



Early Innovators Grant Update

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Project Summary

The overall goal of the ***New England States Collaborative Insurance Exchange Systems (NESCIES)*** project is to create Health Insurance Exchange (HIX) Information Technology components **in Massachusetts** that are consumer-focused, cost-effective, reusable, and sustainable and **that can be leveraged** by New England and other states to operate Health Insurance Exchanges (HIX).

The **NESCIES** project will create a learning collaborative, led by a multi-state steering committee, where participating states can share and develop cutting edge and cost-effective technology components, intellectual property, and best practices for implementing an insurance exchange.

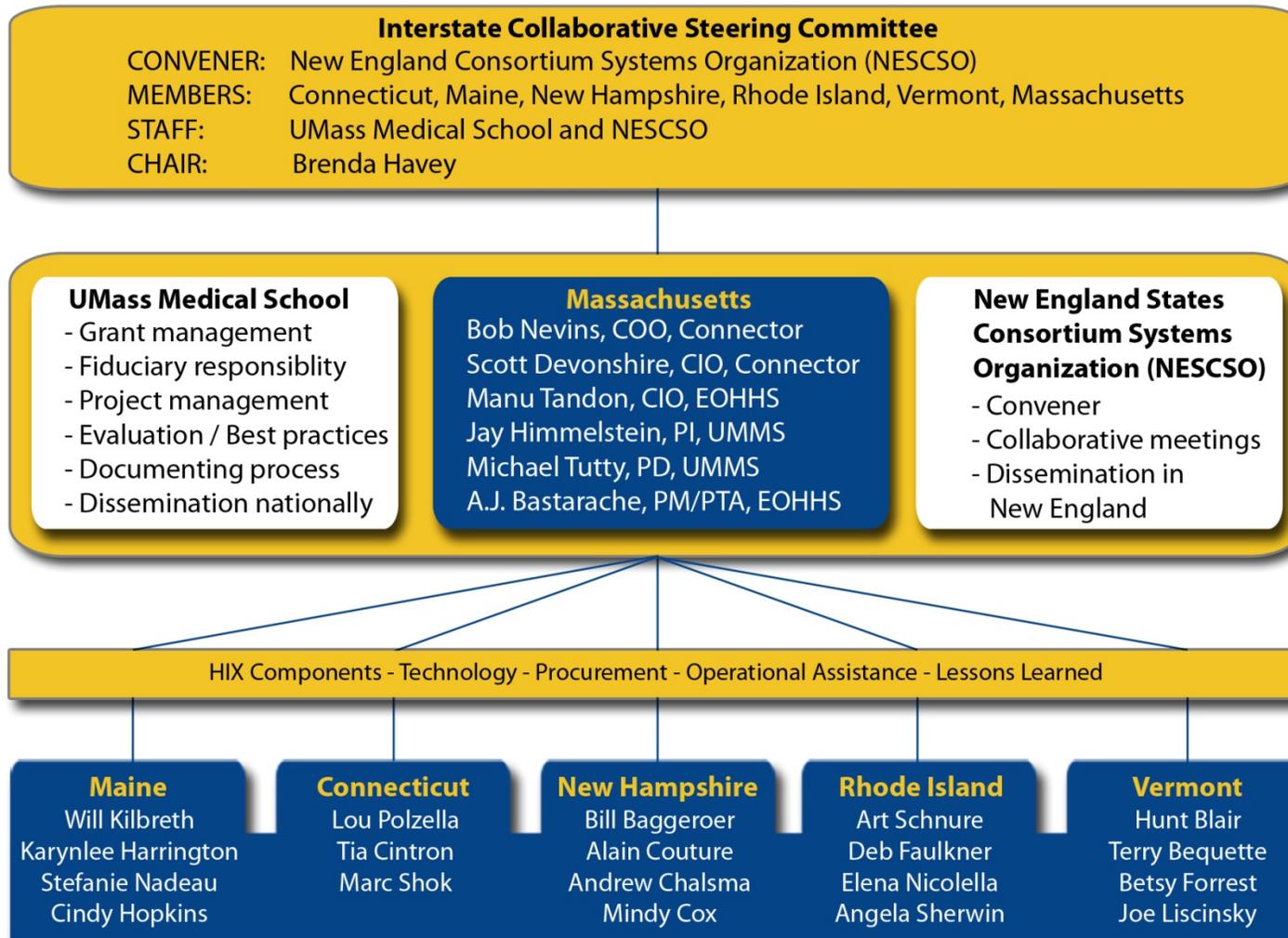


Early Innovator Grant

- **\$35.6 M** – Early Innovator Grant
 - Awarded to: University of Massachusetts Medical School on behalf of the New England States Collaborative for Insurance Exchange Systems (NECSIES)
 - Duration: 2 years beginning March 1, 2011 and ending February 28, 2013
- Current Activities
 - UMass Medical Center in collaboration with the Health Connector and the Executive Office of Health and Human Services submits funding request on behalf of Massachusetts and the 5 other New England states (New England Consortium) for \$35.6M in Dec. 2010
 - Award granted by CCIIO to New England Consortium in February 2011. Other states receiving awards include New York, Maryland, Oklahoma, Wisconsin, Oregon and Kansas. Oklahoma has recently returned their award.
 - New England States Collaborative Insurance Exchange Systems (NESCIES) established in March 2011.



Governance





Business Process Redesign

Start with 12 week Business Process Redesign (BPR) engagement that will:

- Perform an assessment of the current Exchange IT components and determine whether the components:
 - meet the CCIIO and CMS standards and do not need to be changed;
 - do not meet the CCIIO and CMS standards, but can be modified to meet CCIIO and CMS standards;
 - must be removed as they do not meet CCIIO and CMS standards or are unnecessary for the Exchange; or
 - must be newly built because one or more necessary components are not currently in place to meet CCIIO and CMS standards.
- The criteria to be used for making the above assessment are as follows:
 - Whether the proposed model integrates with current Massachusetts IT vision
 - Level of functionality and conformance with requirements of ACA and specifications provided by CCIIO
 - Determine the scope, requirements and architecture of the new production environment.
 - One –time cost and projected annual cost to maintain.
 - Time to market
 - **Reusability with New England states**



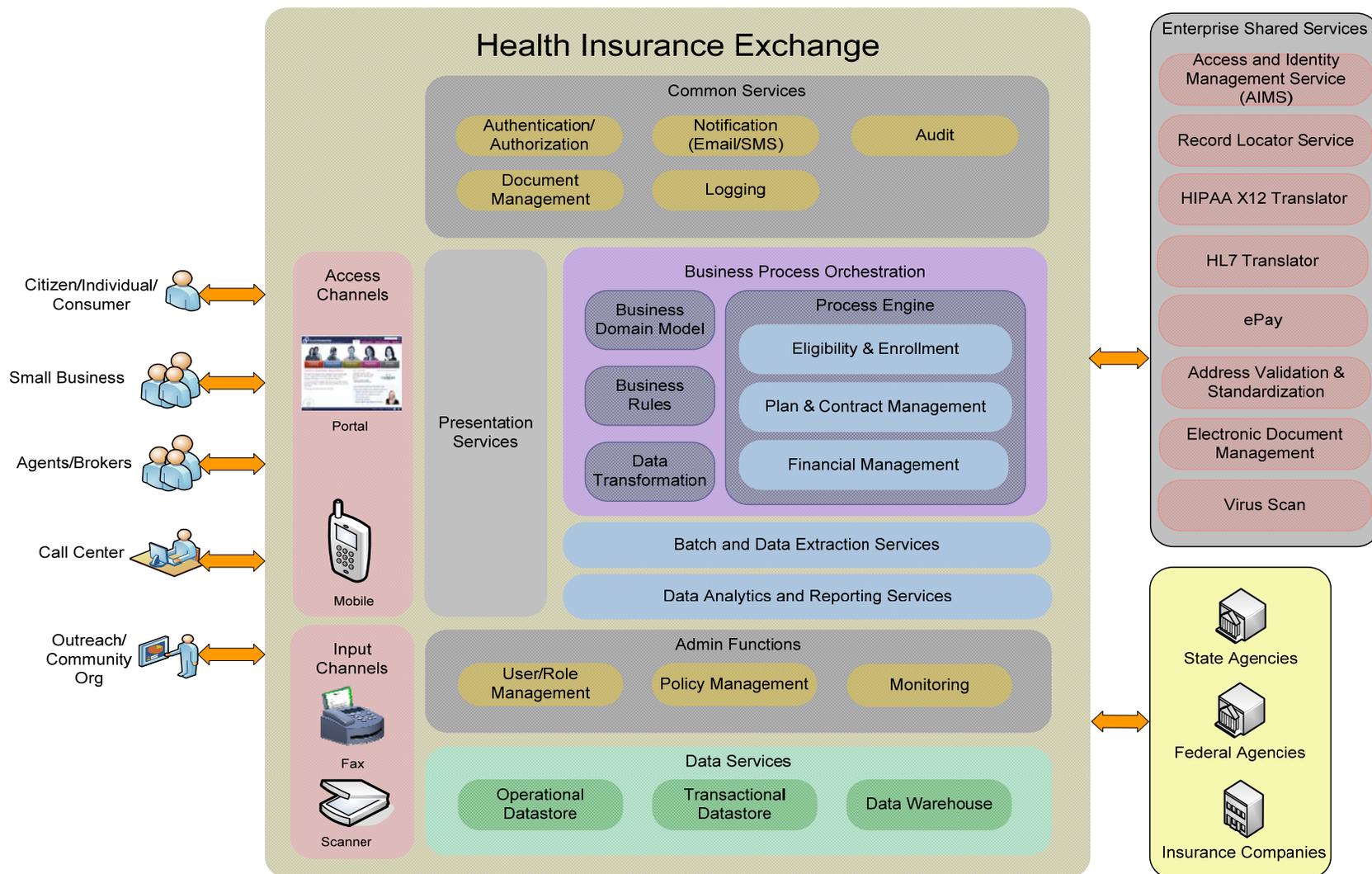
Design Considerations

Proposed System

1. Consumer-Friendly user interface with consumer-mediated workflow and authorization.
2. Based on Exchange Reference Architecture.
3. Reusable and Interoperable components based on Service Oriented Architecture (SOA).
4. Follows Federal and Industry standards for Accessibility, Business Rules, Messaging and Security.
5. Reuse of existing MA EOHHS Virtual Gateway Enterprise Shared Services.
6. Open Architecture – based on Open Source Frameworks.
7. Scalable Infrastructure based on Cloud computing.



Proposed System Components





Functional Requirements

Functional Design Requirements

1. <u>Eligibility and Enrollment</u>	<ul style="list-style-type: none">• Employer enrollment in an Insurance SHOP Exchange• Individual enrollment in a qualified health plan offered through the Insurance Exchange• Integration with Medicaid and CHIP
2. <u>Plan Management</u>	<ul style="list-style-type: none">• Plan certification, recertification and decertification• Issuer contracting• Plan rating
3. <u>Financial Management</u>	<ul style="list-style-type: none">• Premium determination including premium tax credits, vouchers, and cost sharing• Plan assessment, reinsurance, risk adjustment, and risk corridors functions• Individual and issuer reconciliation
4. <u>Customer Service</u>	<ul style="list-style-type: none">• Manage responses to information requests and requests for service• Efficient distribution/management of requests across phone, web, paper and face-to-face
5. <u>Communications</u>	<ul style="list-style-type: none">• Communications and outreach strategies; content and messaging• Measurement/reporting of communication effectiveness
6. <u>Oversight</u>	<ul style="list-style-type: none">• Federal oversight of Exchange operations• Insurance Exchange management and operations



Assumptions and Constraints

Dependencies

- Timely completion of a Federal Hub
- Alignment of state and federal policy on payment reform

Assumptions

- State finalizes policy and business decisions related to HIX development in a timely way
- Federal government finalizes policy and business decisions related to HIX development in a timely way
- Full cooperation from key stakeholders including insurance providers
- Business Process Review vendor completes on-time for required deliverables
- Systems Integrator completes on-time for required deliverables

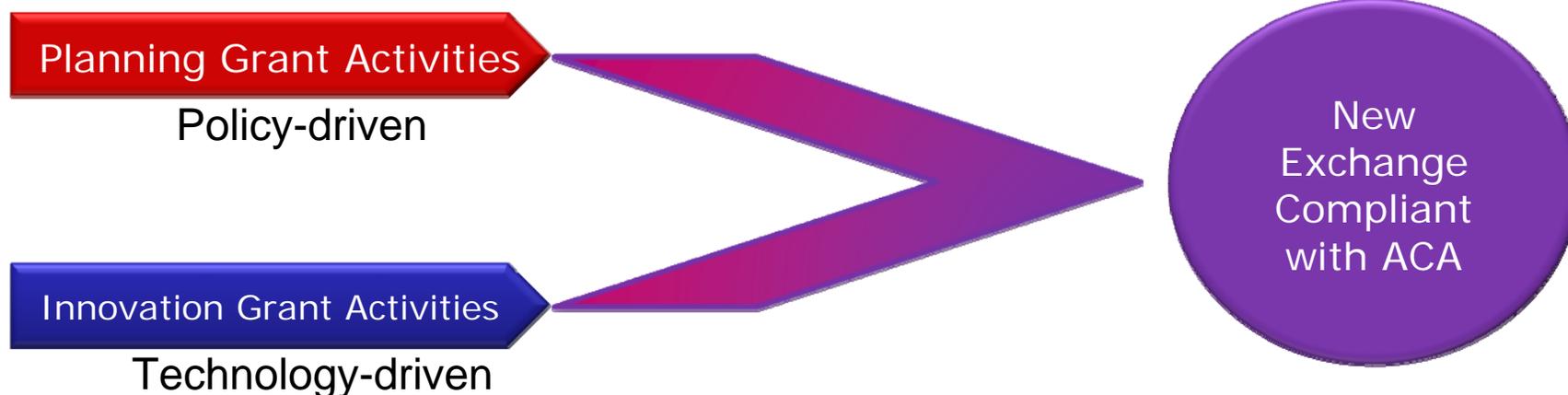
Constraints

- Real-time eligibility check with MA-21 is possible only if the personal verification and income determination are done through the Federal Government



Internal Planning Challenge

Merging the Planning Grant and Innovation Grant activities



Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul

2011 2012 2013



Contact Information

Summary/Follow Up/Questions

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