

## Special Audio Report Transcript

Headline: Jon Kingsdale on Lessons From Massachusetts' Experiences With a Health Insurance Exchange

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### Text:

Jon Kingsdale, independent consultant and former executive director of Massachusetts' Commonwealth Health Insurance Connector Authority

"The exchange in Massachusetts -- the Health Connector, we call it -- had a significant impact as a lead agency in implementing all of health reform in Massachusetts. So it was the insurance store, but we also set policy around, for example, if folks have to have insurance, as long as it's affordable, what does affordable mean? If they have to have insurance, what's a minimum insurance package that would pass the kind of sniff test -- oh, yes, that's at least decent coverage. So we had a profound impact on the 400,000-plus people in Massachusetts who were newly insured within the first two years of health reform. And then specifically around the exchange, we were a place where 200,000 of those 400,000 newly insured came to get their insurance."

"The first lesson learned from Massachusetts is it's darn difficult to drive the train and change the wheels at the same time. We had to put programs up within months of, say, my starting, let alone any staff being hired on. So we were constantly balancing trying to get things going and planning for the next set of things. And so a luxury that California has, that many of the states have, under the Federal Patient Protection and Affordable Care Act, which I hope they don't throw away, is to take the three years that you have before the exchanges need to be up and running -- in the fall of 2013 to be covering people for January 1, 2014 -- to take that time to carefully plan and develop programs. And there's a lot to do, so it's really not too much time, but it's very different from doing and planning at the same time that we did in Massachusetts. So that's one lesson."

"A second thing that we learned -- and I think we did well -- is that this is a constant campaign in which communications with a huge variety of groups is really critical to success. People are anxious about insurance. The uninsured are particularly not terribly knowledgeable and anxious about it. But all sorts of other folks are too -- employers and brokers and doctors and hospitals and consumer groups -- and so it's really important to understand their anxieties and questions and respond to them as best as possible."

"Beyond that, what is it that would be success in California for an exchange come three or four years after it's been up and running? And there's some choices to make: Do you want the exchange primarily just to keep premiums

as low as possible? Do you want the exchange also to help transition safety-net providers -- health centers and county hospitals whose financial world is changing under reform -- help transition them to this kind of brave, new world, and without seeing the loss of those critically important providers? Do you as Californians want to remake the delivery of medical care so we have more integrated quality-focused and value-focused delivery systems? These are all strategic objectives that will push the exchange maybe in one direction or another. And it's important to think that through with the stakeholders and have some decided points of view on it."