



Advisory Council Meeting

February 7, 2020

Meeting Agenda

1. Preliminary Matters
2. Exchange Authority Overview
3. Advisory Council Overview
4. Actions & Discussion
5. Adjourn

Preliminary Matters

Exchange Authority Overview

Agenda

- History of State-Based Exchanges (SBE)
- The Landscape Nationwide
- Our Strategic Goals
- Measures of Success
- Progress against Goals

History of State-Based Exchanges

The evolution of State-Based Exchanges over time

- **2014:** HealthCare.Gov (FFE) and state-based exchanges (SBE) launched to varying degrees of success
 - Initial availability of federal grant funding and enhanced matching funds for Medicaid programs led to large system integration approaches in many states
 - A few states failed to go-live effectively and transitioned back to the FFE
 - Many states, including PA, assessed the implementation risk as too high and deferred operational management to the federal government
- **2015 - 2018:** States slowly began to transition from the FFE to SBE or a hybrid approach using the federal platform (SBE-FP)
 - Idaho successfully transitioned to a SBE from the FFE in 2015, declining to integrate with Medicaid or operate a small business exchange
 - AK, NM, NV and OR became SBM-FPs
- **2019 - 2020:** Led by Nevada, more states decided to begin transitioning to SBEs
 - NV procured a vendor solution for technology and customer service and is going live for Open Enrollment in November 2019
 - NJ, NM, OR and PA are transitioning to a SBE and taking similar approaches to NV with their procurements

Who is the Exchange Authority?

The mission of the Pennsylvania Health Insurance Exchange Authority is to improve the accessibility and affordability of individual market health coverage for Pennsylvanians.

Our goal is to serve Pennsylvania's individual health insurance market customers without disruption, operate a state-based exchange and support the needs of consumers purchasing health insurance while ensuring the stability and affordability of the health and dental offerings available through the Exchange Authority.

Our Strategic Goals

A seamless transition

- A vendor solution that will stand up fully-functioning exchange technology platform and customer service center on-time and on-budget
- Successful conversion of existing customers to the state exchange system
- Limited technical and operational disruption and change to community and insurer partners as well as the Department of Human Services

Higher quality access and customer service

- Accountability to Pennsylvanians looking to access subsidized and unsubsidized individual market health insurance
- Data reporting that is accurate and timely, and can respond to all stakeholder needs
- Flexibility to accommodate changing operational and customer needs
- Ability to better serve PA families churning between individual market and Medicaid

Lower costs and lower premiums

- Operation of the exchange at a significantly lower cost than current Healthcare.Gov price-tag
- Reduction of individual market premiums in 2021 by 5-10% through reinsurance



Measures of Success

How should we tangibly define “being successful?”

Measurement	Measure of Success
Seamless Transition	Healthcare.gov account conversion, existing customer, assister and producer account captures, insurer and Medicaid integration testing results and auto-renewal outcomes
Quality Access and Customer Service	Number of renewing and new customers, average speed to answer, abandonment rate, first-call resolution, customer satisfaction surveys, account transfer conversion
Lower Costs and Lower Premiums	Staying on or under budget, adequate reinsurance funding to achieve reduction of premiums by 5-10%



Progress against Goals

Where we are today

To date we have:

- Started working with a technology platform and customer service vendor
- Begun testing the enrollment and eligibility system design
- Engaged stakeholders – consumer advocates, producers, medical and dental insurers, legislators, business and community groups, Exchange Assister, etc.
- Secured support to design our overall brand
- Established much of the infrastructure necessary to operate a new, self-sustaining entity

Advisory Council Overview

Advisory Council Overview

Agenda

- Mission and Duties
- Meeting Schedule
- Membership and Consideration of Chair
- Others Items as Stated in Act 42 of 2019

Who is the Advisory Council?

Mission and Duties

The mission of the Advisory Council is to provide a forum for input and discussion of issues important to improving the accessibility and affordability of individual market health coverage for Pennsylvanians.

Per Act 42, § 9304. Meetings and operation

(g) Duties.-- Upon request by the exchange authority, the advisory council shall advise the exchange authority on the following administrative and operational decisions:

- (1) Initial operational decisions.
- (2) Ongoing financing decisions.
- (3) Other decisions as the exchange authority may deem appropriate.

Meeting Schedule

Per Act 42, § 9304. Meetings and operation

(c) Meetings.-- All meetings of the advisory council shall be conducted in accordance with 65 Pa.C.S. Ch. 7 (relating to open meetings), except as provided in this section. Meetings must be held in accordance with the following:

- (1) The advisory council **shall meet at least twice per year**, with each meeting held prior to a meeting of the board.
- (2) The executive director of the exchange authority, or a designee, shall attend each meeting of the advisory council.
- (3) Meeting dates shall be set by a majority vote of members of the advisory council or by call of the chairperson upon seven days' notice to all members.

Recommended Annual Meeting Schedule:

- **Meeting One:** February
- **Meeting Two:** July

Membership and Consideration of Chair

Per Act 42, § 9304. Meetings and operation

- **(b) Terms of members.**--Each member's term shall be four years, not to exceed more than two full consecutive four-year terms, except that:
 - (1) Initial appointments shall be staggered to ensure less than 50% of the membership expire each year.
 - (2) A member's term shall continue until the member's successor is appointed.

- **(a) Chairperson.**--The members of the advisory council shall annually elect a chairperson from among its membership.

Other items as stated by Act 42 of 2019

Per Act 42, § 9304. Meetings and operation

- **(d) Compensation.**--The members of the advisory council shall not be entitled to any compensation for their services as members, except that, subject to the availability of money, the members of the advisory council shall be entitled to reimbursement for actual and necessary travel expenses. The expenses shall be paid for by the exchange fund.
- **(e) Vacancies.**--Vacancies in appointed positions shall be filled in the same manner as the original appointment. Members shall serve until their successors are appointed and qualified.
- **(f) Quorum.**--A majority of the advisory council members shall constitute a quorum and a quorum may act for the advisory council in all matters.

Actions & Discussion

Agenda

- 2020 Plan Certification
- Policy Decisions for Discussion:
 - Subsidy Percentage Default
 - Two-Factor Authentication for Brokers & Exchange Assistants
- Navigator Program

Policy and Operational Decision Process

- Decisions are made focusing on our Strategic Goals:
 - A seamless transition
 - Higher quality access and customer service
 - Lower costs and lower premiums
- Stakeholder engagement process:



2020 Plan Certification

Purpose

- Plan certification policy provides guidance to insurers regarding *successful* participation in Pennsylvania's exchange for 2021.
- Exchange as "active purchaser" - determine plans to be in the best interest of qualified individuals (45 CFR §155.1000(c)(2)).
- Plan certification requirements are **in addition to** compliance with federal and state rules.

Proposed Requirements

1. No short-term limited duration plans in or out of exchange.
2. Guidelines for combating the opioid crisis, similar to the policies implemented within the Medicaid program in March 2018 that enhanced current guidelines to help ensure appropriate prescribing of opioids while also ensuring access to Medication Assisted Treatment.
3. Pay producer commissions at a consistent rate for exchange policies, regardless of whether the policy is new business, renewal, or issued during Open Enrollment Period (OEP) or a Special Enrollment Period (SEP).
4. Notify producers of commission payment schedule for exchange policies at least 90 days in advance of the start of Open Enrollment Period for transparency and informational purposes.

2020 Plan Certification

Proposed Considerations

- 1. Meaningful Difference:** Whether a specific plan is meaningfully different from other plans offered by the same insurer within the service area and level of coverage.
 - *Goal:* ensure plans provide added value to the customers of differentiated features, and sufficient but not overwhelming choice.
- 2. Impact to Autorenewal:** Whether renewing customers would experience a significant disruption as a result of plan mapping, such as benefit changes; premium or cost-sharing changes; or provider network changes.
- 3. Value of APTC:** The effect of the plan rate on the Advanced Premium Tax Credits (APTC).
 - *Goal:* ensure Pennsylvanians have continuous access to high-quality affordable health plans.
 - Changes to a service area's second lowest cost silver plan premium will be monitored as they may impact the relative affordability of net premium after APTCs.

Policy Decisions for Discussion

Decision	Policy Goal(s)	Benefits	Challenges
Default APTC Percentage (On Initial Application and At Auto-Renewal)?	Provide best customer experience possible	<ul style="list-style-type: none"> Setting value at less than 100% could lessen chances that customers have to pay more in taxes at the end of the year 	<ul style="list-style-type: none"> Presenting customers plans that cost more (if less than 100% APTC is applied) could discourage some purchases Could be significant need for technology work to implement not only default changes, but shopping flow changes
Two-Factor Authentication for Brokers & Assistors (e.g. Navigators, CACs)?	Secure customer information without causing undue operational burden on community partners	<ul style="list-style-type: none"> Provides extra layer of security for customer information for those customers working with brokers and assistors 	<ul style="list-style-type: none"> May make operational process slightly more challenging for these partner users
Remove APTC from Auto-Renewal if Zero Dollar Premium?	Proposed federal rule, reduce eligibility errors & potential government misspending	<ul style="list-style-type: none"> Per rule, protects against incorrect APTC expenditures, some of which cannot be recovered through reconciliation process due to caps 	<ul style="list-style-type: none"> Scope of the purported issue unclear Would create additional barriers to coverage for customers with greatest need for assistance Change to customer expectations & understanding of annual renewals Technical work to implement

Exchange Assister Program

What are Navigators and Certified Application Counselors?

In Pennsylvania, an **Exchange Assister** is an individual or organization, including a Navigator, Navigator Organization or Certified Application Counselor (CAC) who provides public education or assists consumers for or on behalf of an exchange.

All SBEs are required to offer an Exchange Assister program.

Exchange Assister Program

2021 Open Enrollment Period and Plan Year Goals and Discussion Topics

2021 Goals for Exchange Assisters

- Help customers, in-person, in their communities
- Reach hard-to-reach, diverse populations
- Reduce the uninsured rate in Pennsylvania by helping residents enroll in health coverage

For Discussion

- How many of your organizations participated as CDOs with CACs this past OE?
- How effective were CAC efforts last OE? Is there a source of CAC driven enrollment volume?
- How best to incentive hospitals to serve as a CDO with CACs available?
- What areas of Pennsylvania does your organization typically target when promoting OE? What data sources on the uninsured are utilized?
- What type of enrollment events have you found to be the most beneficial?
- Have you found there are particular types of enrollment events that are beneficial in certain areas of PA and not as productive in other areas of PA?

Adjourn