**11 CORE ELEMENTS**

Outlined by HHS for certification for State-based exchange

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| --- | --- | --- | --- | --- |
|  | **Insurance regulators** | **Medicaid** | **Other** | **Exchange entity** |
| Background research |  |  |  |  |
| Stakeholder consultation |  |  |  |  |
| Legislative and regulatory action |  |  |  |  |
| Governance |  |  |  |  |
| Program integration |  |  |  |  |
| Exchange IT systems |  |  |  |  |
| Financial Management |  |  |  |  |
| Oversight and program integrity |  |  |  |  |
| Health insurance market reforms |  |  |  |  |
| Provide assistance to individuals, small business, coverage appeals, complaints |  |  |  |  |
| Business operations of exchange |  |  |  |  |

For more information, see Exchange Establishment Funding Opportunity Announcement (January 20, 2011)

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**Exchange Functions (Includes minimum required and other functions)**

**✓ should indicate current authority and similar functions**

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|  | **Insurance regulators** | **Medicaid** | **Other** | **New exchange entity** |
| **Certification of QHPs** | | | | |
| * Establish procedures for certification |  |  |  |  |
| * Contracting with QHPs |  |  |  |  |
| * Monitor ongoing compliance |  |  |  |  |
| * Rate increase justification (may be part of rate review) |  |  |  |  |
| * Form review – can be used to check that essential elements are included |  |  |  |  |
| * Collect information from QHPs to meet transparency requirements ( claims payment policies & practices, financial, enrollment data, claims denials, rating practices, cost-sharing, enrollee rights) |  |  |  |  |
| * Recertification process |  |  |  |  |
| * Decertification process |  |  |  |  |
| * Mandated benefits above essential benefits |  |  |  |  |
| * Determine actuarial value of plans (bronze, silver, gold, platinum, or catastrophic) |  |  |  |  |
| **Licensing and Oversight** | | | | |
| * Enforcement and oversight over private health insurance products |  |  |  |  |
| * Licensing and oversight for insurance risk-baring entities |  |  |  |  |
| * Licensing and oversight of CO-OPs |  |  |  |  |
| * Medicaid managed care plans (if insure commercial population where applicable) |  |  |  |  |
| * Enforcement for products sold within and outside exchange |  |  |  |  |
| * Market oversight to minimize adverse selection (e.g., market surveillance, market conduct exams, etc.) |  |  |  |  |
| * Form review |  |  |  |  |
| * Rate review |  |  |  |  |
| * Oversight of multi-State plans (OPM) sold through exchange (depending on regulations) |  |  |  |  |
| * Compliance with pre-2014 insurance market reforms (9/23/10 provisions, MLR, etc.) |  |  |  |  |
| * Compliance with post-2014 insurance market reforms (guaranteed issue, no pre-ex, community rating limits) |  |  |  |  |
| **Consumer Assistance Tools** | | | | |
| * Call center (operate toll-free call center for consumers requesting assistance) |  |  |  |  |
| * Sec. 2715 materials (4-page coverage summary, standard terminology) |  |  |  |  |
| * Exchange website |  |  |  |  |
| * Exchange calculator – facilitates comparison of available QHPs after applicable premium tax credit and cost-sharing reduction |  |  |  |  |
| * Quality rating system – includes enrollee satisfaction initiatives |  |  |  |  |
| * Outreach and education |  |  |  |  |
| * Navigator Program (see below) |  |  |  |  |
| * External review pre-2014 |  |  |  |  |
| * External review post-2014 |  |  |  |  |
| N**avigator Program** | | | | |
| * Establish program (Exchange Navigators & Medicaid “application assisters”) |  |  |  |  |
| * Prescribe licensing, certification or other standards |  |  |  |  |
| * Oversight of navigators |  |  |  |  |
| * Admin functions by navigators for Medicaid |  |  |  |  |
| **Eligibility determinations and Enrollment** | | | | |
| * Eligibility determinations for QHPs |  |  |  |  |
| * Eligibility determinations for affordability programs (Medicaid, CHIP, BHP, premium tax credits, cost-sharing reductions) |  |  |  |  |
| * Notice of eligibility determinations |  |  |  |  |
| * Redetermination of eligibility (periodically & annually) |  |  |  |  |
| * Medicaid screening (basic & full) |  |  |  |  |
| * Calculation of advance payments of premium tax credit |  |  |  |  |
| * Adjudication of appeals of eligibility determinations |  |  |  |  |
| * Seamless eligibility and enrollment process with Medicaid and other State health subsidy programs |  |  |  |  |
| * Enrollment process |  |  |  |  |
| * Applications for enrollment and notices provided to enrollees |  |  |  |  |
| * Establish secure electronic interface for data exchange with Medicaid, CHIP and BHP |  |  |  |  |
| **Responsibilities of Individuals and Employers** | | | | |
| * Individual responsibility determinations |  |  |  |  |
| * Notification and appeals of employer liability |  |  |  |  |
| **Administering Tax Credits and Subsidies** | | | | |
| * Administration of premium tax credits and cost-sharing reductions |  |  |  |  |
| * Administration of subsidy – reflect how subsidy gets paid. |  |  |  |  |
| * Information reporting to IRS and enrollees |  |  |  |  |
| **3 Rs** | | | | |
| * Risk adjustment |  |  |  |  |
| * Reinsurance |  |  |  |  |
| * risk corridors |  |  |  |  |
| **Functions related to oversight and financial integrity requirements** | | | | |
| * Compliance with GAAP |  |  |  |  |
| * Ensure program integrity related to fed & state funds |  |  |  |  |
| * Prevent fraud, waste, and abuse |  |  |  |  |

For more information, see Proposed Rules CMS-9989-P, July 11, 2011; CMS-9974-P, Aug. 11, 2011; CMS-2349-P, Aug. 11, 2011

**SHOP Exchange Functions (**§155.705, Proposed rule issued July 11, 2011)

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|  | **Insurance Regulators** | **Medicaid** | **Other** | **New Exchange Entity** |
| Enrollment and eligibility functions |  |  |  |  |
| Employer choice reqs and SHOP options |  |  |  |  |
| Premium aggregation (single monthly bill for all QHPs) |  |  |  |  |
| QHP certification |  |  |  |  |
| Rates and changes (no rate variation during plan year) |  |  |  |  |
| QHP availability in merged (qualified employee may enroll in any QHP meeting small group reqs.) and unmerged markets (qual employee may only enroll in QHPs in small group market) |  |  |  |  |
| Expansion into large group market (insurers in large group may offer health plans inside SHOP in 2017) |  |  |  |  |

For more information, see §155.705, proposed rule (July 11, 2011)