

**Goal and Focus of Exchange meeting:**

The State is partnering to hold community forums around the state with CCMU and CCHI. The purpose of meetings is to create open forums. No decisions have been made about the exchange. We want to start the conversation about what the exchange should look like for Colorado and we want to hear from consumers and small businesses. We aim to create a document that can be given to the next administration so the next administration and legislature can have a conversation about exchanges. The goal for this document and the end of this initial community forum process is the end of November.

One of the goals of the forum is to build shared understanding.

The Exchanges will be:

- Virtual market place where people can begin to obtain information and find coverage
- Route for subsidies for coverage in 2014.

Today's goal: talk about the opportunity you see for the exchange and what you think it will take to make the exchange successful.

A successful health insurance exchange in Colorado will . . .

- Not limit a free market/free enterprise
- Exchange needs to work in conjunction with brokers
- Much of the focus in today's culture is on illness care and there is a desire that the exchange focus on prevention. The products sold within the exchange should focus on prevention.
- The exchange is not the first level. There is the patient, needs, responsibility and then financing.
- Making insurance products available across state lines. Touch on regional and federal exchange
- How well are people taking care of themselves? Touch on personal responsibility. The federal act puts some limits on this.
- The importance of servicing the client in the exchange. Brokers need to be a part, but the continual servicing of the client should not be lost.
- A successful exchange needs to keep it simple. Easily accessible, comparable, navigable,
- Will exchanges work better than enrollment in CoverColorado for the broker? Discussion of the in-person centers, the 800 telephone numbers. Issues of compensation for navigators and compensation for brokers with other requirements. Brokers may be navigators.
- Will allow insurers to participate in and outside of the exchange. Discussion of benefit package and role of the feds in this discussion and responsibility of the state for subsidized individuals in the exchange.
- Exchange should answer to citizens of Colorado and should be accountable. Some feel that administration by the state is necessary for the accountability piece.
- Medicaid interface and how that will work in the exchange to avoid adverse selection. Exchange will appropriately level the playing field. Wedding cake slide – anticipates maintenance of employer provided insurance, Medicaid expansions. Accountable care organizations in full swing by 2020.
- What is a level playing field – should it be defined? Discussion of the role of the DOI's and state mandates. Encouragement in rule-making process and to pay attention.

Health Insurance Exchange Forum – Notes  
City Auditorium, Grand Junction, Colorado  
October 21, 2010

- A successful exchange, neutral, focus on core functions, build on existing functions, phased-in, choice of health plans, choice of benefits, brokers are important.
- How does this play into the AG's lawsuit and if the lawsuit is successful? The lawsuit is not resolved and we will continue to march ahead.
- Cost – exchange should not increase costs and it will be difficult to not raise costs with covering at least 300,000 additional subsidized lives. Additional mandates are a concern. Exchange needs to be self-sustaining. At what point do the administrative costs of the exchange get passed onto the consumer?
- Availability of providers? Reimbursement rates and the affect on providers? Gretchen – similar network adequacy requirements for Medicaid and private insurance. Workforce issues will need to occur outside of the exchange. Difference in benefits between Medicaid and exchange products. Layered information on benefit description form. Helpers for folks who are similarly situated or a cost comparison of how things actually shake out.
- Colorado Medical Society supports exchange. Need to be mindful of how some insurers treat providers differently. Interface with Medicaid is significant. Encourage the proper function of the Medicaid system and look for efficiency and effectiveness.
- Exchange needs to break down on the differences between small employer and individual perspective. Business will not be looking for a helper to folks who are similarly situated. They will look for benefit package and cost. Discussion of one or two exchanges – merge of individual or SHOP or keep them separate, etc.
- Cost – not enough discussion of cost. The form of the exchange will impact cost. Discussion of some of the differences between UT and MA. What FL has done and we don't think that Colorado will create a separate exchange department.
- There should not be the displacement of any single private sector job. Is this possible with getting cost containment? Colorado Medical Society appreciates that there will be job loss, but appreciates that the value of cost-containment is more important. Reality of functions of the exchange being paid through an assessment and the reason why functions should not be duplicated.

### **Insights from other forums**

To be successful the exchange will need to:

- Successfully connect people to stable coverage.
- Organize the market place so that consumers and small businesses can find understandable and reliable information.
- Establish certification criteria for participating plans to ensure consumers and small businesses have meaningful choice between high quality, affordable plans.
- Maximize participation in the exchange to create a stable risk pool and mitigate adverse selection between pools.
- Enable consumers and small businesses to purchase coverage without assistance and at the same time ensure support for consumers and small businesses that want and need assistance navigating the exchange.
- Maximize continuity of coverage for consumers and seamless transitions between public and private health coverage.

Health Insurance Exchange Forum – Notes  
City Auditorium, Grand Junction, Colorado  
October 21, 2010

- No duplication of regulatory authority of the division of insurance.
- Include robust data collection and accountability measures that can inform the consumer experience, regulations, and policy.
- Rural areas have different problems with access and limitations on choice. Not all providers will contract and to meet the third bullet is much different in the rural areas.
- How would a co-op fit into the exchange? It has not been a large topic of discussion.
- Medical loss ratio – other industries are not similarly treated regarding expectations of admin costs. Many of the points raised are the current environment and not part of the exchange. Some challenge of these points
- Exchanges open to all individuals and employers of 100 or less. Rocky believes that the choice of carriers who want and are able to participate should be able to participate in the exchange. Shouldn't limit carriers in the exchange because it may jeopardize jobs of people employed by insurers.
- Selecting providers based on quality is reflective of the other partnership with the exchange, but not a part of the exchange per se.
- Collect data to see who is getting better and what we are currently doing.
- Discussion of accountable care organizations.
- Data collection of effectiveness and satisfaction with the exchange.

### Structure and governance

- State, regional, multistate?
- One exchange or two?
  - 1 exchange, 1 pool
  - 1 exchange, 2 pools
  - 2 exchanges, 2 pools
- Governing authority?
  - Quasi governmental authority with diverse representation, strong conflict of interest provisions, open meetings, outside of political fray
- Size of governing authority?
- Rates should still reflect regions as well as representation from the regions.
- Need to have the expertise necessary on the board of the exchange to ensure its proper functioning. Brokers, insurers, providers, consumers, businesses
- Number of pools – some discussion of the tacit incentive for employers to discontinue offering health insurance and therefore one exchange, one pool. Simplicity is important.

The next health insurance exchange forum will be held at the Pikes Peak Regional Development Center in Colorado Springs, Colorado on Tuesday, October 26, 2010 from 10:00 a.m. – 12:00 p.m.