

Lessons Learned from the Massachusetts Health Connector

SustinNet Health Care Cabinet
Business Plan Work Group Meeting

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MA Health Reform - Progress

- 1. 1.9%** uninsured after 4 years
- 2. CommCare** average rate trend = **4.7%** thru FY 2010
- 3. PMPM Cost is at Budget**
- 4. 98.6%** compliance rate (taxpayer filings)
- 5. 57% - 75% approval** rating
- 6. Free Care Pool** usage down **38%** - payments down **36%**
- 7. Payment Reform** is Next Step – MA +20% Nat'l Av'g

Myths about MA Health Reform

- **Comm Care costs MA \$1.3B in FY '09 - False**
 - '06 Proj of FY09 spend of \$725M
 - Actual FY09 spend was ~\$800M
- **Premiums have increased Dramatically - False**
 - Commercial increases 6-10%
 - Comm Care increases <5%
 - Ind/Small Group market merger impact
- **HCR caused a PCP shortage and long wait - False**
 - Over 90% of individuals report having PCP
 - 5% reported unmet need v. ~20% nationally
 - Wait time increase from 38 to 44 days

Connector – Key Functions

- Establish and Administer *Commonwealth Care*[™] Subsidized Coverage for low-income, uninsured adults - up to 300% of FPL
- Establish and Administer *Commonwealth Choice*[™], a Commercial Insurance “Exchange:”
 - Standardized benefit plans
 - More affordable coverage options (small group/non-group market merger)
 - Easy & Simple Enrollment Experience
- Make Policy Decisions as Authorized by Health Care Reform Law:
 - Definition of Minimum Credible Coverage (MCC)
 - Schedule of Affordability
 - Section 125 Regulations
- Conduct Outreach and Communication Efforts to Inform Public of New Opportunities and Responsibilities

Connector – Small Business Products

- Piloted SHOP Product (“Contributory Plan”) – 2009
 - 6 health plans; HMO only
 - 25 brokers; Existing accounts only; Membership Cap
 - Employer “benchmark” plan
 - Ee limited to plan selection to benchmark plan “metal tier”
 - Average size: 3 subs
- Introduced “Business Express” – 2010
 - 3 health plans; 8 as of 2/1/12; HMO only
 - All brokers; Open to new and existing accounts
 - Single source carrier and health benefit plan
 - Average size: 3 subs

Lessons Learned

- Balance Affordability with Essential Health Benefits
- Define Specific Success Metrics
 - Lower % of Uninsured
 - Enrollment
 - Health Plan Participation
 - Public Awareness & Support
 - Key Stakeholder Support
 - Health Plan Participation
 - Customer Satisfaction

Lesson Learned (cont)

- Focus on Activities Aligned with Metrics
 - Competitive Products
 - Marketing
 - Distribution
 - Customer
 - Suppliers (Health Plans – Adverse Selection; 3 Rs)
 - Operations – Outsource
- Make Consumer Experience Easy & Simple
 - For consumers, less is more

Lessons Learned (cont)

- Leverage Best Public/Private Practices
 - Define Target Markets of Enrollees
 - Research Characteristics & Communication Preferences
 - Use Consumer Marketing Techniques
 - Create Stakeholder Advisory Councils
 - Promote Innovation
 - Focus on Customer
 - “If You Build It, They Might Come to It”