

# WV Health Benefit Exchange Stakeholder Meeting Summary

**Group:** Producers

**Location:** Offices of the Insurance Commissioner,  
1 Players Club, Third Floor Conference Room

**Date:** 9/11/12

**Time:** 1:00 p.m. – 2:30 p.m.

**Objectives:** See agenda

**Facilitator/Lead:** Carl Hadsell

**Handouts:** Agenda, 90 Day Waiting Period Rule, IRS Employee Definition, Federal-State Partnership Exchange PowerPoint

**Attendees:** Kathy Beck, Lisa Calderwood, Bill Crouch, Danielle Ewing, Steven Gue, Brett Hamilton, Diana Hypes, Scott Kephart, Pam King, Gray Marion, Debi McCoy, Jeremiah Samples, Dena Wildman, Jeff Wiseman

**Next Meeting Date:** Tuesday Oct. 9th, 2012 1:00 p.m. – 3:00 p.m.

## Discussion Points

1. **What's New OIC newsletter** – The newsletter, September issued recently released, is a great resource for all types of information and activities regarding exchanges. Please send any materials and/or submissions you may have to the *What's New* newsletter to Debi McCoy at [Deborah.McCoy@wvinsurance.gov](mailto:Deborah.McCoy@wvinsurance.gov).

## 2. Exchange Updates

### a. IT

- **IT RFP.** The IT RFP for the infrastructure build of the Exchange is on hold at State Purchasing and could be released if a decision to proceed with a state-based exchange is made. The OIC is also assessing other states' IT procurements with the long-term goal of reusing other systems as applicable in an attempt to make building an exchange more affordable and sustainable.
- **SERFF.** The OIC continues to work with the System for Rates and Forms Filing (SERFF) team at NAIC on the enhancements required to be able to perform plan management functions for the exchange. There will be a presentation by the SERFF development team at the next Carrier stakeholder meeting, Tuesday October 9<sup>th</sup> at 10:00; agents that are interested are welcome to participate.
- **Eligibility APD.** The OIC and all references to advanced-payment tax credits (APTC) and cost-sharing reductions (CSR) have been completely extracted from the procurement. An Advanced Planning Document Update (APDU) could be submitted to CMS to allow our inclusion if there was a need to leverage that eligibility system in the future.

### b. Plan Management

There are still a number of outstanding issues needing resolved. The OIC continues to prepare for the certification process as outlined in the Blueprint. Planning continues for all contingencies since a final decision has not yet been made regarding which exchange model the state will pursue. There was a plan management meeting scheduled for mid-September but HHS cancelled. The OIC had hoped to get answers to outstanding questions around network adequacy, actuarial value calculation, discriminatory benefit design, and other plan management issues at this meeting.

### c. Federal Updates

- **Rules:**
  - Recently rules have been released regarding the 90 day waiting period and the IRS definition of full-time employees. Detailed information is included in the handouts.
  - Guidance about some components of QHP certification process has also been released.
  - Rating and EHB rules have not yet been released and there is no expected date for release. The OIC will continue to work around risks associated with the delays in the release in this rule.
- **Blueprint.** At last month's meeting we went through the Blueprint, which lays out what certification process entails for state-based exchanges (SBEs) and state partnership exchanges (SPEs). As part of

that new guidance, a new medium for consumer assistance has been created called Marketplace Assisters (MA). They have similar duties as Navigators, but can be funded by establishment grant. States apply for funding for the program in Establishment Grants then operate their own MA program to get more people on the ground helping educate and enroll consumers. The OIC is having conversations with BOSS, CHIP and BMS to discuss options for consumer assistance in a Partnership Model.

#### **d. Other Updates**

CCRC won the baseline research procurement contract for actuarial analysis and economic modeling. Their work will include researching premium stabilization, regional rating factors, and other research topics that will be critical in assessing feasibility of establishing an exchange. First meetings with CCRC are scheduled for Wednesday and Thursday to lay out work plan and schedule. The OIC will be in contact with stakeholder groups about the progress of the research project.

Recently the OIC had a kickoff meeting with the National Academy for State Health Policy (NASHP) to begin their research work to explore regional exchange options. NASHP will be looking at models of sharing risk pools, administrative costs and IT systems. The state needs to be creative and carefully assess all options in order to be efficient and effective with funds.

Q: Carl asked about the status of the health literacy project.

A: Jeremiah said Marshall University will be presenting when they reach a milestone in their project. It'll be important to understand consumers' understanding of health insurance in order to maximize enrollment, which is a common goal of all stakeholder groups.

### **3. Consumer Assistance in Partnership Model**

There are three options states can elect to pursue in terms of exchange models: a state-based exchange in which the state retains most of the responsibilities; a fully federally-facilitated exchange in which HHS is primarily responsible for exchange functions; and a partnership model in which the state can elect to perform plan management and/or consumer assistance.

Jeff discussed the consumer assistance activities in a federal-state partnership exchange. He noted that the information provided is based on a phone call with CMS, not formal guidance.

Jeff outlined the states' responsibilities in completing the Blueprint.

In the three models there are different state responsibilities for Navigators, Agents, Community Assisters and Marketplace Assisters.

In a Partnership, HHS selects Navigator entities and determines the funding mechanism; the state has authority to develop additional training.

Navigator duties are outlined in the ACA and include: conduct public education activities to raise awareness of the availability of QHPs; distribute fair and impartial information; facilitate enrollment in QHPs; and provide referrals to an office of health insurance consumer assistance.

Q: Gray Marion asked, if an agent can be Navigator but can't receive compensation for any health plan, why would an agent do it?

A: Jeremiah answered it would be up to the agent to decide if becoming a Navigator would be in their best interest.

Q: Gray asked about inconsistency in messaging from HHS.

A: Jeremiah said Illinois was told they couldn't add additional training to Navigators, but that is incongruent with what we've been told. From discussions the OIC has had with CCIO and other states, it appears that information shared with each state is not consistent.

Q: Gray asked how Navigators are funded.

A: Navigators cannot be funded using Establishment grant funds. HHS will have to determine the funding mechanism; it may be a fee of some sort assessed to carriers or consumers. This limitation creates a huge issue in the first coverage year because no funding option seems to be clean.

Gray stated that Navigators will have a need for compensation; he asked if they are allowed to operate as a business and find revenue streams for themselves.

Jeremiah stated that HHS would be creating parameters that wouldn't allow unscrupulous or fraudulent behavior. For example, Navigators shouldn't be allowed to charge a fee to consumers as well as receive funding from HHS. He also stated that it will take Producers and other stakeholders' input about what policies should be put into place to protect consumers.

Gray requested seeing even tentative plans in writing so that they can add comments. He also shared that he's being pressured by his association members for more definite information.

Jeremiah said that we have requested that HHS meet with WV producers and stated that producers will be important in the QHP marketplace, regardless of model selected.

Brett shared her concerns about how fraud would be monitored.

Jeff discussed a new mechanism for consumer assistance, Marketplace Assister. Based on information given to the OIC on a phone call with CCIO, Marketplace Assisters would have similar duties to Navigators, but would be a program administered by states and funded by 1311 funds through Establishment grants given to the states. The state would design the Marketplace Assister (MA) program and request funding in a grant application.

Q: Gray asked why MAs were created.

A: Jeremiah said that it was probably developed because it allowed for Establishment grants to be used for funding MAs, but is not allowed for Navigators. There is no written guidance, but our understanding is that MAs could be state employees like income maintenance workers, or a number of other entities. There will be a great need for a volatile population, so perhaps HHS recognized the need that Navigators alone cannot fill.

Q: Brett asked how MAs would continue after 1311 funds ended.

A: Jeremiah said maybe fees assessed, cost allocated, a different funding stream or maybe the program would be discontinued. He noted again that the information we have to date has only been shared verbally – the guidance around MAs has not been released in writing.

Jeff discussed the role of Community Assisters (CAs). There would be nonprofits or other community groups that would enroll consumers in QHPs because of the mission of their organization and would not be funded by the Exchange, state, or HHS.

Q: Gray said that these organizations will still have costs associated with enrollment and asked where the funding would come from.

A: Jeremiah said that the organization would be responsible for any costs. They could potentially be funded by private funders. HHS has stated they'd provide grant funding for states to develop training and materials for CAs.

Q: Could AAA or AARP be CAs or MAs?

A: Jeremiah said that without knowing what they cannot be, it seems like it would be permissible.

It's not clear what the regulatory role is for these entities, but it does seem that HHS has a goal of maximizing enrollment, which may be a reason for so many varieties of assisters.

Q: Gray asked if any groups have talked to OIC about being assisters.

A: Jeremiah said that Enroll America and other organizations have talked about becoming assisters of some variety. There are a lot of groups talking about doing something, and these groups will probably fall in the category of CAs.

Q: Is the government going to drive consumers towards one particular variety of assister (Navigator, agent, CA, MA?)

A: Jeremiah said there hasn't been a discussion on that topic that he knows of. He talked about the state's experience enrolling hard to reach populations that will require time-consuming assistance. There will be cases in which a consumer would need more detailed information than a Navigator or CA could provide and would then be referred to a licensed agent.

Jeff talked about role of agents and broker. They are allowed to be Navigators if they don't sell health lines. Agents are also allowed to enter into an agreement with the Exchange in order to sell QHPs as an agent.

Jeff reviewed list of outstanding questions regarding Marketplace Assisters.

Q: When do you expect enough guidance to make a decision about direction?

- A: Jeff said he expects that more information about Consumer Assistance by the end of September, but Jeremiah cautioned that HHS has not met deadlines they have set previously.
- Q: Steven asked about one of his employee's concerns about job security and asked what he should tell him.
- A: Jeremiah said the he couldn't speak to specific instances, but he does see a need to health insurance agents in 2014 because so many people will be looking for coverage and small business will be looking for help.

Brett shared that the agent community feels that their jobs are being threatened. Jeremiah stated that he can't speak to HHS's strategy for enrolling people, but he is concerned that there will be a population that will be too difficult or time consuming for agents to serve – it wouldn't be conducive for business to spend the time required with some Medicaid or CHIP eligible citizens who will need intensive levels of help because of either literacy issues or general lack of experience dealing with insurance.

Q: Are we looking at Medicare enrollers as a model for how to operate?

A: Yes, but there is a key difference in that Medicare is funded completely by federal dollars and Medicaid requires state match funding. The OIC has been researching how the SHIP program operates and feels that there are lessons to be learned from their experience.

Q: Have we considered having Navigators focus on a targeted populations (i.e., low-income population)?

A: Yes, the OIC has recommended that to HHS. Jeremiah stated that he won't opine on HHS's approach to the range of assisters, but will say that he thinks it should be a priority to focus the scare resources on populations that will need it the most and is likely to be the most underserved. Concerned was shared among the producers about Navigators not having access to their clients and that churning is an issue in the business. There needs to be a plan for Navigators that is without vested interests.

Q: Scott Kephart asked what the carriers comments are on marketing, navigators, etc.

A: Carriers are concerned they'd be paying twice for the same service – for agents and Navigators. That's one of the reasons we hoped to focus the role of navigators on hard-to-reach-populations.

Q: Can agents be Navigators?

A: Agents can be Navigators but cannot receive any compensation from any insurer at any time. An agent that did not sell health lines could be Navigators. While it may not be in the best interest of agents to become Navigators, they will still be able to sell QHPs on the Exchange if they enter into an agreement with the Exchange per the ACA and final rule.

Q: Scott asked what plans are going to be offered on the Exchange, will all basic plans be the same?.

A: QHPs have to cover the EHB package at the lower threshold (basic) but can have different provider networks, benefit structures, etc. Then there will be a variety on top of the basic ones.

Q: How many carriers have currently committed to participating?

A: Jeremiah stated that because of lack of information available, no carriers have officially committed to selling plans on the Exchange, but that the top carriers in the state attend the Carrier Stakeholder Meetings and are actively working to understand the requirements for selling plans on the Exchange. There will be a multi-state plan operated by the federal government through OPM, and there will likely also be CO-OP plans available. He also alluded to that fact that a lot has been focused on the exchange process and issues, but have not looked at the real reforms in the health insurance within the ACA.

**Next Meeting**

The next meeting will be held Tues., October 9, 2012 1:00 – 3:00.

**Action Register**

What/Task	Who	When
1. Prepare notes from meeting	OIC	9/12/12

**Session Plus/Delta**

A Plus/Delta was not done for this meeting.