

New Mexico Health Insurance Exchange Advisory Task Force



July 25, 2012

Santa Fe, New Mexico

Updates & Announcements

Updates and Announcements

- Compilation of Work Groups
 - Diversity of opinions
 - Fresh ideas and outside-the-box thinking
 - Thought leadership from unexpected resources
 - Cross pollination of ideas from varied perspectives
- Two new Work Groups
 - Legislative Work Group
 - Native American Work Group
- Work Group Co-Leaders

General Questions

Q: Will HSD be taking public comment, and if so, how can comments be submitted?

A: Email: Exchange.Comments@state.nm.us

Mail: Exchange – Comments
Human Services Department
P.O. Box 2348
Santa Fe, NM 87504

General Questions

Q: How can we contact Task Force members with comments or recommendations?

A: Two ways. Either through HSD Personnel or through the exchange comments as described on the previous slide

Q: How can I access presentation materials from the Task Force meetings?

A: HSD will make the materials available at <http://www.hsd.state.nm.us>

Supreme Court Decision

Opinions

Majority



Roberts



Kagan



Ginsburg

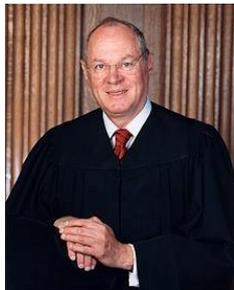


Sotomayor

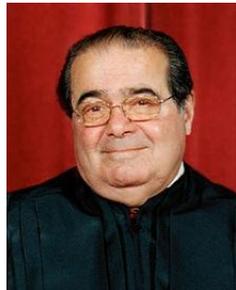


Breyer

Dissent



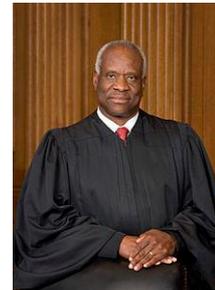
Kennedy



Scalia



Alito



Thomas

The Holding

- Anti-Injunction Act
 - Penalty for noncompliance with Individual Mandate is a “penalty,” not a “tax”
- Individual Mandate
 - Not permitted by the Commerce Clause
 - BUT, Penalty for noncompliance is a “tax,” not a “penalty”
 - End result: Individual Mandate is upheld
- Medicaid Expansion
 - States cannot lose existing Medicaid funding for nonparticipation with expansion
- All other provisions of the law remain in force

Implications

- Health Insurance Exchange still required
 - State based, or
 - Federally facilitated
- Individual Mandate
 - Almost all Americans required to purchase insurance by 2014
 - “Tax” will apply for non-compliance
- Medicaid Expansion
 - Effectively optional for all states
 - It is unknown how many states will participate

Reporting Schedule

Work Group Reporting Schedule

July 25	Introduction
Aug 22	Initial Findings & Discussion
Sept 26	Final Recommendations Introduction

Work Groups

1. Essential Health Benefits
2. Outreach, Education, Adoption, Enrollment
3. Legislative
4. Market Regulation
5. Native American
6. Program Integration
7. Financial Sustainability
8. Employer Participation

Essential Health Benefits Overview

Essential Health Benefits (EHB)

- When: Effective 2014, but must be selected by Fall 2012
- Who: Individual and Small Group Markets
- Where: Inside & Outside the Exchange
- What: Comprehensive package of items and services that are equal to the scope of benefits provided under a “typical” employer plan

What is a “typical” plan?

- Department of Labor,
Bureau of Labor Statistics (BLS) Report
- Institute of Medicine
- Feedback from States

EHB Benefit Categories

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance abuse disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral and vision care

EHB Benefit Categories

- Benefits *within* each category are *not* defined
- Scope of EHB shall equal the scope of benefits provided under a typical employer plan
 - Reflect balance among the 10 categories
 - Account for diverse health needs
 - Ensure discrimination from coverage decisions, costs sharing or reimbursement rates is not incentivized
 - Ensure compliance with the MHPAEA
 - Balance comprehensiveness and affordability

Benefit Limits

- Starting in Sept 2010, group health plans were prohibited from imposing *lifetime* dollar limits on EHBs
- Starting in 2014, plans will be prohibited from imposing *annual* dollar limits on EHBs
- Plans *can* limit the scope and duration of benefits (e.g. the number of outpatient mental health therapy visits in one year)

Covering Costs

- States are required to cover the costs of state-mandated benefits that are in excess of the EHB
 - If the selected benchmark covers state mandates, the mandates become part of the EHB package
 - The state would not be responsible for excess cost
 - HHS will reevaluate EHB in 2016

Supplementing Categories

- A state may need to supplement the benchmark plan to cover all 10 categories
- States may supplement missing categories using benefits from other benchmark options
- Most common non-covered services in currently sold health plans include habilitative, pediatric oral, and pediatric vision services

Habilitative Services Supplements

- If the benchmark plan does not cover habilitative services, the category may be substituted with:
 - Coverage offered in parity with rehabilitative services (A plan covering services such as PT, OT, and ST for rehabilitation must also cover those services in similar scope, amount, and duration for habilitation)
 - Transitional approach: plans decide on which services to cover and report to HHS
- HHS evaluates those services and further defines habilitative services in the future

Pediatric Oral Supplements

- If the benchmark plan does not cover pediatric oral, the category may be substituted with:
 - The Federal Employees Dental and Vision Insurance Program (FEDVIP) dental plan with the largest national enrollment
 - State's CHIP program
 - Transitional approach: Plans decide on which services to cover and report to HHS
 - Offer stand-alone dental plans in the exchange
- HHS suggests the EHB not include non-medically necessary orthodontic benefits

Pediatric Vision Supplements

- If the benchmark plan does not cover pediatric vision, the category may be substituted with:
 - The Federal Employees Dental and Vision Insurance Program (FEDVIP) dental plan with the largest national enrollment
 - Transitional approach: Plans decide on which services to cover and report to HHS

Mental Health

- MHPAEA parity now extends to the individual and small group markets in the context of the EHB
 - The financial requirements or treatment limitations for mental health and substance use disorder benefits can be no more restrictive than those for medical and surgical benefits

Questions

- Which benefits within the 10 EHB categories are the most/least important to have in a health plan?
- If a benefit category is missing, what method should be used to supplement the missing category?
- What should constitute “substantially equal” benefits when comparing a health plan to the benchmark to determine plan qualification?
- When choosing a benchmark health plan, which type of plan should be chosen and why? (small group, State employee, Federal employee, or commercial HMO)

Outreach, Education, Adoption, & Enrollment Overview

Navigator Program

- PPACA requires the establishment of a “Navigator Program”
 - Provide outreach, education, and enrollment services for the exchange-eligible population
 - Possible activities:
 - Conduct public education activities to raise awareness about QHPs
 - Distribute fair & impartial information about enrollment into QHPs, premium tax credits, and cost-sharing reductions
 - Assist consumers in selecting QHPs
 - Provide referrals to an applicable consumer assistance program in case of grievances, complaints, or questions regarding health plans
 - Provide culturally & linguistically appropriate information

Who can be Navigators?

- At least 2 of the following entities must serve as navigators (one must be a consumer-focused non-profit group):
 - Community & consumer-focused non-profit groups
 - Trade, industry, and professional organizations
 - Commercial fishing, ranching, and farming industry organizations
 - Resource partners of the small business administration
 - Licensed agents & brokers
 - State or local human service agencies
 - Chambers of Commerce
 - Unions
 - Indian tribes
 - Other public or private entities or individuals
- Health insurance issuers are **prohibited** from being Navigators

Navigator Compensation

- Navigators cannot receive any consideration or compensation from insurance issuers
 - In connection with enrollment in health plans inside or outside the exchange
- Navigators are compensated by grants funded through the operations of the exchange
 - Exchanges will award grants to Navigators
 - Costs may be passed on to the consumer
 - States may indirectly be responsible for the ongoing costs of the program

Navigator Training & Certification

- State Law:
 - Agents, brokers, and solicitors in New Mexico may not transact, solicit, countersign, or take an application for insurance without a license.
- Federal Law:
 - Navigators will not be required to be licensed by the state as agents or brokers
 - HHS has deferred to the states to prescribe licensing, certification, or other standards for navigators
 - HHS plans to issue training model standards for navigators in forthcoming guidance

Agents & Broker's Role

- Agents & brokers may facilitate enrollment in the exchange:
 - States decide how agents & brokers will participate
 - Must be registered with the exchange and receive training in the range of QHP options and programs
 - May not act as agent/broker and official Navigator simultaneously

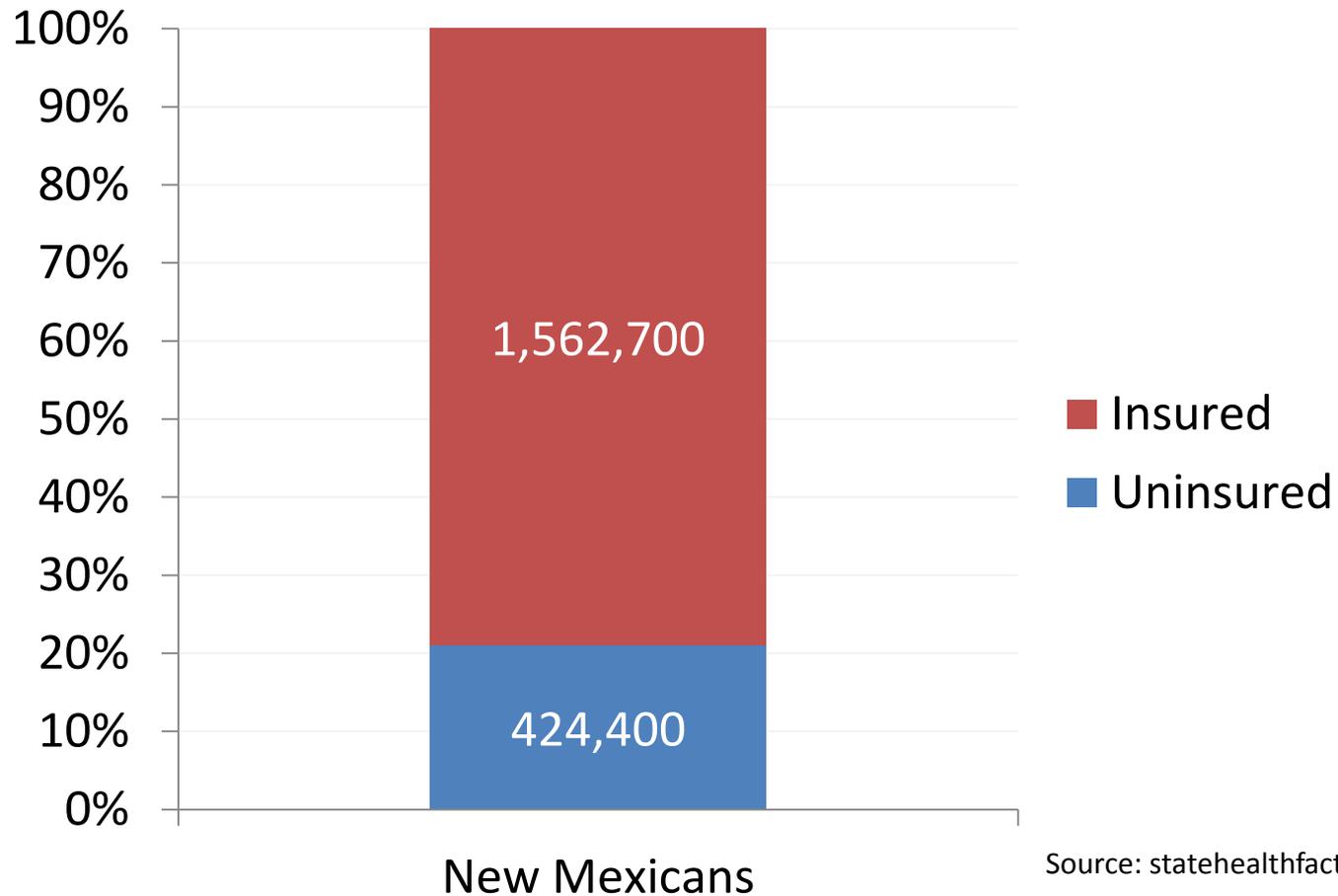
Questions

- What should the training and certification process be for navigators?
- What type of oversight should be required and who should be charged with this oversight?
- What is the role of navigators vs agents & brokers?

Outreach & Education

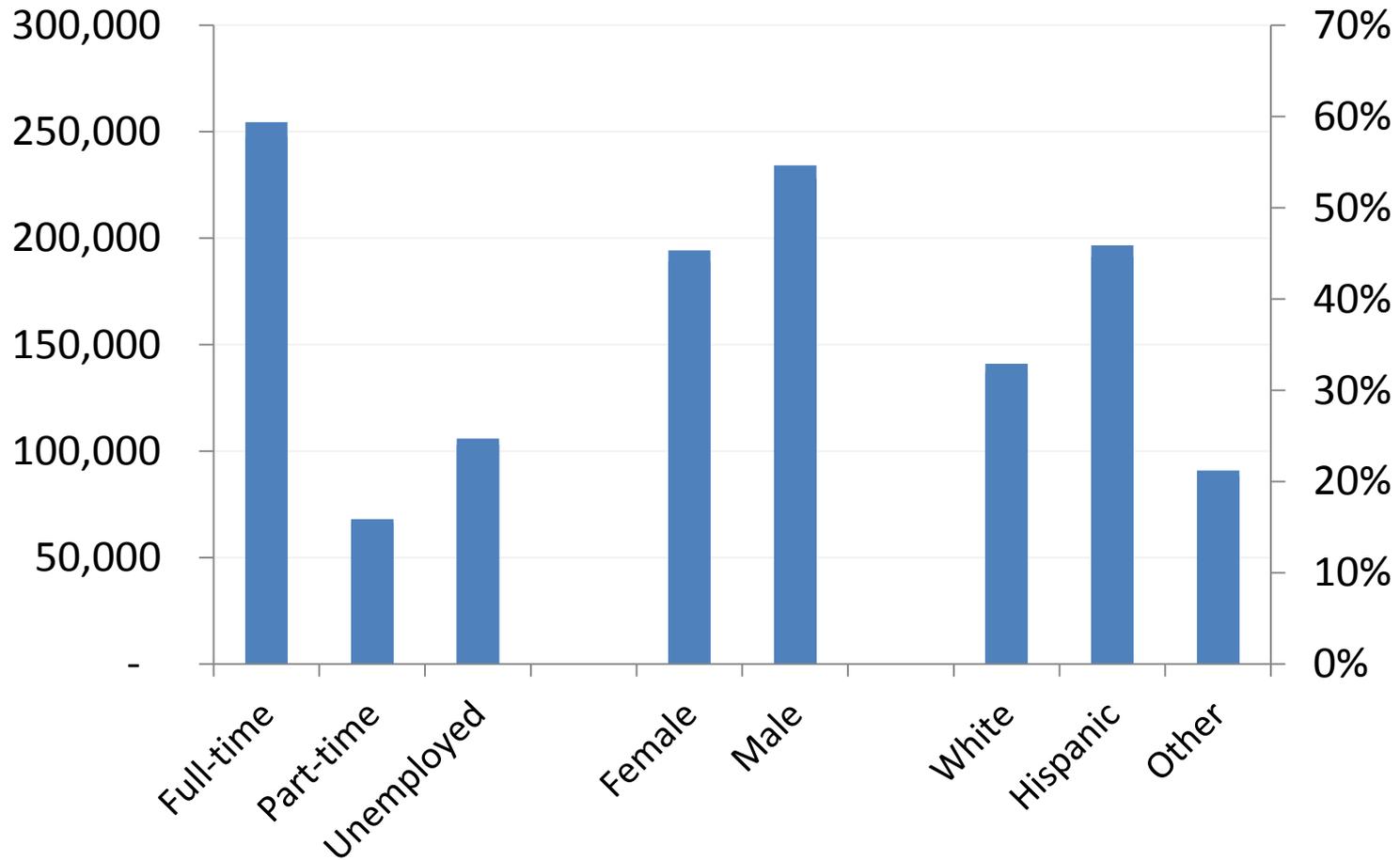
- New Mexico may consider leveraging its existing networks for outreach & education
 - They understand the needs of New Mexico's diverse populations and how to engage them
- A variety of efforts may be needed

Insured vs Uninsured



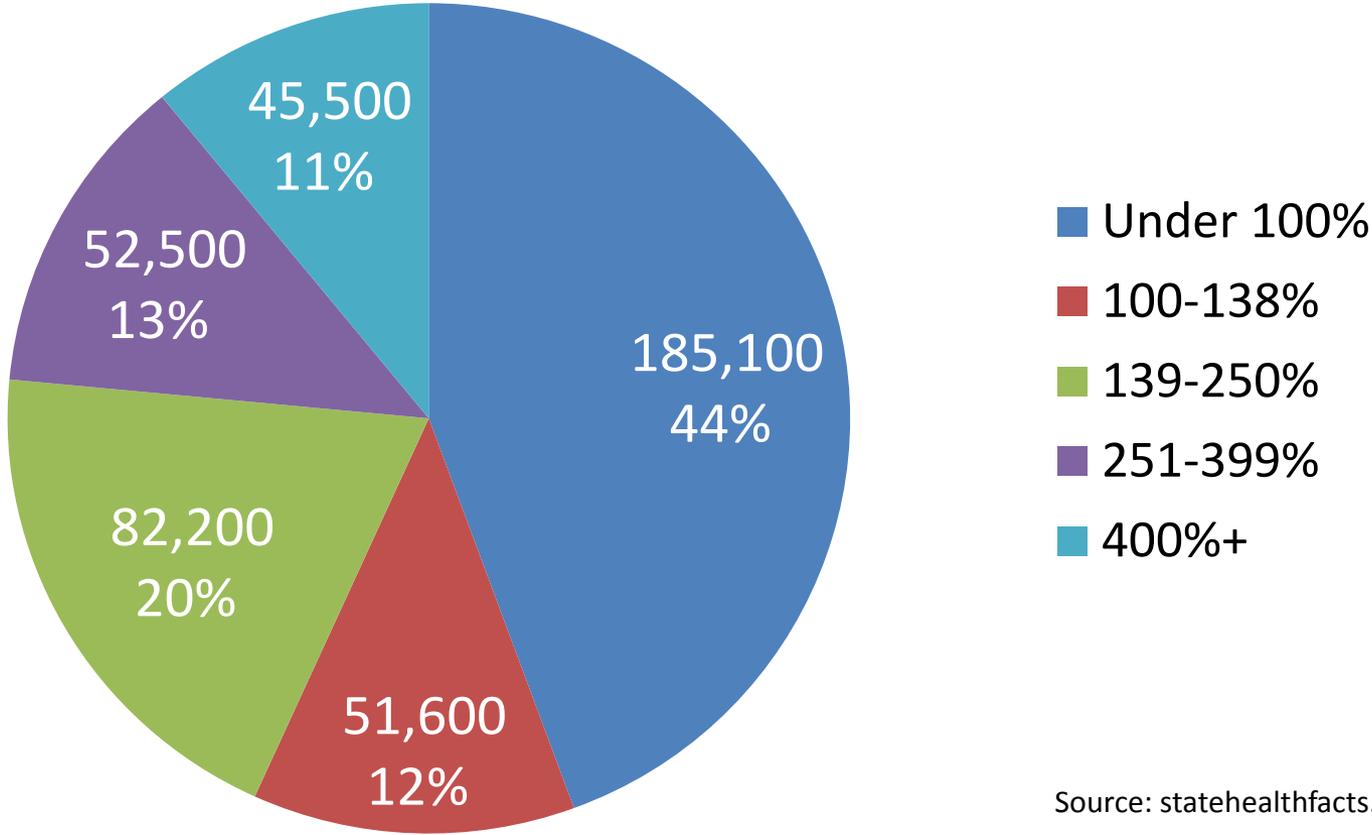
Source: statehealthfacts.org

Characteristics of the Uninsured



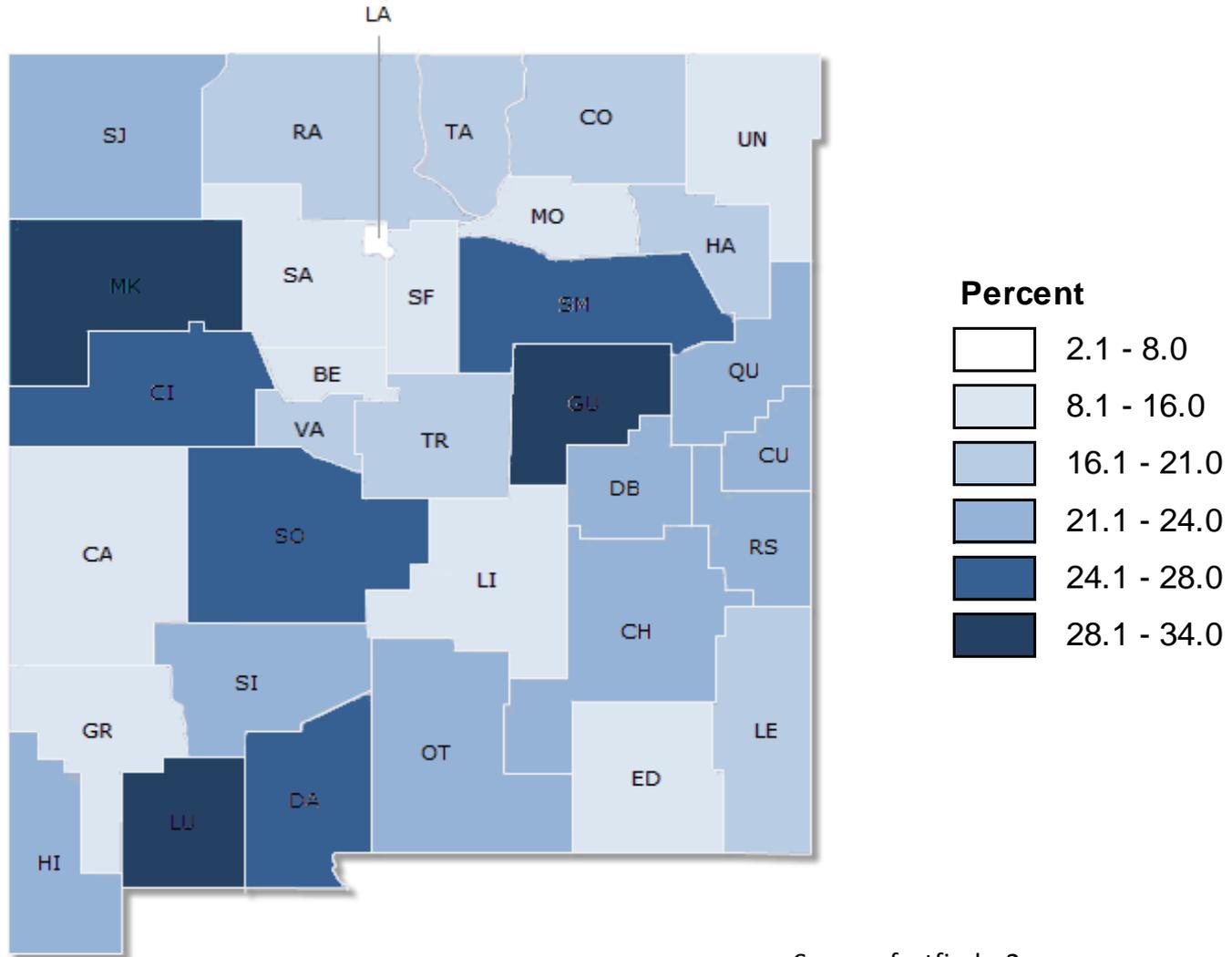
Source: statehealthfacts.org

Uninsured Populations by Income



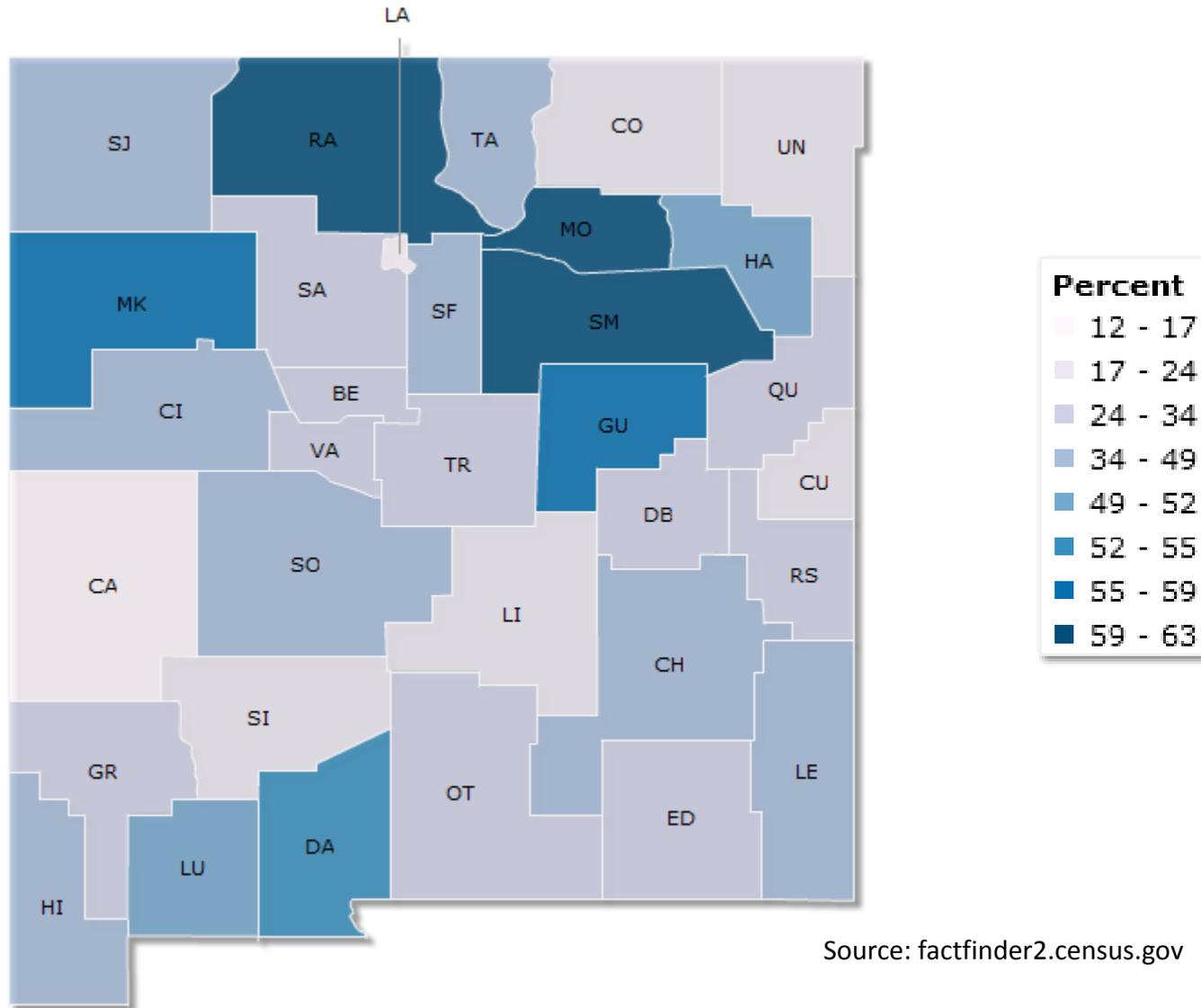
Source: statehealthfacts.org

Poverty Level by County



Source: factfinder2.census.gov

Language Other than English Spoken at Home



Questions

- What marketing channels should the state engage in to raise awareness of an exchange and consumer options?
- What elements should be included in public relations and advertising campaigns to drive enrollment in the exchange?
- What points of contact should be made (e.g., schools, churches, community centers, etc.)?

Q & A

New Mexico Health Insurance Exchange Advisory Task Force



July 25, 2012