENEFITS FOR ALL BRONZE LOW PLANS							
Bronze Low 10 plans	as low as \$259	\$2,000 (ind.) \$4,000 (fam.)	\$5,000 (ind.) \$10,000 (fam.)	annual deductible, then \$25 copay	annual deductible, then \$15 copay	annual deductible, then \$100 copay	annual deductible, then 20% co-insurance
STANDARD BENEFITS FOR ALL BRONZE MEDIUM PLANS							
Bronze Medium 10 plans	as low as \$285	\$2,000 (ind.) \$4,000 (fam.)	\$5,000 (ind.) \$10,000 (fam.)	\$30 copay	\$10 copay	annual deductible, then \$150 copay	annual deductible, then \$500 copay
STANDARD BENEFITS FOR ALL BRONZE HIGH PLANS							
Bronze High 10 plans	Close Plans	\$250 (ind.) \$500 (fam.)	\$5,000 (ind.) \$10,000 (fam.)	\$25 copay	\$15 copay	\$150 copay	annual deductible, then 35% co-insurance
<input type="checkbox"/> CELTICARE	CeltiCare Saver 250	\$302 ⁹⁸	↑	↑	↑	↑	↑
<input type="checkbox"/> NetworkHealth	Network Health Choice Bronze Complete	\$302 ⁷⁷	↑	↑	↑	↑	↑
<input type="checkbox"/> Neighborhood Health Plan	NHP Choice Optimum 250	\$303 ⁵⁵	↑	↑	↑	↑	↑
<input type="checkbox"/> PERSON MEDICAL CENTERS HealthNet Plan	BMC HealthNet Plan Bronze Plus	\$308 ⁷⁶	↑	↑	↑	↑	↑
<input type="checkbox"/> fallon community	Steward Community Care Rx Saver 250	\$376 ⁹⁰	↑	↑	↑	↑	↑

- The only channel in the market with 9 commercial carriers
- Standardized benefit design
- Decision support tools



Issues to Consider

- **Working with Medicaid**

- “Churn” population
- The optimal level of system and operational integration (*e.g.*, eligibility determination, customer service, appeals, data warehouse, outreach)

- **Working with issuers**

- Risk selection concerns
- Operational model – flexibility is important
- Administrative fee – the Exchange must compete with other distribution channels



Issues to Consider (cont'd)

- **Small business strategy**
 - Very different needs relative to the non-group population
 - Working with brokers
 - Employee Choice?
- **Product platform**
 - Standardization vs. choice
 - Promote innovation
- **Communication and outreach**
 - Must have a strong network of community partners
 - Marketing should maintain a “steady beat of the drum”



"Health Connector 2.0": *Under Construction*

