

HIX Finance Workgroup

Meeting Summary

2/8/2012

Update on Task Force

- Updated members on work of the Task Force in regard to workgroup recommendations
<http://mn.gov/commerce/insurance/images/ExchTaskForceHealthRec.pdf>
- Update on Governor's press conference and legislation to be introduced by Senator Lourey and Representative Atkins

Update on Governance Workgroup

- Discussed merger with Governance group – likely in the spring
- Topics would include items from the task force, potential legislative direction, defining budget scope and solutions to meet estimated need

Review prior discussion and documents on “beneficiaries” of Exchange

- Reviewed handouts

Discussion of/work on “beneficiaries” matrix

- Discussion of purpose of exercise
- Benefits discussion
 - Ability to have continuity of coverage (individual, employees, general population)
 - Cost more affordable with risk pooling
 - Question – is this due to mandate or the Exchange pooling purchasers? Will premiums go down?
 - Impacts of MCHA on market inside and outside the Exchange
 - Impact on MCHA member versus impact of others
 - Tax credit impact
 - Premium changes depend on how define the market
 - Exchange can facilitate aggregating resources (defined contribution) and portability of plans
 - Facilitate selection of appropriate plans – community outreach/Navigotor/Broker
 - Individuals also benefit from customer services (navigators/call centers/ easier transitions)
 - Health Plans benefits include mechanism to sell product, reduced administrative costs, members
 - Large group members' benefits include browsing for information, easier transition to other markets when needed.
 - Navigators/brokers benefit from grants/compensation, ability to maintain relationships/transition clients between markets
 - Medicaid benefits from use of outreach/customer services to clients such as navigators/brokers
 - State is potential beneficiary is Exchange leads to state savings.
- Discussion on looking at volume and revenues through an exchange
 - Number for each market (individual, sm. Employer, public program, etc)

- Look at populations serviced relative to cost of Exchange (cost allocation)
- Discussion on how to look at business partners versus individuals served
 - Assume costs passed to user at some point, factored into product premium
- Discussion on purpose of Exchange
 - Increase level of health literacy
 - Create a more efficient market place for
 - Enrollment
 - Public program, tax subsidy and cost sharing reduction eligibly
 - Fund aggregation
 - Comparison shopping
- Discussion of cost and quality data, PPG information versus what is currently available from plans
- Discussion of direct benefits and ancillary benefits
 - Focus on purchasers of products through exchange
 - Long-term sustainability from premium/user fee
 - Need to keep fairness and proportionality principle in mind
 - Adverse selection issues – how will risk adjustment, reinsurance and risk corridors offset potential fee impact on adverse selection?
 - Ancillary benefits – General Public Good
 - General provider and plan information
 - Exception process
 - Cost and Quality information
- Discussion of creating narrative displaying three groups of beneficiaries (individuals, Health Plans and General Public Good), direct and ancillary benefits – Barb will draft and route to group for review.