

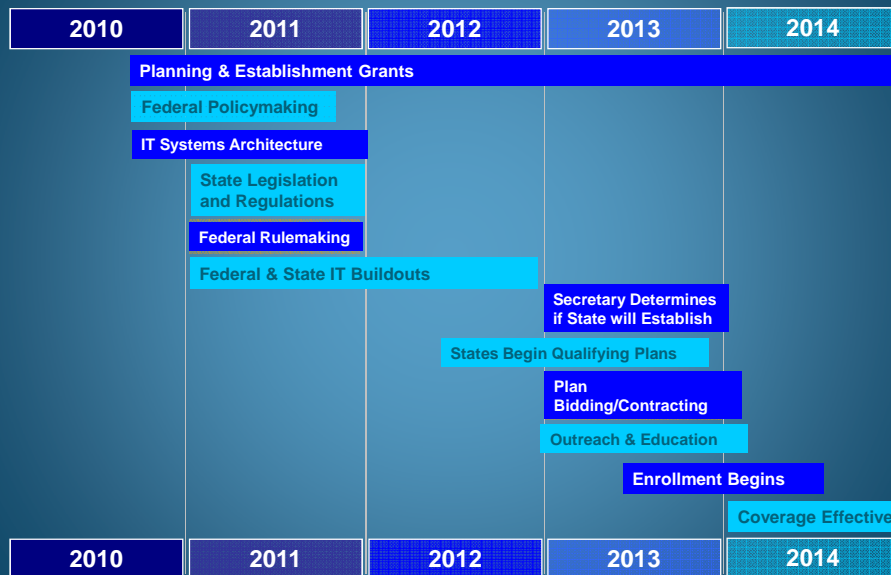


Federal Health Care Reform in New York State

Health Insurance Exchange Options Stakeholder Discussion

April 21, 2011
Empire State Plaza
Meeting Room 6

Exchange Timeline



New York's Health Insurance Exchange

I. Principles

II. Functions

III. Exchange Design Questions

3

***Principle:* It must promote affordable, comprehensive health insurance options**

- Access to federal subsidies
- Plans compete based on price and quality, not risk selection
- Opportunity to pool purchasing power

4

Principle: It must be consumer-oriented

- First class consumer experience
- Easy to navigate
- Assistance for questions and problems
- No wrong door
- Attracts small businesses

5

Principle: It must be transparent and accountable

- Information publicly accessible
- Opportunity for stakeholder input
- Subject to reporting, audits and review
- Ethics considerations (e.g., conflicts, gifts, post-employment)

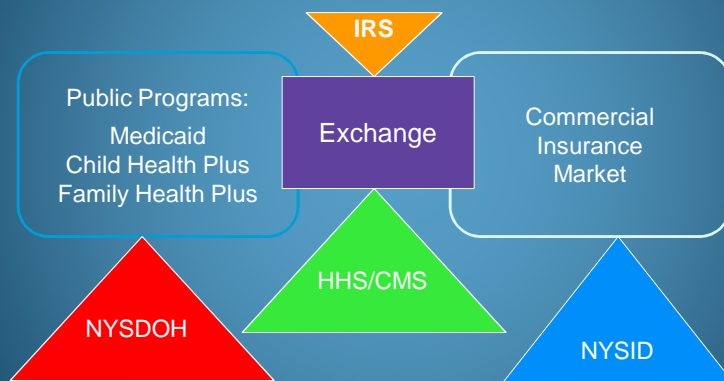
6

Principle: It must work

- Short timeframe: operating by 2014
- Needs to be flexible

7

Exchange Will Operate Within a Larger Environment



8

Exchange Functions

Some are the same or similar to those currently conducted by State regulatory agencies:

Function of the Exchange	DOH	SID
Certification, recertification, and decertification of plans	√	√
Assignment of price and quality rating to plans	√	√
Operate toll free hotline	√	√
Maintenance of website for providing plan information	√	√
Presentation of enrollee satisfaction survey results	√	---
Eligibility determination and enrollment into a wide range of coverage options	√	---
Provision for open enrollment period	---	√
Consultation with stakeholders	√	√

9

Exchange Functions (cont)

Some are new and are not currently conducted by State regulatory agencies:

Function of the Exchange	DOH	SID
"Customer-centric" systems approach, including presentation of plan benefits in a simple, standardized, comparative format	---	---
Provision of an electronic calculator	---	---
Certification of individuals exempt from individual responsibility	---	---
Provision of information to the U.S. Treasury Department	---	---
Navigator to assist consumers in shopping and enrollment	---	---
Publication of data on Exchange's administrative costs	---	---

10

Governance

Where should the Exchange be placed?

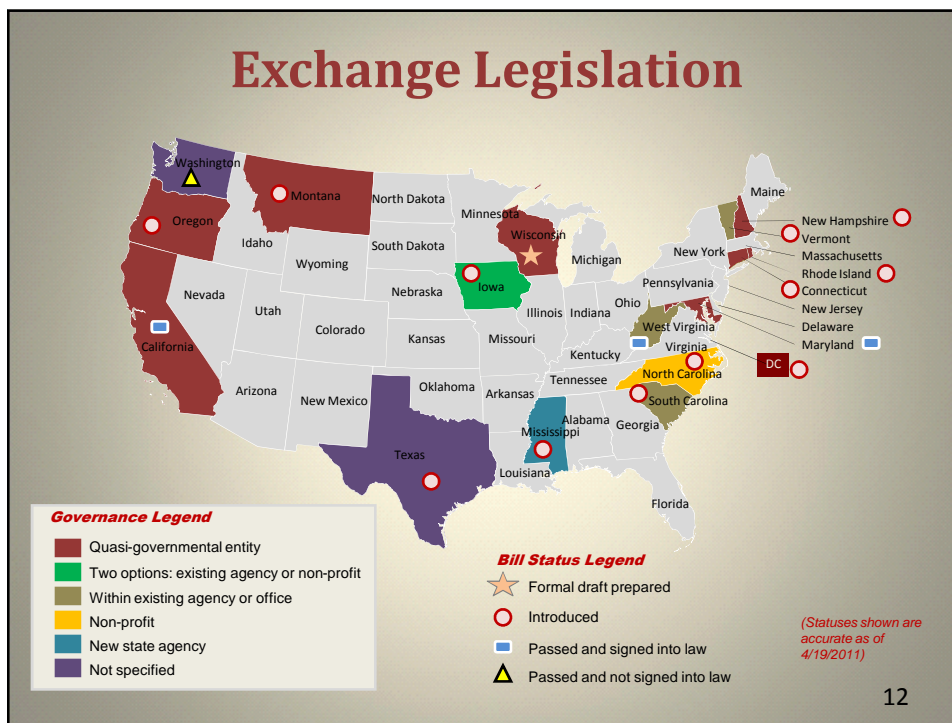
- State Agency
- Public Authority
- Not-for-Profit

Principles:

- ☐ Affordable
- ☐ High Quality
- ☐ Consumer-Oriented
- ☐ Transparent/Accountable
- ☐ It Must Work

11

Exchange Legislation



Structure

1. Should there be one statewide Exchange or multiple subsidiary Exchanges?
2. Should there be one combined Exchange for individuals and small businesses (SHOP) or separate Exchanges for each group?

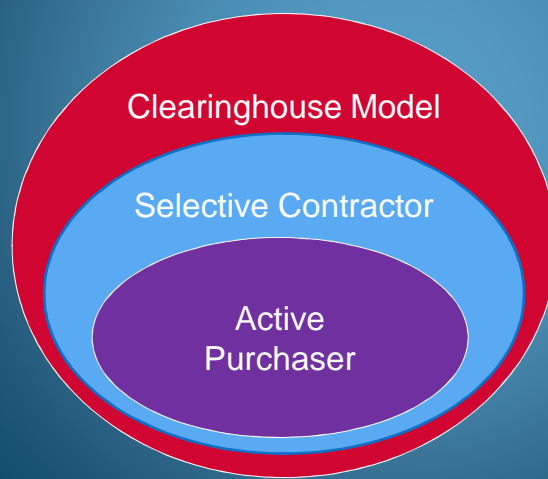
Principles:

- ☐ Affordable
- ☐ High Quality
- ☐ Consumer-Oriented
- ☐ Transparent/Accountable
- ☐ It Must Work

13

Purchasing Role

Which plan participation model should be used?



Principles:

- ☐ Affordable
- ☐ High Quality
- ☐ Consumer-Oriented
- ☐ Transparent/Accountable
- ☐ It Must Work

14

Benefits Design

How to balance plan innovation with ensuring ease of comparison shopping?

- **Platinum:** benefits actuarially equivalent to 90% of full actuarial value
- **Gold:** benefits actuarially equivalent to 80% of full actuarial value
- **Silver:** benefits actuarially equivalent to 70% of full actuarial value
- **Bronze :** benefits actuarially equivalent to 60% of full actuarial value

Principles:

- ☐ Affordable
- ☐ High Quality
- ☐ Consumer-Oriented
- ☐ Transparent/Accountable
- ☐ It Must Work

15

Adverse Selection

1. Should the rules inside and outside the Exchange be the same?
2. Should insurers outside the Exchange be required to offer all benefit options (e.g., California)?

Principles:

- ☐ Affordable
- ☐ High Quality
- ☐ Consumer-Oriented
- ☐ Transparent/Accountable
- ☐ It Must Work

16

Organization of Market

Should New York:

1. Merge individual and small group markets?
2. Expand small group size (50 to 100)?
3. Include large groups in the Exchange?

Principles:

- ☐ Affordable
- ☐ High Quality
- ☐ Consumer-Oriented
- ☐ Transparent/Accountable
- ☐ It Must Work

17

Additional Information

www.HealthCareReform.ny.gov

Questions regarding implementation
can be sent to:

HealthCareReform@exec.ny.gov.

18