



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

Health Care Cabinet:
Business Plan Development Work Group

Thursday, February 23, 2012
Meeting Minutes

Cabinet Attendees: *Nancy Yedlin, Co-Chair; Frances Padilla, Co-Chair; Ellen Andrews; Phil Boyle; Bonita Grubbs; David Guttchen; Alex Hutchinson; Linda St. Peter; Vicki Veltri*

Office of the Healthcare Advocate: *Demian Fontanella; Africka Hinds-Ayala*

Absent: *Ed Claire; Tom Woodruff*

Co-Chair Nancy Yedlin opened the meeting by welcoming members. Minutes from the February 6, 2012 meeting were approved with corrections. Ellen Andrews spoke briefly on the CT Health Insurance Exchange. She said several staff members are in place and working to create their advisory committee.

Kevin Counihan, President of CHOICE Administrators Exchange Solutions, gave a presentation on [Lessons Learned from the Massachusetts Health Connector](#). He explained that cost is the major reason people are uninsured, but provisions of the Affordable Care Act have helped drive down the number of uninsured in MA. There was discussion about the current number of uninsured (1.9%), with the conclusion that this was an acceptable rate that probably won't drop any lower. Mr. Counihan predicted that the mandate will cause an increase in the number of small employers offering health insurance because they won't want their employees to be subject to penalties. He also offered the opinion that the exchange will have a variable impact on premiums, as his slides showed. He said that in addition to building the exchange there will be a need to promote it widely. He said that in MA there was an effort to gather data and communicate with various groups to get the word out. He added that there is ongoing consumer product research conducted every four to six months to determine if there are additional groups to reach out to.

Ms. Andrews asked if the Connector has impact outside the market. Mr. Counihan replied that exchanges foster competition. He said Commonwealth Choice started out with five health plan companies and now has eight. He said most of the Connector's staff had previously worked for health plans, which helped to establish credibility, adding that in 2009 the Connector standardized individual plan design and created gold, silver and bronze levels. Mr. Counihan emphasized the need for the exchange to conduct itself as a business, carefully looking at supply and demand and using innovative approaches. He spoke of the evolving medical field, saying that due to a shortage of primary care doctors there will be a great increase in the number of small clinics where physicians' assistants, registered nurses and nurse practitioners provide basic care such as physicals, freeing doctors to spend time on more complicated patient issues.

Mr. Counihan described the process of creating and implementing the Connector. He said the first step was obtaining public subsidies for funding. The next step was making Comm Choice operative within a short timeframe. This involved determining who the target market was and how to reach them. Following this, the next step was addressing the small group market. Small firms often don't have human resources

departments, so it was necessary to provide support tools to these firms in order to cater to their needs. Mr. Counihan strongly recommended establishing strong communication lines with brokers, advocacy groups, providers, faith-based organizations and other stakeholders in order to build community support for an exchange and determine how to build an exchange that will support their needs. He likened this effort to a startup business, adding that initially there will be constant scrutiny to see how this unfolds; all staff needs to be aware of this and to conduct itself accordingly. He recommended setting specific goals, such as lowering CT's uninsured rate from 9% to 4%, and bringing in people who can assist with each goal. Co-Chair Frances Padilla added that there need to be some large goals that will rally people to work toward creating a robust, competitive marketplace with both private and public offerings. She added that there also needs to be change stimulated in the market outside the exchange.

Mr. Counihan mentioned the importance of pre selling the health plan in language that potential participants can understand. In CT, the large insurers can be approached with some real data showing numbers for the population that will be required to carry insurance as a result of the mandate. This brings the potential for a huge influx of new customers for insurers. Mr. Counihan added that competition is good and that more is better than less, advising that new insurance carriers should be welcomed to the state. However, he added that offering too many plans proves to be confusing for consumers, so he recommended choosing carefully and offering fewer choices.

In closing, Mr. Counihan spoke of [Essential Health Benefits](#) (EHBs). Individual states are required to define their own EHBs and actuarial values (AVs). He recommended making the EHB 100% and making the AV off the EHB standard. He advised picking a plan that can be the full 100% AV and then creating levels of platinum at 90, gold at 80, silver at 70, and bronze at 60. Mr. Counihan emphasized the importance of balancing affordability with EHB. He recommended this work group decide upon specific measures of success. He added that the focus should be on activities that are most aligned with those metrics. He suggested concentrating on competitive products, real marketing, distribution, customer satisfaction, suppliers, operation, and leveraging public and private practice.

Co-Chair Padilla said this group is on track with the [timeline](#). She asked group members to review [take-aways](#) before the next meeting. Co-Chair Yedlin said the Co-Chairs are planning to bring a draft outline of the final report to share with the work group during a March meeting.

Meeting was adjourned. **Next meeting will be on March 5, 2012 at 3:00 pm.**