

Office of Consumer Information and Insurance Oversight

**State Planning and Establishment Grants for the
Affordable Care Act's Exchanges**

Reporting Templates

Quarterly Project Reports

Date: 1/25/2011

State: West Virginia

Project Title: State Planning and Establishment Grants for the Affordable Care Act's Exchanges

Project Quarter Reporting Period: Quarter 1 (09/30/2010-1/31/2011)

Grant Contact Information

Primary Contact Name: Jeremiah Samples

Primary Contact Number: 304-558-6279 ext 1131

Primary Contact Email Address: jeremiah.samples@wvinsurance.gov

Secondary Contact Name: Nancy Malecek

Secondary Contact Number: 304-558-6279 ext 1175

Secondary Contact Email Address: nancy.malecek@wvinsurance.gov

Website (if applicable):

<http://www.wvinsurance.gov/Default.aspx?alias=www.wvinsurance.gov/healthcareexchange>

(pending further development)

Award number: HBEIE100005-01-00

Date submitted: January 20, 2011

Project Summary

Please provide a narrative description (about 5-10 sentences) describing your progress so far in planning activities under each core area. We would like to know what activities you have undertaken to date and what you plan to undertake in the next quarter. Please refer to the Reference section at the end of this template for some examples of what you could include under each core area.

Core Areas

- Background Research

**STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES**

OMB #0938-1101

Having accurate information on various aspects of the health insurance market is essential for states developing plans for the health insurance exchange. Such information serves as the backbone of any actuarial models; business and operational plans; education and outreach plans; technological assessment plans; and, ultimately, the development of an overall project strategic plan. This data is also essential when educating and discussing policy directions with executive and legislative policymakers; consumer groups; private carriers; producers; and all other interested stakeholder groups.

West Virginia continues to perform extensive research as part of the planning and development for the health insurance exchange. The OIC has been able to build upon already existing efforts by performing further analysis of existing market dynamics and measuring the number of consumers and businesses. West Virginia is in the final stages of development for a large research procurement that will provide actuarial assessments and result in economic modelling for different policy options to consumers. The State is also exploring data measurement through the State Health Access Program grant's clinical portal concept as a means to collect health data and system utilization information for the uninsured. Finally, state legislation has been developed to build an all payer claims database, which will be used to measure population health and provide for more accurate actuarial analysis.

- **Stakeholder Involvement**

West Virginia has committed itself to an extensive stakeholder engagement process. Six State-wide stakeholder meetings were held from November through January. A State request for comment (RFC) was also published, running concurrently with the State's stakeholder meetings. The OIC has also developed a website where the public can access health insurance exchange planning and development documents. Comments from these meetings and from the RFC have been compiled and posted on the OIC exchange website. In addition, the OIC has made special efforts to reach out to various constituency groups including, but not limited to, producers; medical providers; consumer advocacy groups; constituent State agencies; legislators; business; labour organizations; and carriers. Finally, the OIC is in the final stages of developing a procurement document for the creation of an education and outreach strategic plan. This plan will incorporate existing outreach strategy documents with a more detailed strategic guide.

- **Program Integration**

The OIC has continued to engage constituent state agencies and is in the process of exploring with the West Virginia Department of Health and Human Resources, Children Health Insurance Program, and Bureau for Medical Services potential information technology solutions as it relates to the eligibility and enrolment functions of the health insurance exchange. The OIC has also engaged the West Virginia Health Care Authority about the potential of adding a provider rating portal (CompareCare), which would show quality measurements of medical providers and cost data for medical providers. The OIC also continues to coordinate all exchange efforts with the West Virginia Governor's Office of Health Enhancement and Lifestyle Planning (GOHELP). GOHELP is West Virginia's health reform coordinating body.

**STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES**

OMB #0938-1101

A challenge experienced in working with these various agencies is overcoming traditional agency missions and thinking of the health system in a more holistic manner. Another challenge remains having access to exchange relevant information released by federal accustomed to sharing that information with insurance regulators. The flow of information continues to improve but more needs to be done to ensure that all appropriate agencies receive updated guidance and information from federal agencies.

- **Resources & Capabilities**

The OIC has been able to add four new positions that, at least in some part, work on exchange related planning. These employees have allowed the OIC to expand development and planning of the exchange and specialize in the following areas- market, demographic and health research; education and outreach; insurance research; and administrative support. While drawing on the expertise of wonderful existing resources, exchange planning calls for additional support in legal, regulatory, financial, and information technology areas.

- **Governance**

The OIC is proposing enabling legislation for the health insurance exchange that encompasses the development of an independent exchange board administratively located in the OIC. This board will draw on existing administrative resources in State government, primarily at the OIC but other relevant State agencies as well, through the capacity to develop agreements with State agencies.

After considering comments provided by stakeholders in the State, the OIC has taken a balanced stakeholder approach to the exchange board membership with greater representation for consumers. As currently envisioned the board consists of four ex officio state agencies; three consumers selected by Governor; one producer/navigator selected by Governor; one payer representative as selected by a payer technical advisory group; and one medical provider representative as selected by a provider technical advisory group.

- **Finance**

During the State's stakeholder engagement process there have been several discussions about how the exchange will reach financial sustainability by 2015. As referenced under the background research section of the quarterly report, a procurement is in the final stages of development that is designed to provide insight on this topic. This research is anticipated to be performed in conjunction with a proposed interim study to be conducted by the West Virginia Legislature.

- **Technical Infrastructure**

The OIC is in the final stages of developing a procurement document for the purpose of creating an information technology infrastructure strategic plan. Beyond the strategic plan, this solicitation will identify a contractor to provide coordination, facilitation services and project management for IT related work; and provide assistance in the development of grant applications and procurement documents (RFI, RFQ, RFP) as necessary for health insurance exchange information technology needs. The OIC has also conducted extensive research on the functionality of the health insurance exchange- breaking

down each individually functioning component in an attempt to create the universe of options. This document continues to evolve and has been made available to the public for input.

- **Business Operations**

The OIC continues to research the business operations of various IT and policy scenarios as it relates to the exchange. As part of the IT infrastructure strategic plan, all IT components will be fully investigated and attached to an appropriate business operation plan that integrates the entire IT platform. As part of the economic modelling and actuarial assessments, policy options will be fully investigated and attached to an appropriate business operation. Both procurements are in their final stage of development and should be released within the quarter.

- **Regulatory or Policy Actions**

The OIC continues to research a number of policy questions as it relates to the health insurance exchange. West Virginia is one of thirteen states on the NAIC's exchange subgroup committee and will participate in the development of exchange policy white papers. West Virginia has also posed several policy questions to the Office of Information and Insurance Oversight for a more thorough legal interpretation. It is envisioned that with the addition of legal and insurance specialist resources will greatly enhance the pending exchange board's ability to opine on various policy and regulatory questions as it relates to the exchange.

Barriers, Lessons Learned, and Recommendations to the Program

Three areas have served as barriers in the planning and development of the health insurance exchange. First, progress has been slowed due to State purchasing and personnel rules. It is the intention of the OIC to receive legal authority to expedite these processes in the enabling legislation for the exchange. Second, the ability to timely respond to stakeholders on various policy questions has been slowed by the relatively slow response time to several exchange related questions posed to OCIO. Third,

Please report on any issues or problems that have impacted the development and implementation of the project during the reporting period. Detail what impact any issues may have on the achievement of project targets, and set out how you plan to tackle these issues.

Also provide any lessons that you have learned during this quarter that you think would be helpful to share with other states as well as any recommendations you have for the program.

Technical Assistance

Please describe in detail any technical assistance needs you have identified through your planning activities. Please be as specific as possible about the kind of assistance needed and the topic areas you need to address. Discuss any plans you have for securing such assistance.

Draft Exchange Budget

In order to understand state budgetary requirements moving forward, we ask that you provide a draft budget to the extent possible for Federal fiscal years 2011 through 2014. You may specify functional areas as you deem appropriate based on the types of costs you anticipate incurring. Examples of possible functional areas include personnel, other overhead, IT and systems costs,

**STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES**

OMB #0938-1101

and other operational costs. When developing IT and systems cost estimates, please ensure that you separate costs for updating Medicaid systems from costs for Exchange systems.

Function	FFY 2011	FFY 2012	FFY 2013	FFY 2014

Work Plan

We ask that you begin working on a draft work plan for your Exchanges that will carry your planning and implementation efforts through January 1, 2014. On a quarterly basis, we would like to see your progress in developing this plan. We would like you to provide key objectives for implementing your exchange and corresponding milestones under each of these objectives. For your first quarterly report, please provide two milestones under each core area. In your second report, please provide four milestones. For your third report and the final report, we expect your work plan to be as comprehensive as possible.

For each milestone, please provide the following:

- **Name of milestone:**
- **Timing:**
- **Description:**

States may be creating their own work plan and/or timeline format. Please ensure that you provide the required number of milestones and that your plan goes through January 1, 2014.

Collaborations/Partnerships

Report on who you are working with outside of your office or department, and any changes or issues in your institutional context and/or any progress or issues with your project partners (where applicable).

- **Name of Partner:**
- **Organizational Type of Partner:**
 - Health Department
 - Federally Qualified Health Center
 - Health Maintenance Organization
 - Hospital
 - Private Insurance
 - Employer

STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES

OMB #0938-1101

- Employer Group
- Other (Please specify)
- **Role of Partner in Establishing Insurance Exchange:**
- **Accomplishments of Partnership:**
- **Barriers/Challenges of Partnership:**

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1101. The time required to complete this information collection is estimated to average (433 hours) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Final Project Report

Please include the same header information that is outlined in the Quarterly Project Report Template.

Project Detail

Succinctly summarize the project and what was accomplished during the entire grant period, highlighting anything that has not been reported since your last interim progress report for each of the core areas.

As succinctly as possible, summarize major opportunities, obstacles, challenges, and any changes in the project or your organization that have you encountered over the grant period. For each core area, please provide a description of the decisions that were made through your planning process. Some additional suggestions for information to include are below.

Core Areas

- **Background Research.** Please provide a summary of the research you conducted, key findings, and plans that resulted from this research.
- **Stakeholder Involvement.** Please provide an accounting of all stakeholder involvement that took place during the project period including a listing of the stakeholders you consulted. Please also include lessons learned from these consultations.

STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES

OMB #0938-1101

- **Program Integration.** Please provide a description of the activities you undertook to coordinate with Medicaid and other public programs in your state, the outcomes of these conversations, and any barriers you face or have overcome.
- **Resources & Capabilities.** This core area should be addressed through your needs assessment.
- **Governance.** If you have reached a decision on the governance structure for your Exchange, please provide a description here. If not, please report on your progress in this area.
- **Finance.** Please describe any activities you undertook in terms of planning for financial management, prevention of fraud and abuse, and annual auditing.
- **Technical Infrastructure.** Please provide any relevant information that you did not provide in your needs assessment.
- **Business Operations.** Please provide information on any decisions you made in the areas of eligibility determinations, plan qualification, plan bidding, application of quality rating systems and rate justification, administration of premium tax credits and cost-sharing assistance, and risk adjustment.
- **Regulatory or Policy Actions.** Please describe the enabling legislation you plan to seek and any challenges or barriers you have faced in this regard. If possible, attach your enabling legislation.

Needs Assessment

Please provide a detailed needs assessment that includes:

- A budget of projected funding needs through Federal Fiscal Year 2014
- An accounting of number of personnel needed
- A list and description of contracts you plan to award and when you plan to do so (if available)
- An assessment of the information technology builds and systems changes required to establish an operational Exchange

Function	FFY 2011	FFY 2012	FFY 2013	FFY 2014

Technical Assistance

As succinctly as possible, summarize the technical assistance that you will require in order to develop and establish an Exchange. Be sure to highlight anything that has not been reported since your last interim progress report. Please rank in order of priority/need with one being the most crucial assistance. Discuss any plans you have for securing such assistance.

Final Project Work Plan

Please provide a draft work plan that includes goals, objectives, responsible parties, costs, timeframes, and milestones for each year through January 1, 2014. For each core area of work, either those defined above or a different designation of core functional areas viewed as more useful by your state, provide key objectives and milestones for carrying out the establishment of an Exchange. We want to know how you plan to get to 2014 and the steps that you plan to take along the way. We would also like to know how you are monitoring progress toward these milestones. Please refer to the framework for listing milestones that was provided in the quarterly report template.

Final Evaluation Report

Please provide an evaluation plan to include a detailed description of data collection activities and analyses, from which the State will evaluate the progress of your Exchange in meeting your goals and the goals of the Exchange as articulated by the federal government. Please provide information on the performance measures you intend to track.

Exchange Deliverables

Submit copies of any deliverables (plans, documentation of planning activities, etc.), public recognition, press releases, or new articles that are pertinent to this project and that were received since the last progress report, if any.

**STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES**

OMB #0938-1101

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1101. The time required to complete this information collection is estimated to average (433 hours) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Public Report

Grantees are required to prominently post progress reports about their planning grants on their respective Internet websites to ensure that the public has information on the use of funds. The Public Report must be compliant with Section 508 (see <http://www.section508.gov/> for more information). The required public report includes, but is not limited to:

1. Project Summary – an overview of the grantee's activities, both planned and accomplished
2. Stakeholder Involvement – an outline of any and all opportunities for involvement to the residents of the State and other pertinent stakeholders. This includes any discussions regarding the Exchanges such as public hearings, town hall meetings, etc.
3. Budget – the total amount of the grant award and the broad budgetary categories of the award.
4. Deliverables – all press releases, news articles, public recognition, and any other documentation allowed by law for public disclosure.

In addition, it is the grantees discretion to publicly disclose any and all information in the quarterly and/or final project reports.

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1101. The time required to complete this information collection is estimated to average (433 hours) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Reference – Core Areas

- **Background Research** – May include research to determine the number of uninsured in the State including, but not limited to, those potentially eligible for the Exchange, and those eligible for Medicaid or their employer's coverage and currently not enrolled.
- **Stakeholder Involvement** – May include a list of the stakeholders within the State who will be involved in the State's decision about whether to operate the Exchange and planning/implementation of the Exchange, including the role proposed for each stakeholder as well as agreements with those stakeholders that may be in place at this time. Developing stakeholder involvement may include a plan to gain public awareness and commitment of key stakeholders through task forces and activities in various venues to obtain stakeholders' input.
- **Program Integration** – May include a description of how an Exchange will build on existing State and Federal programs such as Medicaid and CHIP. This may also include current State activities similar to an Exchange.
- **Resources and Capabilities** – May include an assessment of current and future staff levels, contracting capabilities and needs, and information technology.
- **Governance** – May include planning for a State-run Exchange or an Exchange run by an independent entity. If an Exchange is expected to be State-run, planning could include determinations of where the Exchange would reside, what the governing structure would be, and to what departments or officials it would be accountable. If an Exchange is expected to be established through an independent entity, planning could include the development of the governance structure, appointment process, conflict of interest rules, and mechanisms of accountability. If the State is planning to coordinate with other States for a regional

STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES

OMB #0938-1101

Exchange, activities relating to coordination with other States to establish an Exchange, determine markets, and ensure licensure and consumer protections could be developed.

- **Finance** – May include pathways to developing accounting and auditing standards, mechanisms of transparency to the public, and procedures to facilitate reporting to the Secretary.
- **Technical Infrastructure** – May include the planning for a web portal and/or a call center to meet the increased need for consumer education, the coordination of Medicaid and Exchange-related activities, and the integration of Health Information Exchange standards for program interoperability.
- **Business Operations** – May include plans for eligibility determinations, plan qualification, plan bidding, application of quality rating systems and rate justification, administration of premium credits and cost-sharing assistance, and risk adjustment.
- **Regulatory or Policy Actions** – May include a determination of the scope and detail of enabling legislation and implementing State regulations.