



Affordability and Health Equity Initiatives in the Massachusetts Marketplace

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Health Connector Overview

The Health Connector is the state’s official ACA health insurance marketplace, offering Massachusetts residents and small businesses a way to compare, understand, and enroll in high-value health coverage options and access financial assistance to lower the cost of coverage.

- The Health Connector was created in 2006 as part of a set of bipartisan state health reforms aimed at increasing access to health insurance in Massachusetts, and later adapted to incorporate the federal health reforms of the Affordable Care Act (ACA)
- The Health Connector serves three primary populations:
 - Low-to-moderate income residents via its ConnectorCare Program (<300% FPL)
 - Middle and higher-income federally subsidized unsubsidized nongroup enrollees (>300% FPL)
 - Small employers (<50 employees)
- The Health Connector also plays an active policy role in continued implementation of the Affordable Care Act in Massachusetts, as well as our enduring state-level health reform framework, working with the Massachusetts Division of Insurance to support a robust “merged market” for individuals and small groups
- The Health Connector sets policy for the state’s individual mandate, conducts broad outreach and public engagement about health coverage, and works towards a more equitable, person-centered health coverage system.

Health Connector's Role in Massachusetts Reform

Massachusetts' success in promoting coverage and affordability for residents rests in part on unique programs and policies administered by the Health Connector:

- Our unique “wrap program,” ConnectorCare, which uses state-financed subsidies on top of federal ACA subsidies
- Active market engagement for unsubsidized individuals and small groups
- Our state individual mandate
- Substantial outreach to the general population and targeted communities about health coverage and how to get and stay insured

BUILDING BLOCK:

Provide additional subsidies for low- to moderate-income households

We offer additional premium and cost-sharing subsidies for people who qualify for federal premium tax credits. Premiums increase gradually with income. We have plans as low as \$0 a month for those with incomes up to 150% FPL and \$130 a month for those at 300% FPL.

BUILDING BLOCK:

Take a proactive approach to keeping insurance markets healthy

We promote a healthy market with policies like an “individual mandate” to maintain coverage, a merged market for individuals and small groups, standard Health Connector plan requirements, higher MLR requirements, and monitoring against non-compliant plans and scam offers.

BUILDING BLOCK:

Coordinate coverage expansion for the Marketplace and Medicaid

In addition to offering a robust set of programs, we work seamlessly with state Medicaid partners at MassHealth to allow individuals to apply and receive immediate eligibility results for both programs at one time.

BUILDING BLOCK:

Use data to drive outreach and marketing

Targeted outreach and in-person assistance helps us to raise awareness about the availability of health insurance among the uninsured. Our messages are delivered in 7 languages and through a variety of formats: print, radio, television, digital, and in-person events.

BUILDING BLOCK:

Streamline enrollment for low-income enrollees

People who newly qualify for ConnectorCare can enroll in coverage through a Special Enrollment Period at any time of the year. This ensures that our success at enrolling new residents during Open Enrollment is extended throughout the year for key populations.

BUILDING BLOCK:

Support the changing needs of our population

We work to reach and support the increasing number of people who depend on our coverage due to population changes and an evolving economy. We've also re-doubled efforts to serve our small business community with flexible and affordable plans designed to meet the needs of small employers.



ConnectorCare as an Intervention vis-a-vis Cost Barriers

Cost Barriers to Care as an Equity Issue

Cost sharing is an equity issue because not all populations have the same liquid assets and resources to finance point of service cost sharing, even if they have the same income/program eligibility.

Health status and chronic conditions vary by race and ethnic group



Disparities in liquid assets



Cost sharing for health services required to manage chronic conditions

Disparities in foregone care due to cost reported by communities of color, inequities in medical debt by race and ethnic groups, and perpetuation of disparities in health outcomes

Note: While the typical Black or Hispanic family has \$2,000 or less in liquid savings, the typical White family has more than four times that amount. Source: [The Fed - Disparities in Wealth by Race and Ethnicity in the 2019 Survey of Consumer Finances \(federalreserve.gov\)](https://www.federalreserve.gov/consumersandcommunitydevelopment/2019-scfc-disparities-in-wealth-by-race-and-ethnicity)

About ConnectorCare

- Through affordable premiums and cost sharing, the Health Connector's ConnectorCare program promotes access to care and reduced cost burdens for 140,000 residents (approximately two-thirds of the Health Connector's membership).
- State and federal subsidies work in concert to decrease the cost of a carrier's unsubsidized Silver plan premium and cost-sharing down to ConnectorCare levels.
 - ✓ Federal Advance Premium Tax Credits (APTCs) and **Massachusetts state premium subsidies** are applied to unsubsidized Silver premiums, resulting in ConnectorCare premiums as low as \$0 per member per month.
 - ✓ Similarly, **Massachusetts state Cost-Sharing Reductions (CSRs)** are applied to Silver plan designs resulting in ConnectorCare plans without deductibles and with co-pays as low as \$0 for Primary Care Physician (PCP), specialist, emergency, urgent care, inpatient hospitalization, and imaging services.
- The additional financial value and protection to members enrolled in the ConnectorCare program (compared to enrollees receiving only Affordable Care Act subsidies or no subsidies) is a result of additional state dollars invested to reduce monthly premium and point-of-service costs that, in turn, translate to near-universal coverage and a market with fewer cost barriers to care.

About ConnectorCare (continued)

- The impact of the state's investment can also be seen in ConnectorCare enrollees' satisfaction with their coverage, perceptions of affordability, and lower rates of delayed or forgone care and unpaid medical debt when compared to non-ConnectorCare members and the state overall.
- ConnectorCare members are **less likely to report delayed or forgone health care due to cost** compared to non-ConnectorCare members and overall Massachusetts residents (19 percent reported delaying or not getting health care services in the last six months because of its cost compared to 32 percent, on average, of non-ConnectorCare members).
- ConnectorCare members are **more likely to find their cost sharing to be affordable** compared to non-ConnectorCare members (57 percent agreed that the amount they paid for health care services was reasonable compared to 18 percent of non-ConnectorCare members).
- ConnectorCare members **report lower out-of-pocket spending** compared to nonConnectorCare members and overall Massachusetts residents (56 percent spent under \$500 in the last 12 months compared to 30 percent of non-ConnectorCare members).

About ConnectorCare (continued)

ConnectorCare plans have standardized cost-sharing according to plan type.

- Plan Type 1 was designed to align with the state’s Medicaid Managed Care Organization cost-sharing
- Plan Types 2 and 3 were designed to align with pre-ACA Commonwealth Care plans
- ConnectorCare enrollees have low co-pays and Maximum Out-of-Pocket amounts, and no deductibles or coinsurance, across a range of standard benefit categories

CONNECTORCARE BENEFITS & COPAYS				
Plan Type		Plan Type 1	Plan Types 2A & 2B	Plan Types 3A & 3B
Medical Maximum Out-of-Pocket (Individual/ Family)		\$0	\$750/\$1,500	\$1,500/\$3,000
Prescription Drug Maximum Out-of-Pocket (Individual/ Family)		\$250/\$500	\$500/\$1,000	\$750/\$1,500
Preventive Care/Screening/Immunization		\$0	\$0	\$0
Primary Care visit to treat injury or illness (exc. Well Baby, Preventive and X-rays)		\$0	\$10	\$15
Specialist Office Visit		\$0	\$18	\$22
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services		\$0	\$10	\$15
Rehabilitative Speech Therapy		\$0	\$10	\$20
Rehabilitative Occupational and Rehabilitative Physical Therapy		\$0	\$10	\$20
Emergency Room Services		\$0	\$50	\$100
Outpatient Surgery		\$0	\$50	\$125
All Inpatient Hospital Services (including Mental/Behavioral Health and Substance Abuse Disorder Services)		\$0	\$50	\$250
High Cost Imaging (CT/PET Scans, MRIs, etc.)		\$0	\$30	\$60
Laboratory Outpatient and Professional Services		\$0	\$0	\$0
X-Rays and Diagnostic Imaging		\$0	\$0	\$0
Skilled Nursing Facility		\$0	\$0	\$0
Retail Prescription Drugs:	Generics	\$1	\$10	\$12.50
	Preferred Brand Drugs	\$3.65	\$20	\$25
	Non-Preferred Brand Drugs	\$3.65	\$40	\$50
	Specialty High Cost Drugs	\$3.65	\$40	\$50

New 2023 Member Benefits to Promote Value, Equity, and Access

The Health Connector’s 2023 plan shelf includes Value-based Insurance Design (VBID) initiatives particularly in the ConnectorCare program, with a focus on disparate health outcomes experienced by people of color.

	VBID Area of Focus	Description
All CCA members	Recovery Coaches and Certified Peer Specialists	Encourage coverage for these EHS BH Roadmap services, with \$0 cost sharing where covered
ConnectorCare members	Reduced Cost Sharing for Tier 1 Insulin	Provide \$0 cost sharing for Tier 1 insulin in ConnectorCare
	Reductions in ConnectorCare Cost Sharing for PCP Sick Visits and Mental Health Outpatient Visits	Reduce PCP sick visit copays to \$0, which helps reduce care management access barriers for members with chronic conditions; mirror \$0 for mental health outpatient visits for parity
	Reductions in ConnectorCare Cost Sharing for Certain Conditions	Provide \$0 cost sharing for commonly used medications for diabetes (non-insulin), coronary artery disease, hypertension, and asthma

Reflections

Massachusetts has – through its state-based marketplace – made plan and program design choices that have prioritized minimizing cost sharing.

- States have limited “room to play” with actuarial value ranges for ACA metal tiers, but many opportunities are still present
- Massachusetts has:
 - ✓ Found ways to promote zero dollar point of service care for high priority benefits
 - ✓ Used the design of ConnectorCare, which uses state investment (via state cost sharing subsidies) to “fill in the gaps” between problematic co-pay levels and zero dollars, using increasingly targeted approaches that prioritize health equity considerations
 - ✓ invested in a new clinical role on staff to help with additional innovations to advance equity through plan/program design for future plan years
- Other thoughts:
 - Importance of experimentation re: cost sharing taking place against a slate of strong EHBs and core benefits, and other consumer protections
 - Possible opportunity for federal partners to think in new ways about AV ranges and metal tiers with health equity in mind

Questions?



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Appendix

Value Initiatives: Mental Health and Substance Use Disorder (SUD)

Health Connector staff, in support of EHS's Behavioral Health Roadmap and in line with RFI respondents' suggestions, recommend coverage and cost-sharing improvements for behavioral health and SUD.

- National data indicate that racial and ethnic minorities have less access to behavioral health care and medication than other groups, and when they are able to access care, it is of lower quality. National data also indicate a greater incidence of mental health and substance use disorders among LGBTQ+ populations
- The Massachusetts Department of Public Health (DPH) reported that opioid-related overdose deaths increased for Hispanic and Black non-Hispanic communities between 2018 and 2020, a trend expected to continue in 2021
- A 2021 NIH study found that Non-Hispanic Black individuals in four U.S. states experienced a 38 percent increase in the rate of opioid overdose deaths from 2018 to 2019, while the rates for other race and ethnicity groups held steady or decreased
- The 2023 SOA will encourage carriers to incorporate recovery coaches and certified peer specialists into members' treatment, ensuring they are included in all instances in which they are part of an organization or program providing recovery services
- Health Connector staff recommend requiring carriers to contract with Community Behavioral Health Centers (CBHCs), in line with the EHS BH Roadmap, for the earliest plan year in which they are implemented
- Additionally, the Health Connector will continue to require ConnectorCare carriers to provide key treatments for opioid use disorder at zero-dollar cost sharing for ConnectorCare enrollees, first introduced in Plan Year 2017

Value Initiatives: Diabetes and Hypertension

Health Connector staff intend to reduce cost-sharing in the ConnectorCare program for commonly used medications for diabetes, hypertension, coronary artery disease, and asthma, as well as PCP ‘sick visits’ as diabetes, for example, is chiefly managed in a primary care setting with occasional specialist support.

▪ Diabetes

- In 2015, it was estimated that 8.9 percent of Massachusetts residents had diabetes, with higher proportions of disease among Black and Hispanic residents
- Black residents also have twice the rate of diabetes-related mortality and four times as many diabetes-related emergency room visits compared to White non-Hispanic residents
- Building on the Health Connector’s existing initiative requiring insulins at Tier 1 cost-sharing, staff propose providing Tier 1 insulin at \$0 cost sharing in ConnectorCare
- In addition, Health Connector staff propose \$0 cost-sharing in ConnectorCare for two highly effective non-insulin medications for patients with Type 2 Diabetes

▪ Hypertension

- By age 55, 75 percent of both Black men and women have already developed hypertension, compared to 55 percent of white men and 40 percent of white women
- Health Connector staff propose \$0 cost-sharing for ConnectorCare members for three first-line generic medications used for treating hypertension

Value Initiatives: Coronary Artery Disease and Asthma

▪ Coronary Artery Disease

- Coronary Artery Disease and cardiovascular disease in general account for nearly 40 percent of the disparity in life expectancy between blacks and whites
- Health Connector staff propose \$0 cost-sharing for ConnectorCare members for two generic medications, one of which is one of the most widely prescribed medications in the United States

▪ Asthma

- Black, Hispanic, and American Indian/Alaska Native communities have the highest rates of asthma-related disease, death, and hospitalizations
- Health Connector staff propose \$0 cost-sharing for ConnectorCare members for two generic inhaled medications, one brand inhaler, and one generic oral medication, to treat mild to severe asthma

Sources: <https://www.heart.org/-/media/Files/About-Us/Policy-Research/Fact-Sheets/FACTS-CVD-and-Health-Equity.pdf>;
<https://www.aafa.org/media/2743/asthma-disparities-in-america-burden-on-racial-ethnic-minorities.pdf>