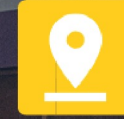


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GOOD DAY **27** JANUARY 2023 **METRO SOUTH**



**11:45 AM
- 1:30 PM**



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Jeffrey Fuhrer

Eastern Bank & former
Fed. Reserve Boston



Chaitra Sanders

MA Health Connector
for Business



Rita Mendes

Massachusetts
State Representative

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Regional Economic
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Health Connector for Business: Affordable, Flexible Health Coverage

[Mahealthconnector.org/business](https://mahealthconnector.org/business)

Overview

- What is the Health Connector?
- What are employers' experience with Health Connector for Business?
 - Savings through comparison shopping
 - Flexible Choices
 - Rebates through ConnectWell
 - Small Business Healthcare Tax Credit
- How to get started
- Health Connector for Sole Proprietors and Owner Only

What is the Health Connector?

The Massachusetts Health Connector is the State's health insurance Marketplace. It offers individuals, families, and small employers access to affordable health insurance coverage.

- Businesses can offer small group coverage to their employees through the Health Connector for Business
- People who don't get health insurance through their job or other sources may apply for individual coverage
- People can also buy dental insurance through the Health Connector



Which Carriers are available at the Health Connector?

We offer plans through Massachusetts's leading insurers, with exclusive cost-savings and flexible choice benefits.





Health Connector for Business

Benefits of Health Connector for Business

The Health Connector seeks to maximize access and affordability for small employers in Massachusetts. To achieve those goals, across a range of dimensions, Health Connector for Business offers small employers in Massachusetts unprecedented flexibility, choice, and savings opportunities.

ONE STOP SHOPPING SOLUTION

Only place where small groups can access every single leading health carrier in Massachusetts as well as Altus and Delta dental

COMPETITIVE PREMIUMS

Small businesses save over 20 percent on average, before any rebates. Easy online quoting tool allows you to compare plans from the state's leading carriers side-by-side

WELLNESS REBATES

Employers may be eligible for a 15% rebate of their premium contributions if employees complete one of 30+ approved wellness activities

FLEXIBLE EMPLOYEE CHOICE

Employers can allow employees to shop for different plans that fit their needs, all while keeping employer costs constant

FREE CERTIFIED ASSISTANCE

Over 500 certified brokers are available to help employers decide which plan options are best for their businesses. No membership fee or dues

PEACE OF MIND

All plans are compliant with state and federal law, meet the state's "minimal credible coverage" standard, and have received the Health Connector Seal of Approval for quality and value.



Employee Choice Models

Employee Choice Models



Employer can **control costs** while providing **multiple insurance options** to employees



Employees can easily **compare options** and **choose a plan** that fits their needs

Employees Can Choose Their Own Plans

ONE PLAN	ONE CARRIER	ONE LEVEL
<p>Employer Selects One Plan</p> <ul style="list-style-type: none">▪ The employee is enrolled in the selected plan▪ Composite billing method▪ Bronze plans can only be offered through this model	<p>Employer Selects One Carrier</p> <ul style="list-style-type: none">▪ The employee can choose any plan within the selected carrier▪ List billing method▪ PPO options available (except for Tufts Direct, Wellsense, and Fallon)	<p>Employer Selects Metallic Tier</p> <ul style="list-style-type: none">▪ The employee can choose any plan within the selected tier▪ List billing method▪ Only a Silver or Gold tier can be offered through this model▪ PPO options available at Silver level (except for Tufts Direct, Wellsense, and Fallon)



ConnectWell

ConnectWell

Businesses qualify for ConnectWell if they have 25 or fewer enrolled employees. To participate, employees can choose from more than 30 qualifying wellness activities.



Employers can receive a **15 percent rebate** on their contributions towards premiums for the year if 33 percent of employees participate in a wellness activity. The average ConnectWell rebate was \$3,674.79 in 2021.



Employees who complete one of the 30+ pre-approved activities will earn a **\$100 Visa Gift Card**



“We heard that there would be a 15% rebate and I said ‘Yeah, I’ll believe it when I see it,’ and here it is!”

**Small Business Owner:
Marcie Berger
Owner, Clean Properties**



Small Business Health Care Tax Credit

Small Business Health Care Tax Credit

Small businesses may be eligible for up to a 50% tax credit (tax-exempt employers may be eligible for up to a 35% tax credit) if they purchase coverage through the Health Connector.

- To be eligible, employers must:
 - Be enrolled in the Health Connector for Business
 - Cover at least 50 percent of the cost of single (not family) health care coverage for each employee
 - Have fewer than 25 full-time equivalent employees (FTEs) and those employees must have average wages of less than \$56,000 (2022) a year – (excludes the owner, partner in a partnership, shareholder of S Corporation owning more than 2%, owner of more than 5% of other businesses, and family)
- The tax credit is highest for employers with fewer than 10 employees who are paid an average of \$25,000 or less – the smaller the business, the bigger the credit
- Employers can claim the tax credit for up to two consecutive years
- For more information, visit: www.irs.gov/affordable-care-act/employers/small-business-health-care-tax-credit-and-the-shop-marketplace or <https://www.taxpayeradvocate.irs.gov/estimator/premiumtaxcreditchange/index.htm>



Getting Help

Benefits of Using a Broker

The Health Connector for Business has over 500 certified brokers.

Find a broker at: <https://my.mahealthconnector.org/directory/categories/small-businesses>



Free to Use

Brokers will create plan options and help you enroll in coverage at no cost to you



Easy Cost Estimates

Brokers can provide you cost estimates for different plans without the need for you to create an employer account



Understand Plan Options

Brokers can help you compare available plans to understand which plan is best for your group



Save Time

Brokers will help manage the enrollment process and plan creation so that you can spend time on what's important for your business



**Health Connector for Sole
Proprietors and Owner Only**

Special Enrollment Periods

If you have a Qualifying Life Event, you can enroll in or change health insurance plans outside the annual Open Enrollment period.

- Life events that let you qualify may include:
 - Changes in household make-up, income, immigration status, or address
 - Certain other life changes, like getting married, having a baby, or losing job-based health insurance
- Report any Qualifying Event within 30 days of it occurring
 - You have 60 days from the date of the qualifying event to select a new plan
 - Payment and enrollment deadlines still apply during a Special Enrollment Period

Applying through MAhealthconnector.org

Apply if you:

- Live in Massachusetts
- Are a U.S. citizen, U.S. national, or are otherwise lawfully present in the U.S.
- Don't have health insurance

Do not apply if you:

- Are enrolled in Medicare, MassHealth (Medicaid), or other public health coverage
- Are offered affordable, comprehensive health insurance from an employer
- Are in jail

What do you need to apply?

- Social Security numbers for everyone applying, if they have one
- Immigration documents for all non-U.S. citizens who are applying, if they have one. Learn more about [immigration documents](#)
- Recent pay and income information, if you have it, such as:
 - Net Income from self-employment
 - Copies of your last two pay stubs (if applicable)
 - Your unemployment amount (monetary determination) if you are collecting unemployment
 - Information about your current income if you didn't file taxes last year or your income has changed since last year
- If you don't have all the information above give us what you have, and we'll send you a letter asking for more information if we need it

There are two kinds of help paying you can get through the Health Connector

More Advance Premium Tax Credits (APTC)

- Lowers the premium amount you pay each month
- The IRS sends your tax credit directly to your insurance company, so you'll pay less each month
- You can apply some or all your tax credit to your monthly premium payment

ConnectorCare Program

- Uses federal Advance Premium Tax Credits (APTC) + MA state funds that help reduce the premium amount you pay each month
- Has low monthly premiums, low out-of-pockets costs, and no deductibles
- Depending on the plan type you qualify for, you could choose a plan for as low as \$0 up to \$133 per month (see slides at end of presentation)

Get an Estimate

- [Get an Estimate for Individuals and Families – Massachusetts Health Connector \(betterhealthconnector.com\)](https://betterhealthconnector.com)

Where can you get help enrolling in health insurance coverage?

Free enrollment assistance is available through the Health Connector customer service and across Massachusetts through community partner organizations.

Customer Service

- 1-877-MA-ENROLL ([1-877-623-6765](tel:1-877-623-6765)), or TTY 1-877-623-7773 for people who are deaf, hard of hearing, or speech disabled
- For information about hours, days of operation, and more go to the [Health Connector Customer Service Call Center](#)

Community Partners

- Trained and certified Navigators and Certified Application Counselors, who speak many languages, can help you from application through enrollment into health insurance plans
- They can answer questions about eligibility, the application, payments, plan details, and health care reform rules and requirements
- It is recommended that you call ahead to schedule an appointment for help
- To find help in your language go to [Get Free Help Near You](#)

Enrollment Timelines

- Small Business employees and owners that do not qualify to offer coverage on the Health Connector for Business can get coverage on MAhealthconnector.org
 - You need to apply, enroll, and pay your first premium by the 23rd of the month before your coverage can start (for example, enroll and pay by **July 23rd** for coverage to start on **August 1**)
 - You can also choose to have your coverage start on the 2nd month after you enroll
- Small Business employees and owners that DO qualify to offer coverage on the Health Connector for Business must follow these deadlines:
 - 10th of the month – Deadline for employer to create account, upload all FT employees, quarterly wage document and publish the benefit package (Open Enrollment) in employer online account.
 - 20th of the month -- Deadline for employees to create accounts and enroll or waive with a valid waiver
 - 23rd of the month – Deadline for employer to make 1st Initial Binder payment online in the Billing portal



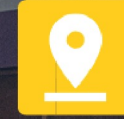
Shop and Enroll Online at
www.mahealthconnector.org/business
or call 1-888-813-9220

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I. Inflation and Recession

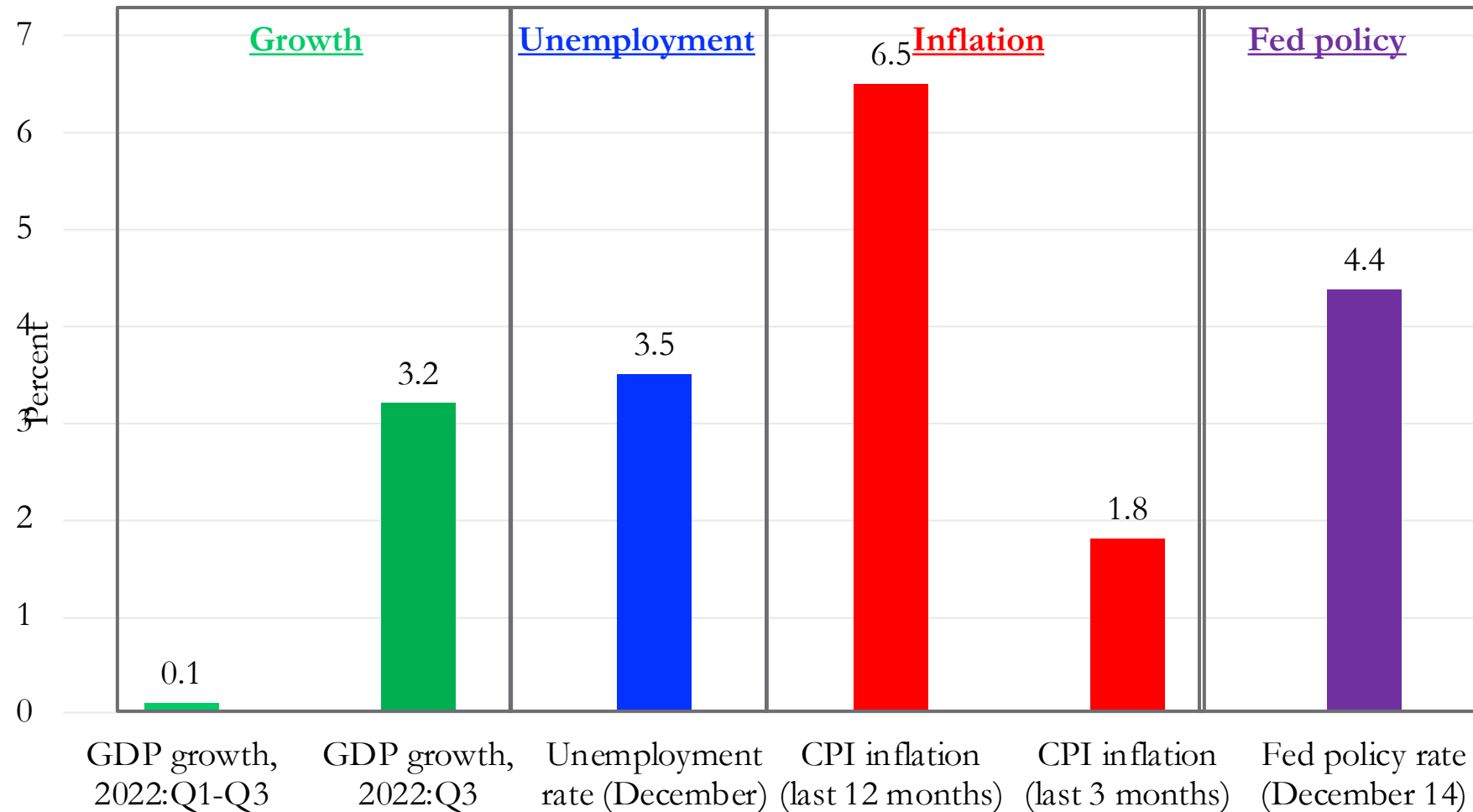
Metro South Chamber of Commerce, January 27, 2023

Jeff Fuhrer

Foundation Fellow

Eastern Bank Foundation

The economy in a nutshell

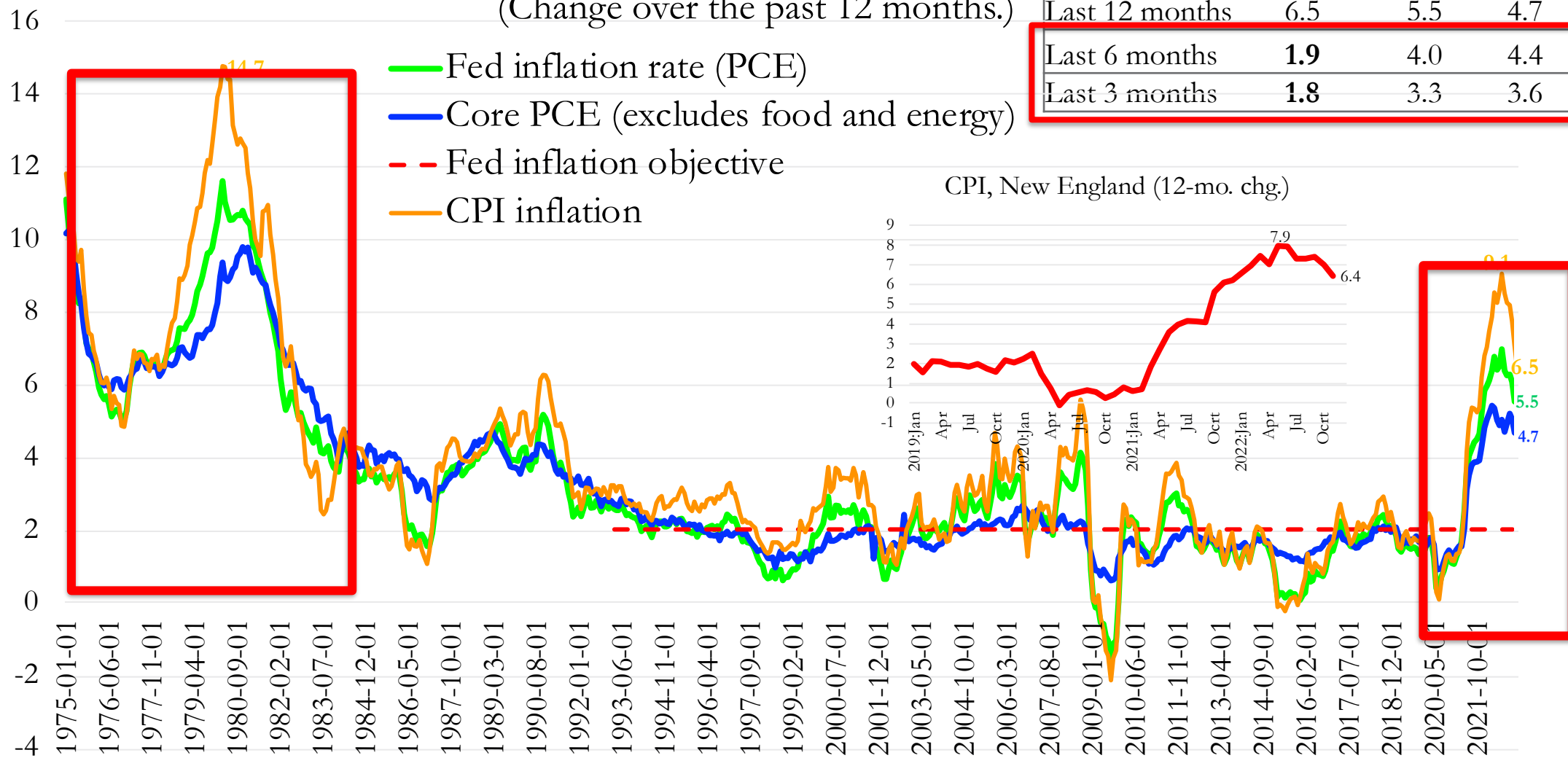


Sources: Bureau of Economic Analysis (GDP); Bureau of Labor Statistics (unemployment, CPI); Federal Reserve System (Fed policy rate); FRED (St. Louis Federal Reserve)

Recent inflation trends: Gradual improvement

(Change over the past 12 months.)

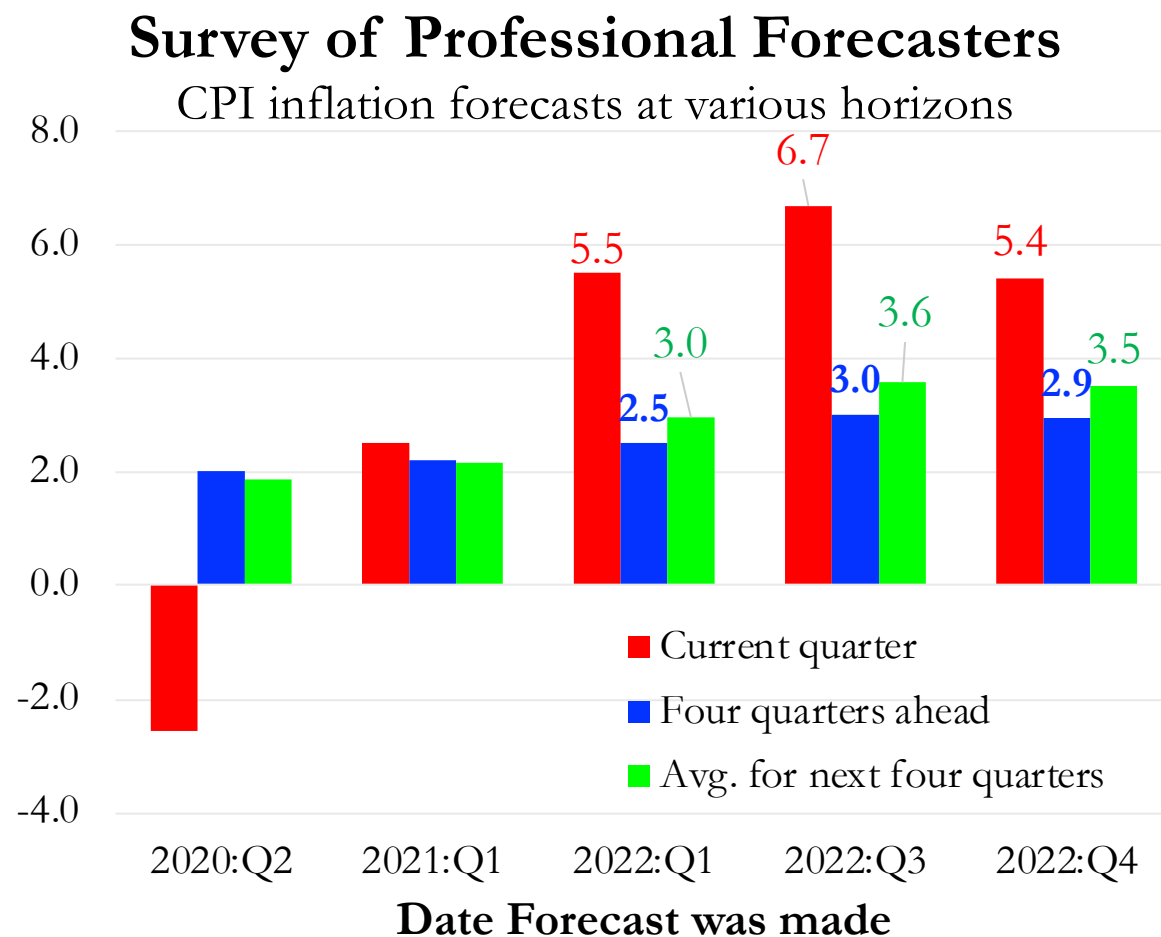
	Headline CPI (Dec)	Headline PCE (Nov)	Core PCE (Nov)	CPI Services excl. rent (Dec.)	CPI Energy (Dec)
Last 12 months	6.5	5.5	4.7	7.4	13.0
Last 6 months	1.9	4.0	4.4	4.0	-8.6
Last 3 months	1.8	3.3	3.6	1.2	-7.4



Many were wrong about what would happen to inflation

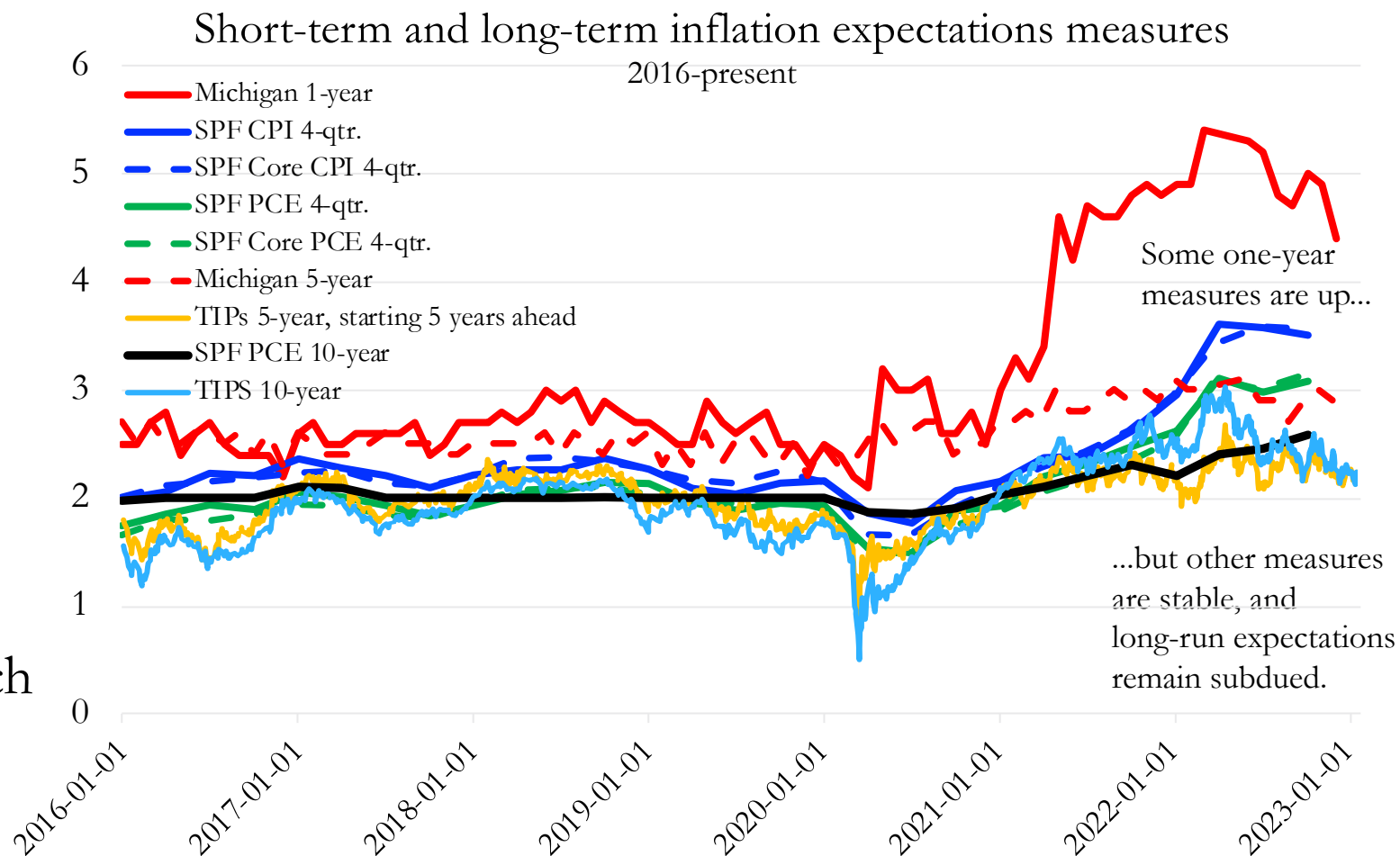
► The pattern:

- Inflation is high today (red bars), but that will go away soon (blue and green)
- They were wrong (so was I!)
 - They may finally be right this time
- We should admit to significant uncertainty about how inflation works, and about how it will proceed
- Important to keep **inflation expectations** under control...



So how are expectations doing?

- ▶ Shorter-run expectations (one year ahead)
 - ▶ Elevated
 - ▶ Reflective of current inflation
- ▶ Longer-run expectations (five to ten years ahead)
 - ▶ Stable, pretty much
- ▶ But still, something to watch

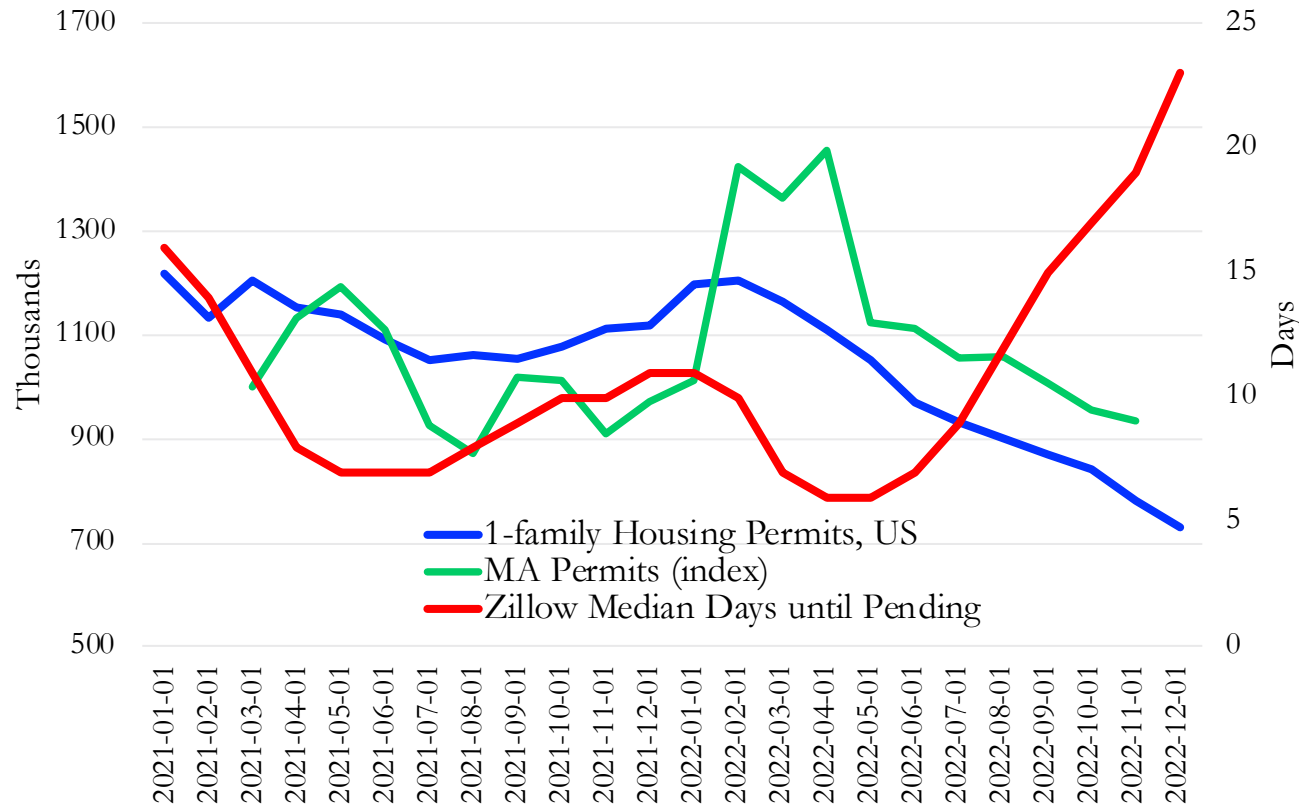


Sources: Dow Jones, FRED (TIPs), University of Michigan Survey Research Center (Michigan expectations), Federal Reserve Bank of Philadelphia (SPF forecasts)

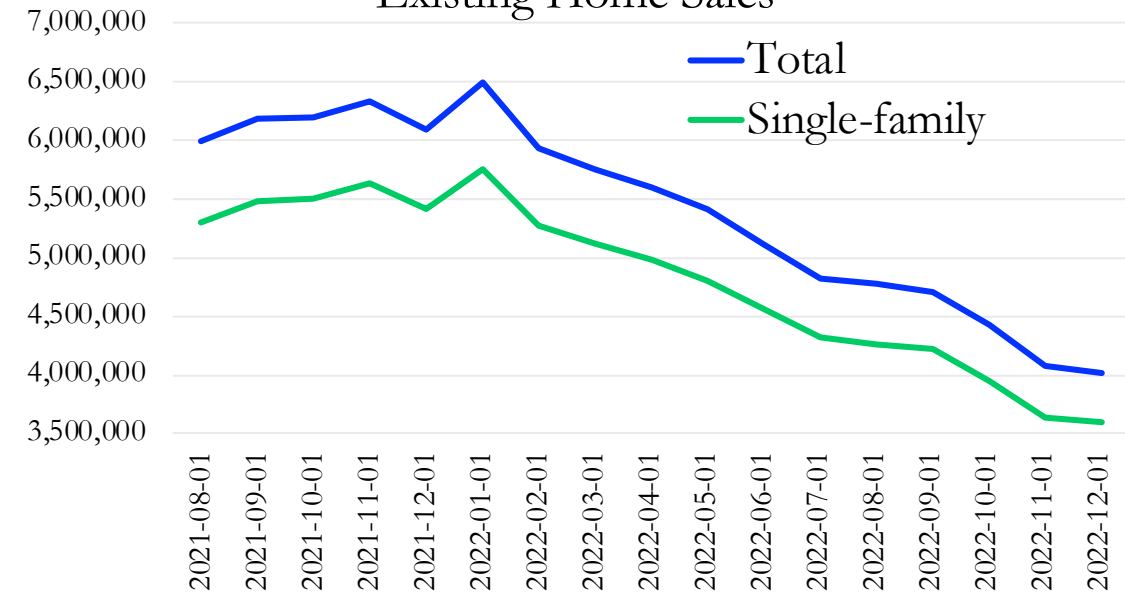
Recession?

Housing activity is slowing nationally and regionally...

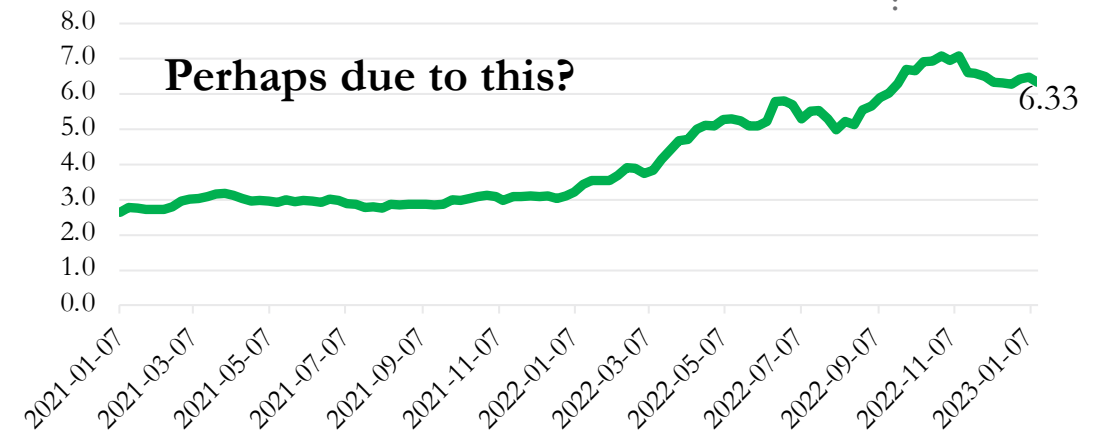
Key housing indicators



Existing Home Sales



30-year mortgage rate more than doubled...
...it has backed off a bit of late



Perhaps due to this?

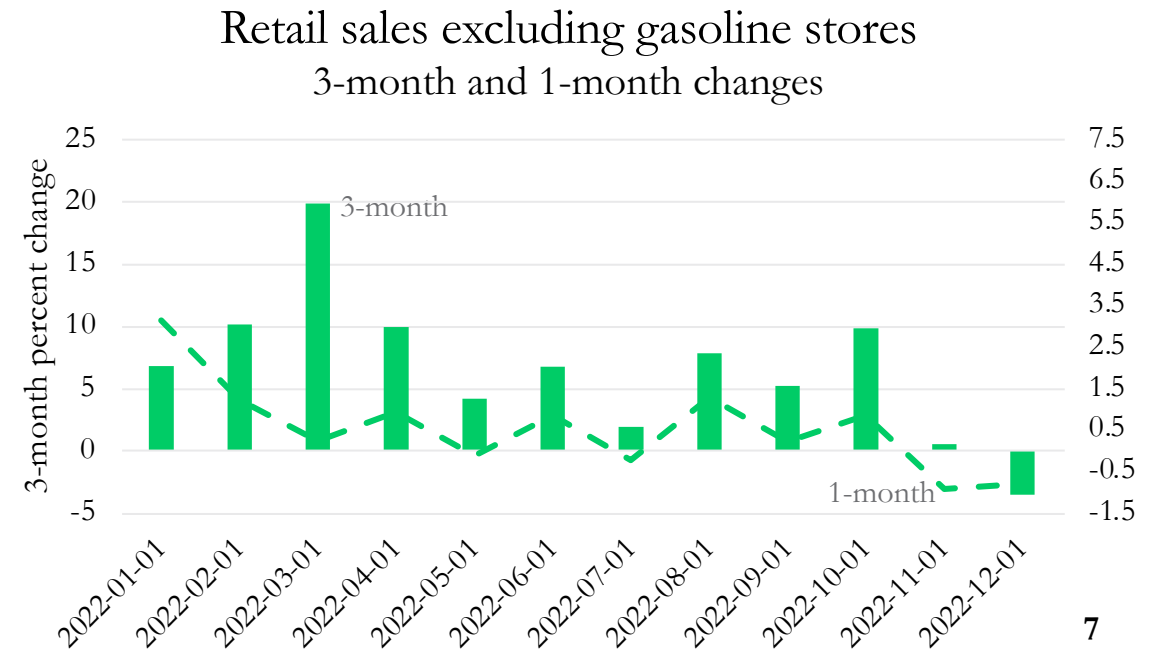
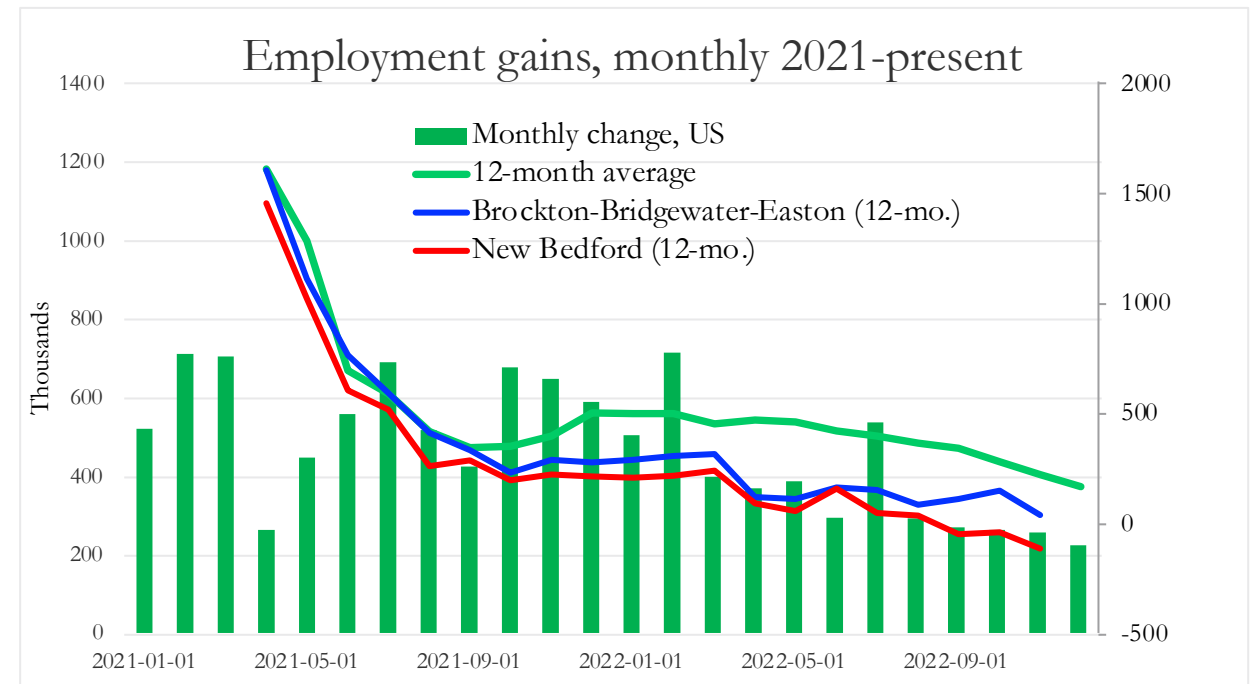
Sources: Census Bureau (permits), Zillow (Days until pending), National Association of Realtors (existing home sales), Freddie Mac (mortgage rate), FRED

Recession?

...what about employment and spending?

- ▶ Latest data on employment gains (December) look good
 - ▶ Caveat: This is a lagging or approximately contemporaneous indicator, not a leading indicator
- ▶ Spending may be shakier
 - ▶ Retail sales dipped in November and December
 - ▶ Widespread across categories
- ▶ **GDP:**
 - ▶ 2022:Q4 data: 2.9% growth. Solid.
 - ▶ Most forecasters expect a slowdown/recession in 2023 (median forecast is 0%)

Sources: Bureau of Labor Statistics (employment), Bureau of Economic Analysis (GDP), FRED



Fed Policy

► What should Fed policy do?

- Raise interest rates (short-term rates, i.e. the “federal funds rate”) ✓

► How many more rate increases?

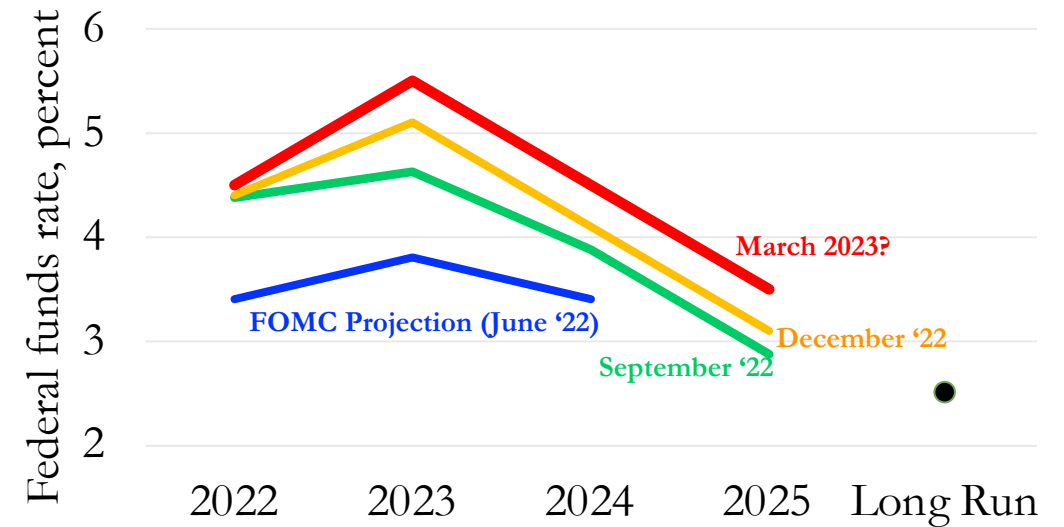
- Chair says “Ongoing hikes will be appropriate...” (Press conference, 12/14/22)
- While longer-lived than expected, much of inflation is due to transitory but medium-length supply disruptions
- So inflation will revert partly (largely?) on its own

► Key risk: Interest rates going too high?

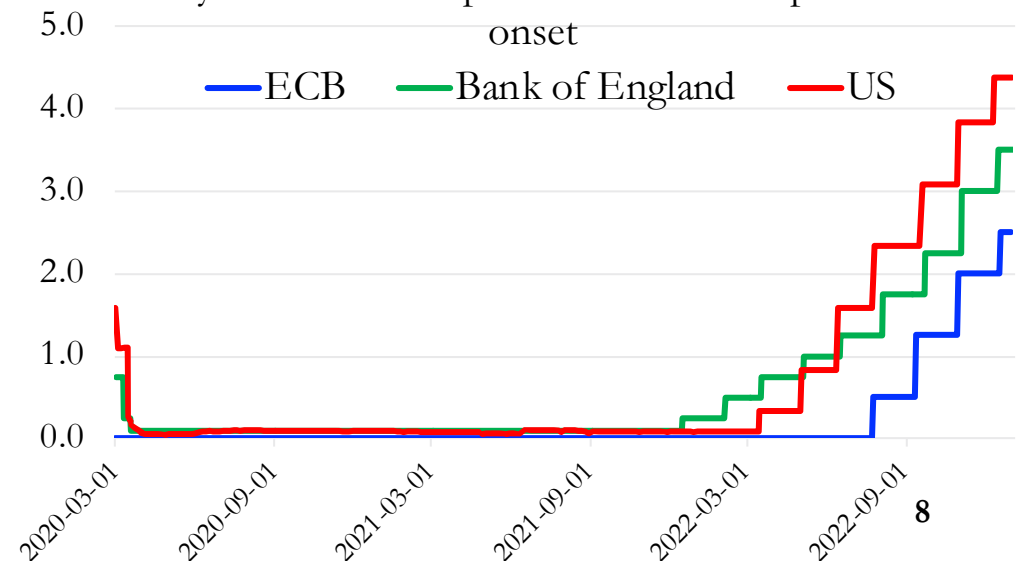
- Policy takes time to have its full effects on economy
- Other countries are raising rates too. Global recession?

Sources: Board of Governors of the Federal Reserve System (FOMC projection), European Central Bank, Bank of England, FRED, author's calculations

Fed policy under alternative scenarios



Policy rates in developed countries since pandemic onset

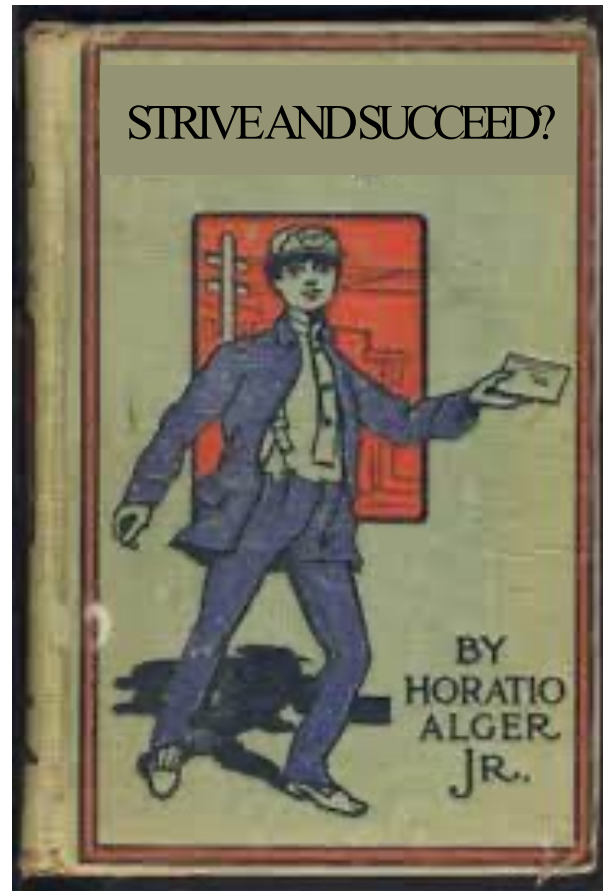


Bottom line on economy

- ▶ Inflation appears to be receding
 - ▶ Good news, but too early to declare victory
 - ▶ If it continues, could imply somewhat less action needed by Fed—also good news!
- ▶ Employment remains strong
 - ▶ So no recession at this point—later? Depends in part on Fed actions
 - ▶ Housing is responding to higher rates (and higher prices)
 - ▶ Inflation has cut into spending power, especially for the lowest income households
 - ▶ Fed and global monetary policy will slow the economy—how much?
- ▶ Outlook for next quarter? Next year?
 - ▶ Slower growth for sure. Higher unemployment rate. How much slower/higher?

II. The Myth That Made Us

MIT Press, release scheduled September 2023



(That's the title of the book—minus the “?”)

Outline

- **The thesis:**

- Key narratives have been used both to
 - Dismiss and/or explain away bad outcomes; and
 - Support and build a system that delivers bad outcomes to many


- I'll discuss (briefly)

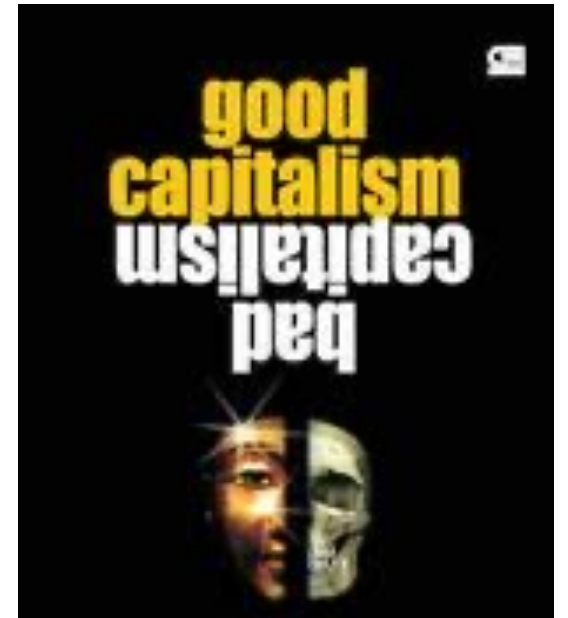
- The narratives
- The outcomes
- The history/evidence on their use to shape the economy
- The losses inherent in the current system
- The way forward, and the cost to getting there
 - Spoiler alert: It's definitely worth making some changes!

Narrative: (n): “a way of presenting or understanding a situation or series of events that reflects and promotes a particular point of view or set of values” [Merriam-Webster]



Just to be perfectly clear:

- Some hear about this book and think:
 - He hates America
 - He doesn't believe in capitalism
 - He thinks hard work and responsibility and determination don't matter
 - **He's a bad man**
- However
 - I'm quite fond of America 
 - I do believe in capitalism, but there's not one form of capitalism. There are many. We've chosen one particular "flavor."
 - I do believe hard work, personal responsibility, persistence, etc. matter (and I try to practice those things—and raised my three children that way)
 - I am trying to follow in the great tradition of offering not just criticism, but ways of improving the country I am committed to



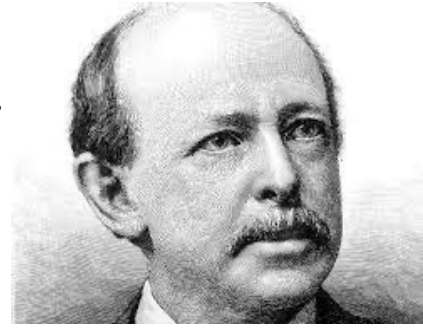
Baumol, Litan and Schramm (2007)



Me (and my dog)

A couple of interesting features of the book

- I interviewed a number of low-income residents, mostly people of color
 - Asked them to tell me about their lives, financial challenges, hopes
 - Those interviews augment the data presented in the book—adding their voices to the data to tell their stories of life in low-income communities
- My editor asked for more of “me” in the book
 - Not what I usually do. But there are three advantages to that:
 - Allows me to show my ignorance and learning about these topics—we’re on this journey together
 - Low-income people are asked to tell their stories all the time. Puts us on more equal footing.
 - Tells the story of a high-level executive inside an important policymaking institution, and the journey that institution is on to recognize the importance of brokenness, institutional racism and narratives



The False Narratives—components of “The Myth”

“The author hopes that, while the volumes in this series may prove interesting stories, they may also have the effect of enlisting the sympathies of his readers in behalf of the unfortunate children whose life is described, and of leading them to co-operate with the praiseworthy efforts now making by the Children’s Aid Society and other organizations to ameliorate their condition.” (Horatio Alger, foreword to “Ragged Dick”)

Public Belief in The Myth—Widespread in the U.S.

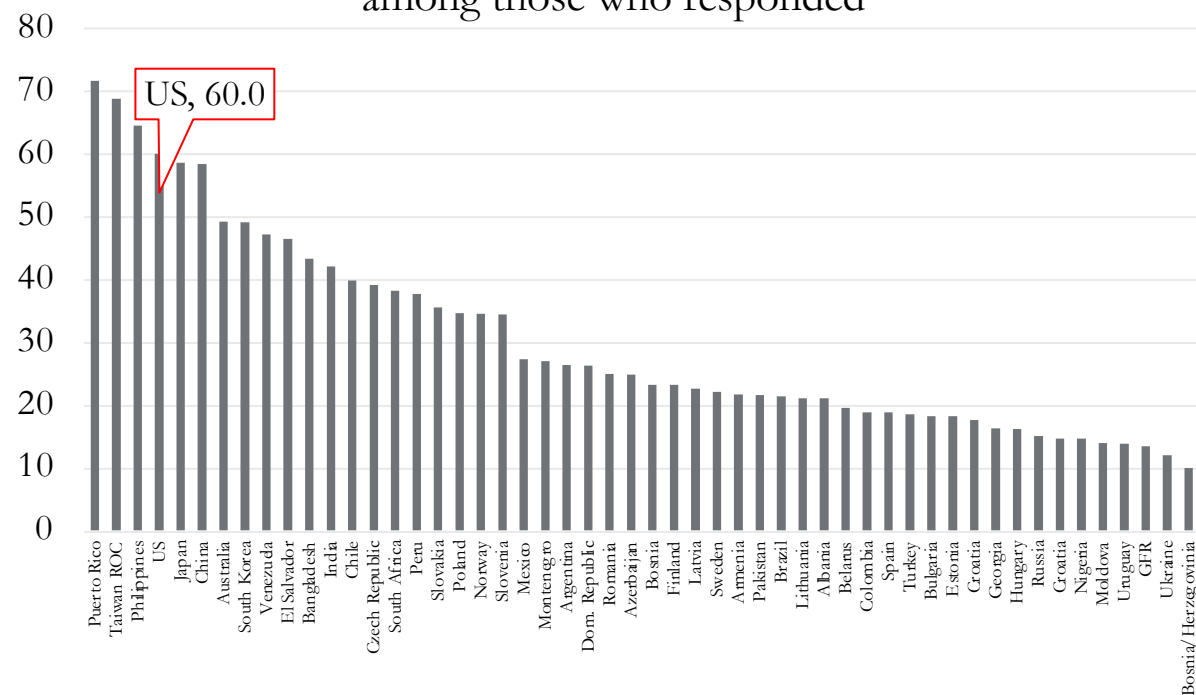
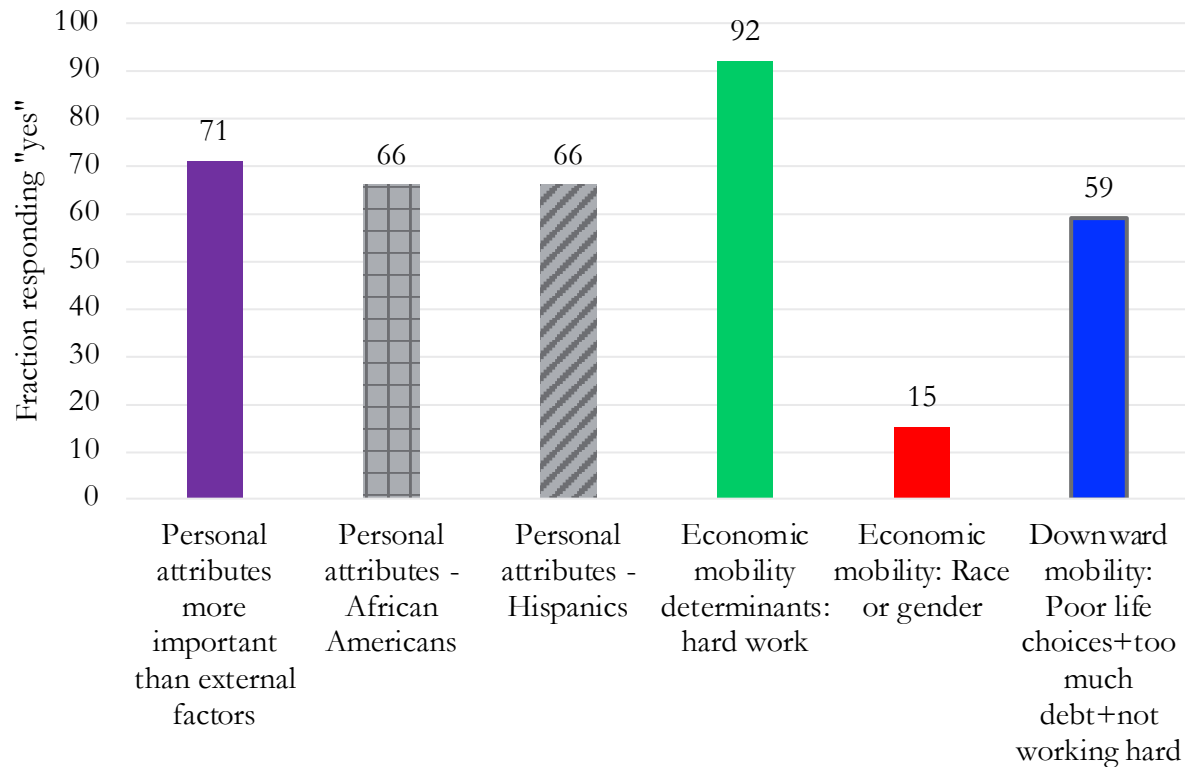
But not so much in the rest of the world...

Why are People in Need?

Percent responding "...laziness or lack of willpower"
among those who responded

In the US (2009)...We Believe!

Poll Results on What Determines Economic Mobility



“You can’t just work harder to achieve your own goals. We live in a time of systemic racism, with many inequalities...We’re still struggling to this day, in the land of plenty.” (Mattie, Roxbury MA)

An Alternative Narrative

- Individual effort as sufficient—a great aspiration, a poor description of reality
- Post-racist? Not hardly. Profound effects remain today.
- Businesses maximizing profits/shareholder value only—has led to low wages, poor benefits, lack of control over schedules, poor “worker voice”—for the lowest-wage workers. And there are millions of them.
- There are no “free” markets. All are created and supported by the government in a variety of ways.
- Most markets require oversight, regulation, and support. Many large businesses get “corporate welfare”—tax cuts, subsidies, bailouts
- Critical insight: We **CHOSE** this structure.
 - Compare to other Western capitalist countries—equal “economic freedom,” but much better outcomes almost across the board.

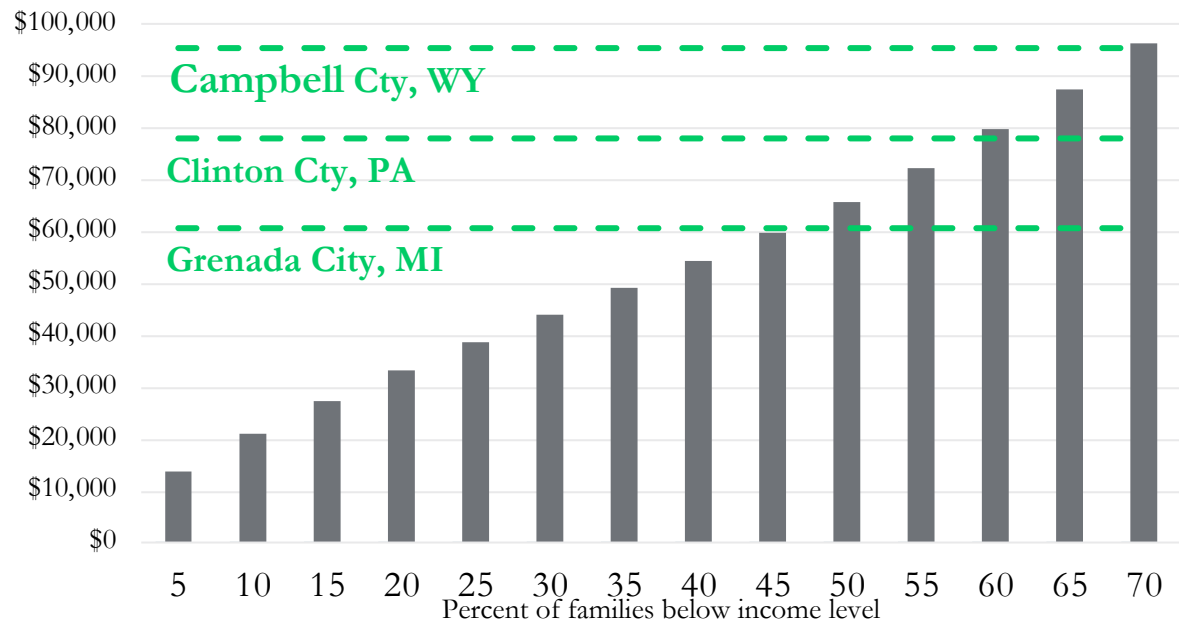
Let's
RE-THINK
this

Outcomes that signal brokenness:

Income, wealth disparities across class and race

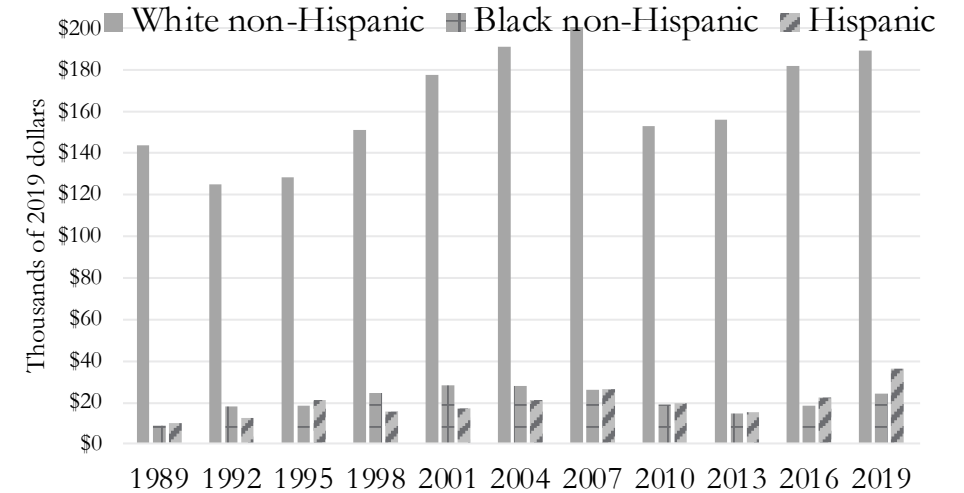
Really low incomes

Fraction of families below indicated income levels
with **Family budget estimates**
SPM income measure, 2021



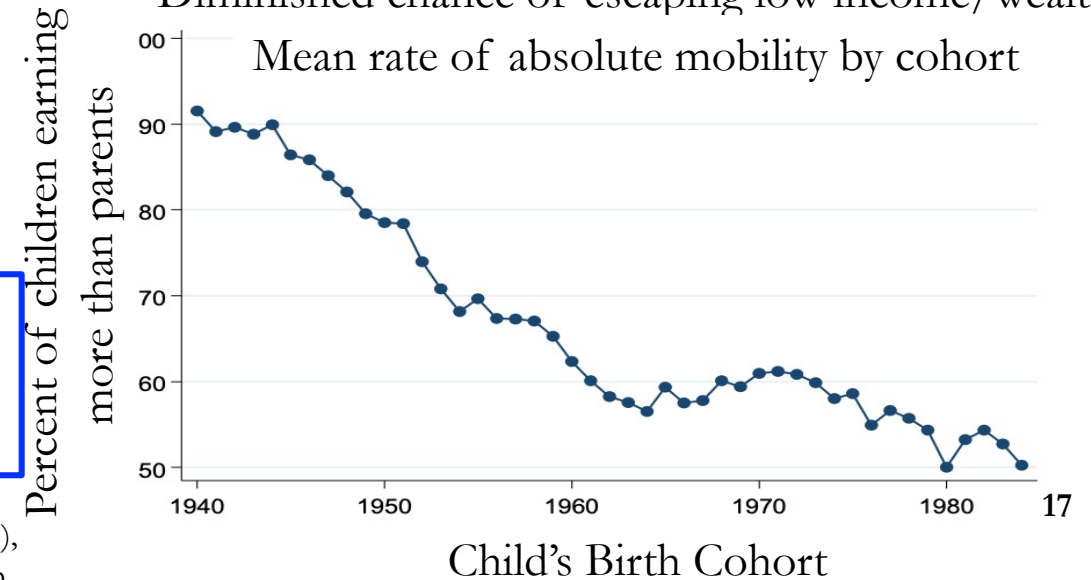
Really unequal Wealth Distribution

Median net worth



Diminished chance of escaping low income/wealth

Mean rate of absolute mobility by cohort



I didn't qualify for fuel assistance. I owe \$1,000. I don't know if my heat's gonna be shut off...I'm not making enough money to pay my electric. So I don't know when my electric is going to be shut off. I don't know if I can keep paying my student loans. I don't know if I'm going to be able to make car payments..." (Pam A., Lynn, MA)

Sources: Census Bureau (SPM income), Economic Policy Institute Budget Calculator (family budgets), Survey of Consumer Finances (wealth), Chetty *et al* "The Fading American Dream," (2016), Figure 1b

The History

government aid “...helps, but it doesn’t make the difference—it doesn’t get you out of the hole you’re in.” (Janet, Boston MA)

Federal Government Outlays (% of total)		
	2019	2021
Social Security	29.3	19.4
Medicare	18.2	11.8
Defense	15.6	15.6
Medicaid	11.6	8.9
COVID Payments and Tax Credits	0	10.0
SNAP*	2.5	2.8
EITC*	1.7	1.0
Child Credit (temporary increase, 2021)	0.8	1.4
TANF	0.7	0.4
Unemployment compensation	0.8	6.7

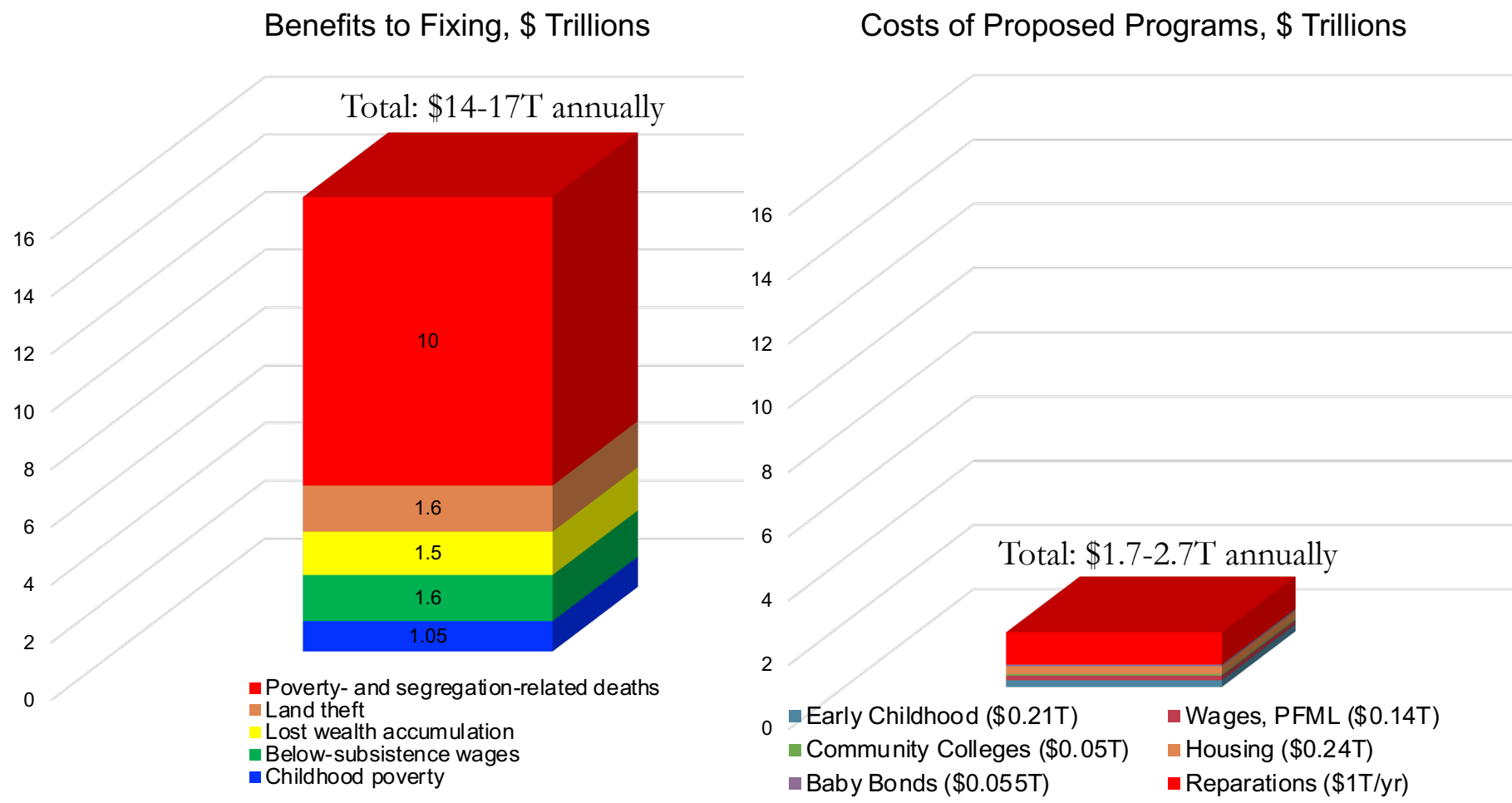
- History of The Myth
 - Deep in our nation’s history, and before
 - 19th century poor relief, The Second Great Awakening (strive to self-improve and succeed as a religious obligation), de Tocqueville’s observations on US self-made success stories, ...
- History of Using Narratives to Shape the Economy
 - Institutional Racism (Post-Civil War, Jim Crow, The New Deal, Housing/Redlining,...)
 - The Safety Net—Welfare Reform (1996), inaccessibility of TANF, very low spending on safety net programs, “the deserving poor” narrative
 - Macroeconomic Policy—*viz* responses to the Great Recession and Financial Crisis
 - Recent debates about unemployment benefits
 - And persistent anti-inflation bias (accepting high unemployment) since 1980
 - Of course, we do have a real inflation problem at the moment! But it’s been the opposite for most of the past 40 years

The Way Forward

- **Providing opportunity** to build human and financial capital
 - Effort does matter, it's just not sufficient in the current system
- Key areas of opportunity
 1. Early childhood education—research proven
 2. Better use of community colleges—pipeline from HS→community college→stable employment
 3. Fixing “crappy” jobs (low wages, poor benefits, unpredictable schedules, no “voice”)
 4. **Housing – restructure zoning, then fund construction and transportation access**
 5. Baby Bonds and Reparations—the first builds the future of today's kids, the second provides wealth immediately for adults
 - Good precedents for reparations, in the US and Germany
 6. Mentoring and Allies

“...people, you know, people think that we don't try. I tried.” [Pam A., Lynn]

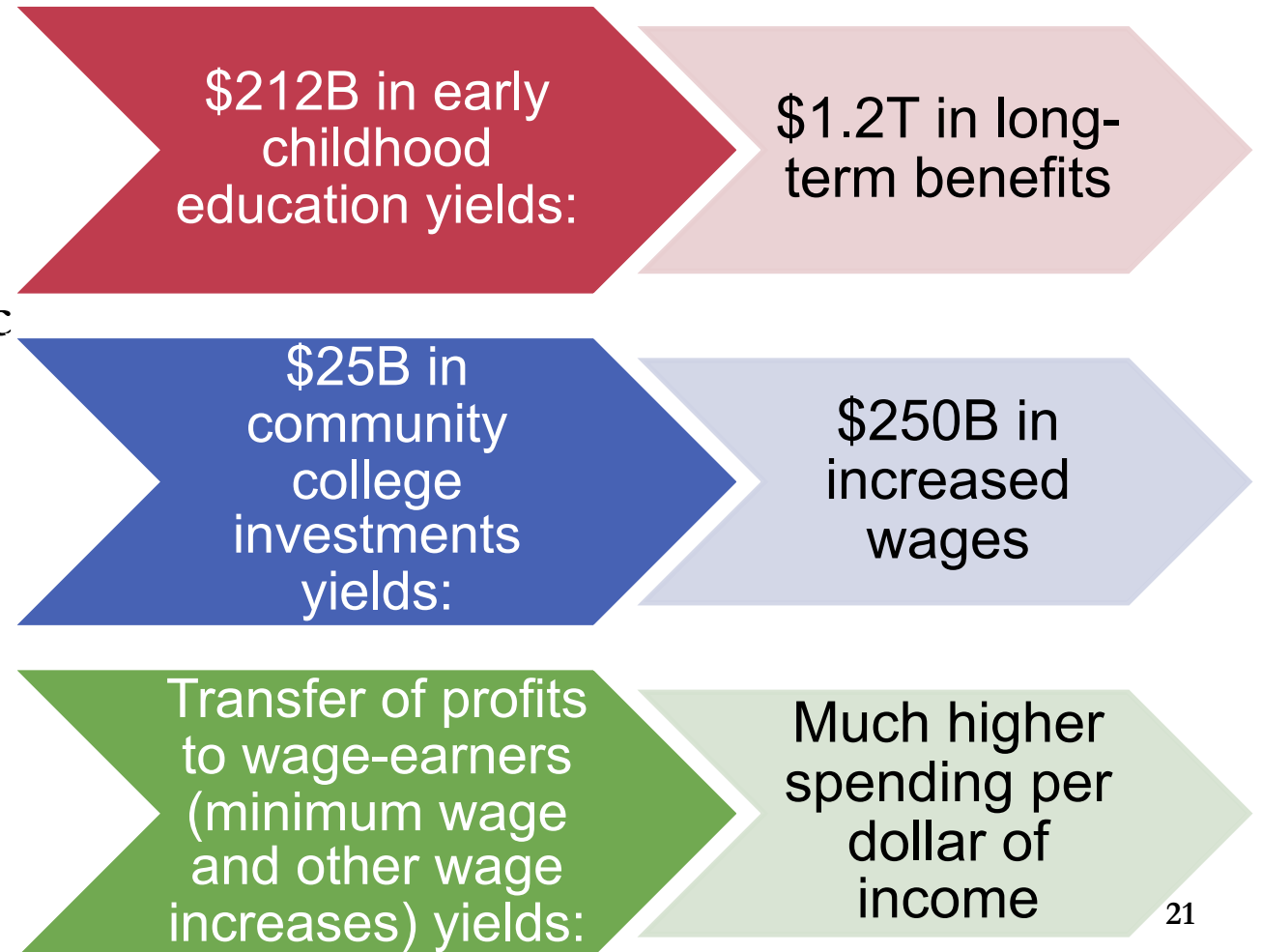
Comparing the benefit of regaining lost opportunity versus the cost to get there



Will these programs eliminate all the loss?

- ▶ Probably not, but a lot of it
- ▶ Most are aimed at building long-run potential of the economy—adding to the size of the economic pie, not transferring money
- ▶ The cost-benefit for such potential-building programs is high

EXAMPLES



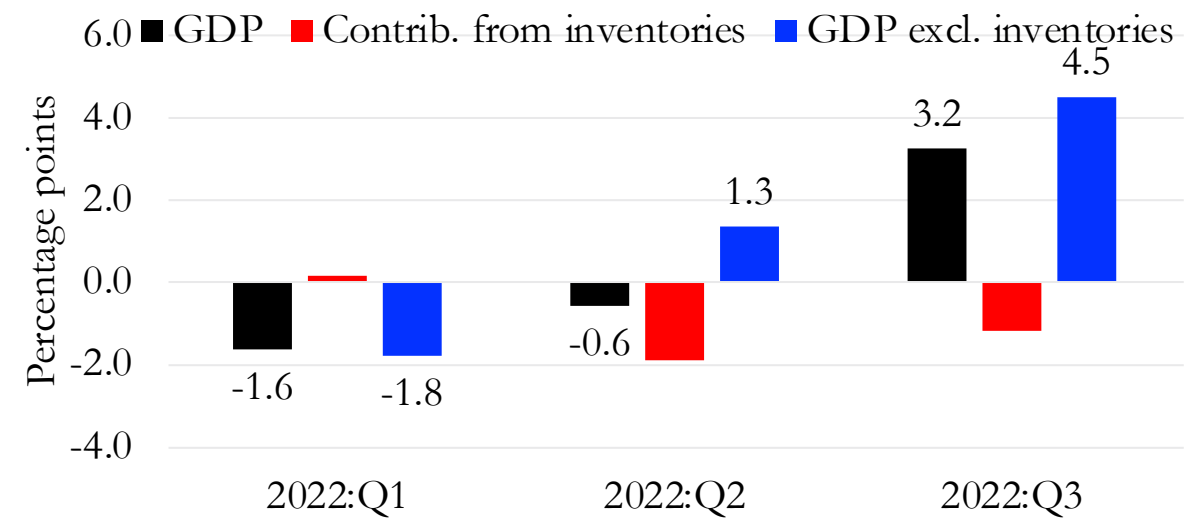
Conclusion

- The way things are cannot be right
- How do we fix this?
 - Change the narrative
 - Take bold steps to build human and financial capital
 - The benefit-cost ratio is HUGE



WE BROKE THIS. WE CAN FIX IT.

GDP is doing OK, with quarterly ups and downs

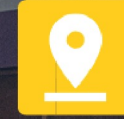


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STONEHILL
COLLEGE



THE GREATER BROCKTON
**Community
Navigator**
SBA U.S. Small Business
Administration

METRO
SOUTH

Regional Economic
Development
Organization

UPCOMING EVENTS

- **February 9:** Good Day Metro South w/Dr. Mark Melnik, Director of Economic & Public Policy at Umass Donahue Institute, and Mayor of Brockton Bob Sullivan
 - 11:45 AM @ Thorny Lea Golf Club - 159 Torrey Street, Brockton
- **February 10:** “Reesie’s Marvelous Hats” Ribbon Cutting
 - 4:00 PM @ 743 Washington Street, Stoughton
- **March 2:** 8th Annual Multicultural Business Forum & After Hours
 - Woman & Minority Owned Business Panel ft. Joe Gonçalves, New Vision Enterprises; Lei Nichols, Wise Mouth Tea; Carla Smith, Reesie’s Marvelous Hats; and Tomé Andrade, Cabo Vegan
 - 5:00 PM @ Thorny Lea Golf Club - 159 Torrey Street, Brockton