

Health Insurance Exchange

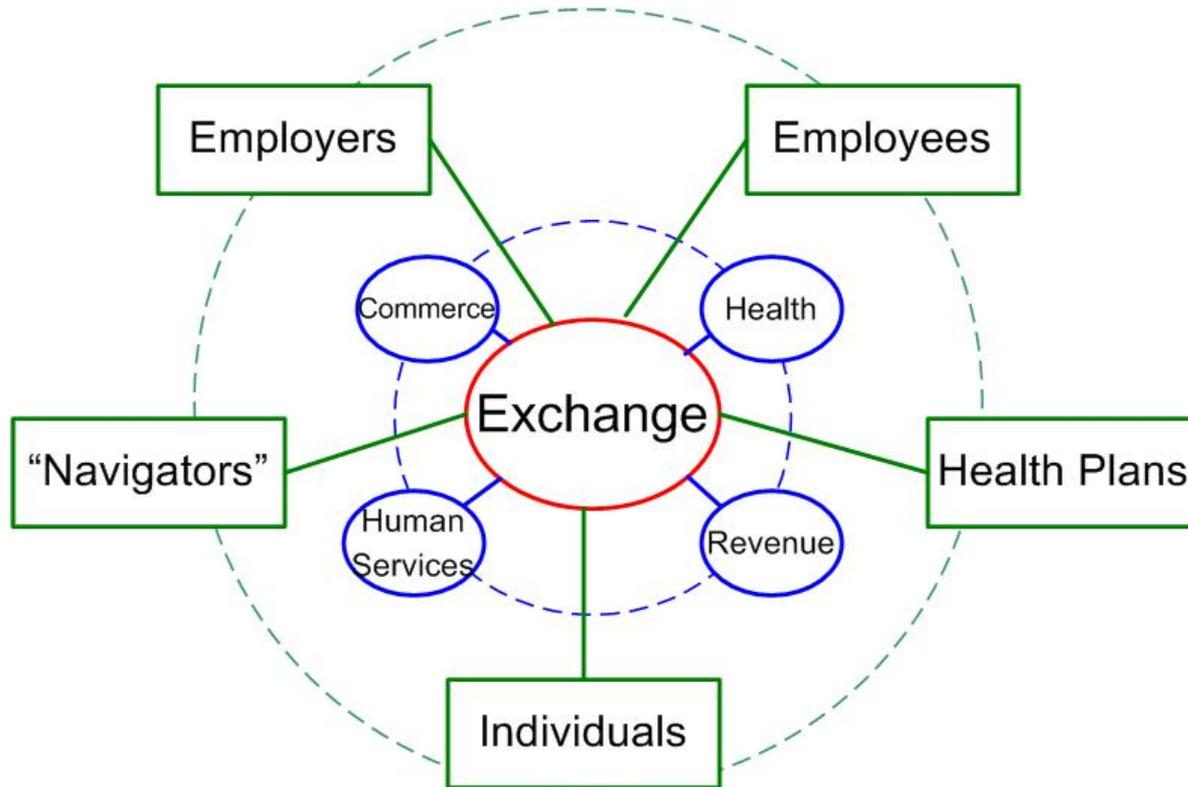
September 14, 2011

April Todd-Malmlov
Exchange Director
Minnesota Department of Commerce



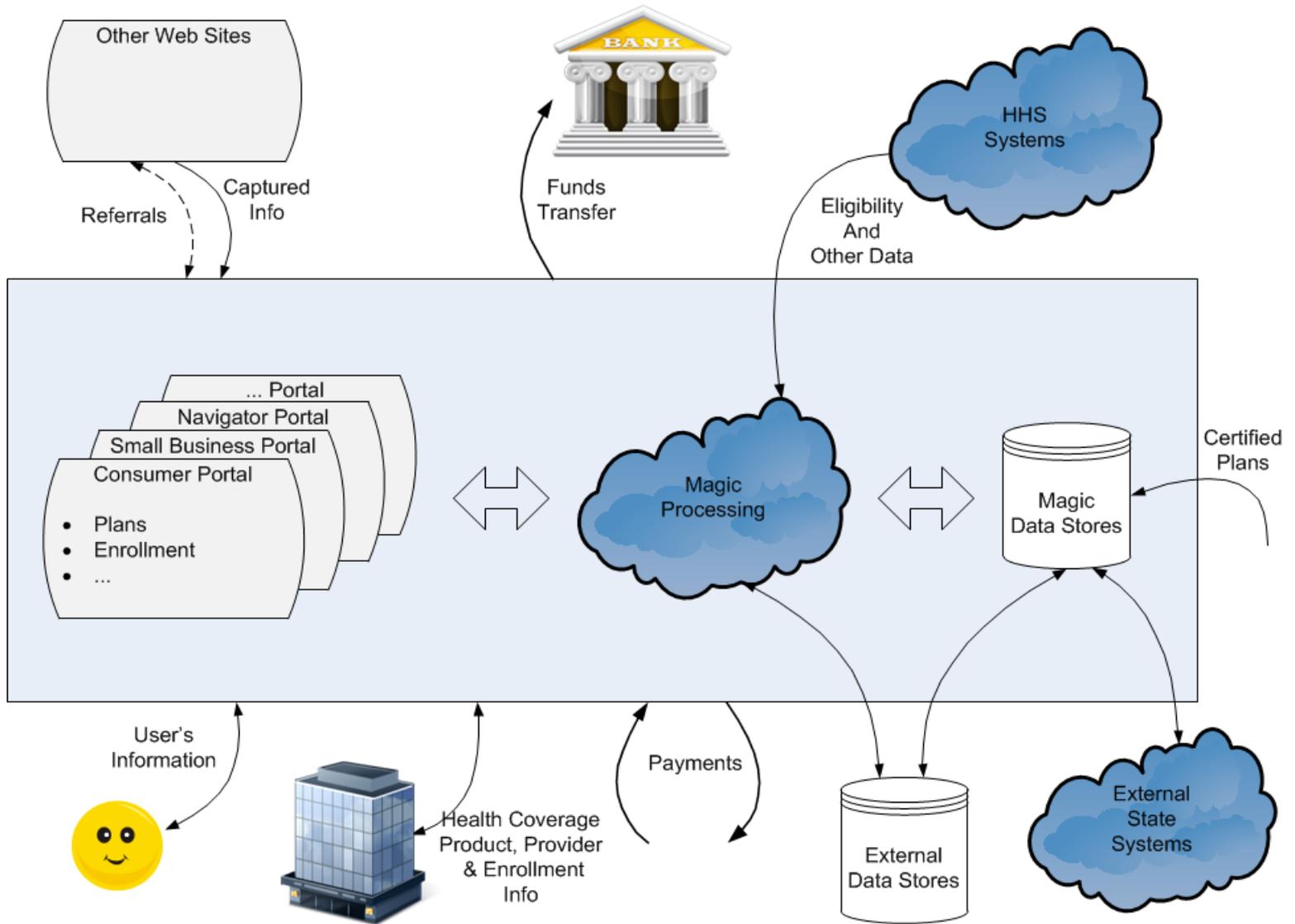
What is an Exchange?

An organized competitive marketplace (one-stop shop) to facilitate and simplify the comparison, choice, enrollment, and purchase of health care coverage for consumers.



What will an Exchange do?

- Provide one-stop shop for coverage including a call center and website
- Ensure health insurance plans meet certain standards
- Provide comparative information on health benefit plans, costs, quality, and satisfaction using a standard format
- Facilitate “real-time” eligibility and enrollment using a uniform format for:
 - Individuals, including private market and Medicaid
 - employees of small businesses with up to 100 employees, and
 - potentially employees of large businesses after 2017
- Determine eligibility for individual and employer tax credits, Medicaid, and coverage requirement exemptions
- Communicate with employers regarding employee subsidy eligibility, cancelation of coverage, and penalty liability
- Establish a “Navigator” program



Why an Exchange?

- Increase, simplify, and streamline access to private and public coverage:
 - Simple one-stop shop
 - Focus on person not type of coverage
 - Financial assistance for individuals and small businesses

Why an Exchange?

- Address some barriers to competition in the health care market:
 - Transparent “apples to apples” comparison information
 - Foster market competition on value and affordability
 - Engage consumers in well-informed decision making
 - Choice, mobility, and portability
 - Reduce barriers to entry for newer and smaller insurers

Key Issues

- Size of the small group market
- Merger of the individual and small group markets
- Basic Health Plan or private subsidies – what happens to MinnesotaCare
- Avoiding adverse selection and encouraging market value and competition
- Risk sharing (risk adjustment, reinsurance, risk corridors, role and transition of high risk pool)
- Incenting competition for and care management/coordination of high risk individuals and encouraging healthy behavior
- Measurement and reporting of cost, quality, and satisfaction
- Navigator and broker requirements and compensation
- Technical infrastructure
- Exchange operations
- Long-term governance
- Ongoing funding

Timeline

- **January 1, 2014:** Coverage through Exchange starts
- **Fall 2013:** Open enrollment
- **Summer 2013:** Populate health coverage products and ratings in Exchange
- **First Half of 2013:** System testing
- **January 1, 2013:** State must prove to HHS that Exchange can be operational by January 1, 2014 or HHS will implement federal Exchange

Where is Minnesota?

- Exchange planning grant
 - Economic and actuarial research and modeling
 - Evaluation of technical infrastructure options and costs - IT RFP
 - Initial work on operations
- Exchange level 1 grant:
 - Resources for design and development
 - Advisory Task Force
 - Technical infrastructure

Contact Information

April Todd-Malmlov

Exchange Director

Minnesota Department of Commerce

Email: april.todd-malmlov@state.mn.us

Phone: 651-296-6572