

**HBX Advisory Board Recommendations**  
**Re. Single Market Transition**  
**February 28, 2013**

**Overview**

Mila Kofman, Executive Director of the HBX requested that the HBX Advisory Board (the Board) assist me with developing specific details around a transition to a single market where all individual and small group products are sold through one market (the Marketplace Exchange). The Board was not asked to comment on the merits of a unified market. The Board was specifically asked to advise the Director on whether a transition to a single market should occur over a one or two year period with respect to the following classes of consumers:

- **Non-group** market i.e., individuals;
- **New entrants** to the small group market i.e., those without coverage as of December 2013;
- **Current holders** of small group coverage, **wishing to change carriers** i.e., those holding coverage as of December 2013; and
- **Current holders** of small group coverage **wishing to remain with their current carriers** i.e., those holding coverage as of December 2013 and wishing to renew.

In addition, Ms. Kofman requested that the Advisory Board advise her as to whether all plans sold in the small group market during the transition period be required to comply with identical regulations to those required of plans sold through the Exchange.

**Recommendations**

The Advisory Board met in public sessions on February 13<sup>th</sup>, 21<sup>st</sup> and 25<sup>th</sup> to consider Ms. Kofman's request. The Board members voted to recommend the following:

- Non-group consumers should enter the HBX Marketplace Exchange immediately i.e, there should not be a transition period. The vote was unanimous;
- New entrants to the small group market should enter the HBX Marketplace Exchange immediately. The vote was 5 to 4 in favor;
- Current holders of small group coverage wishing to change carriers should transition into the Marketplace Exchange over a two year period. The vote was 7 to 2 in favor;
- Current holders of small group coverage wishing to remain with their current carriers should transition to the Marketplace Exchange over a two year period. The vote was unanimous.
- In a 7 to 2 vote it was decided that all plans sold outside of the Marketplace Exchange during the two year transition period should be required to comply with all of the requirements of the Marketplace Exchange based plans.

At its meeting of February 21<sup>th</sup> the Advisory Board voted to recommend the appointment of Joseph Winn to the Plan management Advisory Committee. Mr. Winn is a Senior State

Specialist with Aetna. He is a former Director of State Government Affairs with Coventry Health Care and a Regional Director with America's Health Insurance Plans. He has a B.A from Michigan State University and has done M.P.A program course work at Western Michigan University.