



RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA HEALTH BENEFIT EXCHANGE AUTHORITY

To establish the range of plan selection choices, for plan year 2014, within the District of Columbia Small Business Health Options Program (SHOP) Exchange.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) (“Act”) created the District of Columbia Health Benefit Exchange Authority (“Authority”), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, section 5 of the Act (D.C. Official Code §31-3171.04(a)(2)) requires the Authority to establish a SHOP Exchange and ensure that qualified employers are able to specify a level of coverage available to qualified employees;

WHEREAS, 45 C.F.R. §155.705(b)(3), as proposed in 78 Fed. Reg. 15553, 15557 (Mar. 11, 2013), provides state-based SHOP exchanges with broad discretion to establish plan selection choices for qualified SHOP employers in plan year 2014;

WHEREAS, on March 26, 2013, the Employer and Employee Choice Working Group presented a non-consensus recommendation, on employee choice models, that was referred to the Board’s Insurance Working Committee for further consideration; and

WHEREAS, on March 28, 2013, the Insurance Working Committee deliberated on employee choice models, at a meeting open to the public, and approved a recommendation for Board consideration.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following recommendation presented by the Insurance Working Committee:

Employee Choice Models

The Exchange will offer qualified SHOP employers three options to pick from in establishing the range of QHPs qualified employees may enroll in:

- Option 1: All Issuers & QHPs/One Tier – all issuers and all Qualified Health Plans (QHPs) on one actuarial value (AV) metal level.

- *Option 2: One-issuer/two Metal Levels* – all the QHPs that one issuer offers on any two contiguous AV metal levels, if feasible and practicable. If not, then all AV metal levels.
- *Option 3: One-QHP* – a single QHP offered by a single issuer.

BE IT FURTHER RESOLVED that, after a reasonable time to collect valid data, the Authority shall conduct a market study, which must include, at a minimum:

- A survey of employees and employers examining their experience with employee choice options and employees' satisfaction with the range of health plan choices made available to them by their employer in the Exchange;
- An actuarial analysis of premiums;
- An examination of options to expand employee choice; and
- An evaluation of employers', carriers', and the Exchange's experience in administering employee choice.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this 4th day of April, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

Khalid Pitts, Secretary/Treasurer
District of Columbia Health Benefits Exchange Authority

Date