



# **Progress of the States**

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# Three Categories of States

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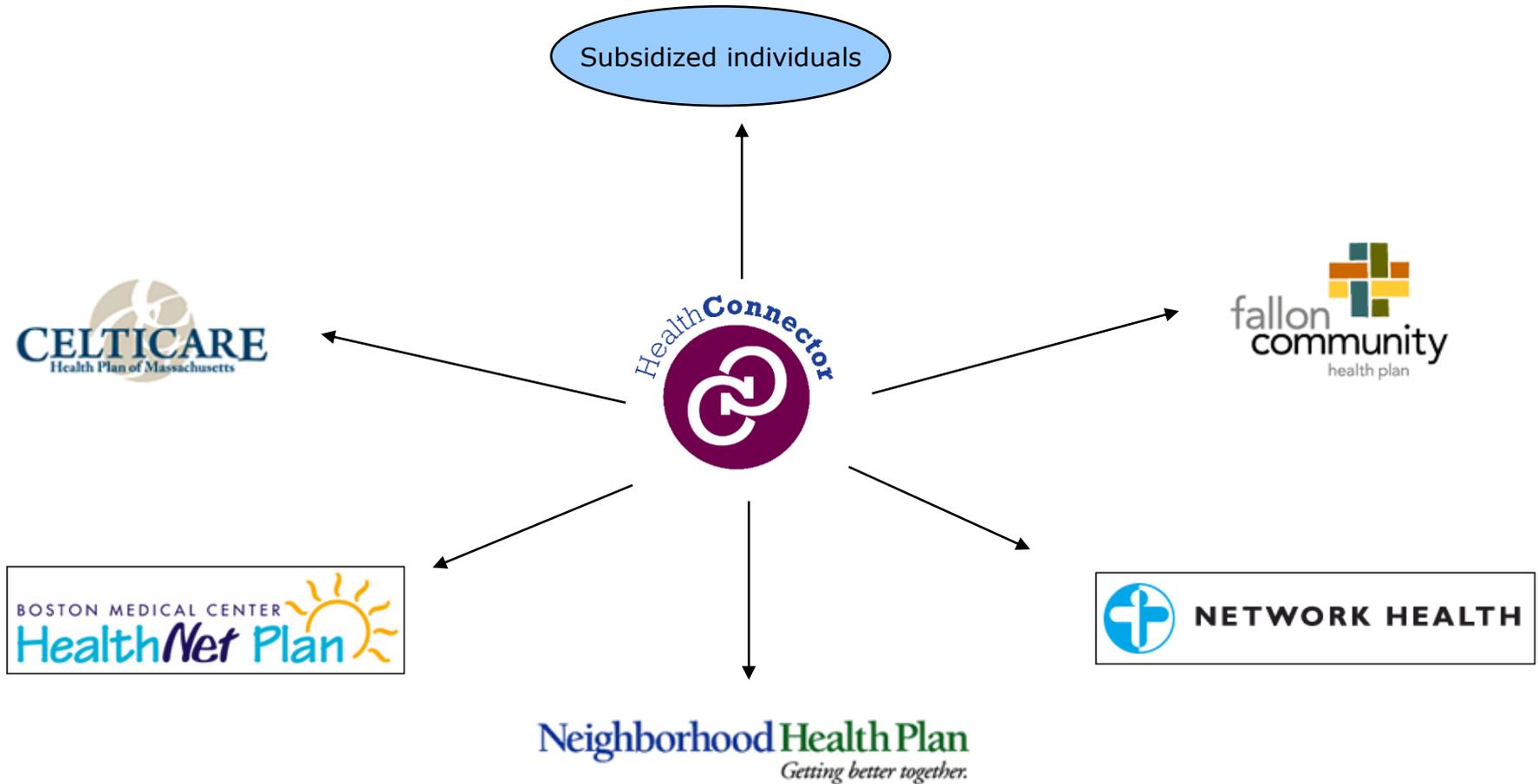
1. Wait-and-pray
2. Wait-and-plan
3. Drive to implement

# Two visions for exchanges

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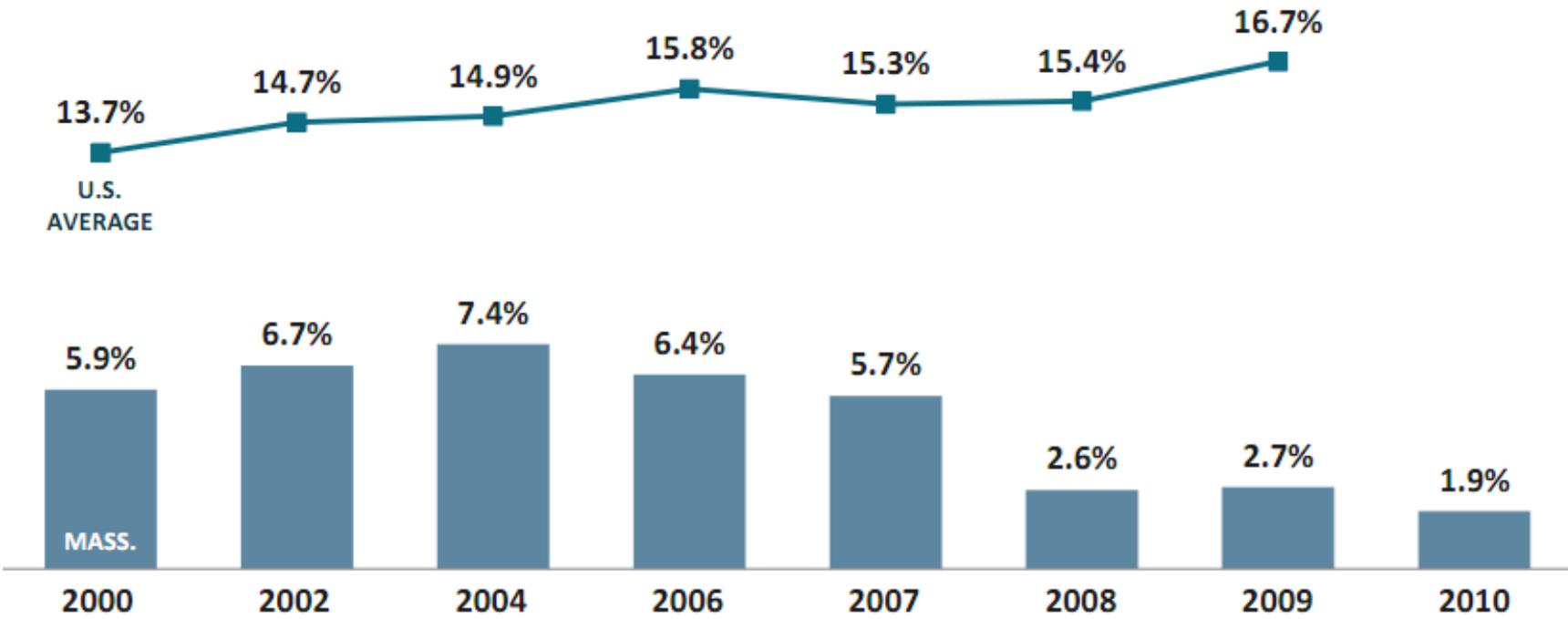
- A streamlined portal for subsidized coverage for the low-income uninsured
  - Active purchaser
  - Focus on new eligibility systems
  - Maximize coordination with Medicaid
    - BHP
    - State premium subsidy programs
    - MMCQ participation in exchange as QHPs
    - Shared information technology

# Commonwealth Care connects 175,000 low-income uninsured to standardized, subsidized MMCOs



# Massachusetts now has the lowest rate of uninsurance in the country

PERCENT UNINSURED, 2000–2010, ALL AGES

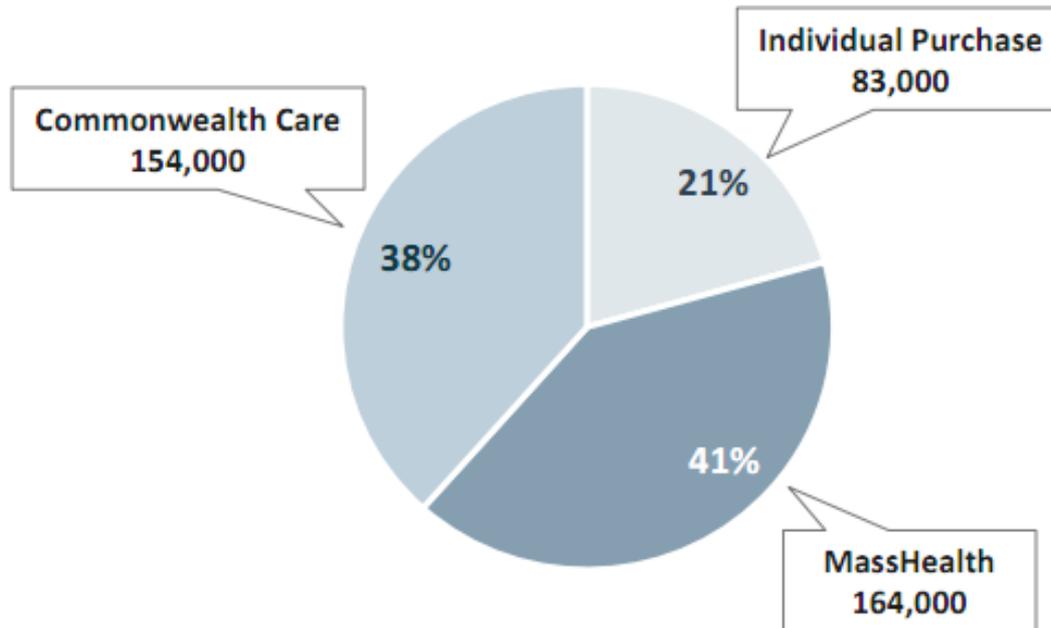


NOTE: As of 2008, the state contracted with a new vendor (Urban Institute) to track insurance coverage rates in Massachusetts. The Urban Institute implemented methodological changes to the tracking survey which may affect comparability of the 2008, 2009, and 2010 results to prior years. The national comparison presented here utilizes a different survey methodology, the Current Population Survey, which is known to undercount Medicaid enrollment in some states.

SOURCES: Massachusetts Division of Health Care Finance and Policy, *Massachusetts Health Insurance Survey* 2000, 2002, 2004, 2006, 2007, 2008, 2009, 2010; U.S. Census Bureau, *Current Population Survey* 2000, 2002, 2004, 2006, 2007, 2008, 2009.

# 401,000 more residents have coverage than before health reform

INCREASE IN NUMBER OF INSURED MASSACHUSETTS RESIDENTS BETWEEN 2006 AND 2010, BY COVERAGE TYPE



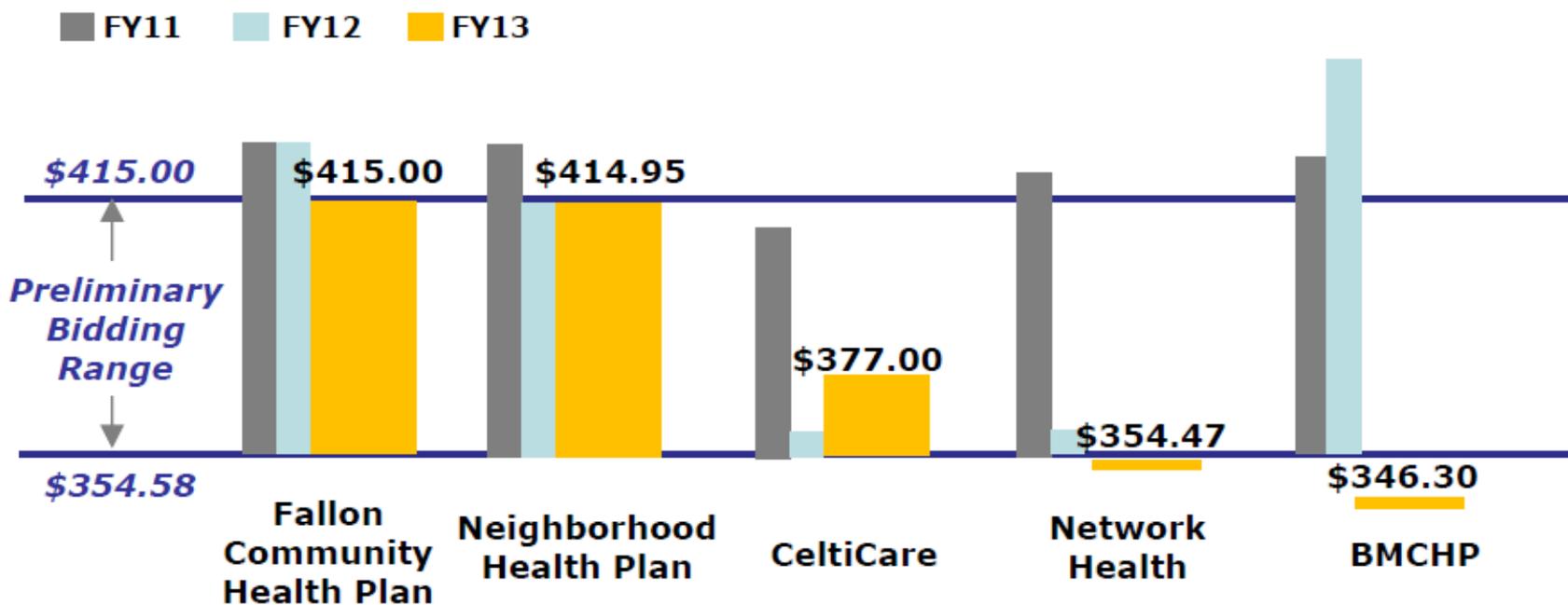
NOTE: Individuals purchasing subsidized Commonwealth Care Bridge (CommCare Bridge) coverage are included in the "individual purchase" category. CommCare Bridge is a state-subsidized health insurance program implemented October 1, 2009 for special status legal immigrants who lost their Commonwealth Care coverage on August 31, 2009 because of changes in state law. 23,807 Massachusetts residents were enrolled in CommCare Bridge for the second quarter of 2010. Medicare subscribers are not included.

SOURCE: Massachusetts Division of Health Care Finance and Policy, *Key Indicators*, November 2010.

# CommCare average annual trend well below market

Most MCOs bid flat or lower rates relative to FY12.

Medical + Administrative Capitation Bid, \$PMPM



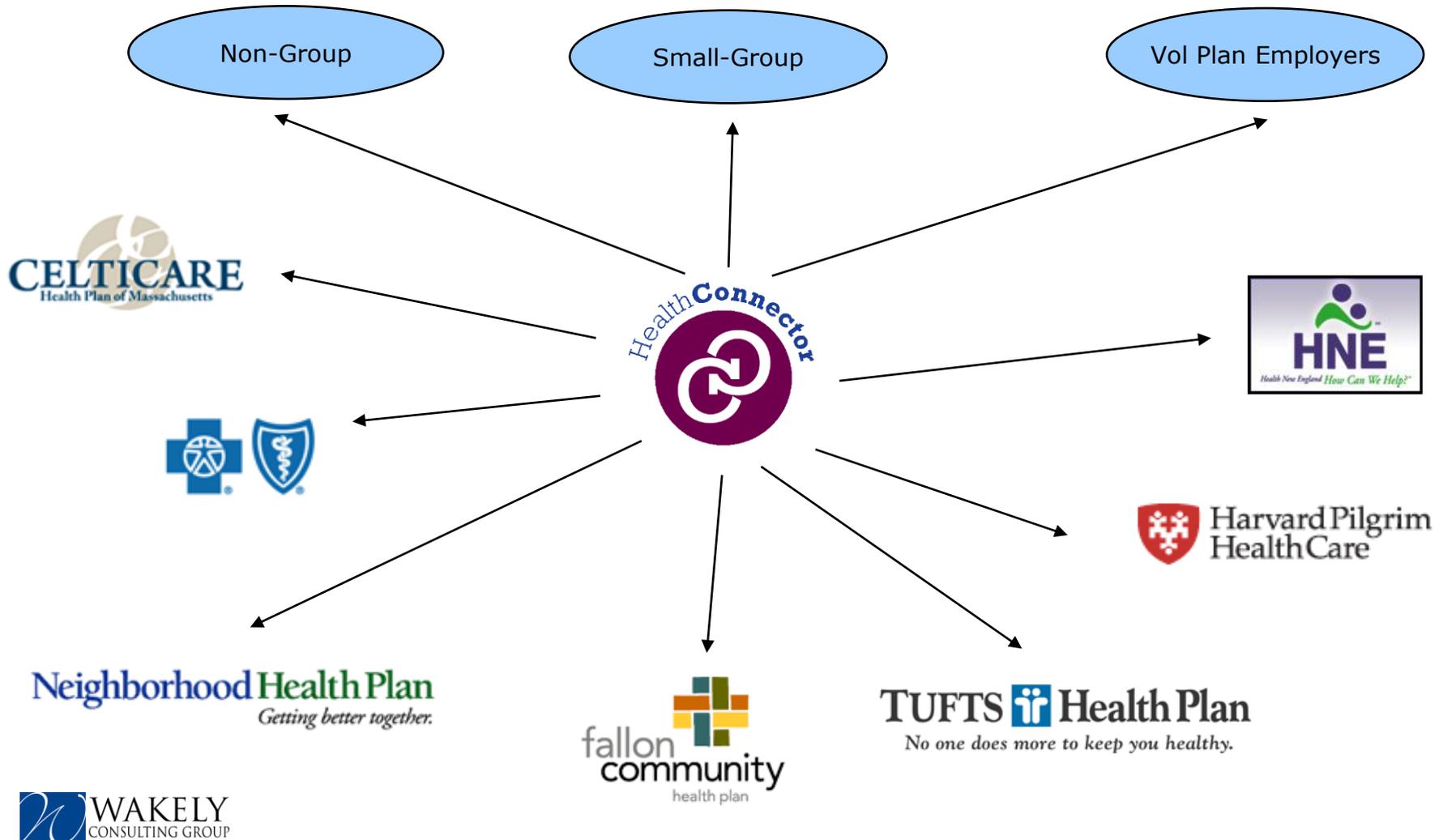
*All five capitation rate bids have been determined by an independent actuary to be actuarially sound and are within the final actuarially sound rate range.*

# The other vision for exchanges

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- A competitive marketplace for managed competition
  - Passive purchaser
  - Focus on decision support tools and consumer “engagement”
  - Minimize the state’s risk
    - No BHP
    - Encourage Medicaid managed care
    - Open Medicaid to commercial health plans

# Commonwealth Choice: *displays* unsubsidized “farmers’ market” for health insurance



# Easy to use

Enter some basic information about yourself to start shopping for health insurance.

\* REQUIRED INFORMATION

## Your Information

Residential ZIP Code \*

Type of Coverage \*  
  Self only  
  Self + spouse  
  Self +  dependent child/children  
  Family (self, spouse + dependent child/children)

Your Date of Birth \*   
(month / day / year)

Coverage to Begin \*  December 1, 2010

★ Health insurance rates depend on when you want coverage to start, where you live, your age, and the number of people you want to insure.

 Continue

# Price is king

## You've Selected:

### Benefits Package

- Bronze
- Silver
- Gold

## Narrow Your Plans by:

### Monthly Cost

- Less than \$300 (10)
- \$301 - \$400 (16)
- \$401 - \$500 (13)
- \$501 - \$600 (2)
- Greater than \$600 (1)

### Annual Deductible

- None (12)
- \$250 - \$500 (6)
- \$500 - \$1,000 (6)
- \$1,000 - \$2,000 (6)
- \$2,000 - \$4,000 (12)

### Insurance Carrier

- Blue Cross Blue Shield of Massachusetts (7)
- CeltiCare (7)
- Fallon Community Health Plan (7)
- Harvard Pilgrim Health Care (7)
- Neighborhood Health

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	H Hospital Stay
<b>STANDARD BENEFITS FOR ALL BRONZE LOW PLANS</b>								
<b>Bronze Low Benefits Package</b> 6 plans available	as low as	<b>\$231</b>	\$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"/> <a href="#">Show Plans</a>   <a href="#">About Bronze Low</a>								
<b>STANDARD BENEFITS FOR ALL BRONZE MEDIUM PLANS</b>								
<b>Bronze Medium Benefits Package</b> 6 plans available	as low as	<b>\$252</b>	\$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 checked="" type="checkbox"/> <a href="#">Show Plans</a>   <a href="#">About Bronze Medium</a>								
<b>STANDARD BENEFITS FOR ALL BRONZE HIGH PLANS</b>								
<b>Bronze High Benefits Package</b> 6 plans available	as low as	<b>\$242</b>	\$250 (ind.) \$500 (fam.)	\$5,000 (ind.) \$10,000 (fam.)	\$25 copay	\$15 copay	\$150 copay	annual deductible, then 35% co-insurance
<input checked="" type="checkbox"/> <a href="#">Hide Plans</a>   <a href="#">About Bronze High</a>								
<input type="checkbox"/>		\$242.19	↑	↑	↑	↑	↑	↑
<input type="checkbox"/>	TUFTS	\$276.59	↑	↑	↑	↑	↑	↑
<input type="checkbox"/>	<b>SMALLER NETWORK</b> 	\$288.66	↑	↑	↑	↑	↑	↑
<input type="checkbox"/>		\$311.51	↑	↑	↑	↑	↑	↑
<input type="checkbox"/>		\$358.00	↑	↑	↑	↑	↑	↑
<input type="checkbox"/>		\$380.96	↑	↑	↑	↑	↑	↑
<b>STANDARD BENEFITS FOR ALL SILVER LOW PLANS</b>								
<b>Silver Low Benefits Package</b>	as low as		\$1,000 (ind.)	\$2,000 (ind.)			annual	annual

# Transparent

Compare plan details then choose a plan to enroll in or go back to view others.

	<a href="#">Choose Plan</a>	<a href="#">Choose Plan</a>	<a href="#">Choose Plan</a>
<b>Insurance Carrier</b>	 <p><b>Neighborhood Health Plan</b></p>	 <p><b>Harvard Pilgrim Health Care</b></p>	 <p><b>Blue Cross Blue Shield of Massachusetts</b></p>
<b>NCQA Rating</b>	<p>★★★★★ 4 out of 4 stars</p> <p>→ <a href="#">View insurer's report card</a></p>	<p>★★★★★ 4 out of 4 stars</p> <p>→ <a href="#">View insurer's report card</a></p>	<p>★★★★★ 4 out of 4 stars</p> <p>→ <a href="#">View insurer's report card</a></p>
<b>Benefits Package</b>	Bronze High	Bronze High	Bronze High
<b>About Benefits Package</b>	<p><b>About Bronze High</b></p> <ul style="list-style-type: none"> <li>• Lowest annual deductible in Bronze</li> <li>• No deductible for visits to your doctor.</li> <li>• Has co-insurance. Example: A lab test costs \$100. Bronze High has 35% co-insurance. You will pay \$35 and the insurer will pay \$65.</li> </ul>	<p><b>About Bronze High</b></p> <ul style="list-style-type: none"> <li>• Lowest annual deductible in Bronze</li> <li>• No deductible for visits to your doctor.</li> <li>• Has co-insurance. Example: A lab test costs \$100. Bronze High has 35% co-insurance. You will pay \$35 and the insurer will pay \$65.</li> </ul>	<p><b>About Bronze High</b></p> <ul style="list-style-type: none"> <li>• Lowest annual deductible in Bronze</li> <li>• No deductible for visits to your doctor.</li> <li>• Has co-insurance. Example: A lab test costs \$100. Bronze High has 35% co-insurance. You will pay \$35 and the insurer will pay \$65.</li> </ul>

# CommChoice's market impact

- 35,000 individual enrollees account for half the growth in non-group, but still small #s
- CommChoice potential savings (>300% fpl):
  - Premium “spread” among health plans ~ 50%
  - Enrollment in low-priced, select-networks ~ 50%
  - Enrollment in Bronze and Catastrophic = 61%
- Eliminated administrative surcharge of \$420 per employee for mini-groups,