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The New England States Collaborative For Insurance Exchange Systems:

Supporting Massachusetts and National Health Reform Through Technology Innovation

University of Massachusetts Medical School - Center for Health Policy and Research
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Funding for NESCEIS comes from the CMS Center for Consumer Information and Insurance Oversight (CCIIO), established in CMS, to provide States with resources for implementing exchanges:

• MA Connector Authority awarded $1 million for policy and planning
• UMass Medical School was awarded $35,591,333 to establish New England States Collaborative For Insurance Exchange Systems (NESCIES)

Achievements as of 2010
• 98.1% of adults and 99.8% children insured after 3 yrs
• Of newly insured, 25% private pay
• 98% compliance (taxpayer filings)
• 59% - 75% voter approval rating
• Established functioning health insurance exchange (HIX)

Oversight (CCIIO), established in CMS, to provide States subsidies for eligible residents earning below 300% of Federal Poverty Level (FPL)

• Provides standardized shopping experience for individuals and small businesses
• Makes insurance affordable by direct application of subsidies for eligible residents earning below 300% of Federal Poverty Level (FPL)

2006 Massachusetts Health Reforms

2010 Affordable Care Act

Coverage Expansions:
• Medicaid expansion to <133% of FPL
• Insurance subsidies (as advanceable tax credits) to <400% of FPL
• Individual mandate like MA
• Insurance Market Reforms
• Requires all states to establish insurance exchanges

2010 Affordable Care Act

Massachusetts Exchange Vision

<table>
<thead>
<tr>
<th>Massachusetts Today</th>
<th>Massachusetts 2014</th>
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<tbody>
<tr>
<td>Premium subsidies for legal residents earning between 0% and 300% FPL</td>
<td>Tax credits for legal residents earning between 133% and 400% FPL</td>
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<tr>
<td>Premium subsidies managed by “Connector”</td>
<td>Tax credits managed by the Internal Revenue Service (IRS)</td>
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<tr>
<td>3 benefit tiers (Bronze-Gold) and Young Adult Plans</td>
<td>4 benefit tiers (Bronze-Platinum) and Catastrophic Plans</td>
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<tr>
<td>Benefit plans defined by MA minimum creditable coverage; fully-insured products</td>
<td>Federal essential benefits package</td>
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<tr>
<td>“Connector” collects premiums and pays health plans</td>
<td>Federal law suggests that individuals pay health plans directly minus tax credits</td>
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<tr>
<td>“Connector” sustained by administrative fee</td>
<td>Sustainability model yet to be determined</td>
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Potential Research Questions

• Consumer characteristics impact on health plan benefit design and plan selection
• Understanding and optimizing consumer’s health plan “purchasing” decision
• Plan selection/benefit type impact on general and specific clinical outcomes
• Effect of HIX design (e.g. active vs. passive) and functionality (e.g. active consumer support) on system outcomes (e.g. affordability, availability, take-up, etc.)

Acknowledgements

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For detailed project information, please visit www.nescies.org
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