

Health Insurance Exchange Forum - Notes
Molly Blank Conference Center, National Jewish
July 23, 2010

The first health insurance exchange forum began at 9:05 a.m. with introductions and thanks by Joan Henneberry.

Expectations are that there will be several forums, mostly in the Denver area with a few around the state. Each forum will center on a different aspect of the exchange. The process will ideally be finished in late November, and a consensus formed for the 2011 legislature to begin planning work for the exchange.

Gretchen Hammer began her presentation at 9:15 a.m., and her slides will be posted to the Department of Health Care Policy and Financing's (the Department) web site. States have various options for creating exchanges, and there are five key decisions to be made: the goals of the exchange, how the exchange will influence the insurance market in CO, how the exchange will help consumers and small businesses understand and purchase insurance, what are the rules and requirements that must be met, and what is the best governance and sustainability structure.

Gretchen asked for reactions to the decisions that need to be made. An audience member asked if there is anything in the law in terms of benefit packages and standardizing the marketplace. Joan answered that products sold through the exchange must meet benchmarks, and that cost-sharing must meet the affordability piece. It is an opportunity to ask ourselves what we want people to have access to, and understanding the current uninsured population is key to answering this question.

Other questions and comments:

- Community engagement and outreach, similar to Massachusetts, needs to occur to discuss what is needed from the uninsured perspective.
- The public needs to be engaged with more information so that they will be prepared.
- Will there be an opportunity for something other than private insurance? All people under 133% of FPL will participate in Medicaid as of January 1, 2014. Above that, children between 133% and 250% will still be eligible for CHP+. The goal is to create as seamless of a transition as possible. Additionally, there is a requirement that at least one option be non-profit and one for profit, and a publicly funded plan is certainly has not been ruled out as an option. Because of tax credits, any plan will still be partially publicly funded (due to government subsidies for premiums up to 400% of FPL). Massachusetts has a public plan that competes very nicely in the exchange.
- Similar to the Buy-in program for people with disabilities, will there be an option for any individual to buy in to Medicaid? There are no rules or regulations out yet, but those participating in the exchange will be screened for Medicaid eligibility as part of the process. Seamlessness is crucial.
- This is all assuming that the medical community feels they are reimbursed at an acceptable level; for example, some providers right now refuse to see Medicaid and Medicare patients.
- Health underwriters are already seeing a big rift between what they want and fiscal reality on the other side. Anybody who is caring for a patient today will still be needed to care for

patients in the future, and we do not assume for a moment that we have enough providers in all of the right places. Service delivery re-design needs to be discussed, in order to pay providers to do the right things and stop paying them to do things that are unnecessary.

- Once we insure a whole bunch of people, they will want primary care, but is that going to be available or will they still flock to the emergency room? There are lots of opportunities related to work force in health reform (loan repayment, incentives to serve in rural areas, etc.), as well as investment in electronic medical records, HIT, and so on. The worse problem is actually with physicians not accepting Medicare patients as opposed to Medicaid patients. One audience member pointed out that health plans are not allowing advance practice nurses in their networks.

Gretchen remarked that the goal of these forums is to end up with a draft stakeholder document that reflects the breadth of discussion and voices present. To this end, she asked the audience to fill in the blank: "A fully successful health insurance exchange will..."

- Focus on health: exercise, stress reduction, and so on, to reduce costs;
- Be affordable: for participants, the state, the federal government;
- Be user friendly for individuals and small businesses;
- Have transparency and accountability to fix the things that are not working, both for what you're buying and at all levels of money being spent; how are taxpayers' dollars being used, who is getting care, etc.;
- Provide broad choice to consumers based on quality, service and price, without limits to participation;
- Be transparent and simple in terms of access, an opposite perspective to too much choice. A plan offered through the exchange should previously be determined to be cost-effective, and not confuse the consumer further (informed choice is more critical);
- Have an essential benefits package that is universal and robust across the board, with total clarity that if a person purchases something less than the recommended package they are fully aware they are not receiving all of the benefits in the essential package;
- Include comparable access to medications and prescriptions – access to first line medications, no surprises, and consistent;
- Seamlessly transition alongside changes in health or income status;
- Affordability and availability will be clear and easy to navigate;
- Community-based organizations need to be connected and well-informed;
- Assures that there is provider capacity at all levels in order to have public health and protection with a corresponding level of reimbursement.
- Concerns about provider capacity revolve around who will be able to cover potentially 300,000 extra people?
- If the exchange is being delivered by a commercial provider, provider contracts won't change and so some would like to see the discussion move away from caps and more towards medical

necessity, along with everyone having catastrophic coverage so they do not lose their livelihoods;

- Personal responsibility is the only way to bring down health costs, and the exchange should include an option to reward those who take on that responsibility;
- A number of clients prefer alternative medicine and are looking strictly for catastrophic coverage, which must be in the exchange;
- There is a need for incentive to better utilize existing capacity within a physician's day, to see more patients with less time spent on paperwork, which will limit the administrative overhead;
- Include behavioral and oral health as part of primary care, to cover the whole body;
- Include measurable outcomes, to ensure goals are being met and people are becoming healthier;
- Portability, or the ability to stay on the plan that one already has; includes stability for providers as well, which is critical especially when covering children;
- Minimize adverse selection;
- People will ultimately make financial decisions, and there will be a shift if something is more affordable outside of the exchange;
- Portability both within states and amongst states;
- For plans included in the exchange, it has not yet been determined how they will be subject to existing state laws. If there is a mandate in the state that is not included in the essential benefits package, then the state will cover that, but it is still to be determined between state and federal rules what exactly that will look like;
- Automation: reducing costs, helping portability, and the larger question of what administrative functions can potentially be taken on by the exchange;
- Must be a trusted place in order to be successful, with qualified professionals staffing the exchange; the role of navigators in the future may shift depending on the structure of the exchange;
- Possibly a certification process for brokers to help determine validity and trust of the information they are providing;
- A balance between choice and confusion created by too many choices: what are the community values around choice and what is most important;
- Most people want to choose their provider and the plan choice is less important; a strong plea for a public option;
- Retention of consumers once they are in the market; provide multiple plans and choices, because everyone will want something a little different.

Gretchen Hammer and Joan Henneberry wrapped up the meeting at 11:00 a.m. The next forum will be on August 12, 2010, with the location to be determined.

The next conversation is to start discussing the topics of maximizing participation, minimizing adverse selection, the anticipated influence on the market, and the structure of the exchange. The meeting after that will focus on consumer options.