

Massachusetts Progress Report

STATE ACTIONS PROTECTING PATIENTS IN THE EXCHANGE

OVERVIEW

States vary in terms of the patient-centeredness of their health insurance markets. While federal rules set minimum requirements for consumer protections, some states have acted to make their markets more patient-focused. This scorecard evaluates states based on five key areas that assess patient-friendliness of their insurance markets to promote policies that best protect patients.

FIVE PATIENT-FOCUSED PRINCIPLES

NON-DISCRIMINATION

To ensure cost sharing and other plan designs do not discriminate or impede access to care.

- No state action to limit discrimination.
- Twenty-four unique platinum offerings in the 2015 exchange.
- No state action on provider network requirements.
- The premium for the 2nd lowest cost silver plan is 8% less in 2015 than it was in 2014.²

For non-discrimination metrics, relative to other states, Massachusetts is an



TRANSPARENCY

To promote better consumer access to information about covered services and costs in exchange plans.

- Massachusetts' website allows consumers to filter plan options and has links to plans' provider directories and formularies. The website also features a provider search tool. However, the website lacks a formulary search tool and calculators to help estimate tax credit or out-of-pocket expense amounts.
- No state action regarding contracting requirements for plan information transparency.

For transparency metrics, relative to other states, Massachusetts is an



MASSACHUSETTS HIGHLIGHTS

Massachusetts established a state-based exchange, called the [Massachusetts Health Connector](#).

In the 2014 plan year, 31,700 residents in Massachusetts selected an exchange plan through the [Health Connector](#). About 8% of Massachusetts residents who are eligible for exchange coverage enrolled in an exchange plan in 2014.¹

Massachusetts expanded Medicaid, effective in 2014.

PROGRESS LEGEND

This report measures states using two methods of evaluation:

First, the report measures a state's performance on a series of metrics related to the five principles.

- Beneficial for Patients
- Neutral for Patients
- Negative for Patients

Second, the report compares a state's aggregate performance on all metrics within each principle to other states' performance on these same metrics.



STATE OVERSIGHT

To ensure all health insurance exchange plans meet applicable requirements.

- Active purchasing—the state actively negotiates with plans to participate in the exchange.
- Massachusetts limits the number of bids an issuer may submit and requires issuers to offer plans in all four metal levels.
- Its effective rate review program allows the state to manage premium increases.³
- Twelve carriers in the 2015 exchange.

For state-oversight metrics, relative to other states, Massachusetts is a



UNIFORMITY

To create standards to make it easier for patients to understand and compare exchange plans.

- Massachusetts standardized benefit designs.
- In 2014, the [Massachusetts Health Connector](#) developed quality ratings on a four-star scale based on the National Committee for Quality Assurance's plan report card, reflecting issuer evaluations from July 2013. However, in 2015 the ratings are no longer displayed. The Health Connector has not publicly made a rationale for the removal of ratings.
- No state action on standardized display of plan information.

For uniformity metrics, relative to other states, Massachusetts is an



CONTINUITY OF CARE

To broaden sources of coverage and protect patients transitioning between plans.

- Massachusetts provides supplemental premium subsidies for individuals with incomes below 300% of the federal poverty level.
- Massachusetts expanded Medicaid, which now covers an estimated 276,000 people in the state.

For continuity-of-care metrics, relative to other states, Massachusetts is a



A MORE PATIENT-FOCUSED MASSACHUSETTS MARKETPLACE

Massachusetts has achieved considerable success in fostering a patient-focused market, as they have taken numerous state actions, beyond the federal requirements, that better protect patients.

However, Massachusetts has not exercised its full authority to regulate the exchange to promote patient protections. Through legislative or other state action, Massachusetts could enhance contracting requirements for plan information transparency and standardize the display of plan information. The state also could consider oversight activities that would screen exchange plans for discrimination, and enhance network adequacy requirements. Further, patients would benefit if the state displayed quality rating measures, as these measures would better inform plan selection.

METHODOLOGY

Data by Avalere Health as of January 1, 2015. Avalere maintains a proprietary database of state policy developments for all 50 states and DC. Avalere also used key resources from publicly available websites, cited where applicable. Avalere conducted a focused review of state exchange insurance markets; this assessment is not intended to be a comprehensive review of state insurance markets. Avalere only included finalized actions established in the state, and did not include proposed measures or actions.

For definitions of key terms, see the [National Health Council's Putting Patients First® glossary](#).

- 1 Kaiser Family Foundation, "Estimated Number of Individuals Eligible for Financial Assistance through the Marketplaces," November, 2014, accessed via: <http://kff.org/other/state-indicator/estimated-number-of-individuals-eligible-for-premium-tax-credits-through-the-marketplaces/>
- 2 Kaiser Family Foundation, "Analysis of 2015 Premium Changes in the Affordable Care Act's Health Insurance Marketplaces," January 06, 2015, accessed via: <http://kff.org/health-reform/issue-brief/analysis-of-2015-premium-changes-in-the-affordable-care-acts-health-insurance-marketplaces/>
- 3 The Center for Consumer Information & Insurance Oversight, "State Effective Rate Review Programs," April 16, 2014, accessed via: http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/rate_review_fact_sheet.html