

Silver State Health Insurance Exchange



Presentation to

The Legislative Committee on Health Care

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May 8, 2012

EXHIBIT C – HEALTH CARE
Document consists of 22 pages.
Entire exhibit provided.
Meeting Date: 05-08-12

Agenda

- **Affordable Care Act**
- **Nevada Exchange Legislation**
- **SSHIX Concept of Operations and Eligibility**
- **SSHIX Advisory Committees**

The Affordable Care Act (ACA)

- **Patient Protection and Affordable Care Act**
 - Signed March 23, 2010
 - 906 Pages
- **Health Care and Education Reconciliation Act of 2010**
 - Signed March 30, 2010
 - 55 pages
- **Federal Regulations**
 - Ongoing



The Affordable Care Act (ACA)

- **Title I – Quality, Affordable Health Care for All Americans**
- Title II – Role of Public Programs
- Title III – Improving the Quality and Efficiency of Health Care
- Title IV – Prevention of Chronic Disease and Improving Public Health
- Title V – Health Care Workforce
- Title VI – Transparency and Program Integrity
- Title VII – Improving Access to Innovative Medical Therapies
- Title VIII – Class Act
- Title IX – Revenue Provisions
- Title X – Strengthening Quality, Affordable Health Care for All Americans

Title I – Quality, Affordable Health Care for All Americans

- Subtitle A – Immediate Improvements to Health Care for All Americans
- Subtitle B – Immediate Actions to Preserve and Expand Coverage
- Subtitle C – Quality Health Insurance Coverage for All Americans
- **Subtitle D – Available Coverage Choices for All Americans**
- **Subtitle E – Affordable Coverage Choices for All Americans**
- Subtitle F – Shared Responsibility for Health Care
- Subtitle G – Miscellaneous Provisions

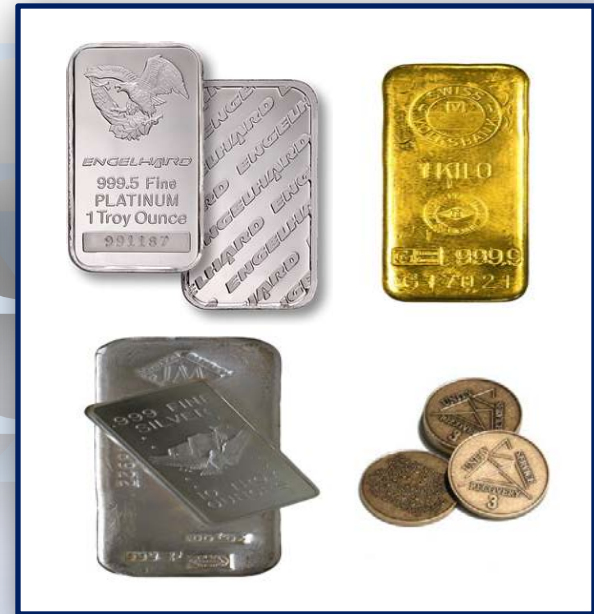
Silver State Health Insurance Exchange

SB 440 - 2011 Legislative Session (NRS 695I)

- Facilitate the purchase and sale of **qualified health plans** in the individual market in Nevada
- Assist qualified small employers in Nevada in facilitating the enrollment and purchase of coverage and the application for subsidies for small businesses
- Reduce the number of uninsured persons in Nevada
- Provide a transparent marketplace for health insurance and consumer education on matters relating to health insurance
- Assist residents of Nevada with access to programs, premium assistance tax credits and cost-sharing reductions.

Qualified Health Plans

- **Metal Tiers**
 - **Platinum (90%)**
 - **Gold (80%)**
 - **Silver (70%)**
 - **Bronze (60%)**
 - **Catastrophic Plan**
 - **Coverage across these tiers will have increasing amounts of member cost sharing (e.g., co-pays, co-insurance, deductibles)**
- **Certified and accredited**
- **Offered inside and outside the Exchange**
- **Premium tax credits based on second lowest silver plan**



Silver State Health Insurance Exchange

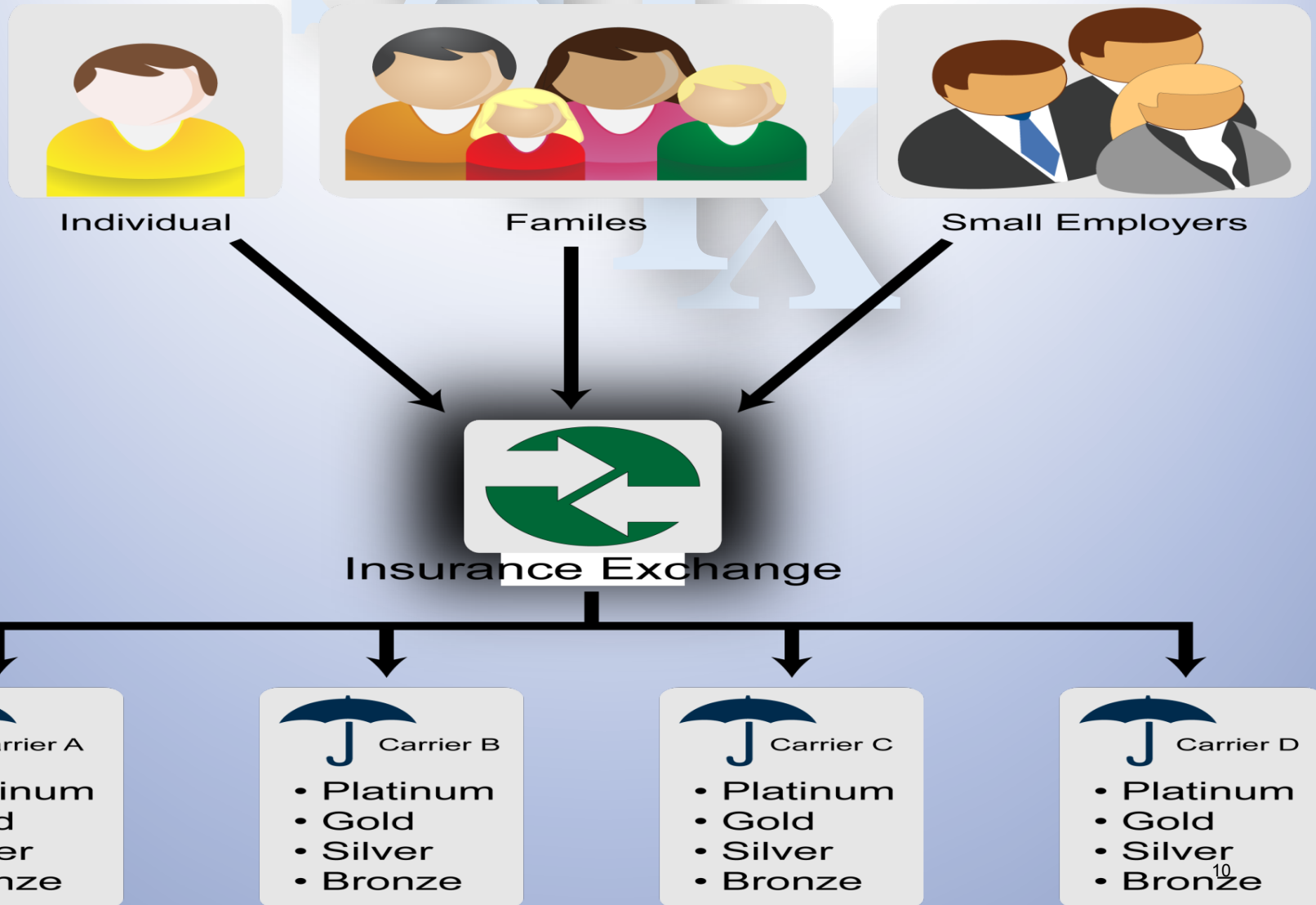
SB 440 - 2011 Legislative Session (NRS 695I)

- **Ten member board shall:**
 - **Adopt bylaws governing its operations**
 - **Report to the Governor and the Legislature any recommendations concerning the Exchange**
 - **Prepare a report for the public**
 - **Provide for an annual audit of its operations**
 - **Submit all reports required by federal law**
 - **If the Federal Act is repealed or is held unconstitutional or otherwise invalid or unlawful, define by regulation “qualified health plan” for the purposes of this act.**

SSHIX Concept of Operations

- **“Expedia” for health insurance:**
 - **Organized commercial health insurance marketplace for individuals and small employers**
 - **Enables consumers to review benefits, compare plans, and enroll in coverage**
- **No wrong door - Those who attempt to purchase coverage through the exchange but are eligible for a public assistance program such as Medicaid or CHIP will be referred (redirected on-line, warm transfer over phone)**
- **Source of information on carrier and plan performance and quality**

SSHIX Concept of Operations



SSHIX Concept of Operations

- **Shopping Experience**
 - Enter demographic information (age, zip code, income, American Indian Status)
 - Select metal tier of coverage
 - Select health plan (subsidized cost provided based on demographic information)
 - Select other products (dental, vision)
 - Enroll

SSHIX Eligibility

Individual (non-group) coverage:

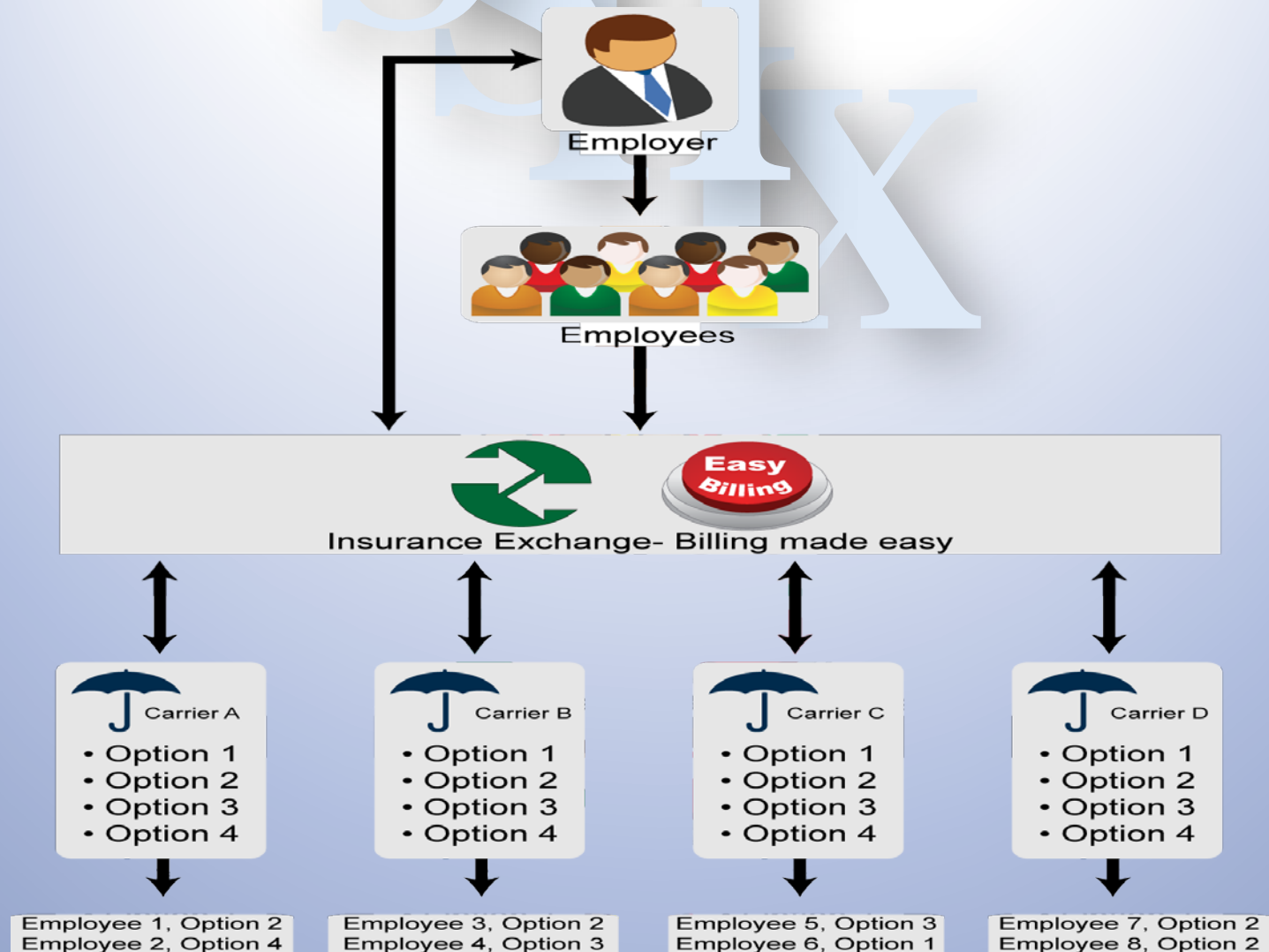
- Legal US resident (and resident of Nevada)
- Not eligible for Medicaid or Medicare
- Not offered employer-sponsored insurance that is:
 - Affordable (i.e., does not exceed 9.5% of person's income), and
 - meets minimum actuarial value standard of 60%
- Subsidies available to individuals and families with income up to 400% of the federal poverty level (FPL)
 - \$43,500 for single person
 - \$88,200 for family of four

SSHIX Eligibility

Small Employers:

- Employers with up to
 - 50 full-time employees (FTEs) in 2014 (state option to expand to 100 FTEs)
 - 100 FTEs in 2016 (required by ACA)
 - Large employees in 2017 (state option)
- Tax credits (in 2014 & 2015) for employers with:
 - 25 or fewer employees
 - Firm's average wages \$50,000 or less

SSHIX Small Employer Option



SSHIX Small Employer Option

One Carrier/One Plan

Carrier	A	B	C	D
Platinum				
Gold				
Silver		X		
Bronze				

All Carriers/One Plan Level

Carrier	A	B	C	D
Platinum				
Gold				
Silver	X	X	X	X
Bronze				

One Carrier/One Package

Carrier	A	B	C	D
Platinum				
Gold		X		
Silver		X		
Bronze				

One Carrier/Multiple Plans

Carrier	A	B	C	D
Platinum		X		
Gold		X		
Silver		X		
Bronze		X		

All Carriers/All Plans

Carrier	A	B	C	D
Platinum	X	X	X	X
Gold	X	X	X	X
Silver	X	X	X	X
Bronze	X	X	X	X

SSHIX Advisory Committees

- **SSHIX Board created 5 advisory committees:**
 - Finance and Sustainability
 - Plan Certification and Management
 - Small Business Health Options Program (SHOP) Exchange
 - Reinsurance and Risk Adjustment
 - Consumer Assistance

Finance and Sustainability

- **Recommend Exchange budget**
- **Methods by which the Exchange can be self-sustaining beginning January 2015; possible revenues:**
 - PMPM based on Exchange enrollment
 - PMPM based on market wide enrollment
 - Dental or vision plan enrollment
 - Referral fees
 - Advertising
 - Other
- **Identify statutory changes required to receive revenues**

Plan Certification and Management

- Selection of a benchmark plan and essential health benefit package
- Certification criteria and rate review processes for QHPs
- Selection of QHPs to be offered on the Exchange
- Standardization of QHPs

SHOP Exchange

- **Determine:**
 - Number of QHP issuers and number of health plans available at each of the four plan levels
 - Extent to which plan benefits may be standardized (i.e. point of service cost sharing)
 - Plan designs in SHOP compared to individual exchange
 - Employer purchasing model and flexibility in offering employee choice
 - Risk mitigation across plans and tiers
 - Minimum contribution and participation requirements

Reinsurance and Risk Adjustment

- **Reinsurance**
 - Temporary program (2014-2015)
 - Insurance for carriers
- **Risk Adjustment**
 - Permanent program
 - Moves funds from carriers that insure low risk individuals to carriers that insure high risk individuals
- **For both programs, committee must determine:**
 - Should Nevada implement or defer to Feds
 - Which entity should run the program
 - Are there Nevada specific conditions that the models should account for

Consumer Assistance

- Advertising campaign
- Enrollment mediums
- Roles of Navigators
 - Required by the ACA
- Roles of Brokers
 - Allowed by the ACA



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