

Health Insurance Exchange Forum – Notes
Craig Hospital Gymnasium
August 30, 2010

Joan Henneberry began the exchange forum with introductions and thanks, and reiterated that the focus of today's forum is on the consumer experience within the health insurance exchange. Joan announced that the Governor's policy office submitted the exchange planning grant application last week.

Gretchen Hammer reminded the audience of the forum goals and ground rules, and a reflection on themes arising from previous forums. The first of three questions today is: how will a successful exchange ensure and inform choice?

- There needs to be a balance between a wide variety of choices and too many choices.
- Some are concerned about provider choice; for example, some companies don't recognize nurse practitioners or physicians assistants, and so the exchange should allow the consumer the ability to choose and stay with that provider.
- Who will decide which plans are qualified or not – a board or a substitute? The U.S. Department of Health and Human Services will set the essential benefits package, and the state will be required to pick up subsidies for any additional benefits.
- It should be designed in such a way where it is navigable on its own, with assistance on the side: a smaller variety of higher quality options.
- It should not limit the number of companies participating, because more competition will help control costs both within and outside of the exchange.
- One of the functions should be to organize, array and display choices for the consumer. The role of providing choice is exactly the role of the exchange, so it should not be limited in order to provide the appropriate plans and types of coverage for a wide variety of people, from the relatively healthy to those with chronic diseases, for example.
- Is there utility in the benchmark exercise? There certainly could be utility in it, since no one seems to know how to do this well.
- Support more choice, which would lead to entrepreneurship and creation of new high value plans.
- More choice necessary, and navigation assistance is important, because of frequently changing laws.
- The purpose should be to return to insurance as it was originally established and spread the risk, including all types of people in all types of plans.
- Choice is essential but so is a standard of behavior. Sick consumers may know what they are looking for but we also have people who are not sick yet, so a basic floor should be established.
- At least eight plans should be offered, so that the consumer can see the bottom line clearly, and carriers can provide more options if they wish.
- Support broad choice, but too much is overwhelming and requires even more consumer assistance. Narrowing some of the choice is balancing quality and costs that all plans can compete with. There should also be a choice of ways to choose, and not just one option of purchasing online.
- Whatever the exchange looks like, it must be navigable on its own. From a small business perspective, if it is not navigable without an intermediary then the system is not going to be any easier to understand or work with than it is now.
- Marketing of choices becomes a very big issue in such a competitive business, so states should have some kind of program to require plans to submit marketing materials in advance.
- Coverage changes quarterly and it is frustrating to providers who are trying to give care, so the requirements should be annual to avoid wasted time. Consumer education is very important, and there should be a number of ways to help people get to the exchange.

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The second of the issues is: how will a successful exchange ensure assistance to consumers to select, enroll and manage their participation?

- Peer assistance should be included as part of consumer assistance, so people with chronic diseases or families, etc. can have someone with a similar background helping to navigate.
- Professionally trained and supervised assistance, with people who adhere to continuing education requirements and keep informed of new information. Consumers need someone to call and ask for help. If states choose to have commission-based assistance then there should be similar rules both inside and outside of the exchange, and allow navigators to work in both markets.
- Individual assistance is necessary for many people in choosing appropriate providers and plans.
- A commission provides a conflict of interest for brokers, and if brokers are used in the exchange they should be salaried positions.
- Continuity of care is essential for people moving between eligibility groups or for families with children in different plans. The exchange also needs to address literacy and cultural diversity in order to ensure full participation.
- Primary care is important, but so are the unexpected events, and consumer education is important.
- Regardless of online tools or brokers, a person cannot positively know what may happen in the future, and innovation of plans is needed to create ones we do not have currently.
- If only the government had looked at Colorado, they would have seen that many of the problems addressed by PPACA had already been addressed, for example, transparency. Division of Insurance already has rules for medical loss ratios, among other protections already in place.
- What are the opportunities for improving the consumer experience? The exchange should make purchasing insurance easier, and be accountable – not just a hotline.
- What a good broker needs is the ability to tell the future. It is a myth that someone can be educated enough to tell a person what coverage they will need in the future. Everybody is at risk for everything.
- A navigator or broker needs the ability to educate people on their choices with objectivity and accountability, whether it be inside of or outside of the exchange – same training, compensation, CE requirements, etc.
- Every broker has a passion for their clients, who are not all healthy. Brokers do not make a lot of money, but most already have the ability to create a quote on benefits and price.
- Colorado Consumer Health Initiative members already provide consumer assistance, but the real question is how can it be done in a better and more streamlined manner.
- Clients believe they will be healthy perpetually, and health insurance has to fit in with mortgage payments, car payments, and every other bill. Perhaps a solution can be that they see two or three cheap examples and at least one very expensive claim, with the out of pocket costs per plan.
- Brokers have an array of products, but consumers also need help looking at resources; for example, a family with a disabled child will need to look at more than just coverage, but at other available programs.
- There are opportunities to be creative in the way we think about this, which can mean a variety of things. The question of how much consumer assistance is needed depends on how complicated the exchange becomes. The question of choice needs to be considered carefully and only used when it produces a result – not choice for choice's sake.

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- Unassisted sales of insurance have twice the lapse rate as those assisted by brokers, probably because people were left to make their own choices and they do not know what they're buying until they get sick. In comparison, brokers are a relatively inexpensive distribution source.
- There have been big public and private initiatives rolled out without consumer assistance that did not fare well, and we do not want to see that happen with the exchange.
- It should not be an issue of whether a plan covers this condition or that condition, because it would seem that we would insure everyone for any condition, or allow them to get it treated at least. Elimination of medical bankruptcy would be important.

The last question for today is: what are the critical issues that we need to pay attention to in order to ensure continuity of care?

- If subsidies are available only to those purchasing from the exchange, for up to 400%, won't most people buy from the exchange? The subsidies are only for individuals and small businesses.
- First the exchange needs to be an effective triage area, by screening first for financial needs and moving into the appropriate groups. Second, determine eligibility for subsidies and individual mandate waivers. Third, the exchange provides an array of programs under which they can use the subsidy.
- There needs to be no wrong door to get into the exchange, and it cannot require people to know beforehand where they belong in the exchange.
- Make sure that the systems in place work the way they are supposed to (data matching, language access, etc.) with particular attention paid to people with special needs. Choice is a good value, but should not be choice for its own sake, and the exchange should operate as a gatekeeper of plan operation and performance.
- In designing eligibility and enrollment systems, we need to consider what will happen in the future and not just now. We will have a different set of problems going forward, for example, with childless adults. It also needs to be designed around common transitions, for example, pregnancy or aging out of children's programs.
- The transition between subsidies and different public programs needs to be seamless for those who will fluctuate in and out of programs.

Other comments:

- It will be helpful to have the principles written up, and the idea that consumers and small businesses are at the center of this exchange should be one of the core principles.
- Any public option must compete fairly with the other plans in the exchange.

Gretchen confirmed with the audience that if the principles are put in writing that it be understood that it is a fluid, working document, and not a final product. She announced the next forum will be Monday, September 13th, and concluded the forum. All materials will be posted on the [web site](#).