Silver State Health Insurance Exchange

Pre-Session Budget Hearing

Legislative Commission Budget Subcommittee

January 30, 2019

nevada health link

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Agenda

- Agency Overview
- Exchange Enrollment – Past, Present, Future
- Marketplace Landscape
- Outline of Major Issues for 2019-2021 biennium
- Transition to State-Based Exchange
- Goals of the Agency
- Funding Changes Recommended by the Governor
- Reserves
- Q & A

Silver State Health Insurance Exchange

Agency Overview

- The Silver State Health Insurance Exchange (Exchange) operates the online marketplace, **Nevada Health Link**.
- **Connects** Nevadans who are not insured by their employer, Medicaid, or Medicare **to health insurance**.
- Individuals can purchase Affordable Care Act (ACA) certified Qualified Health Plans (QHP) through the Exchange. If eligible they can receive **subsidy assistance** to help offset monthly premium costs. (138%-400% FPL)
- Hybrid model – State-Based Exchange that utilizes the Federal Platform (HealthCare.gov) until **Plan Year 2020**
- Solely self-funded state agency – no state or federal funds to support operations. Funding by **Carrier Premium Fee** (CPF) percentage of pre-subsidized premiums generated by QHPs and Stand Alone Dental Plans (SADP).

Agency Mission & Vision

Vision

- Access to health insurance for all Nevadans.

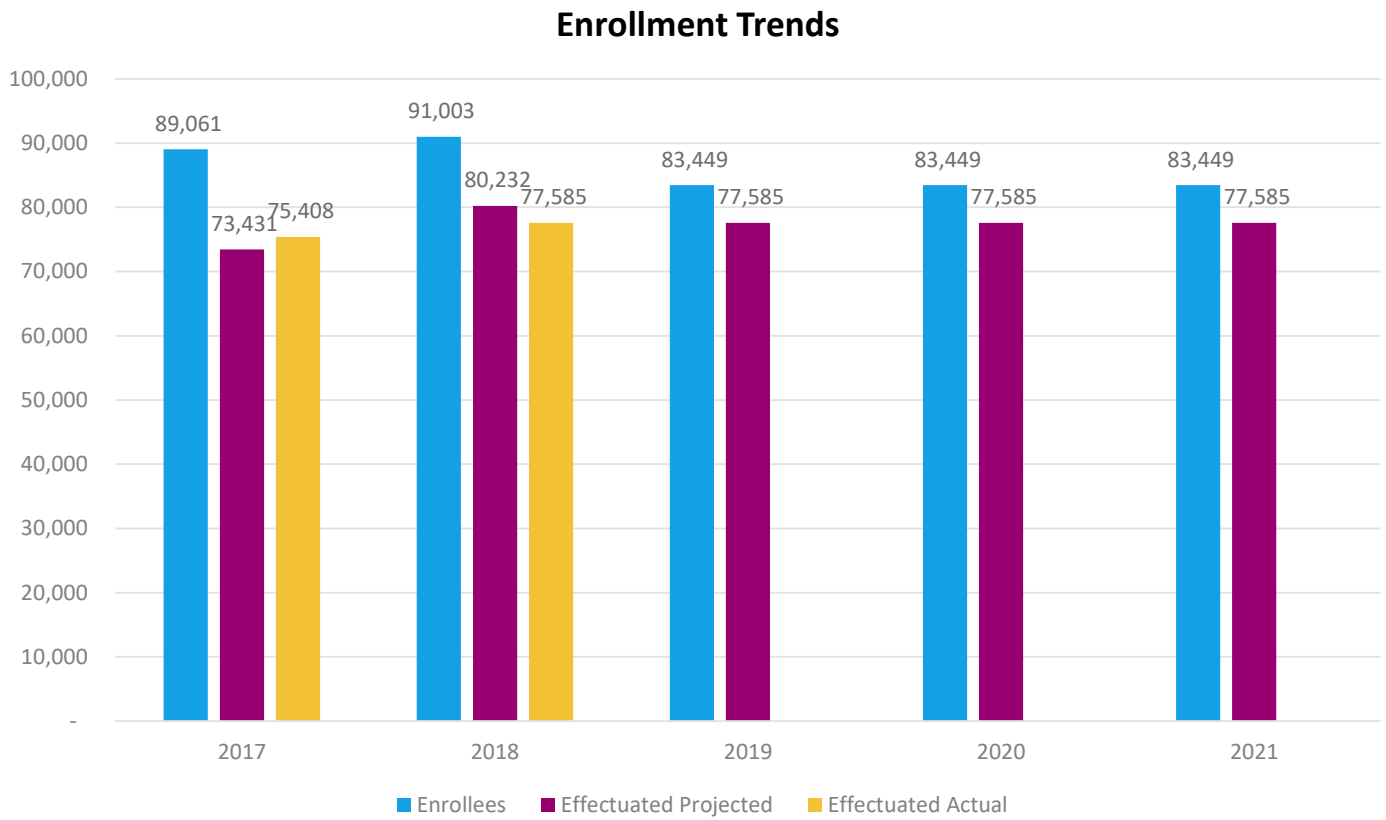
Mission

- To increase the number of insured Nevadans by facilitating the purchase and sale of health insurance that provides quality health care through the creation of a transparent, simplified marketplace of qualified health plans.

Values

- **Consumer-Focused:** At the center of the Exchange's efforts are the people it serves, including consumers and their families.
- **Innovative:** The Exchange strives to be an innovative and forward thinking organization.
- **Diversity:** Diverse stakeholder involvement is vital to a successful implementation of the Exchange.

Exchange Enrollment



Effectuated Actual Enrollments are based on Effectuated Enrollment Snapshots from CMS. The decrease in enrollment for healthcare coverage comports with estimates from the Congressional Budget Office as to an increase in uninsured Americans based on the removal of the Individual Mandate tax penalty. https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53826-healthinsurancecoverage.pdf Enrollment in Plan Years 2020 and 2021 are projected to remain flat, and not further decline, because of improved customer service and enrollment experience as a result of switching to an entirely Nevada run State Based Exchange and forgoing reliance on healthcare.gov as the eligibility and enrollment engine.

Exchange Marketplace Landscape Plan Year 2019

- 14 QHP Plans – Two Carriers
  - Health Plan of Nevada & Silver Summit
  - 1 Catastrophic; 4 Bronze; 7 Silver; 2 Gold
  - Counties: Clark, Nye, and Washoe will have the choice from all 15 plans offered
  - Counties: Carson, Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Pershing, Storey, White Pine will have the choice of the 6 plans from Silver Summit
- 22 SADP – Six carriers (Alpha, EMI, Delta, Liberty, Best, and Rocky Mountain)
- The approved average on Exchange rate for HPN and SilverSummit is a 0.4% decrease – essentially flat.
- 12 Navigator Grantees, 5 Broker Grantees
- PY20 Carriers submit first round of QHPs in June 2019

Major Issues for 2019-2021 Biennium

- Texas vs. Azar 5th Circuit Court Case
- Executive branch policy changes
  - Notice of Benefit and Payment Parameters (NBPP) – Auto-renewal, Silver-loading, APTC formula
  - Health Reimbursement Accounts
  - Program Integrity Rule
- Continued absence of Individual Mandate
- Short-Term Limited Duration plans
- Association Health Plans
- Federal Shutdown

Transition to State-Based Exchange

- **Increasing user fees** for HealthCare.gov threatened to exhaust the Exchange's reserves (1.5% PY17, 2% PY18, 3% PY19).
- **RFI** in December 2017 assessing the feasibility of a transition to SBE model – provided necessary confidence.
- **RFP** – required proposed vendor to have been successfully deployed in at least one other state for at least one successful plan year.
- Highest scoring respondent was **GetInsured**, an exchange-based technology company who is currently operational in six states and the same vendor who successfully transitioned the state of Idaho away from the federal platform in 2015.

Transition to State-Based Exchange (cont.)

- The GetInsured **contract** (approved by BOE 8/14/18) is favorable for the state in that it avoids the risks associated with complex multi-vendor implementations and capitalizes on opportunities for shared cost savings between the many states who use the platform.
- **Project Management Office** began work 8/15/18 – provides centralized leadership and coordination and allows for verification and validation of project progress.
- In addition to the comprehensive technology and call center implementation plan, the Exchange has developed a phased **stakeholder communication strategy.**
- Recognizing complexity and significance of the project the Exchange has developed **risk mitigation and contingency plans**.

Benefits of State-Based Exchange Transition

- Cost savings allowing the Exchange stability and certainty in pricing (Saves the state $18.9 million through SFY23)
- Improved customer service with a stream-lined user experience
- Real-time access to consumer data offers recruitment and retention efficiencies
- Limited impact from changing federal requirements
- Minimal bureaucracy with change requests
- Modern service-oriented architecture, best in-class product.
- Increased accountability and audit preparedness

SBE Transition Project Status

- GetInsured platform is a commercial off the shelf product (**COTS**) requiring customization, no design.
- Project deliverables have all been **delivered on time**.
- Project is **on-schedule** for successful launch on November 1, 2019 in time for enrollment for Plan Year 2020.
- Robust stakeholder communication plan is currently on-schedule with specific focus on Exchange carriers and enrollment partners.
- The Exchange is currently focused on three key areas
    1) Integration with Nevada Exchange Carriers
    2) Integration with DWSS
    3) Migration of consumer data from CMS

SBE Transition Project Status (cont.)

- Integration with NV Insurance Carriers
  - Monthly meetings with carriers began Dec 2018
  - Deep dive on data interchange on Jan 23, 2019
  - Testing of data interchange scheduled for April/May
  - Exchange and CMS have a plan to ensure uninterrupted subsidy reimbursement payments throughout transition period
- Integration with DWSS
  - Exchange and DWSS will need to share a single connection to the Federal Data Services Hub
  - GetInsured and DWSS, in cooperation with CMS have designed a model for shared connection
  - Exchange and DWSS are currently refining this model for the efficient transfer of consumer accounts between Medicaid/QHP
  - Testing for account transfers and shared data services is scheduled to begin in April

SBE Transition Project Status (cont.)

Migration of Consumer Data

- On Jan. 14, 2019, CMS, GetInsured and Exchange finalized a plan to migrate NV's on-exchange consumers from HC.gov to GetInsured's platform.
- Initial export of consumer data is scheduled for July 2019.
- Migration is planned to maintain existing relationships between consumers and their respective enrollment professionals (agent/broker).
- Agents/Brokers will have the opportunity to confirm the accuracy of their book of business during August/September.
- Final export of consumer data is scheduled for Oct.1, 2019 to ensure the most timely enrollment data prior to Open Enrollment
- Insurance Carriers will be provided with a report of their migrated consumers in early October, in order to ensure the accuracy and completeness of the data migration.
- Consumers who would have been eligible for automatic re-enrollment on HC.gov will also be eligible on the GetInsured platform.

Agency Goals for 2019-2021 Biennium

1) **Transition to a State-Based Exchange (SBE) –** Control costs and save money as a fully operational SBE beginning in Plan Year 2020
2) **Establish Administration for SBE –** Control costs and save money by establishing Policy and Compliance, Consumer Assistance, and Security and Reconciliation units to absorb the administrative functions previously provided by CMS
3) **Support the Operations of a SBE –** Comply with state and federal regulations as they relate to the operations of a SBE including audits, security requirements, and consumer communication.

Governor Recommended Funding Changes

Transition to an SBE

FY 20 - $8,343,020 FY 21 - $6,588,604

Represents the costs associated with transitioning from a State-Based Exchange using the Federal Platform (SBE-FP) to a State-Based Exchange (SBE).

- Utilizes Exchange reserves to complete the transition away from Healthcare.gov to an existing and proven technology platform and associated consumer assistance center with the intent to go live November 1, 2019 for Plan Year 2020.
- Includes ongoing maintenance and operations as an SBE, including new positions.
- Saves the state a projected $5,308,369 over the biennium inclusive of operations.
- Decision units: E275, E277, E279, E280, E281, E282, E283, E284, E288, E291.

Transition to an SBE

E275 – Category 12 – FY 20 $5,799,294

FY 21 $5,155,555

Represents costs associated with the completion of the design, development, and implementation (DD&I) stage of the transition with the approved vendor, GetInsured, and allows for continued maintenance and operations of the technology platform and associated consumer assistance center.

- Vendor contract with GetInsured was approved at the August 14, 2018 BOE effective upon approval through January 31, 2024 for a total not to exceed amount of $24,404,401.93.
- FY 20 includes the completion of the DD&I and maintenance and operations from September 1, 2019 through June 30, 2020. FY 21 includes maintenance and operations at a flat fee.

Transition to an SBE

E277 – Categories 01, 04, 05, 26, & 30 –
FY 20 $312,166
FY 21 $346,716

Represents costs associated with establishment of a Policy and Compliance unit.

- Three unclassified positions: Policy and Compliance Manager effective 8/1/19, Management Analyst effective 9/1/19, and Appeals Coordinator effective 9/1/19.
- Will absorb functions previously provided by CMS in the areas of policy and compliance, including appeals.
- Training costs included for the manager to attend one conference per year.

Transition to an SBE

E279 – Categories 01, 02, 04, 05, & 26 –

FY 20 $271,960

FY 21 $283,757

Represents costs associated with establishment of a Consumer Assistance unit.

- Three unclassified positions: Three Quality Assurance Analysts effective 8/1/19.
- Will absorb functions previously provided by CMS including supporting insurance carriers, navigators, enrollment counselors, certified application counselors, and licensed agents and brokers to ensure an exceptional consumer experience for Exchange enrollees.
- Out-of-state travel costs included to provide oversight and monitoring for the contracted consumer assistance center.

Transition to an SBE

E280 – Categories 01, 04, 05, & 26 –

FY 20 $79,792

FY 21 $100,773

Represents costs associated with one additional position in the Fiscal unit.

- One unclassified position: Management Analyst effective 10/1/19.
- Unit currently consists of one Finance & Research Officer and one Grants & Project Analyst.
- A Management Analyst is necessary to support the increased need in audits, writing of procedures, and general copywriting for Exchange stakeholders due to the transition.

Transition to an SBE

E281 – Categories 01, 04, 05, & 26 –

FY 20 $185,111

FY 21 $210,687

Represents costs associated with establishment of a Security & Reconciliation unit.

- Two unclassified positions: Reconciliation Specialist Lead effective 8/1/19 and Reconciliation Specialist effective 10/1/19.
- Will absorb functions previously provided by CMS including reconciling enrollment and plan selection data with insurance carriers, case management, and related functions.

Transition to an SBE

E282 – Category 12 – FY 20 $558,400

FY 21 $0

Represents costs associated with continuation of a Project Management Office (PMO) to oversee the transition. PMO deliverables will be complete by January 31, 2020; therefore, costs are only requested in FY 20.

- Authority for PMO was requested and subsequently approved at IFC on June 20, 2018.
- Utilizing the state's existing master service agreements to contract with qualified individuals.
- Consists of one Project Manager IV, three Quality Assurance Analysts, and one Document Technical Writer. An Information Security Specialist is also on this team, but will be complete with deliverables in FY 19.

Transition to an SBE

E283 – Category 04 – FY 20 $0

FY 21 $94,317

Represents increased costs associated with the Plan Year 2020 annual audit of 45 CFR 155 as a result of the transition. The audit is due to CMS by April 1, 2021; therefore, costs are only requested in FY 21.

- There are numerous significant operational and procedural differences between the operating models of an SBE-FP and SBE, which will impact the scope of the audit activities once the Exchange transitions to an SBE.
- Increased from $65,683 (Base) to $160,000 based on a quote received from the current vendor, Milliman, Inc.

Transition to an SBE

E284 – Category 04 – FY 20 $241,714

FY 21 $193,118

Represents costs associated with printing and postage for outgoing correspondence to Exchange consumers that was previously handled by CMS.

- Outgoing correspondence must be printed and mailed to consumers, including scheduled items (i.e. annual tax forms) and triggered items (i.e. eligibility conditions that require further action from our applicants).
- Projected costs include four mailers per year for 80,000 individual mail pieces per job.
- One-time costs are included in FY 20 to notify consumers of the migration from healthcare.gov to the private platform.
- Projections based on quotes received from state printing and the state mailroom.

Transition to an SBE

E288 – Category 75 – FY 20 $14,060
FY 21 $28,120

Represents costs associated with an interlocal agreement between the Exchange and DWSS to satisfy compliance with 45 CFR 155.510 and 45 CFR 155.335 regarding consumer appeals.

- Appeals services were previously provided by CMS and will need to be absorbed by the Exchange.
- Estimated at a monthly average of three appeals that will necessitate adjudication from the hearings unit at DWSS.
- The funds in this request pay for the estimated hourly costs of DWSS hearing staff.
- Effective January 1, 2020.

Transition to an SBE

E291 – Category 04 – FY 20 $32,500
FY 21 $32,500

Represents costs associated with a contract to conduct the ongoing CMS Minimum Acceptable Risk Standards for Exchanges (MARS-E) Security and Privacy Control Assessment and produce an accompanying Security Assessment Report.

- The CMS MARS-E Security and Privacy Assessment Control requires all security and privacy controls attributable to a system or application to be assessed over a three-year period.
- Projections are based on the contract with SeNet approved at the January 15, 2019 BOE meeting.

CMS User Fee

E276 – Category 11 – FY 20 ($487,960)

FY 21 ($7,033,839)

Represents adjustments in costs to utilize the federal application, eligibility, enrollment technology and consumer assistance center, healthcare.gov.

- The HHS Notice of Benefits and Payment Parameters for 2019 requires SBE-FPs to pay a user fee of 3% of carrier premiums for Plan Year 2019.
- Adjusts the user fee for FY 20 to $6,545,879 (represents costs from July 1, 2019 to December 31, 2019).
- Eliminates the expenditure beginning January 1, 2020 due to the transition to an SBE.

Navigators & Brokers

E285 – Category 71 – FY 20 $143,505

FY 21 $143,505

Represents costs associated with navigators/in-person-assisters (IPAs) and brokers to communicate, educate, and enroll eligible individuals in QHPs. This request adds $113,493 for Navigator/IPA entities and $30,012 for broker entities to align the costs for the 2019-2021 biennium with the actual amount of funds awarded in the work program year (state fiscal year 2019).

- Consists of ten navigators/IPAs and six brokers.
- Navigator/IPA subawards total $1,113,000 (not including NVPCA).
- Broker subawards total $60,000.

Consumer Assistance Call Center

E286 – Categories 04 & 71 – FY 20 ($34,241)
FY 21 ($43,051)

Represents adjustments in costs for the Exchange's existing Call Center. This function will be absorbed by GetInsured effective September 1, 2019.

- Costs consist of EITS toll-free charges, office supplies, translation services, rent, and costs associated with the Nevada Primary Care Association (NVPCA) subaward.
- EITS, office supplies, and translation services are budgeted for July-August 2019 to support existing call center functions and September 2019 to ensure a smooth transition to GetInsured.
- Subaward with NVPCA will remain in the base budget as they will have the opportunity to become a regular navigator entity after their call center subaward is terminated.
- Rent will remain in the base budget as additional positions requested will back-fill the spaces previously occupied by NVPCA staff.

Outreach and Advertising

E289 – Categories 50 & 71 – FY 20 $2,171,054
FY 21 $2,171,054

Represents reallocation of grant funding that ended in December 2018.

- Grant revenue previously funded a portion of navigator subawards and the marketing contract with Penna Powers.
- This request moves these expenditures from the grant to Carrier Premium Fees to continue these vital services.

Marketing and Advertising

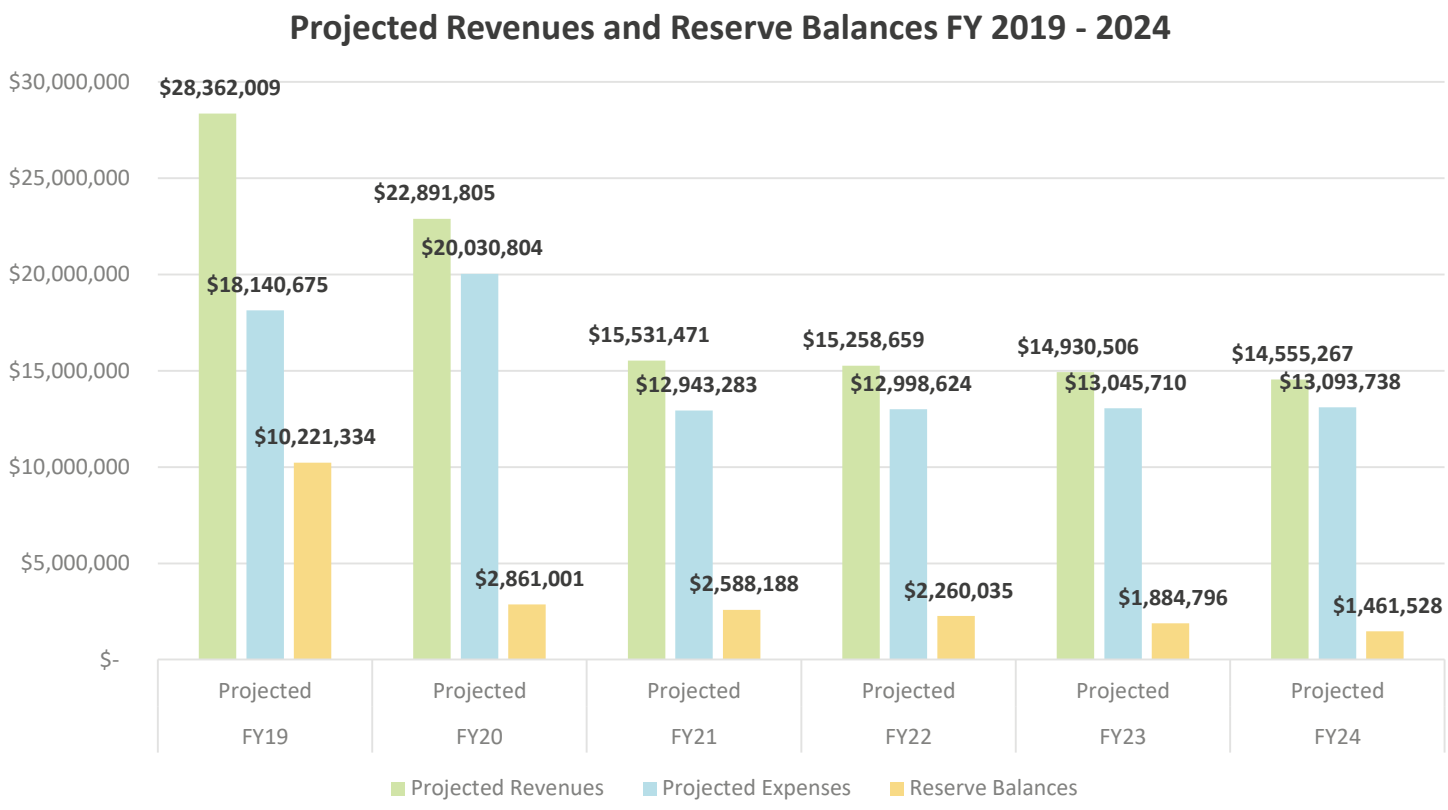
E290 – Categories 50 – FY 20 $374,128
FY 21 $374,128

Represents an increase to the contract for marketing services with Penna Powers.

- The increase to the Penna Powers marketing & outreach budget will be used for additional media buys, advertising, and outreach.
- Additional funds will be used in the production of educational literature and further outreach communications.

Reserves

Based on current projections, the Exchange expects to maintain a 60-120 day reserve starting in FY 21 through FY 25.



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connecting you to health insurance

Q & A

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