

Health Insurance Exchange Forum – Notes  
UNC University Center  
October 29, 2010

Joan Henneberry began the forum with introductions and thanks.

Gretchen Hammer reminded the audience of the ground rules and the purpose of these forums, which is to compile a stakeholder perspectives document to give to the new administration. There are several decisions about the exchange that the state needs to make.

What will make the exchange successful in Colorado?

- It cannot be restricted to certain people, and for adverse selection purposes we would not want to limit who can participate.
- Estimated 300,000 people eligible for subsidies, but no estimates of how many additional people may choose to participate.
- It should be different from a normal online market because of the certification of plans, consumer assistance, and interaction with public programs.
- Is there a benefit to a federal or a state based exchange? That is up to the state to decide.
- There is no mandate about who can participate in the exchange, the state will establish the criteria.
- If Amendment 63 passes, it becomes a part of the state constitution but has no impact on federal reform and progress of the exchange.
- Is it possible to have an exchange with no providers? Technically it is possible, but is extremely unlikely.
- The small business tax credit is only available if insurance is purchased through the exchange after 2014.
- Our responsibilities today are based on the assumption that we have been charged with making these decisions, so we are discussing the different options for the exchange.
- It should allow large employers to participate, and possibly explore regional or national connections assuming Colorado mandates are preserved.
- The larger the group the better, because an individual does not carry enough weight in the market.
- As one of the healthiest states in the country, be wary of combining with other states, or at least look very carefully at utilization of services among different demographics. Premiums can be kept low by installing wellness programs. A large group is unlikely to go into the exchange because there are better options for them outside.
- Work towards a single payer system by providing a public option in the exchange, because the for-profit health insurance industry still dominates the market.
- Colorado cannot let the exchange increase cost-shifting. Instead, it needs to drive down the cost of premiums and help consumers navigate purchasing insurance.
- One unified administrative exchange, with two separate pools for individuals and small businesses.
- Needs to control the cost of health care, which drives the cost of health insurance.
- Expectation that the exchange pays its own way.
- Make the risk pool as large as possible.
- Advocate for the broker community being the navigators in the exchange, because it is only going to get more complicated rather than less complicated.
- Critical characteristics for consumer assistance: education, certification, accountability. Steer clear of a 1-800 number, and mandate professional errors and omission insurance. Avoid adverse selection.
- The ability to understand potential risk involves seeing the future, and the system as it is now may not be the best one. Why is it necessary to have an intermediary? Let's explore other options to make it consumer friendly and navigable, with the option of assistance if needed.

Health Insurance Exchange Forum – Notes  
UNC University Center  
October 29, 2010

- A professional will be needed for advice, and assistance above and beyond the internet will certainly be needed. A web site to address the nuances is difficult to conceive.
- Forcing simplification is exactly what we are trying to get at, by not providing limitless options and paperwork. Remove the nuances on purpose.
- Understandability of plans should include the description of coverage presented at the point of sale, and should be uniform across plans. Possibly a standardized template for this; high risk pools disappear with the exchange.
- Additional effort for education and communication to engage consumers will definitely be required.
- Advocate for being able to make the decision without the navigator, but having them as an option for assistance if needed.

Reflections on past feedback:

- The certification of plans needs to ensure meaningful choice between high quality, affordable options.
- Can we have a single payer system?
- Recommend licensing for navigators in the exchange, regulated by DOI, charged a fee, and given requirements for continuing education.
- Must be a seamless transition between public and private insurance, because there will be people who jump back and forth as their incomes change.
- Federal law requires eligibility screening upon entering the exchange in order to get people into public programs if they are eligible.
- Penalty is an individual mandate, even for those that are eligible for public programs – if they don't sign up, they will be penalized.
- No duplicative efforts of the regulatory functions of DOI.
- Robust transparency and accountability measures.
- State decision on governance and structure still needs to be made – do we default, do a state based or regional exchange, or something else? Pools separate or together?
- Like to see increased funding for the insurance commissioner, in order for them to do their job.
- A regional exchange won't help drive down costs, because they are associated with delivery systems.
- Exchange should not exist within state government.
- Have the Division of Insurance run the exchange.
- Prefer that the exchange does exist within government, so that they can be voted out.
- More consumer-friendly meetings should be scheduled, either evenings or weekends, to attract a broader base of stakeholders.
- Advocate for a Colorado based exchange.
- Must address competitiveness between exchange and outside market. There cannot be an undue advantage to the exchange. The discussion about risk pools will need to happen in more depth.
- If federal funding for the exchange disappears, it will not go forward.

This is the last forum for the 2010 calendar year. From all of the feedback gathered, a stakeholder perspectives document will be compiled for the next administration. Additionally, progress so far on the exchange is included in the transition documents from the Department of Health Care Policy and Financing, and in a special paper just on health reform and Patient Protection and Affordable Care Act implementation.