

HOUSE No. 5189

The Commonwealth of Massachusetts



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KARYN POLITO
LIEUTENANT GOVERNOR

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To the Honorable Senate and House of Representatives,

I am returning to you unsigned House Bill No. 5123, “An Act authorizing the Health Insurance Connector Authority to implement a 2-year pilot program to extend eligibility for premium assistance payments or point-of-service cost-sharing subsidies for certain applicants.”

These sections require the Massachusetts Health Connector to implement a temporary 2 - year program that would extend eligibility for premium assistance payments or point of service cost-sharing subsidies for applicants at or below 500 percent of the federal poverty guidelines. The pilot would take effect on June 1, 2023 and conclude on May 31, 2025.

As noted in my letter returning these sections with an amendment, there are a significant number of people who are currently eligible for affordable health plans through the Connector. Rather than piloting an expansion of eligibility, I believe maximizing the uptake in the affordable plans currently offered through the Connector should be a priority.

Moreover, the potential impact on carriers and enrollees, availability of enhanced federal funding and subsidies, and Connector systems changes needed to support such a program are all critical factors that need to be fully understood in order to minimize market disruption and ensure fiscal and operational viability. The unknown impacts of such a pilot are, as you know, the reason this provision was returned with an amendment requiring the Health Connector to study these important issues.

Finally, the bill on my desk includes new provisions that were not present in the Fiscal Year 2023 Budget conference report, requiring money in the Commonwealth Care Trust Fund (CCTF) to be used to support the pilot program and requiring that any funds transferred from the CCTF to the General Fund between June 30, 2022 and August 15, 2022 be transferred back to the CCTF. While, as a general matter, I do not object to the use of the CCTF as a funding source for a project like this, the Budget merely appropriates funding for an estimated one month of what would be a 24-month pilot. Furthermore, although no funds have been transferred from the CCTF to the General Fund since June 30, 2022, and no such transfer is planned between today's date and August 15, 2022, I cannot support this language because it impinges on the executive authority to manage state funds efficiently.

For these reasons, I am returning House Bill No. 5123 unsigned.

Respectfully submitted,

Charles D. Baker,
Governor