State Decisions on Health Insurance Exchanges: A Brief Update and Discussion

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<table>
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<tr>
<th>Date</th>
<th>Event Description</th>
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<td>December 14, 2012:</td>
<td>Letter of intent and blueprint for state exchange due</td>
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<td>December 26, 2012:</td>
<td>Benchmark plan decision or default due</td>
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<td>Jan. 1, 2013:</td>
<td>Deadline for conditional approval from HHS to operate state-based exchange</td>
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<td>February 15, 2013:</td>
<td>Letter of intent and blueprint for state-partnership due</td>
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<td>March 1, 2013:</td>
<td>Approval of partnership exchanges on a rolling basis before this date</td>
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<td>April 2013:</td>
<td>QHPs begin submitting applications to federal exchange for 2014</td>
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<td>June 2013:</td>
<td>Federal navigator grants awarded</td>
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<td>Oct. 1, 2013:</td>
<td>Open enrollment on exchange</td>
</tr>
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<td>Jan. 1, 2014:</td>
<td>Coverage begins</td>
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<td>Dec. 31, 2014:</td>
<td>Federal funding for exchanges expires</td>
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State Options for Running Exchange

State Run
- Statewide, regional or sub-state?
- Individual and small business exchanges together or separate?

Federal-State Partnership
- State takes on consumer assistance?
- State takes on plan management?
- State takes on both consumer assistance and plan management?

Federally Run
- What is a state’s role here?
- Regulating insurance?
- Educating consumers?
- Referring to Federal exchange?
State Action on Exchanges

State, Partnership, or Federal Health Insurance Exchange? Where States Stand So Far
(as of November 28, 2012)

Key
- Blue: 17 states and DC established or declared intent to establish a state exchange
- Purple: 5 states considering or declared partnership model
- Yellow: 20 states rejected a state-run exchange
- White: 8 states are undecided

Sources:
- State Refor(u)m Exchange Governance Chart http://statereforum.org/exchange-governance-chart
- State Refor(u)m Exchange Blueprint Chart http://www.statereforum.org/exchange-blueprint-chart
- State Refor(u)m Exchange Policy Decisions Chart http://statereforum.org/exchange-policy-decisions-chart

http://www.statereforum.org/where-states-stand-on-exchanges
Governance Models for State-Run Exchanges

- **New or existing state executive branch agency under the governor**
  - Kentucky, New York, Rhode Island, Minnesota, Vermont, West Virginia, Utah*

- **Quasi-governmental entity**
  - California, Colorado, Connecticut, District of Columbia, Maryland, Oregon, Washington, Nevada, Massachusetts*

- **Non-profit organization**
  - Hawaii

*Utah and Massachusetts set up exchanges prior to the ACA
States Awarded Establishment Grants

Level I & II Exchange Establishment Grants
(as of September 2012)

Key:
- 35 states have at least one Level I Exchange Establishment Grant
- 7 states have received a Level II Exchange Establishment grant

Source: Healthcare.gov
See http://www.statereform.org/establishmentgrants for analysis of most states' establishment grants.
Submit Your State’s Blueprint!

http://www.statereforum.org/exchange-blueprint-chart

Use the “comments” at the bottom of the page to submit a link to your state’s blueprint!
Eligibility and Enrollment

Submit single, streamlined application to the Exchange, Medicaid/CHIP
- Online
- Phone
- In-person

Eligibility is verified and determined
- Medicaid/CHIP
- QHP
- APTC

Enroll in affordable coverage
- Medicaid/CHIP
- QHP


Premium Aggregation/Billing

Consumer

Carrier

Exchange

$
Consumer Assistance

- Navigators
  - Required by the ACA
  - Outreach, education, enrollment assistance
  - Cannot be paid with federal exchange grants

- In-Person Assisters
  - New option for states
  - Can use federal exchange grant funding
Active Purchasing

Explicitly prohibited
- Colorado
- Hawaii

Either not addressed or not prohibited
- Nevada
- West Virginia
- Rhode Island
- Washington

Expressly allowed
- California
- Connecticut
- District of Columbia
- Massachusetts
- Maryland
- Oregon
- Vermont

Unclear:
- Iowa, New York, Kentucky, Mississippi, Minnesota
Implications: We have to get all three models right!

State Exchange Risks
- Operational risks that it won’t launch well, and residents will be unhappy.
- Financial risk that it won’t be financially self-sustaining by 2015 and cost the state money.
- Better to let other states go first and then design it when the road is easier to travel down.

State Exchange Benefits
- Integrating health insurance exchange into health care system goals and overall state coverage/ health strategy.
- State might be held accountable even if Feds are running it.
- Basic operational concern about Feds running something with big effect on your state.

Will the Feds be ready?
- Jan 1 might look more like exchange beta, with some delays and data flow issues to improve, but feds will have known for nearly 3 years that they need to be ready!
State Refor(u)m Resources

- Our Exchange charts
  - Share information updates!
  - Policy decisions
  - Governance
  - Blueprints

- Exchange Map
  Find the charts and map at: http://www.statereforum.org/insight/topic/312

- Exchange Discussion
  http://www.statereforum.org/discussions/exchange-policy-decisions
Find Exchange-Related Documents Easily

- Find this page easily on the top navigation panel
- Get to know our document types
- Choose exchange category
- Filter by exchange topic or state

**1591 Documents on Health Reform Implementation**

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<tr>
<td>Updated 9/27/12: TDI Analysis of Benchmark Plan Options and State Mandated Benefits</td>
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<td>Texas</td>
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<td>Marcus Denton</td>
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<td>Arizona's Medicaid Options under the Affordable Care Act: Fiscal and Economic Consequences</td>
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<td>Colorado Health Care Reform Page with SMM Information</td>
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<td>Care Coordination Efforts, HIE Data Collection/Reporting, State Innovation Models</td>
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Get to know your Documents!

- Grants and Contracts: Includes federal grant applications, procurement documents, requests for proposals, contract language, and notices of grant awards.
- Legislation: Includes draft legislation, signed legislation, and law.
- Presentations and Announcements: Includes presentation slides, transcripts, consumer education materials, news articles, press releases, and proclamations.
- Regulation: Includes executive orders, guidance, regulations, comments on regulations, state plan amendments and other executive branch materials.
- Report: Includes white papers, fiscal analyses, budget documents, evaluations, and reports.
- Working Materials: Includes workplans, timelines, meeting notes, organizational charts, needs assessments, and materials.
Question and Answer
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