Massachusetts Health Insurance Coverage of its Residents

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Key Features of MA Efforts to Move Towards More Universal Entitlement

• 1992-96—Massachusetts introduced consumer protections to the individual and small group market, including guaranteed issue and a state version of adjusted community rating rules. But not without some consequences in terms of losing healthier people from the insurance pool as premiums rose.

• 2006: Massachusetts enacted Chapter 58 of the Laws of 2006 (Chapter 58—"Romneycare"), comprehensive reforms that aimed to achieve near-universal health coverage. Key components of Chapter 58 and subsequent amendments included:
  - The creation of the Health Connector, an independent agency that serves as an "exchange" marketplace to assist individuals and small employers in accessing health insurance, as well as subsidies to promote affordable coverage for residents with incomes up to 300% FPL through the Commonwealth Care program.
  - State shared responsibility requirements for individuals and employers—including both an individual mandate and modest employer payments if they did not provide coverage.
  - The merger of the individual and small group markets into a single risk pool.
Key Features of MA Efforts to Move Towards More Universal Entitlement since ACA

• 2014: Maintaining its own state exchange, MA created a new program for residents with income up to 300% FPL. That program included a federally-matched “state wrap” via a Medicaid Section 1115 waiver to meet a state affordability schedule that exceeds the federal affordability schedule. Of course, this was accompanied by ACA premium support and cost sharing subsidies.

• Residents between 300-400% FPL are also eligible for premium supports.

• As of July 2017, the Health Connector has over 250,000 enrollees, including nearly 190,000 ConnectorCare enrollees under 300% FPL and nearly 10,000 premium tax credit-only enrollees with incomes between 300-400% FPL.
Data from the Massachusetts Center for Health Information and Analysis (CHIA)
Figure 2. Health Coverage Status in Massachusetts

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insured at the time of the survey</td>
<td>96.4%</td>
</tr>
<tr>
<td>Insured at any time over the past 12 months</td>
<td>98.5%</td>
</tr>
<tr>
<td>Always insured over the past 12 months</td>
<td>92.0%</td>
</tr>
</tbody>
</table>

Source: CHIA, 2015 Massachusetts Health Insurance Survey
Figure 3: Trend in Uninsurance Rates for Non-Elderly Adults (18-64) Across Selected Surveys, 2006-2015

Note: Dashed blue lines highlight periods of health care reform. The 2007 line represents the implementation of Massachusetts health care reform and the 2014 line represents the implementation of national health care reform (ACA). ACS provides annual national and subnational estimates of health insurance coverage back to 2008. Uninsurance estimates for MHIS and MHRS are for the non-elderly adult population ages 18-64 years.
For the 96% of People in Massachusetts with some sort of insurance card—their coverage type
Private Commercial Enrollment
March 2017
4.1 Million Primary, Medical Members (-0.5% Since March 2016)

By Payer

- BCBSMA (1.6m)
- HPHC (0.5m)
- Tufts (0.32m)
- United (0.32m)
- Anthem (0.29m)
- Cigna (0.22m)
- Other (0.57m)

Change Over Past Year:
- <(-15%)
- (-14%)-(5%)
- (-5%)-4%
- 5%--15%
- > 16%

By Funding Type

- Self-Insured 56% (2.3m)
- Fully-Insured 44% (1.8m)

By Product Type

- HMO 41% (1.7m)
- PPO 39% (1.4m)
- POS 18% (0.5m)
- Indemnity 4%
- Other 3%

Source: MA APCD, supplemental data.

Notes: Data for Health Plans Inc. is included under its parent company, Harvard Pilgrim Health Care. Data for Network Health is included under its parent company, Tufts Health Plan. "Other" includes Asana, Boston Medical Center HealthNet Plan (BMCNP), CareNewport, Fallon, Health New England (HNES), Minuteman, and Neighborhood Health Plan (NHP). Private commercial data includes enrollment in subsidized health plans offered through the Massachusetts Health Connector (ConnectorCare and Advance Premium Tax Credits).
Private Commercial Enrollment by Product Type and Funding Type
March 2017

<table>
<thead>
<tr>
<th>Product Type</th>
<th>Self-Insured (Two Years Ago: March 2015)</th>
<th>Fully-Insured</th>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>HMO</td>
<td>1,087,139</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PPO</td>
<td>1,439,308</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS</td>
<td>511,917</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indemnity</td>
<td>108,096</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPO</td>
<td>129,308</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>135,948</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall</td>
<td>4,072,374</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: MA APCD, supplemental payer data.
Notes: "Other" includes plans that were not identified by Archer product type shown here.
Private commercial data includes enrollment in subsidized health plans offered through the Massachusetts Health Connector (ConnectCare and Advance Premium Tax Credits).
Massachusetts Health Connector QHP Enrollment
March 2015 - March 2017

<table>
<thead>
<tr>
<th>Purchase and Plan Description</th>
<th>Mar. 2016</th>
<th>Mar. 2017</th>
<th>Absolute</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Purchasers Total</td>
<td>202,074</td>
<td>239,559</td>
<td>37,485</td>
<td>19%</td>
</tr>
<tr>
<td>ConnectorCare (0 - 300% FPL)</td>
<td>153,337</td>
<td>180,354</td>
<td>27,017</td>
<td>18%</td>
</tr>
<tr>
<td>QHP with APTC (≤ 400% FPL)</td>
<td>7,671</td>
<td>9,214</td>
<td>1,543</td>
<td>20%</td>
</tr>
<tr>
<td>Unsubsidized QHP (&gt; 400% FPL)</td>
<td>41,066</td>
<td>49,986</td>
<td>8,919</td>
<td>22%</td>
</tr>
<tr>
<td>Small Group Total</td>
<td>5,904</td>
<td>8,315</td>
<td>2,411</td>
<td>7%</td>
</tr>
<tr>
<td>Massachusetts Health Connector Total</td>
<td>208,083</td>
<td>245,042</td>
<td>37,964</td>
<td>18%</td>
</tr>
</tbody>
</table>

Source: Massachusetts Health Connector

Notes: Member counts are as of the first business day of the corresponding month and exclude prospective membership.

Private commercial data includes enrollment in subsidized health plans offered through the Massachusetts Health Connector (ConnectorCare and Advance Premium Tax Credits).

1 Percentage of Health Connector individual purchasers.
Figure 3. Massachusetts Health Connector Affordability Schedule for Individuals, CY 2018

<table>
<thead>
<tr>
<th>Income Bracket</th>
<th>Bottom</th>
<th>Top</th>
<th>Monthly Affordability Standard</th>
<th>Bottom</th>
<th>Top</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of FPL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 - 150%</td>
<td>$0</td>
<td>$18,090</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>150.1 - 200%</td>
<td>$18,091</td>
<td>$24,120</td>
<td>2.90%</td>
<td>$44</td>
<td>$58</td>
</tr>
<tr>
<td>200.1 - 250%</td>
<td>$24,121</td>
<td>$30,150</td>
<td>4.20%</td>
<td>$84</td>
<td>$106</td>
</tr>
<tr>
<td>250.1 - 300%</td>
<td>$30,151</td>
<td>$36,180</td>
<td>5.00%</td>
<td>$126</td>
<td>$151</td>
</tr>
<tr>
<td>300.1 - 350%</td>
<td>$36,181</td>
<td>$42,210</td>
<td>7.45%</td>
<td>$225</td>
<td>$262</td>
</tr>
<tr>
<td>350.1 - 400%</td>
<td>$42,211</td>
<td>$48,240</td>
<td>7.60%</td>
<td>$267</td>
<td>$306</td>
</tr>
<tr>
<td>Above 400%</td>
<td>$48,241</td>
<td></td>
<td>8.05%</td>
<td>$324</td>
<td></td>
</tr>
</tbody>
</table>

Source: Health Connector Board of Directors, April 2017 (note that similar schedules are set for couples and families)
About 1.9 Million in MassHealth—of which 1.3 Million in Direct and 575,000 get partial/secondary coverage.
Medicare Enrollment by Delivery System
March 2015 - March 2017
1.1 Million Primary, Medical Members (+1.9% Since March 2016)

Source: MA APCD, supplemental payer data, CMS.
Notes: Medicare Advantage excludes enrolment in SCO, One Care, and PACE, which are reported separately. Medicares FFS includes only beneficiaries with both Part A and Part B coverage. Medicare FFS enrolment includes members who are dually eligible for MassHealth and receiving services through the MassHealth FFS delivery system.
SCO, One Care, and PACE Enrollment
March 2015 - March 2017

![Graph showing enrollment trends for SCO, One Care, and PACE from March 2015 to March 2017.]

<table>
<thead>
<tr>
<th>Program</th>
<th>Members</th>
<th>One-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mar. 2016</td>
<td>Mar. 2017</td>
</tr>
<tr>
<td>Senior Care Options (SCO)</td>
<td>41,307</td>
<td>47,164</td>
</tr>
<tr>
<td>One Care</td>
<td>12,581</td>
<td>15,601</td>
</tr>
<tr>
<td>Program of All-inclusive Care for the Elderly (PACE)</td>
<td>3,886</td>
<td>4,226</td>
</tr>
<tr>
<td>Total</td>
<td>53,888</td>
<td>62,765</td>
</tr>
</tbody>
</table>

Source: MA APCD

Notes: Fallon Total Care ended its participation in One Care as of September 30, 2016; it served members in Hampden, Hampshire, and Worcester counties. One Care auto-assignments occurred on 1/1/2014, 4/1/2014, 7/1/2014, 11/1/2014, 1/1/2015, 10/1/2015, and 1/1/2017. Rounds 4, 5, and 6 consisted only of auto-assignments to Tufts Health Plan. Round 7 consisted only of auto-assignments to CCA. CCA accepted limited enrollments for January 1 and May 1 in 2015, and in May 2016 fully responded to new enrollments for June 1, 2016 and later dates. As of March 2017, 92% of SCO members and 95% of PACE members also had Medicare.
Health Safety Net Trust Fund (formerly Free Care Pool) for MA Residents

• The Health Safety Net (HSN) is available to uninsured and underinsured Massachusetts residents whose family income is under a certain percentage of the Federal Poverty Level (FPL):
  • Massachusetts residents with income between 0-150% of the FPL may be eligible for the Health Safety Net.
  • Massachusetts residents with income above 150% and equal to, or less than 300% FPL may be eligible for the Health Safety Net with a deductible.

• The HSN can act as a secondary payer for eligible individuals enrolled in:
  • private insurance,
  • student health insurance,
  • Medicare,
  • certain MassHealth programs,
  • Qualified Health Plan, or
  • ConnectorCare (for the first 90 days)

• Care is obtained either at hospitals or at community health centers.

• One-fifth of beneficiaries are elderly, many of whom have Medicare but cannot afford to pay the deductibles or co-pays. Other beneficiaries are immigrants who are ineligible for coverage, because they are undocumented or are waiting for asylum or other legal status. Some are family members of workers whose employer offers insurance, but for whom the cost of a family policy is prohibitive.

• Baker Administration claim 170,000 people whose care was paid for by the Health Safety Net are eligible for ConnectorCare, but 100,000 of them have not enrolled, and wants them to do so. Also, Baker administration is trying to broaden the group who must pay a deductible when they use the HSN for care.
**HSN Total Demand and Payment Trends**

- **Hospital Payments**
- **CHC**
- **Shortfall**

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center payments are reported in the month in which payment was made. The shortfall amount is based on spending assumptions in place during the fiscal year and may differ from year-end shortfall estimates reported elsewhere. Data reflect payment and projected demand levels as of the end of each fiscal year and exclude adjustments made after the end of the fiscal year. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.

**Source:** Health Safety Net Payment Calculations as of 10/28/16.

**Demand represents the amount that providers would have been paid in the absence of a funding shortfall.**

Health Safety Net fiscal year 2016 (HSN16) demand exceeded HSN16 funding. Hospital providers experienced a $111 million shortfall during HSN16.
The Health Safety Net (HSN) estimates it will have made payments for medical and dental services provided to 285,000 individuals in HSN16.

The total number of HSN16 patients is estimated based on current claims data and historical claims experience.

A portion of claims for HSN16 dates of service have not yet been submitted. These claims may represent unique patients that are not included in these figures.

Notes: The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Users who receive a service in more than one setting (hospital, community health center) or from more than one payment type (low income patient, emergency bed diet) are counted only once. Due to claim lag there may be unique users not yet accounted for. Users are reported on claims for which payments were made to hospital and community health center providers based on date of service. Numbers are rounded to the nearest thousand; percent changes are calculated prior to rounding.