



District of Columbia Health Benefit Exchange

Proposed Operational Model

September 5, 2012

Overview

- Operating model describes how each function of the Exchange will be implemented
- Proposed operations have been discussed in the relevant HRIC subcommittees
- Analysis of operations for some functions still underway



Guiding Principles

- Leverage current capabilities and resources to minimize costs and administrative redundancy
- Provide an integrated, seamless experience for District residents accessing health and human services programs in the District
- Build strong policy and oversight capacity within the Exchange Authority to support smooth operations and robust services



Core Functions

- Operating model grouped by six core functions:
 - Plan Management
 - Eligibility
 - Enrollment
 - Consumer Assistance Activities
 - Financial Management
 - Small Business Health Options Programs (SHOP)



Plan Management: Current Environment

- Department of Insurance, Securities, and Banking (DISB) currently provides regulatory oversight of the insurance industry
- DISB uses the NAIC's System for Electronic Rate and Form Filing (SERFF) to collect information on products in the District market
- Information is currently provided to DISB at the product level, not the health plan level



Plan Management: Proposed Operations

- DISB will conduct new Qualified Health Plan (QHP) activities, including those related to certification, under an MOU with the Exchange Authority
- DISB plans to adopt the new SERFF Plan Management module, which will add new QHP functions to the existing tool
 - This SERFF module will interface with the new internet-based DC Access System (DCAS) to provide QHP information
- The Exchange Authority will provide plan management policies and regulations to guide DISB MOU activities



Eligibility: Current Environment

- The Economic Services Administration (ESA) in the Department of Human Services (DHS) currently conducts eligibility determinations for health and human services programs
- ESA uses ACEDS, a mainframe system, to process eligibility applications
- Residents must complete a paper application that is entered by eligibility workers
- Five de-centralized service centers handle nearly 25,000 in-person inquiries monthly



Eligibility: Proposed Operations

- ESA will process Exchange eligibility under an MOU with the Exchange Authority
- DCAS will replace ACEDS with real-time, integrated eligibility functionality supporting the required single, streamlined eligibility application
- Residents will be able to apply online, in person, on paper, or by phone as required using DCAS and the ESA infrastructure
- The Exchange Authority will provide eligibility policies and regulations to guide ESA MOU activities



Eligibility Appeals

➤ Current Environment:

- The District's Office of Administrative Hearings (OAH) conducts independent appeals for Medicaid and other ESA programs

➤ Proposed Operations:

- Pending final federal guidance, OAH will conduct Exchange eligibility appeals under an MOU with the Exchange Authority
- The Exchange Authority will provide appeals policies and regulations to guide OAH MOU activities



Enrollment

➤ Current Environment

- Commercial health insurance enrollment conducted directly with issuers
- Small group enrollment facilitated by producers

➤ Proposed Operations

- DCAS will facilitate enrollment in commercial plans on the Exchange
- Producers will be able to utilize DCAS to facilitate enrollment in Exchange plans
- Enrollment in all health and human services programs will be streamlined through DCAS



Consumer Assistance: Current Environment

- The Office of Health Care Ombudsman and Bill of Rights currently provides consumer assistance related to commercial and public health insurance programs
- DISB investigates consumer complaints related to consumer health insurance
- DHS provides in-person and phone customer assistance related to eligibility and enrollment for their programs
- None of these programs include full call center functionality, although phone support is provided



Consumer Assistance: Proposed Operations

- The ACA requires the Exchange to operate a consumer call center and Navigator program
- A coordinated contact center will be established linking existing consumer assistance programs into DCAS.
 - Will include support by phone, chat, and e-mail
 - Analysis currently under way on structure and operations
- A Navigator program will be operated by the Exchange Authority to educate consumers and assist with QHP enrollment, as required
 - Analysis currently under way on structure and operations



Financial Management

➤ Current Environment

- Premium payments are provided directly to issuers
- Risk Adjustment and Reinsurance programs not operational until 2014

➤ Proposed Operations

- Financial activities, including premium payment aggregation for the SHOP, will be outsourced to a financial services vendor
- Analysis is currently underway on optional individual premium aggregation
- The District will opt into the federal Risk Adjustment and Reinsurance programs



Small Business Health Options Program

➤ Current Environment

- Small businesses work directly with issuers and producers to purchase insurance

➤ Proposed operations

- The Exchange Authority will operate SHOP functions through DCAS, including eligibility, enrollment, and appeals
- Producers will continue to assist small businesses with providing health insurance to their employees



Operating Costs

- Estimated long-term costs based on these proposed operations range from \$17.5 million (inside and outside market) to \$23.5 million (single market) per year.
- Costs will change as decisions are made regarding the call center, Navigator program, and premium aggregation services.



Thank You

Questions?