**11 CORE ELEMENTS**

Outlined by HHS for certification for State-based exchange

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **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)

For more information, contact: Katie Dunton, ktd23@georgetown.edu

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

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **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)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **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)