

# Delaware Health Benefit Exchange (HBE) Marketplace Assister Certification

Delaware Health Care Commission Meeting:  
February 7, 2013

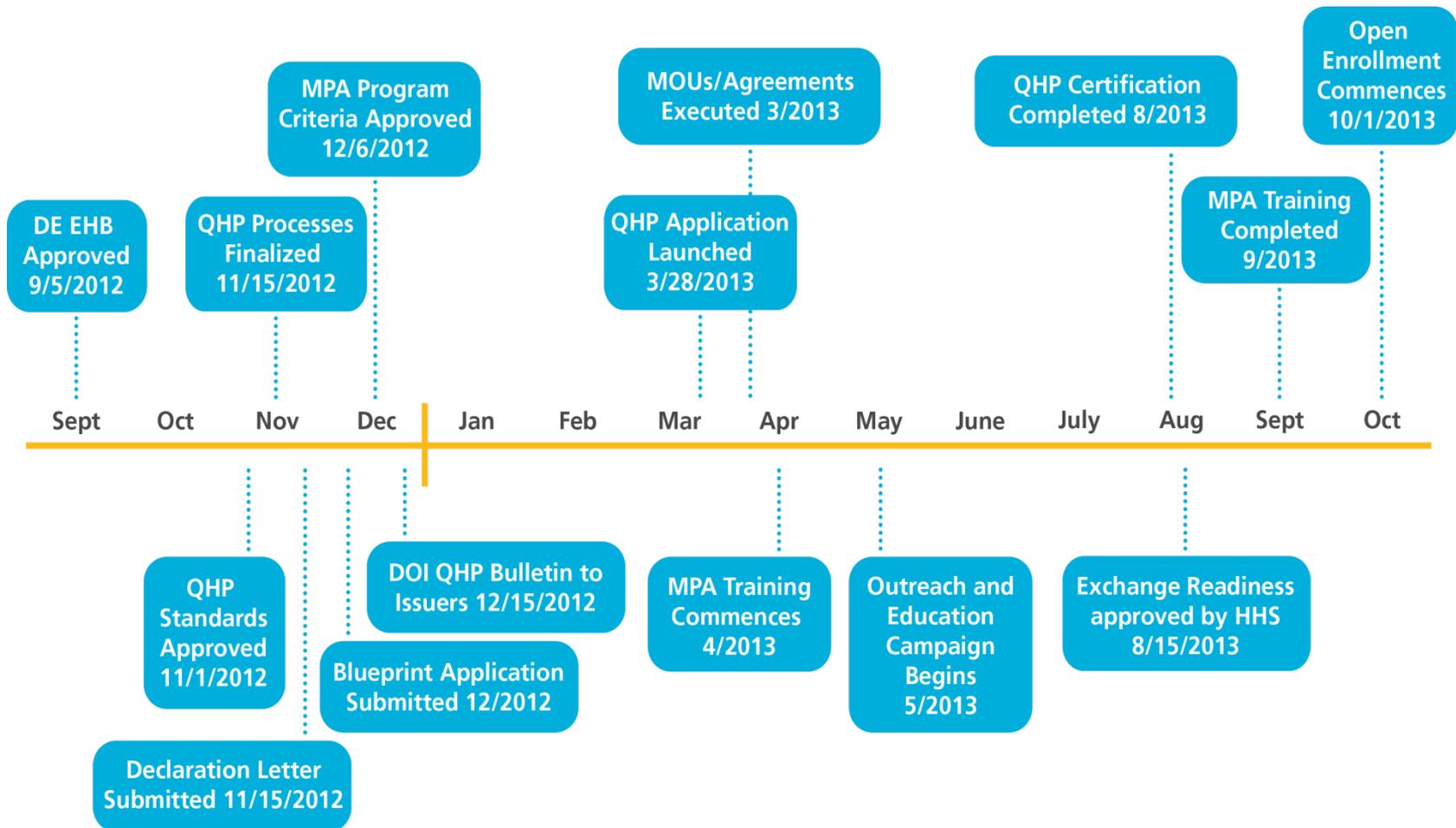


# Exchange Update—Agenda



1. Critical Exchange Milestone Targets
2. Marketplace Assister (MPA) Update
3. Plan Management Update
4. Small Business Outreach

# Delaware Exchange Milestones





# Marketplace Assister Update

# Marketplace Assister Program RFP



Marketplace Assisters (MPAs) will be the main outreach arm for the Exchange and provide ongoing assistance to Exchange consumers throughout the state.

- On February 5<sup>th</sup>, the Delaware Health and Social Services (DHSS) released a Request for Proposal (RFP) to procure consumer assistance related services to support operations of the state's health insurance exchange as required under the Affordable Care Act.
- The MPA RFP (HSS – 13 – 015) has been posted to the state's procurement website, [www.bids.delaware.gov](http://www.bids.delaware.gov)
- All interested parties are encouraged to visit the website for details concerning the RFP and to respond.

# MPA RFP—Schedule



RFP Activity	Date
RFP released on state website	February 5, 2013
Questions due	February 12, 2013
Pre-bid meeting	February 19, 2013
Answers to questions	February 20, 2013
Bid opening	March 6, 2013
Selection process begins	March 7, 2013
Vendor selection (tentative)	March 14, 2013
Project begins	April 5, 2013

# MPA RFP Process



## Some important State Procurement Rules now in effect

- Participation in the Pre-bid meeting is encouraged, but not mandatory
- Following the questions deadline, bidder communication is limited to the Procurement Administrator, Delaware Health and Social Services. The central phone number for the Procurement office is 302-255-9290.

## Contact with State Employees

- Direct contact with State of Delaware employees other than the State of Delaware Designated Contact(s) regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business. In the case of such exception, communication may not include an active RFP.



# Plan Management Update

# Qualified Health Plans (QHPs)



- State-specific QHP standards approved by the HCC on November 1, 2012
- Department of Insurance (DOI) Bulletin to Issuers December 2012
  - The purpose of this bulletin is to provide information related to state-specific QHP standards, proposed timelines for accepting and reviewing Issuer and plan/benefit data, and to invite potential QHP Issuers to submit a letter to the Department of Insurance indicating their intent to apply for participation on the Delaware Exchange.
- QHPs may include Delaware-only and CO-OP plans. In addition the Delaware Exchange may include multi-state plans (MSPs) that are certified by the federal Office of Personnel Management (OPM)

# QHP Review



**Late March 2013:** Issuers begin submitting company and plan/benefit data for QHP certification

**April 2013:** The DOI will begin conducting its QHP certification review for compliance with applicable state and federal laws and standards, including:

- ✓ Licensure and good standing
- ✓ Service area
- ✓ Network adequacy
- ✓ Essential community providers
- ✓ Marketing oversight
- ✓ Accreditation, on the timeline to be established in future rulemaking
- ✓ Essential health benefits standards
- ✓ Actuarial value standards, including variations for cost-sharing reductions, as well as cost-sharing limits
- ✓ Discriminatory benefit design
- ✓ Benefits for meaningful difference
- ✓ Rates (new and increases), including compliance with market rating reforms

# Proposed Timeline for Issuer/QHP Application and Certification



Activity	Target Date
Delaware Essential Health Benefits established	September 2012
Delaware QHP Certification Standards established	November 2012
DOI releases QHP Bulletin to Issuers	December 2012
Issuers apply for HIOS ID through the federal system	January 2013
Issuer QHP Application period opens	March 2013
Issuer QHP Application period closes	June 2013
Delaware makes final recommendation to CMS regarding QHP certifications	July, 2013
CMS submits Delaware QHPs to FFE for posting on the Exchange	September 2013
Open Enrollment period begins	October 1, 2013
QHP monitoring and oversight begins	October 1, 2013
Open Enrollment period ends	December 31, 2013
Issuer Accreditation deadline for those participating in the Exchange	September 30, 2014

# QHP Review/Certification Process



- Dates are subject to change based on future federal guidance and system readiness.
- Delaware intends to utilize the NAIC SERFF system to support its data collection and review process associated with QHP Certification. Additional information regarding SERFF capabilities related to Exchange processing can be found on the SERFF website: <http://www.serff.com/hix.htm>
- Delaware will submit **all** recommendations to CMS for QHP certification at the same time in order to avoid adverse market advantage.

# Issuer Letter of Intent



Includes an Issuer Questionnaire—the contents of which will be **confidential** and used for Delaware Exchange planning purposes only.

- Asks Issuers to provide company demographic and Exchange-specific information, such as:
  - Does the Issuer intend to participate/offer plans in:
    - Individual Exchange
    - SHOP Exchange
    - Both
  - Please indicate the anticipated number of distinct health plans the Issuer will submit for each of the following “Metal” levels: Bronze, Silver, Gold, Platinum, Catastrophic, Stand-alone Pediatric Dental, and Stand-alone Pediatric Vision (*Note: all Issuers certified to participate in the Delaware Exchange are required to offer at least one (1) plan for Bronze, Silver and Gold levels.*)
  - Does the Issuer currently have health insurance products that are accredited by URAQ and/or NCQA?
  - Does the Issuer intend to submit plans that include Pediatric Dental and/or Vision coverage?

# Issuer Outreach



## Communication is critical!

- DOI will host an Issuer Workshop in late February
  - Provide overview of Delaware's Partnership Exchange model and organization
  - Review state standards, timelines and plan submission/review processes
  - Discuss issues, concerns and suggestions from this important stakeholder group

## Collaboration is key!

- The DOI will invite representatives from the federal government's Exchange team as well as the National Association of Insurance Commissioners (NAIC) who guide implementation at the federal level to participate in the Issuer Workshop.



# Small Business Outreach

# Small Business Engagement 2010 - 2012



- Since the year of its enactment, the Delaware Department of Health and Social Services (DHSS) has led the State's efforts to engage small businesses in planning for Affordable Care Act implementation.
  - DHSS efforts have been continuously supported by the Department of Insurance, Office of the Governor, and the Health Care Commission.
- In 2010, the State began conducting meetings with a broad spectrum of stakeholder groups, including chambers of commerce and business associations, such as the Delaware Bioscience Association.
- In 2011, the State sponsored seven statewide forums designed to educate stakeholders on health insurance exchanges. Three such forums were dedicated exclusively to small employer issues.
  - Also in 2011, the State engaged individual small business owners and small group insurance brokers in four focus group sessions to gain valuable input for the Exchange planning process.

# Small Business Engagement 2010 - 2012



- In 2011 and 2012, key members of the State’s Exchange planning team presented information on Health Insurance Exchanges and other Affordable Care Act provisions to groups such as the Delaware Restaurant Association and the Delaware Society for Human Resources Management.
- The Exchange planning team has continued to present information and updates on Exchange and ACA issues during the monthly, public Health Care Commission meetings.
  - The Health Care Commission has acted as the main channel for stakeholder input, issuing press releases and organizing public comment periods on important issues, such as the essential health benefits benchmark determination and qualified health plan certification standards.

# Employer Eligibility for the Exchange



- The Small Business Health Options Program (SHOP) Exchange will offer health insurance plans to small employers starting in January 2014
  - For Delaware, the SHOP will serve businesses with  $\leq 50$  employees
  - Starting in 2016, the SHOP Exchange must offer coverage to businesses with  $\leq 100$  employees
  - States may choose to expand to larger groups in 2017 and beyond
- Total employees for Exchange eligibility = full time workers, part time workers, and seasonal employees
  - For seasonal workers, employee count is equal to the proportion of days worked in a year.

# Employer Mandate



- ACA requires large employers to provide minimum coverage to all full time employees
  - Employee contribution is  $\leq 9.5\%$  of the employee's W-2 wages
- If an employer chooses not to offer coverage to their employees, the employer will be charged a penalty if:
  - An employee enrolls in an individual Exchange plan AND qualifies for a federal subsidy (income less than 400% FPL)
  - Penalty = \$167 per month per full time employee (less 30 full time employees)

# Large Employers and Full Time Employees



- Large Employer for Purposes of Penalty:
  - Average of 50 or more full time employees on business days during the *preceding* calendar year
  - A business can claim an exemption from large employer status if:
    - The total number of full time employees only exceeded 50 for less than 120 business days, OR
    - If the full time employees in excess of 50 were all seasonal employees
- Full time employee: An employee who worked, *on average*, 30 hours per week during the calendar year

# Employer Noticing Requirement



- Employers will be required to issue notices to their employees including the following information:
  - Information about the state's Exchange and the services it provides;
  - Notification about the employer's current health coverage plan (if applicable) and whether the plan offered meets or exceeds 60 percent actuarial value;
  - Availability of alternative coverage through the Exchange, and the caveat that if an employee were to purchase a health plan through the Exchange, the employee may lose the employer's contribution to health benefits offered by the employer.
- Originally, this notice was to be issued by March 1, 2013. Given the lack of guidance, model notices, etc issued by the Federal Government, the Department of Labor announced that the issue date would be delayed. Further notices from the Department of Labor and Department of Health and Human Services are expected on this issue.

# Draft Employer and Employee Applications



- The federal government has recently released **draft** data collection tools to facilitate the processing of both Employer and Employee applications in the Exchange (SHOP)
  - Employer and Employee Applications
  - Employer and Employee Questionnaires
  - Employer and Employee Supporting Statement
- Draft documents may be found at the following URLs:
  - Employee packet: <http://cms.gov/Regulations-and-Guidance/Legislation/PaperworkReductionActof1995/PRA-Listing-Items/CMS-10438.html>
  - Employer packet: <http://cms.gov/Regulations-and-Guidance/Legislation/PaperworkReductionActof1995/PRA-Listing-Items/CMS-10439.html>

# Small Business Outreach Plan 2013



- The State aims to ensure that all local Delaware business owners understand the requirements and opportunities within the ACA.
- Recognizing that the information needs of small businesses vary greatly from large businesses (as defined by the ACA), the matrix on the following slide aims to frame the outreach needs and available resources for each group.
- The items included in this matrix should be reviewed as high level options for consideration and may be changed based on input from stakeholders and other interested parties.

# Small Business Outreach



## Recent Exchange outreach activities directed toward the Delaware small business community

- January 24<sup>th</sup>: Briefing of the Small Business Caucus  
(on HCC website, [www.dhcc.delaware.gov](http://www.dhcc.delaware.gov) under **What's New / What Type of consumer are You?**)
- February 5<sup>th</sup>: Briefing of the Small Business Advisory Council

# Small Business Outreach Plan - 2013



	Small Business Outreach	“Large” Business Outreach
<b>Partners in State and non-governmental entities</b>	<ul style="list-style-type: none"> <li>• Chambers of Commerce</li> <li>• Congressional Partners</li> <li>• Small Group Brokers</li> <li>• Better Business Bureau</li> </ul>	<ul style="list-style-type: none"> <li>• America’s Health Insurance Plans (AHIP)</li> <li>• Congressional Partners</li> <li>• International Association of Insurance Supervisors (IAIS)</li> <li>• Better Business Bureau</li> </ul>
<b>Topics to be Covered</b>	<ul style="list-style-type: none"> <li>• Understanding Exchange Eligibility</li> <li>• Qualified Health Plans 101</li> <li>• Exchange User Guide</li> <li>• Tax Info and Credit Eligibility</li> <li>• Employee Engagement</li> </ul>	<ul style="list-style-type: none"> <li>• More than 50: Understanding your responsibilities under the ACA</li> <li>• Crucial calculations: FTEs, full time workers, and potential penalties</li> <li>• Safe Harbors: Understanding IRS processes and allowances</li> <li>• Self-Insured: How the ACA does and does not apply to your business</li> </ul>
<b>Potential Outreach Activities</b>	<ul style="list-style-type: none"> <li>• Fact Sheets and Brochures</li> <li>• Webinars</li> <li>• Congressional Sponsored Meetings</li> <li>• Chamber of Commerce meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Fact Sheets and Brochures</li> <li>• Webinars</li> <li>• Congressional Sponsored Meetings</li> <li>• AHIP or IAIS Sponsored Meetings</li> </ul>
<b>Resources to Support Efforts</b>	<ul style="list-style-type: none"> <li>• Available HHS and CCIIO Guidance</li> <li>• Pending CCIIO Guidance for a State Partnership SHOP</li> <li>• Current market analyses on the small group market</li> </ul>	<ul style="list-style-type: none"> <li>• Available IRS bulletins and HHS Guidance</li> <li>• Pending IRS bulletins</li> </ul>

# Small Business Outreach Plan - 2013



- The State is in the process of recruiting participation for a Small Business Outreach Workgroup to expand this matrix into a full outreach strategy.
- The Department of Labor as well as small business owners and insurance brokers who had participated in previous stakeholder activities have expressed an interest in participating.
- Others who may be interested in participating in the Workgroup or hosting meetings to discuss small business concerns in the next 6 months are encouraged to contact Crystal English at the following email address: [Crystal.English@state.de.us](mailto:Crystal.English@state.de.us).
- The first official Small Business Outreach Workgroup meeting will occur on February 7, 2013.

# Next Up: Small Business Workshop



The Delaware Health and Social Services is seeking participants for a small business outreach strategy session focused on the Affordable Care Act, and specifically Health Insurance Exchanges.

**WHAT:** Small Business Outreach Planning for Delaware's Health Benefit Exchange

**WHEN:** February 7, 2013 1-2pm

**WHERE:** DelTech - Terry Campus, 100 Campus Drive, Dover Corporate Training Center (Bldg 400), Room 407A

# Small Business Workshop



First meeting will focus on gathering input from the small business community on the best approach to outreach and education.

The following agenda will be used to guide the discussion:

1. Overview of State activities to date
2. Proposed small business outreach strategy framework, including:
  - a. Topics of interest
  - b. Partners for communications
  - c. Types of resources and tools to be made available
3. Discussion of additions or changes to proposed strategy
4. Next Steps

# Small Business Workshop



## ***Please Note:***

- ✓ While this meeting will focus on *planning* for small business outreach. The State expects to offer workshops this Spring that will focus on offering hands on assistance to small business owners as they prepare for Affordable Care Act implementation.
- ✓ In the interest of time and to best utilize resources the State will use a public engagement process for the Small Business workshops to collectively address the needs of similar sized businesses rather than delivering workshops to individual business.

# General Stakeholder Updates



- The Delaware Health Care Commission (HCC) will continue to provide the most current information on Exchange planning and other aspects of Health Care Reform in Delaware.
  - HCC meetings are open to the public and occur during the first Thursday of every month in Dover
  - Reports, FAQs, and updates are posted to the HCC website regularly: <http://dhss.delaware.gov/dhcc>

To reach us:

- Delaware HBE Inbox: [HBE\\_Delaware@state.de.us](mailto:HBE_Delaware@state.de.us)