

# FY19 H.2 proposal to transition non-disabled adults >100% FPL from MassHealth to ConnectorCare

January 24, 2018

The FY19 budget includes an updated proposal, first introduced in the Governor's FY18 MassHealth reform package, to transition coverage for non-disabled adults with incomes 100%-138% of the federal poverty level (FPL) from MassHealth to comprehensive, affordable and comparable coverage through the Health Connector.

- The proposed shift, effective January 1, 2019, allows the Commonwealth to maximize federal subsidies and generate significant revenue while maintaining access to high quality, comprehensive and affordable coverage for members, comparable to what they currently receive through MassHealth.
- The increase in federal subsidies is expected to result in **\$120M in net value to the Commonwealth annually (\$60M in FY19)**.

The Baker-Polito administration is committed to health care access and coverage. The proposal preserves comparable coverage for the transitioning population while enhancing coverage for current ConnectorCare enrollees.

- In September 2017, the administration updated its proposal based on input from stakeholders to enhance ConnectorCare coverage by reducing cost sharing and expanding dental benefits, making it comparable to MassHealth benefits and cost sharing. These updates are included in the FY19 budget proposal.
- **ConnectorCare "Plan Type 1", currently available to Connector enrollees up to 100% FPL, will be extended to 138% FPL, encompassing the population of non-disabled adults that would shift from MassHealth.**
  - Plan Type 1 offers:
    - Access to at least one plan with \$0 premium
    - \$0 deductibles for all plans
    - Nominal copays, equivalent to MassHealth's cost sharing
  - **Dental coverage will be newly provided for all ConnectorCare Plan Type 1 members (up to 138% FPL), including ~30,000 current ConnectorCare members (lawfully present immigrants 0- 138% FPL).**

## Additional Benefits

- The shift of non-disabled adults over 100% FPL from MassHealth to the Connector will also reduce enrollment churn by allowing members to remain on the Connector as long as their income remains above 100% FPL.
  - Currently 26% of non-disabled adults with incomes over 100% FPL experience churn between MassHealth and ConnectorCare coverage during the course of a year.
- No change for disabled adults, pregnant women, and individuals with HIV and breast and cervical cancer.
- As part of the updated proposal, veterans with access to federal veterans' health coverage that would preclude them for access to subsidized Connector coverage will also remain on MassHealth.

## Financial Impact

- Estimated fiscal impact for FY19: \$60M net savings due to increased federal subsidies (\$108M net reduction for MassHealth, \$48M net increase for Connector)
- Estimated fiscal impact for FY 20: \$120M net savings due to increased federal subsidies (\$216M net reduction for MassHealth, \$96M net increase for Connector)

**This shift also requires federal and state approval.**

## Benefits comparison for non-disabled adults

Covered Services	CommCare (Ch. 58)	ConnectorCare	MassHealth
Ambulance (emergency)	X	X	X
Behavioral Health Services	X	X	X
Community Health Center	X	X	X
Dental Services	Plan Type 1 only (<100% FPL)	<b>Plan Type 1 only</b> <b>(&lt;138% FPL)</b>	X
DME and Supplies	X	X	X
Family Planning	X	X	X
Inpatient Acute Hospital	X	X	X
Laboratory/X-ray/ Imaging	X	X	X
Nurse Practitioner Services	X	X	X
Outpatient Hospital	X	X	X
Outpatient Surgery	X	X	X
Pharmacy	X	X	X
Physician	X	X	X
Therapy (PT, OT, ST)	X	X	X
Vision Care	X	X	X
Chiropractic Care	X	X	X
Home Health (short-term)	X	X	X
Hospice	X	X	X
Skilled Nursing Facility (short-term)	X	X	X
Long-Term Services and Supports (includes long-term Skilled Nursing Facility)			X*
Non-emergency Medical Transportation			X

ConnectorCare Plan Type 1 copays are the same as MassHealth's copays today

Plan Type 1 enrollees (up to 138% FPL) will have access to the same dental benefits that MassHealth members have, effective 1/1/19

Individuals with disabilities will remain in MassHealth and have access to LTSS services

\*MassHealth Standard only – parents and caretakers, as well as disabled individuals.