Massachusetts Health Care Reform
The Role of the State’s Health Connector

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Presentation to the
Montana Legislature’s
Children, Families, Health & Human Services
Interim Committee

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Agenda

I. Role of the MA Health Connector

II. Results So Far

III. Establishing the MA Health Connector

IV. Lessons Learned
The Role of the MA Health Connector

1. Establish and administer **Commonwealth Care**, subsidized coverage for low-income, uninsured adults.

2. Establish and administer **Commonwealth Choice**, a commercial insurance “exchange”:
   - Standardized benefit plans and
   - More affordable coverage options (complements small-group/non-group market merger)

3. Make **policy decisions** as authorized by Health Care Reform Law:
   - Definition of Minimum Creditable Coverage (MCC)
   - Schedule of Affordability

4. Conduct **outreach and advertising** efforts to inform public of new opportunities and responsibilities.
I. Role of the MA Health Connector

Increased access to private coverage

The Connector serves as an “exchange” that brings the market together through its Commonwealth Choice program.
I. Role of the MA Health Connector

Established a state-of-the-art website

Welcome to the Health Connector!
LEARN. COMPARE. SELECT A HEALTH PLAN.

Big changes are happening in Massachusetts health care. Most adults must now carry health insurance. We give you the tools and the facts you need to find the right health plan.

We work to bring you health benefits at better prices. There are choices here for everyone. And if you qualify for a plan at no or low cost, we'll let you know.

Health insurance is an important decision. We are here to help.
I. Role of the MA Health Connector

Choose the type of plans that will meet your needs.

**Young Adult**
- Only for 18-26 year-olds
- Lowest monthly costs
- Higher costs when you receive medical services

Who chooses Young Adult plans?
- See Young Adult Plans

**Bronze**
- Lower monthly cost
- Higher costs when you receive medical services

Who chooses Bronze plans?
- See Bronze Plans

**Silver**
- Monthly cost can run higher than Bronze
- Lower costs when you receive medical services compared to Bronze

Who chooses Silver plans?
- See Silver Plans

**Gold**
- Highest monthly cost
- Lowest costs when you receive medical services

Who chooses Gold plans?
- See Gold Plans

or

View all plans
I. Role of the MA Health Connector

Did Lots of Outreach

- “I got it” advertising campaign
- Strategic partnerships
- Grassroots efforts
- Postcards from the Department of Revenue
I. Role of the MA Health Connector

... And got the ultimate corporate partnership in Massachusetts

PRESS RELEASE

05/22/2007 11:29 AM ET

Connector teams up with Red Sox to build enrollment in new health insurance plans

Other corporate/civic partnerships announced as part of public education campaign
Every tax filer received a postcard from the Department of Revenue...

Dear Massachusetts Taxpayer,

Beginning July 1, 2007, a new Massachusetts law says that residents over age 18 must have health insurance. With few exceptions, adults must be able to show that they have health insurance by Dec. 31, 2007. Those who cannot will lose the tax benefit of their personal exemption on their 2007 Massachusetts income tax return, worth $219 for an individual. Penalties will increase for 2008.

Most adults already have health insurance, perhaps through an employer or a government program. If you do not, the Commonwealth Health Connector can help you or your employer to find the right health plan. The Health Connector has new health insurance choices for you and your family. These plans carry the state’s Seal of Approval for quality and affordability. You can also purchase plans through approved Massachusetts health insurance carriers. To learn more or to purchase a plan, visit www.mass.gov/connector.
I. Role of the MA Health Connector

People responded:

**Weekly Visits to MAHealthconnector.org**

- **July 1st:** Mandate goes into effect.
- **Nov. 15th:** Final push to sign-up to avoid 2007 tax penalties.
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IV. Lessons Learned
II. Results So Far

Lowest rate of uninsurance in the U.S.

*Mass Division of Health Care Finance and Policy survey result for 2008
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IV. Lessons Learned
The Health Connector – The Organization

- Health Connector was established by the law as an independent public authority overseen by a board of ten directors.

- Designed to be an insurance exchange offering:
  - Standardized benefit plans and
  - More affordable coverage options (complements small-group/non-group market merger)

- Many key policy decisions left to Connector Board
III. Establishing the MA Health Connector

Multiple State Agencies Involved

- Health Connector (new)
- Executive Office of Administration and Finance
- Department of Revenue
- Executive Office of Health and Human Services
- Office of Medicaid (MassHealth)
- Department of Public Health
- Division of HC Finance and Policy
- Executive Office of Labor & Workforce Development
- Division of Unemployment Assistance
- Department of Consumer Affairs
- Division of Insurance
- Health Care Quality & Cost Council (new)
III. Establishing the MA Health Connector

The Health Connector – The Organization

Rapid ramp-up:

- Executive Director was hired in June 2006.
- First Board meeting was held on June 7, 2006.
- Core staff was hired during the summer and fall of 2006.
- Organization was free from some state agency constraints (e.g. hiring, procurement).
III. Establishing the MA Health Connector

The Health Connector – Strategic Outsourcing

Legal
(Selective outsourcing)

Connector
(50 FTEs)

Website
Dell Perot

Project Mgmt
(selective outsourcing)

CommCare

Eligibility
MassHealth

Enrollment & Billing
Dell Perot

Call Center
Mass Health

Call Center
Dell Perot

CommChoice

Individuals
SBSB

Employers
SBSB

Call Center
SBSB
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Connector’s Health Care Reform Implementation

Overall, implementation was helped by:

- Tight deadlines
- Continued stakeholder support
- Flexibility in the law
- Board of Directors
- Partnerships with existing state agencies
- Sufficient start-up funds
IV. Lessons Learned

Operational Challenges

- Premium billing for Commonwealth Care (subsidized program)
- Pre-tax deductions for part-time employees
- Transparency in competitive business model
IV. Lessons Learned

Operational Lessons

- Be a “virtual organization” (buy, don’t build)
- Take incremental steps (“walk before run”)
- Over-prepare for every Board meeting
- Be a “learning organization”