



The Massachusetts Health Connector

Massachusetts Health Policy Forum

2019 Student Forum

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Today's Focus

- **Background on the Health Connector**
- **Challenge: Expanding into the Small Group Market**
- **Discussion and Questions**

The Massachusetts Health Connector

The Health Connector's primary role is a marketplace where consumers can easily compare insurance plans from different carriers.

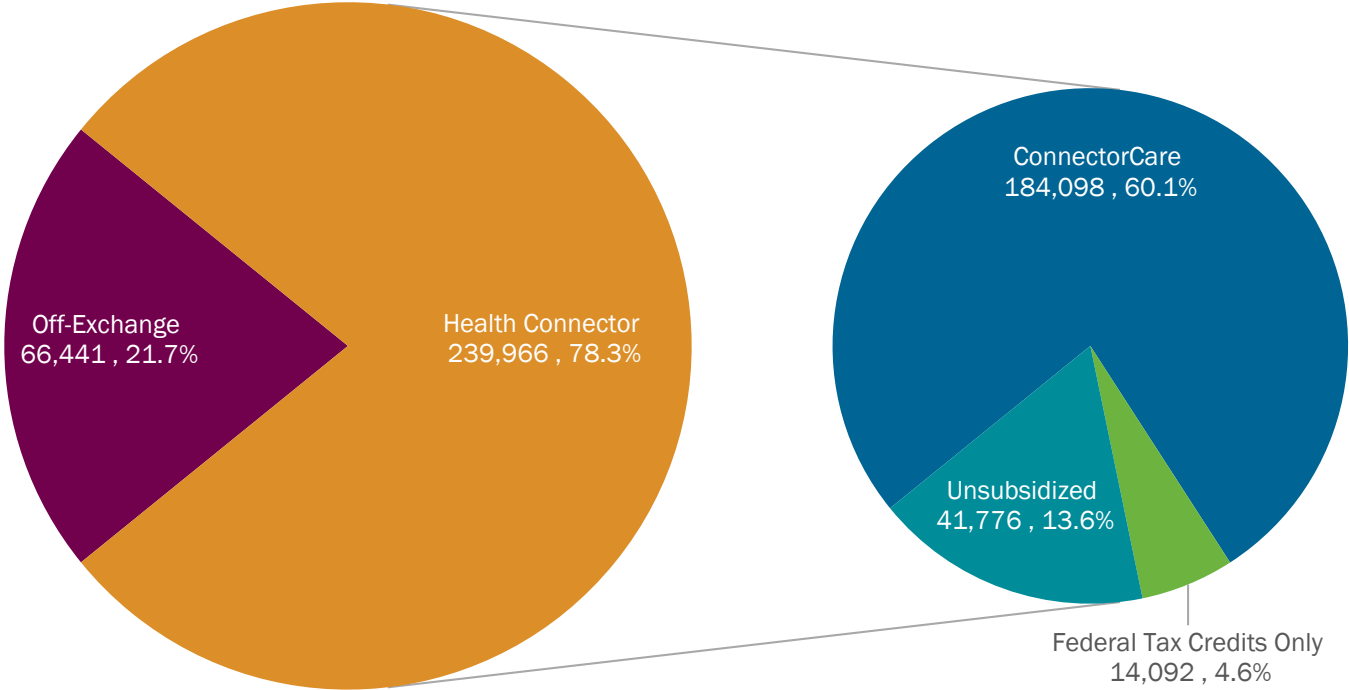
- Established by Chapter 58 of the Acts of 2006
- Became state's ACA-compliant Marketplace in 2014
- Quasi-public authority governed by eleven-member Board
- 50+ full time employees
- Sells non-group and small group coverage in the form of Qualified Health Plans (QHPs)
- Other responsibilities include
 - Oversight of student health insurance
 - Policies related to the MA individual mandate
 - Outreach to the uninsured



Non-group Enrollment in 2018

The Health Connector serves roughly 80% of the over 300,000 individuals in the non-group market in Massachusetts, mostly through the ConnectorCare program.

MA Non-group Membership by Exchange Use, March 2018

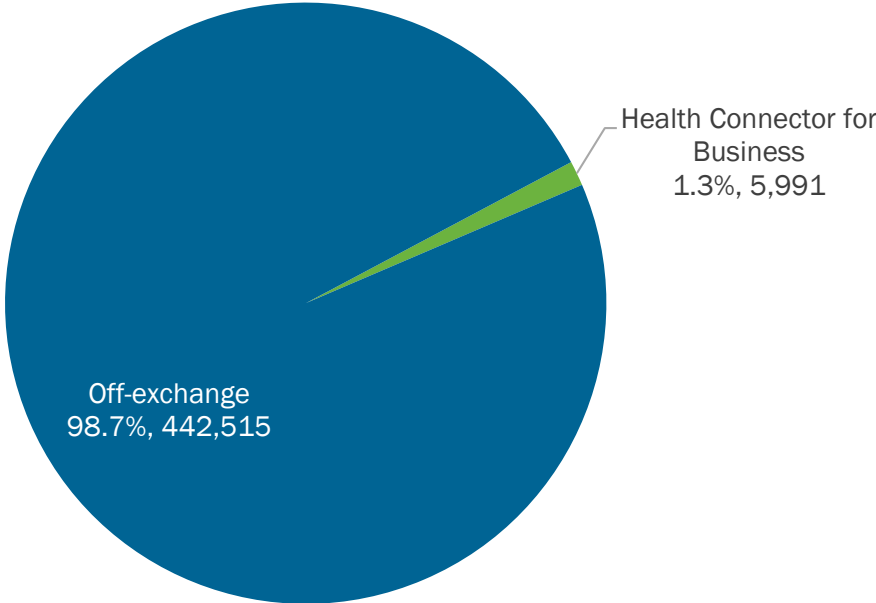


Source: CHIA Enrollment Trends August 2018 Databook. Data from March 2018.

Small Group Enrollment in 2018

However, the Health Connector only serves just over 1% of the small group market in Massachusetts and has retained the same portion of the MA market since March 2016.

MA Small Group Enrollment by Exchange Use, March 2018



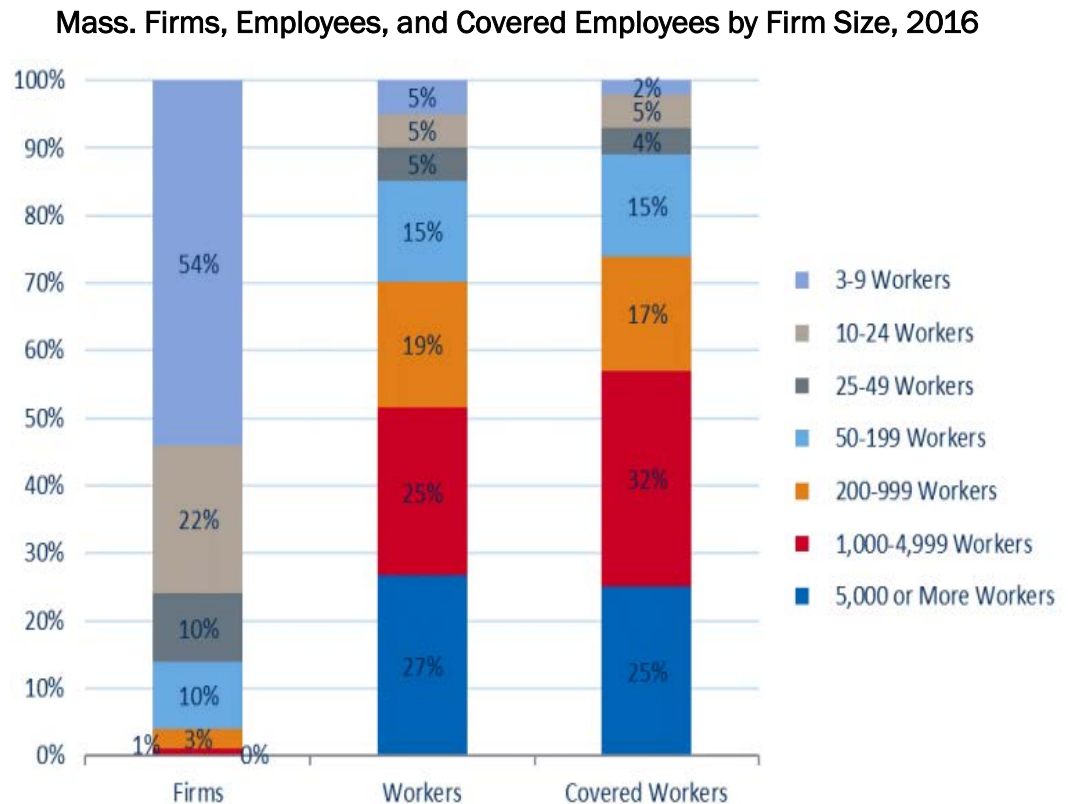
Source: CHIA Enrollment Trends August 2018 Databook. Data from March 2018.



Small Group Coverage in Context

Small Business Landscape

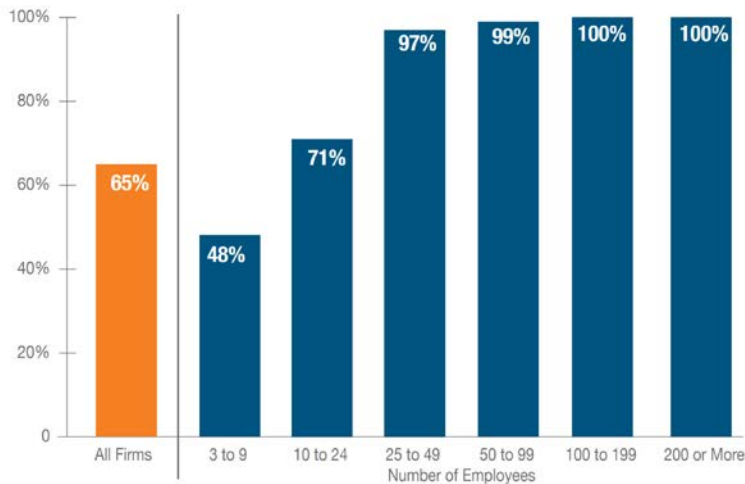
- As of 2016, small firms (with fewer than 50 employees) comprised approximately 86% of the roughly 125,000 MA firms, but employed only 15% of the workforce and 11% of employees covered in group plans.
- Small group membership comprises 12% of the total commercial market in MA.



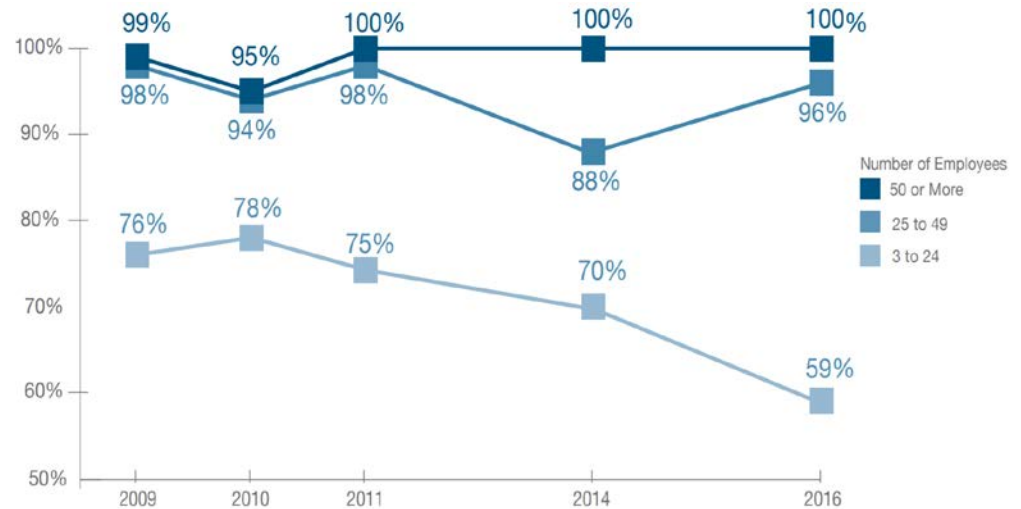
Small Group Coverage Landscape

Small firms are substantially less likely to offer health insurance than large firms.

MA Firms Offering Coverage by Firm Size, 2016

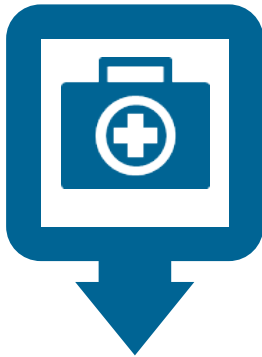


MA Firms Offering Coverage by Firm Size, 2009 - 2016



Small Group Market

Roughly 7% of Massachusetts residents are covered by small group health insurance.



Merged Market

Individuals and small businesses were put into the same risk pool under 2006 state reforms



450,000

Small business employees and dependents are insured through small group coverage



\$487

Average per member per month premium in the small group market in 2017



The Health Connector and Small Businesses: Offerings

The Health Connector for Business

The Health Connector has served small businesses since 2007

Pre-ACA (2007 – 2013)

- Prior to the Affordable Care Act, the Commonwealth Choice program offered small businesses coverage
- Enrollment averaged 4,600 employees per month, and it peaked just under 8,000 members in late 2013



Post-ACA (2014 -)

- Under the ACA, the Health Connector transitioned to offer a “Small Business Health Options” program (SHOP), now called Health Connector for Business
- Enrollment has averaged around 5,700 employees covered each month, with a peak of about 6,500 members

Carrier Options

The Health Connector is the only place in Massachusetts where small groups can access every single leading carrier in the marketplace—and allows employers the option to let their employees choose from different plans.



Choice Models

One Plan

- Employer selects one health plan
- The employee is enrolled in the selected plan

One Carrier

- Employer selects one carrier
- The employee can choose any plan within the selected carrier

One Level

- Employer selects a reference plan from a Metallic Tier
- The employee chooses any health plan within the selected tier

One Plan

	CARRIER	CARRIER	CARRIER
PLATINUM			
GOLD			One plan for all employees
SILVER			
BRONZE			

One Carrier

	CARRIER	CARRIER	CARRIER
PLATINUM		Employees choose a plan at any level from same carrier	
GOLD			
SILVER			

One Level

	CARRIER	CARRIER	CARRIER
GOLD	Employees choose a plan at the same level from any carrier		
SILVER			

Choice Models

Small businesses are receptive to the new choice models – a majority of 2018 new sales elected a choice model option.

- 40% of new sales in 2018 were in the One Plan option

One Plan



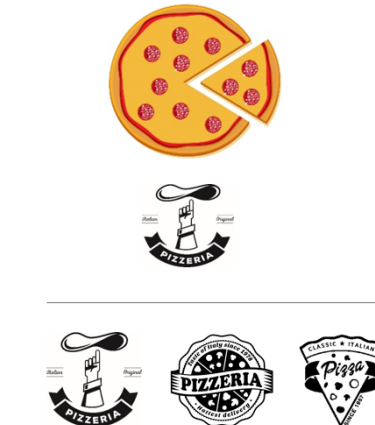
- 32% of new sales in 2018 were in the One Carrier option

One Carrier



- 28% of new sales in 2018 were in the One Level option

One Level



Redesigned Wellness Program

The Health Connector recently relaunched a streamlined wellness program aimed to increase participation. In 2017, only 2.4% of eligible groups received rebates.



Redesigned Wellness Program

Employers are incentivized to contribute more as the rebate is tied to the employer contribution amount. In 2018, employers received an average rebate of \$3,000.

Mind



- Meditation
- Yoga classes
- Volunteering or serving as a mentor
- Stress or time management classes/workshops
- Plus more...

Body



- Gym Membership
- Exercise classes
- MA Department of Public Health sponsored events
- Yearly physicals
- Nutrition programs
- Plus more...

Money



- Financial literacy class/program
- First Time Home Buyers Class
- MA State Treasurer sponsored programs
- Plus more...

*sample list of approved employee activities

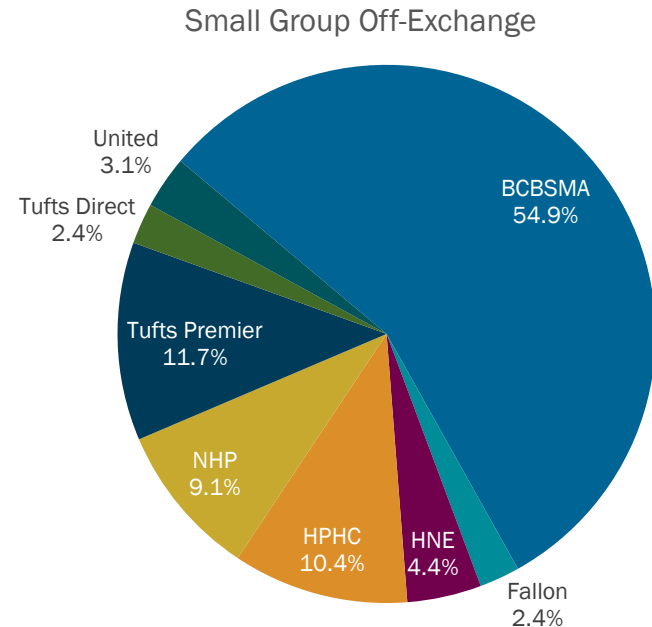
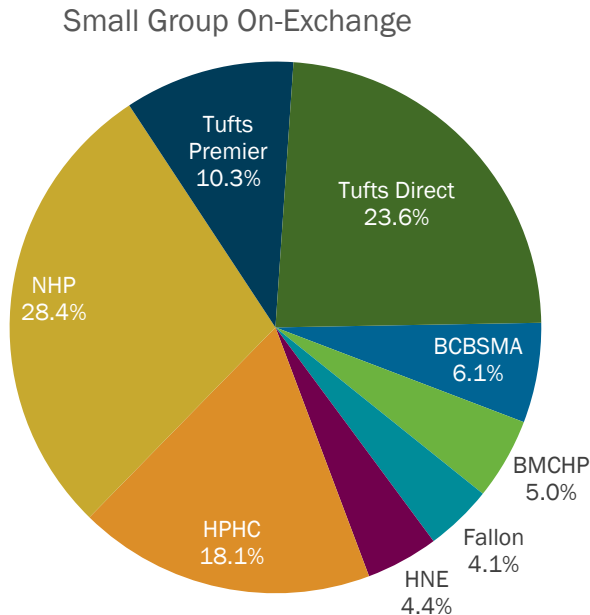


The Health Connector and Small Businesses: Outcomes

Small Group 2018 Plan Choices

On-Exchange small group enrollees' plan selections differ substantially from those chosen by off-Exchange shoppers.

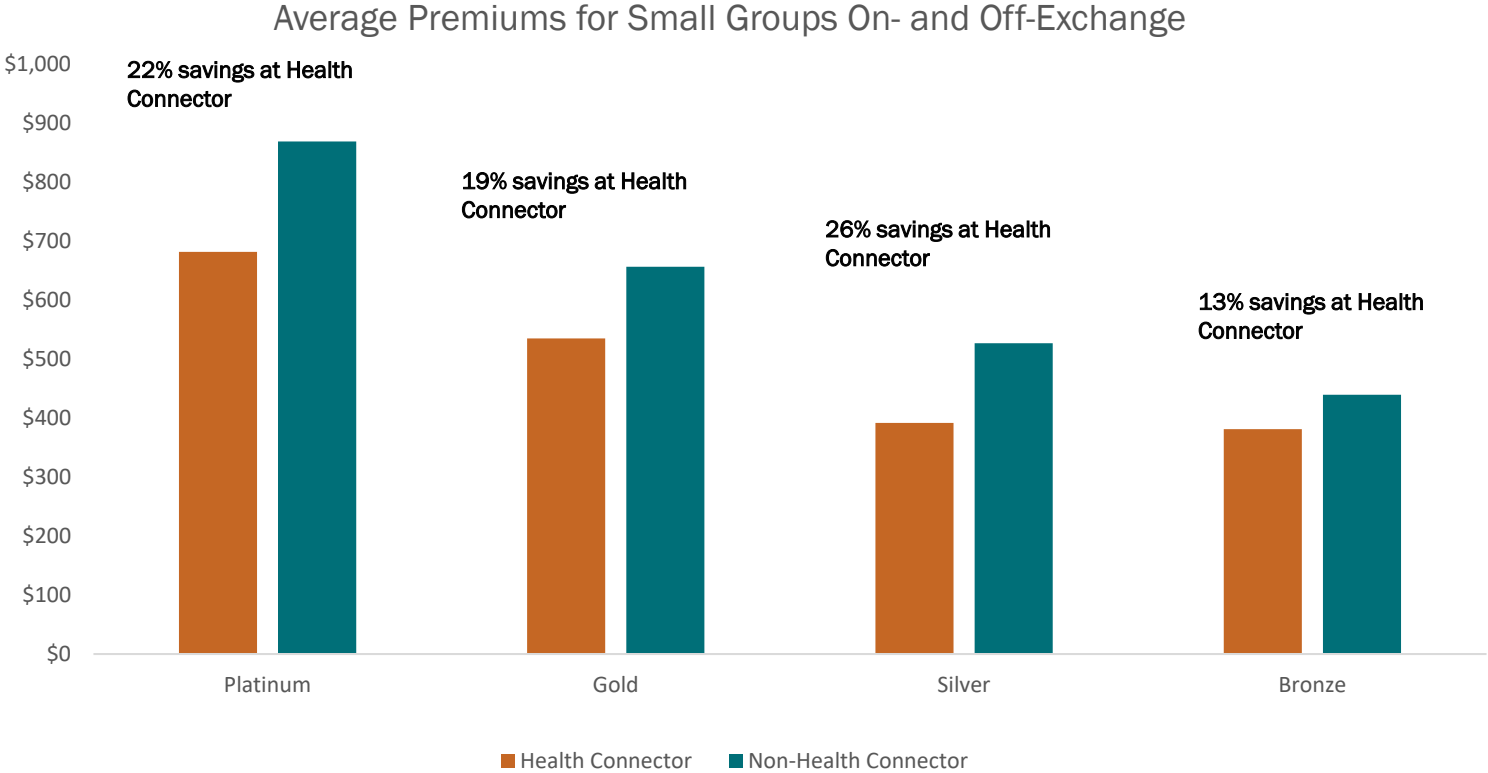
2018 Small Group Enrollment On- and Off-Exchange



Source: CHIA Enrollment Trends August 2018 Databook. Data from March 2018. <http://www.chiamass.gov/enrollment-in-health-insurance/>. Enrollment totals for On-Exchange Non-Group enrollment do not include ConnectorCare enrollment. Excludes carriers with negligible enrollment.

Average Premiums for Small Groups on- and off-Exchange

Small businesses save over 20 percent on average by shopping through Health Connector for Business, before any rebates.



Source: Health Connector for Business data as of September 2017 and March 2018.

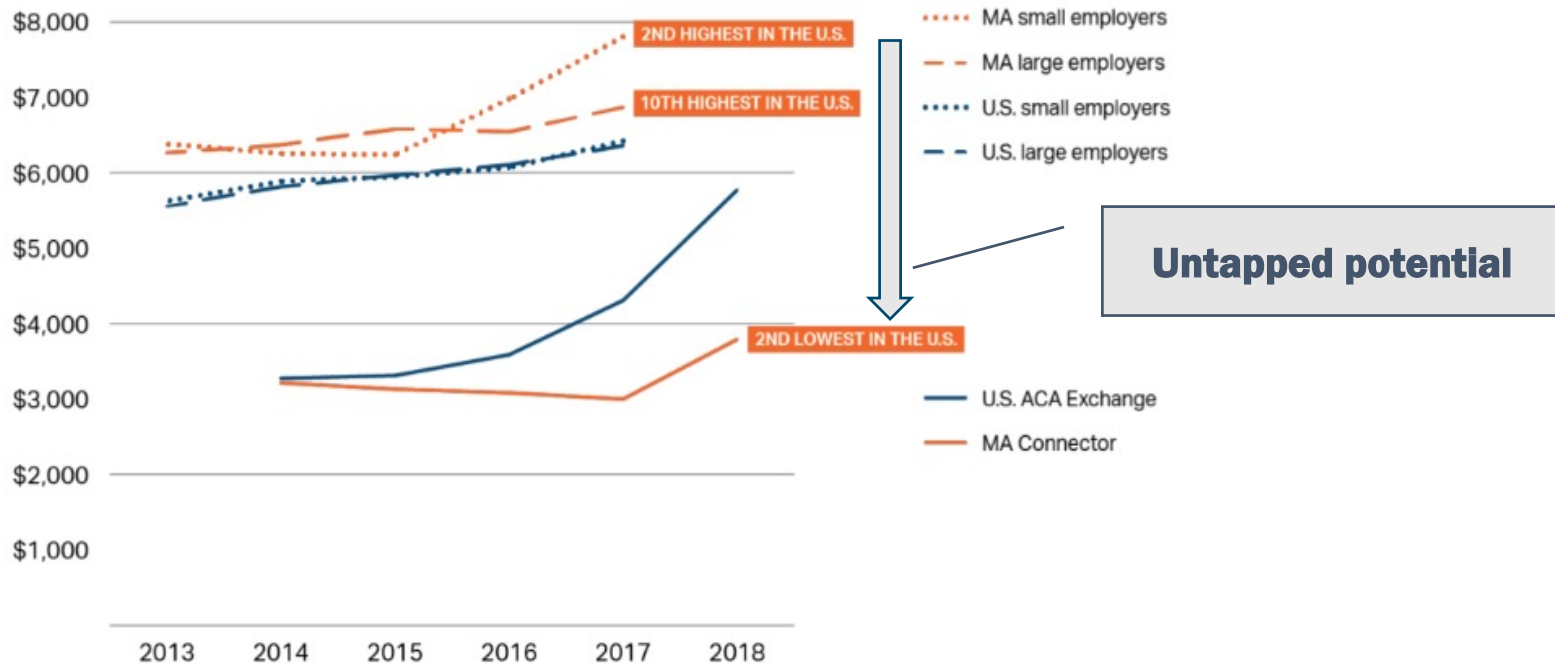


The Health Connector and Small Businesses: Next Steps

Emerging Trends: Currently untapped potential

The Health Policy Commission has helped draw attention to the low premiums the Health Connector has been able to deliver for individuals. It's less well understood that small employers can access these same low premiums through Health Connector for Business.

Annual premiums for single coverage in the employer market and average annual unsubsidized benchmark premium for a 40-year-old in the ACA Exchanges, MA and the U.S., 2013-2018



Notes: US data include Massachusetts. Employer premiums are based on the average premium according to a large sample of employers within each state. Small employers are those with less than 50 employees; large employers are those with 50 or more employees. Exchange data represent the weighted average annual premium for the second-lowest silver (Benchmark) plan based on county level data in each state. These plans have an actuarial value of 70%, compared to 85%-90% for a typical employer plan, and are thus not directly comparable to the employer plans.

Sources: Kaiser Family Foundation analysis of premium data from healthcare.gov (marketplace premiums 2014-2018); US Agency for Healthcare Quality, Medical Expenditure Panel Survey (commercial premiums 2013-2017).

Marketing and Visibility

Employers and brokers are targeted through a coordinated paid media and outreach campaign.

- Impactful radio and digital messages on platforms with high frequency of small-business owners and brokers
- Upcoming digital pieces include member testimonials (example in photo right)
- A door-to-door campaign in Middlesex County has reached out directly to more than 1,200 businesses in health, construction, and business services industries
- Partnerships with New England Business Association and Small Business Administration help expand footprint through well-known and trusted entities
- An extensive campaign of presentations and visibilities at Chambers of Commerce and business-centric events create new exposure for Health Connector for Business



Becoming Stronger Presence in the Small Group Market

- Raising awareness
- Removing barriers to enrollment
- Bringing same cost-curve bending potential to small group market

