

Some Lessons From The Massachusetts Health Reform Experience



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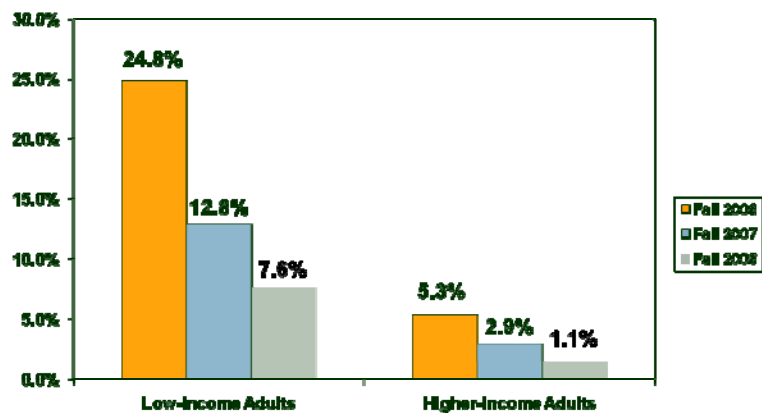
About Health Care For All

- Voice of consumers in Massachusetts health policy
- National partner, Community Catalyst
- Policy coalitions on health reform, disparities, oral health, children's health,...
- Helpline – 1000 calls/week
- www.hcfama.org

April 12, 2006: Chapter 58



Adult Uninsurance Rates



Source: Sharon Long, Urban Institute

More Data Points

- Unmet medical need due to costs of care:
 - 2006: 50%
 - 2009: 39%
 - Unmet need down for doctor care, specialist care, medical tests, preventive care, prescriptions, dental

Health Improving?

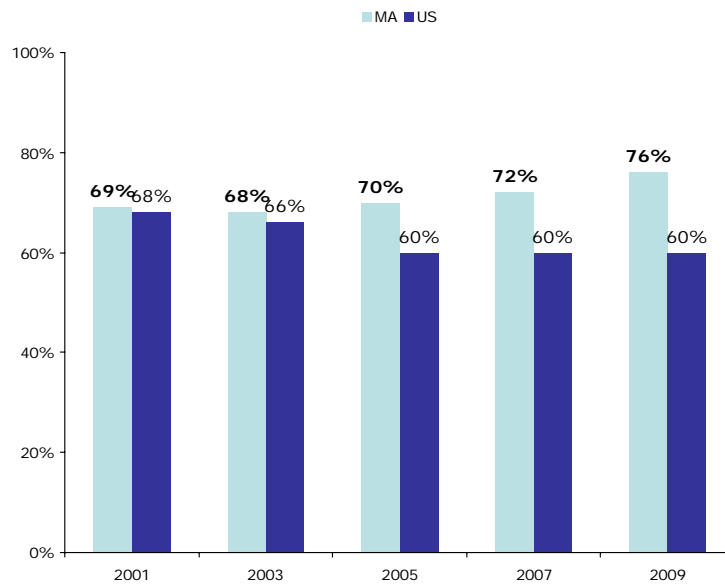
- *The Impact of an Individual Health Insurance Mandate on Hospital and Preventive Care: Evidence from Massachusetts*
- Compared pre and post, and MA and other similar states; statistically adjusted
- “Statistically significant improvements due to health reform in prevention-related quality indicators were noted in lower hospital admission rates, including **decreased admissions for diabetes complications, heart disease, hypertension, infections, and asthma.**”

More Than Statistics

“If I didn’t have health insurance, I would never have made an appointment with my doctor because of the cost. The cancer would have spread and I would not be alive today to tell you my story.”-*Jaclyn Michalos, 27*



Employers: Offer Rates Increase



Connector Basics

The screenshot shows the MA Health Connector website homepage. At the top, there is a navigation bar with the Health Connector logo, a news alert for "E-Pay" for Commonwealth Choice members, and links for Home, Find Insurance, Health Care Reform, and About Us. A search bar is also present. The main heading reads "You need health insurance. The state's Health Connector can help." Below this, there are five featured sections: "Find the right health plan for you or your family" (with a "GET STARTED" button), "Individuals & Families", "Young Adults", "Employees", "Employers", and "Brokers". The "Individuals & Families" section includes text about comparing plans and a link to "Learn More...". The "Young Adults" section mentions "Commonwealth Choice" and "Commonwealth Care". The "Employees" section features a testimonial from Andrew Herlihy, a former professional athlete, with a "Hear Andrew's story and more..." link. The "Employers" section asks "Glad to be insured" and "Already a Commonwealth Care member?" with links for Register, Login, and 1099 HC Information. The footer includes the URL www.MA.gov and links for Site Map, Feedback, and Site Policies.

www.MAHealthConnector.org



- Established by 2006 reform law
- Quasi-Governmental State Authority
- Board Governance:
 - 4 state officials: Budget Secretary (chair); Medicaid Director, Insurance Commissioner; State Employee Health Insurance Director
 - 3 interests: Labor, Small Business, Consumers (Broker to be added 2011)
 - 3 experts: Economist, Actuary, Health Benefits

Connector: Responsibilities

- Set state policy: affordability, subsidies, minimum benefits, etc.
- Operate two Exchanges:
 - Commonwealth Care: exclusive source for sliding scale subsidized coverage for adults
 - Commonwealth Choice: non-exclusive source of individual and small group coverage
- Outreach and Promotion of health reform

Commonwealth Care

- Subsidized private coverage for uninsured adults at or below 300% poverty (~\$31,000)
- Choice of 5 private managed care carriers
- Sliding scale premiums
- June 2010 enrollment: 160,318
 - Half below 100% of poverty
- Enrollment outsourced to Medicaid

Commowalth Choice

- Choice of 7 insurers
- Choice of 8 plan designs
 - Gold
 - Silver High, Medium, Low
 - Bronze High, Medium, Low
 - Young Adult Plan
- June 2010: 30,165 people covered

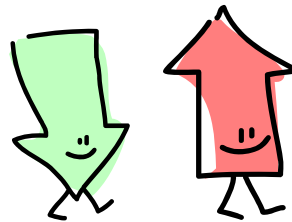
Lessons and Take-Aways

1. Set Up For Success

- Broad governance, but excluded direct financial interests
- Intimate connection to Medicaid, Insurance Department
- Transparency
- Adequate funding, sufficient staff
- Flexible: willingness to learn and adjust

2. Outreach – It Takes A Community and a Campaign

- Both **top down** and **bottom up** outreach and education were critical
 - Community groups, particularly immigrant
 - Employers
 - Quarterly meetings around state



Examples of statewide top-down publicity campaign

THE OFFICIAL SITE OF THE BOSTON RED SOX

Register Login

News Audio & Video Scoreboard Schedule Roster Stats Community Fans Fenway Park

Official Info

- Press Releases
- MLB Official Info

05/22/2007 11:29 AM ET

PRESS RELEASE

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

[print this page](#) | [e-mail this page](#)

MORE COVERAGE

Red Sox Headlines

- Beckett recognized for charitable wo
- Beckett, Sox to discuss hurler's futur
- Red Sox inbox: Will Varitek be back in
- Bay keeping open mind about future
- Red Sox meet with defector Chapman
- More Red Sox Headlines

BOSTON -- Governor Deval Patrick and the Commonwealth Health Insurance Connector Authority today announced that the Boston Red Sox will be partnering with the state in an unprecedented public education campaign to let uninsured residents know that health insurance is



Good thing he's got health insurance.

Having health insurance is required in Massachusetts—and now there are increasing penalties if you don't. The state's Health Connector website is the easiest place to compare the widest range of affordable plans that well-known insurance companies offer. Visit our site, choose the plan you like best, and get covered—medically and financially. Do it today. Because #)!(%i@**&! happens.

What it could cost you if you don't have health insurance:

- Broken arm – \$2,670
- Broken leg – \$11,277
- Appendectomy – \$14,265
- Tax penalties: up to \$912 this year

1-877-MA-ENROLL
MAhealthconnector.org



Urgent Message to Massachusetts Income Tax Filers ACT NOW TO AVOID TAX PENALTIES!

The Health Care Reform Law requires most Massachusetts residents age 18 or older to have health insurance. **To avoid a penalty of \$219 per individual when you file your 2007 Massachusetts income tax return, you must have health coverage by the end of the year. You should enroll in a health plan by November 15th to make sure you do not miss this important deadline.**

The penalty for being uninsured will increase significantly in 2008, accumulating each month you do not have health coverage.

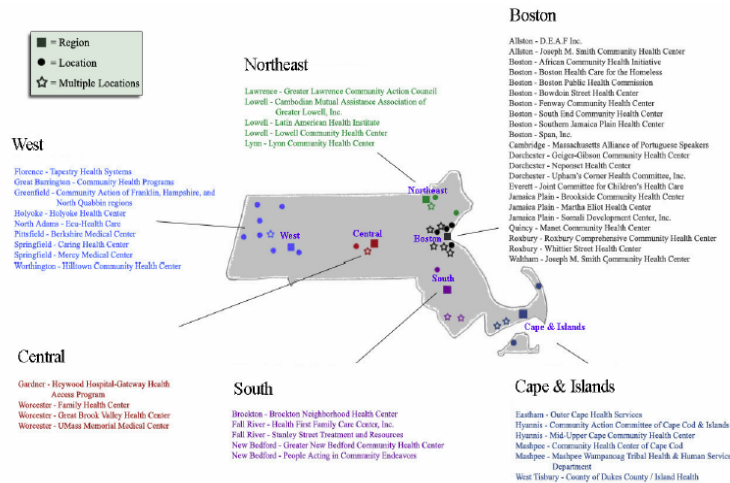
If you are uninsured, please visit www.MAhealthconnector.org for more information or to sign up. Or you can contact a health carrier directly. The time to act is now!

If you already have health coverage, please disregard this notice.



Para ver este mensaje en español por favor visite www.MAhealthconnector.org.

Bottom Up: Grants to 51 Community Organizations for Outreach and Enrollment



3. Create Stakeholder Tables

- Policy level – offline discussion tables
- Operations level – feedback loop
 - Frequent meetings between advocates and state
 - Consumer Helpline as “canary”

4. Be a “Prudent Purchaser”

- Massachusetts Connector only gave “Seal of Approval” to plans that met value (=quality/price) standards.



5. Use Exchange To Improve Market

A: Allow Apples-to-Apples Comparisons of Plans

- Initial Connector plans slotted Gold-Silver-Bronze plans by *actuarial equivalence*
 - 27 different plan designs
 - Hard to compare
 - Focus groups found customer confusion, frustration

Connector standardized plans into 7 designs:

Choose the type of plans that will meet your needs.

The screenshot displays a user interface for selecting plan types. At the top, a dark blue bar contains the text "Choose the type of plans that will meet your needs." Below this, three columns represent different plan tiers: Bronze, Silver, and Gold. Each column features a circular icon with a letter (B, S, or G) and a list of characteristics. The Bronze column includes a red circle around the "See Bronze Plans" button. Below the columns, the word "or" is centered, followed by a "View all plans" link.

Bronze	Silver	Gold
<ul style="list-style-type: none">* Lower monthly cost* Higher costs when you receive medical services	<ul style="list-style-type: none">* Monthly cost can run higher than Bronze* Lower costs when you receive medical services compared to Bronze	<ul style="list-style-type: none">* Highest monthly cost* Lowest costs when you receive medical services
<p>Who chooses Bronze plans?</p> <p>See Bronze Plans</p>	<p>Who chooses Silver plans?</p> <p>See Silver Plans</p>	<p>Who chooses Gold plans?</p> <p>See Gold Plans</p>

or

[View all plans](#)

Sort plans by **Benefits Package**

You've Selected:
 Benefits Package
 Bronze
 Silver
 Gold

Narrow Your Plans by:

Monthly Cost
[Less than \\$300](#) (11)
[Greater than \\$300](#) (5)

Annual Deductible
[\\$250 - \\$500](#) (5)
[\\$2,000 - \\$4,000](#) (10)

Insurance Carrier
[Blue Cross Blue Shield of Massachusetts](#) (3)
[Fallon Community Health Plan](#) (3)
[Harvard Pilgrim Health Care](#) (3)
[Neighborhood Health Plan](#)
[Tufts Health Plan](#) (3)

Show Plans. Then choose up to 3 to compare. Click **Continue** at bottom.

	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 Benefits Package 5 plans available	as low as \$213	\$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
<input checked="" type="checkbox"/> Hide Plans About Bronze Low							
<input checked="" type="checkbox"/> Find doctor	\$212.86	↑	↑	↑	↑	↑	↑
<input type="checkbox"/> Find doctor	\$239.46	↑	↑	↑	↑	↑	↑
<input checked="" type="checkbox"/> Find doctor	\$268.96	↑	↑	↑	↑	↑	↑
<input type="checkbox"/> Find doctor	\$289.71	↑	↑	↑	↑	↑	↑
<input checked="" type="checkbox"/> Find doctor	\$304.00	↑	↑	↑	↑	↑	↑
STANDARD BENEFITS FOR ALL BRONZE MEDIUM PLANS							
Bronze Medium Benefits Package 5 plans available	as low as \$232	\$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
<input type="checkbox"/> Show Plans About Bronze Medium							
STANDARD BENEFITS FOR ALL BRONZE HIGH PLANS							
Bronze High Benefits Package 5 plans available	as low as \$223	\$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"/> Show Plans About Bronze High							

5. Use Exchange To Improve Market

B: Avoid Adverse Selection – Pool Risk

- Same rules inside and outside exchange
- Same plans inside and outside
- Merge individual and small groups

6. No Wrong Door for Applicants

- Single application for all health programs
- “Passive enrollment” – use information from other state agencies to verify eligibility
- Auto enrollment – enroll into cheapest plan

Biggest Challenges

- Small business plans – tough
 - Giving choices to workers complicated to administer, explain
 - Resistance from brokers leading to...
 - Resistance from health plans
- Cost Cost Cost
 - Massachusetts on path to payment reform