

Delaware's Health Insurance Marketplace: Update on Activity

Delaware Health Care Commission
April 2, 2015

Secretary Rita Landgraf
Department of Health and Social Services



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Agenda

- Enrollment report
- Federal updates
 - Corrected 1095-As
 - Consumer Fraud Alert
 - Special Enrollment Period
 - Final Rules
- Reducing the rate of uninsured
- Outreach update
- Enrollment stories
- Website and marketing performance
- Plan Management update
- EHB for Plan Year 2017
- Key dates

2015 Enrollment Report

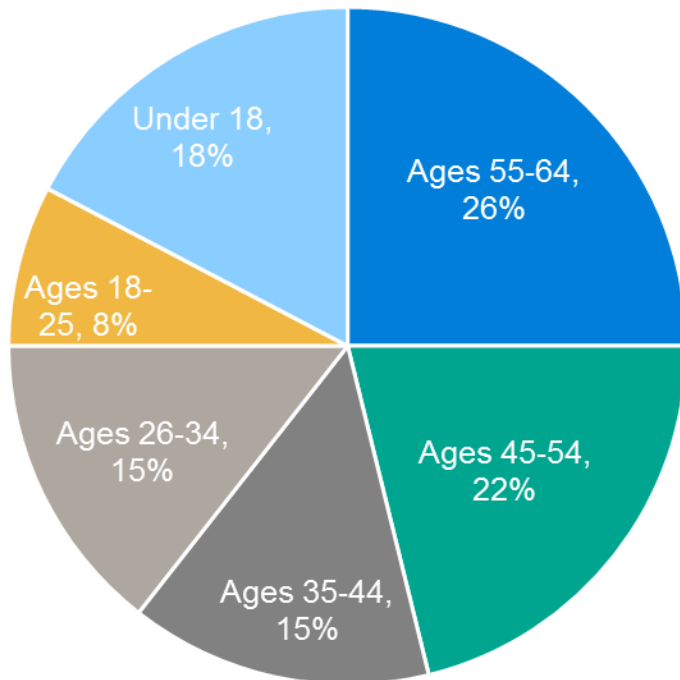
Total number of Delawareans selecting a 2015 Marketplace health plan as of February 22	25,036
Individuals eligible for Medicaid from March 1-27 with incomes between 100-138% FPL	9,693
Total 2015 enrollment through the Affordable Care Act	34,729

- Delaware saw a 74% increase in Marketplace enrollment for 2015 compared to 2014. Total Marketplace enrollment for 2014 was 14,397.

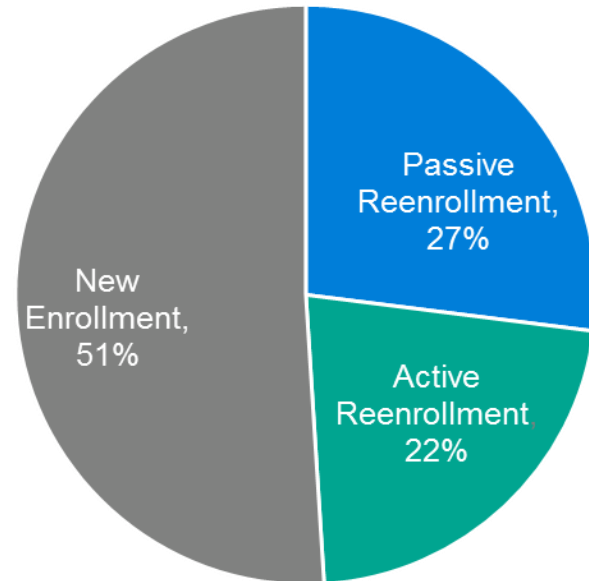
2015 Enrollment Report for Delaware

HHS released a report on 2015 Open Enrollment period for all 37 states using HealthCare.gov from November 15, 2014, to February 22, 2015

Enrollment by Age



Enrollment Type



Financial Assistance for Delawareans

Delawareans saw significant savings on premiums through the use of tax credits

- 84% of plan selections were eligible for a tax credit
- Average monthly premium before tax credits: \$404
- Average monthly tax credit received: \$264
- Average monthly premium after tax credits: \$140
- Premiums were reduced by an average of 65% due to tax credits
- Of those who qualified for premium tax credits, 45 percent picked a plan with a premium of \$100 or less after the credits

For the full report:

<http://dhss.delaware.gov/dhss/pressreleases/2015/2015EnrollmentReport.pdf>

2014 Taxes: Marketplace Enrollees

- Taxpayers who enrolled in health coverage through the Marketplace in 2014 received Form 1095-A, Health Insurance Marketplace Statement, which they will use to file their 2014 taxes
- HHS announced that some 1095-As were sent with incorrect information and they have contacted these consumers
 - 1,953 tax households in Delaware were affected by this
- Consumers may also log in to their HealthCare.gov account to see if they were affected by this issue
- Those with incorrect forms who have already filed their taxes do not need to file an amended return and the IRS will not pursue additional taxes due as a result of this issue
- Consumers should talk to a tax professional for assistance with specific questions or visit www.irs.gov/aca or www.healthcare.gov/taxes for more information

Consumer Fraud Alert

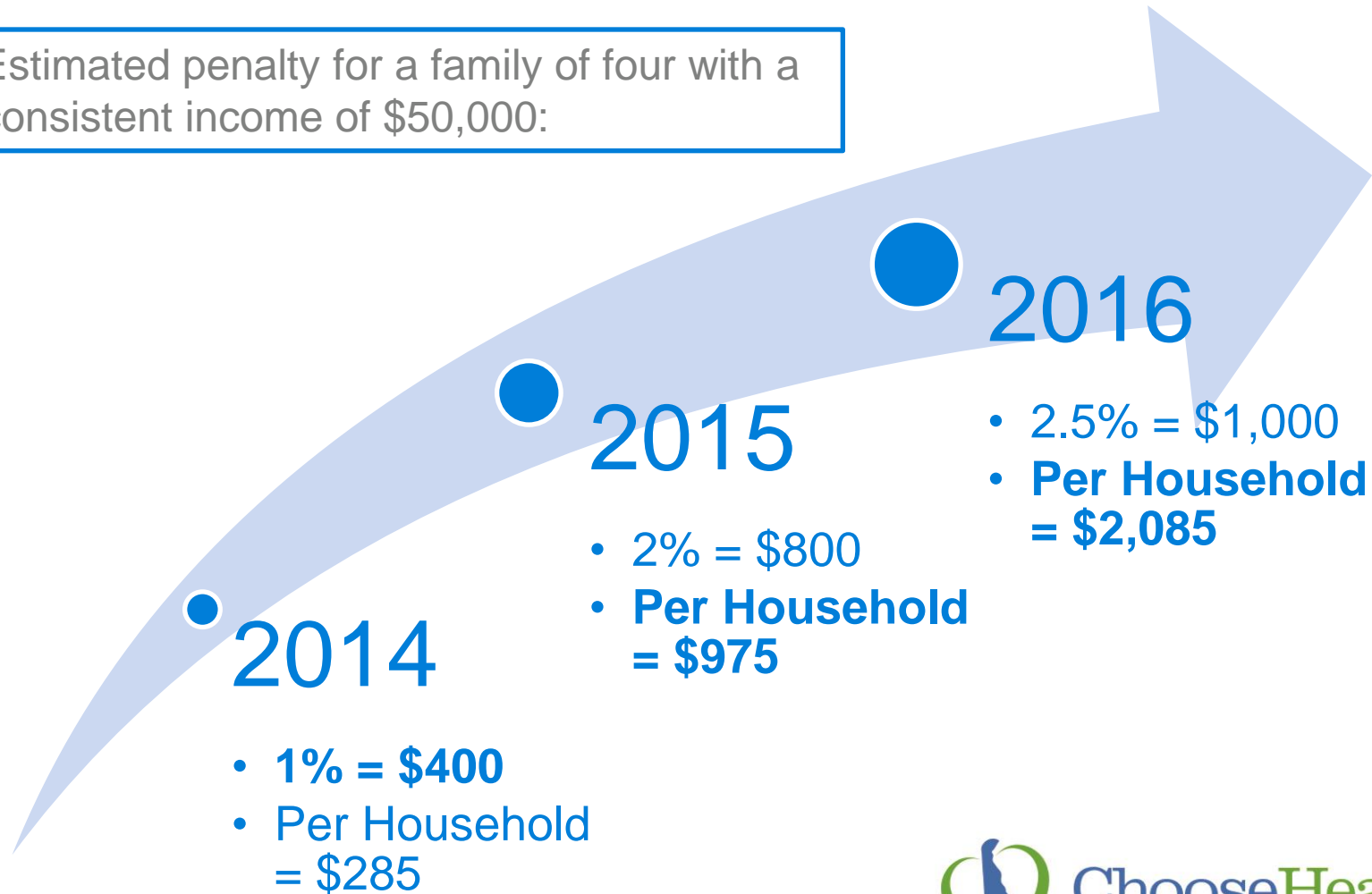
- Some consumers have reported experiencing tax-related fraud as they completed forms related to their QHP, immigration status and/or tax penalties
 - Individuals who are not U.S. citizens or nationals and are not lawfully present in the United States are exempt from the penalty and do not need to make a payment
- To make a report of a scam:
 - Call the IRS at 1-800-366-4484
 - Forward a suspicious email message to phishing@irs.gov
 - Report any tax scam in person at the IRS offices in Wilmington, Dover or Georgetown, or by calling the AG's hotline at 1-800-220-5424
- More information is available at <http://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Affordable-Care-Act-Consumer-Alert--Choose-Your-Tax-Preparer-Wisely>

Special Enrollment Period

- HHS announced the availability of a Special Enrollment Period (SEP) for certain individuals who did not have coverage in 2014 and are subject to a penalty when filing their 2014 taxes
- The SEP allows residents of Delaware who were unaware or didn't understand the implications of the requirement to enroll in 2015 health coverage through the federal Health Insurance Marketplace (HealthCare.gov) until **April 30**
- The availability of this SEP does not mean that taxpayers do not have to pay the 2014 penalty, just that they have the opportunity to enroll for 2015 to avoid additional penalties next tax season
- Consumers can find assistance at www.ChooseHealthDE.com

Rising Penalty

Estimated penalty for a family of four with a consistent income of \$50,000:



Final Rules from HHS

- On Feb. 20, HHS announced its Final Notice of Benefit and Payment Parameters for 2016
- HCC provided comments to the draft notice in December 2015
- Highlights of final rules:
 - **Open enrollment for 2016 plan year will be November 1, 2015 to January 31, 2016**
 - New Essential Health Benefit benchmark for PY2017 will be chosen from among a select group of plans available in 2014
 - Pediatric benefits shall be provided until the end of the month in which an enrollee turns 19
 - Issuers must use a pharmacy and therapeutic committee system to design drug formularies
 - Issuers are required to provide coverage for most drugs at retail pharmacies, not just mail order, and may charge different cost sharing based on where the drug is purchased

Full summary available at: <http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/Downloads/2016-PN-Fact-Sheet-final.pdf>



Reducing the Rate of Uninsured

- In February, the Gallup Healthways Well-Being survey found that Delaware's uninsured rate dropped from 10.5% in 2013 to 9.6% in 2014
- The Kaiser Family Foundation reported in *The Wall Street Journal* that as of the end of the recent open enrollment period, 52% of Delawareans eligible for Marketplace coverage had enrolled, tying us for third highest in the country

Outreach Update



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In-Person Assister Activity



- From November 1 through February 22 (the end of the enrollment extension for consumers who were “in line”) Marketplace Guides and Navigators have helped consumers complete 1,233 enrollments and 214 renewals
- Guides and Navigators also made 882 referrals to Medicaid

Consumer Assistance in Delaware

Choose Health Delaware remains committed to helping Delawareans access information about and assistance with the Marketplace. We continue to:

- Engage community partners and other assisters through ongoing communications and information sharing
- Maintain up-to-date information and resources on www.ChooseHealthDE.com, highlighting assistance available from agents and brokers, Navigators and FQHCs
- Encourage health care providers and other service-minded community organizations to gain Certified Application Counselor (CAC) status
 - Go to <https://marketplace.cms.gov/technical-assistance-resources/assister-programs/cac.html>

Funding Opportunity

- U.S. Dept. of Health and Human Services Office of Minority Health announced a funding opportunity through Partnerships to Increase Coverage in Communities grants
- Grantees will educate racial and ethnic minority populations about the Marketplace and assist them with enrollment
- 14-17 grants available; awards from \$200,000 to \$250,000
- Application deadline is May 22, 2015
- More information at www.minorityhealth.hhs.gov

Stories from the Ground



- A couple from Harrington had to pay the penalty for going uninsured last year and visited a Marketplace Guide to enroll for 2015. They qualified for a monthly premium tax credit and their premium is less than \$100 a month. The woman said she felt fortunate and blessed to have coverage this year.
- A Wilmington woman reported a decrease in income and was able to reduce her monthly premium from \$100 to \$43, allowing her to select a dental plan as well.
- After a Marketplace Guide helped a Bridgeville man create an email address and set up his Marketplace account, he qualified for a tax credit of \$547, which reduced his monthly premium to about \$114.



Stories from the Ground

- A 24-year-old woman from Newark, pregnant with her second child, visited Westside Family Healthcare in December and enrolled in a plan with a monthly premium of about \$40 after tax credit.
- A 47-year-old Latino father of six from New Castle qualified for a monthly tax credit of \$314, reducing his premium to less than \$54.
- A Bridgeville woman who lost her job in February qualified for a Special Enrollment Period. She was eligible for a tax credit of \$276, which brought her monthly premium down to \$265.



Website and Marketing Performance

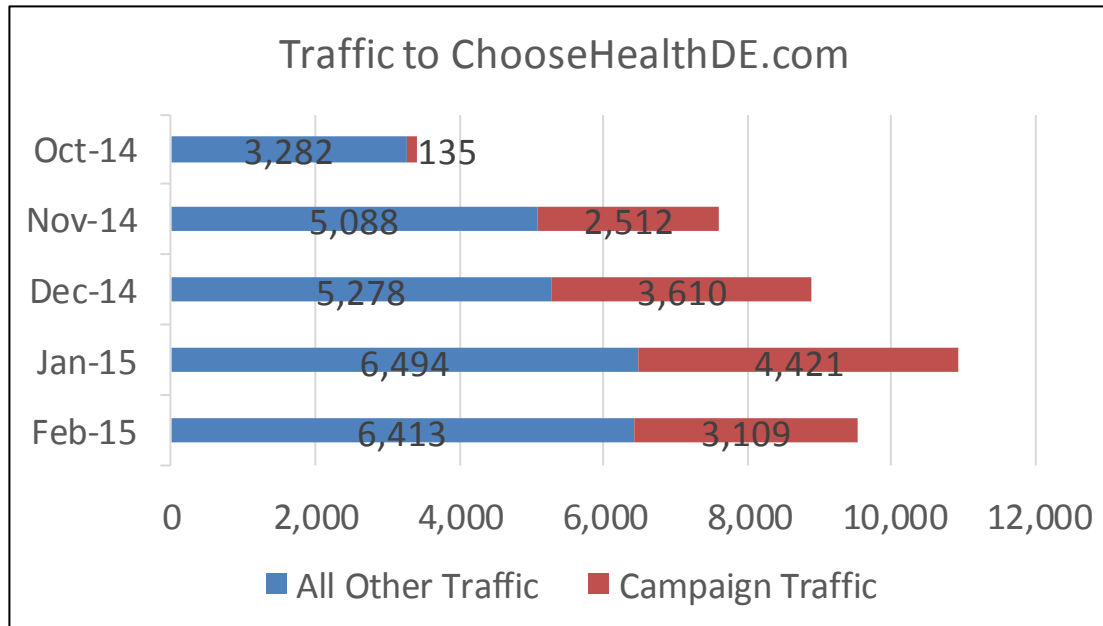


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Marketing and Advertising Campaign: Summary

- Campaign messaging during Open Enrollment focused on the deadline, the penalty and the law. This was a departure from last year's messages, which focused on the cost of being uninsured.
- Video ads had high view rates, which demonstrates the popularity and effectiveness of delivering messaging through this medium
- Paid social media ads through Facebook and Twitter did a great job in reaching Delawareans
 - Paid Facebook newsfeed ads reached more than 373,000 Delawareans, and drove 1,112 sessions to the site.
 - Twitter ads also did well in garnering over 4,000 impressions and helped capture increased retweets

Total Traffic to ChooseHealthDE.com



- Paid media campaigns drove more than 13,000 sessions to the site (34% of all traffic)
- From October to February*, ChooseHealthDE.com drove a total of 5,171 clicks to HealthCare.gov
 - 18% of those were from paid media campaigns.

*February numbers only cover February 1-26, 2015.

Plan Management Update



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Issuer Letters of Intent for Plan Year 2016

- On Jan. 28, the Department of Insurance (DOI) published a Bulletin to issuers inviting them to submit a Letter of Intent to apply for QHP certification for PY 2016
- To date, all issuers who now offer medical and stand-alone dental plans on the Marketplace for Plan Year 2015 have submitted letters of intent to participate in Plan Year 2016, including:

Medical Issuers

- ✓ *Aetna Health*
- ✓ *Aetna Life*
- ✓ *Highmark BCBSDE*

SADP Issuers

- ✓ *Delta Dental*
- ✓ *Dentegra*
- ✓ *Dominion*
- ✓ *Guardian*

- The DOI has reached out to six additional issuers to promote Delaware as a growing market for health insurance coverage, and invited them to discuss future participation
 - Issuers have until **April 20th** to make a final decision as to whether or not they will apply for plan certification for PY2016.

QHP Review for Plan Year 2016

The DOI and Plan Management Team are working with insurance companies and the federal government to prepare for the third round of QHP Review.

- ✓ Insurance companies are currently: designing health plans to meet new or updated federal guidelines; developing premium rates and cost-share variations; and evaluating provider networks to ensure compliance with state and federal standards and regulations
- ✓ CMS is finalizing process guidelines and developing tools to support the QHP review
- ✓ DOI has released state-specific standards, guidance and templates to issuers to support their QHP applications

Proposed Timeline	QHP Review Activities
April - September 2015	<ul style="list-style-type: none">• DOI reviews plans for compliance with federal and state laws and standards• Areas for review include <i>rates, benefit design, cost-sharing, network adequacy, among others</i>
September 2015	<ul style="list-style-type: none">• Federal government conducts final QHP reviews and certifies state-recommended plans• DOI releases Premium Rate information
October 2015	<ul style="list-style-type: none">• Federal government releases list of certified QHPs for Plan Year 2016• Open Enrollment begins November 1 for Plan Year 2016

Delay in Health Reimbursement Account Penalty

- On February 18, the IRS and the U.S. Treasury Department provided guidance stating that employers who provide Health Reimbursement Arrangements (HRAs) to their employees for the purpose of reimbursing premiums will be subject to a penalty starting in summer 2015.
- Under HRAs, employers provide spending accounts that their workers can use to cover a portion of the cost of buying individual health plans. The arrangements give employers a tax-free means to help pay for their workers' health costs.
 - Employers will still be able to have these accounts to reimburse an employee's cost-shares, but not premiums
- In Fall of 2013, the Treasury Department issued guidance that indicated that HRAs that reimbursed an individual's premiums did not comply with ACA regulations.
- Once enforced, employers who choose to continue offering HRAs that reimburse premiums could face a fine as much as \$100 per day per employee.

Essential Health Benefits for Plan Year 2017



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Essential Health Benefits

The essential health benefits (EHBs) is a baseline package of services that **all health insurance plans in the individual and small group markets** are required to cover—both inside and outside the Marketplace/SHOP.

- Any services that are included in the EHB package will be offered without annual or lifetime dollar limits to all members
- All health plans offered to individuals and small groups (except self-insured plans) are required to cover these 10 service categories:
 - ✓ *Ambulatory patient services;*
 - ✓ *Emergency services;*
 - ✓ *Hospitalization;*
 - ✓ *Maternity and newborn care;*
 - ✓ *Mental health and substance use disorder services, including behavioral health treatment;*
 - ✓ *Prescription drugs;*
 - ✓ *Rehabilitative and habilitative services and devices;*
 - ✓ *Laboratory services;*
 - ✓ *Preventive and wellness services and chronic disease management; and*
 - ✓ *Pediatric services, including oral and vision care.*
- All plans must at least cover the U.S. Preventive Services Task Force Schedule A and B benefits, plus those required under Delaware state law without cost sharing.

Delaware EHB Benchmark Update for Plan Year 2017

- Each state may choose its own benchmark plan from these options:
 - One of the three largest small group plans in the State by enrollment;
 - One of the three largest State employee health plans by enrollment;
 - One of the three largest federal employee health plan options by enrollment; or
 - The largest HMO plan offered in the State's commercial market by enrollment
- The federal government requires that each state that intends to select its own benchmark do so by **June 1, 2015**.
 - Those states that do **NOT** select will default to the federally-selected EHB benchmark, which will be the benefits and services under that state's largest Small Group plan by enrollment for plan year 2014.
- Consistent with previous EHB, state mandates enacted by December 31, 2011, will be included in the EHB package.

Delaware's "Benchmark" Approach

- The three largest plans by enrollment from among all Small Group plans sold in the Delaware during plan year 2014. They are:
 - *Highmark Shared Cost EPO*
 - *Highmark Health Savings EPO HSA*
 - *Highmark Shared Cost PPO*
- The vast majority of benefits and services covered by the Small Group plans mirror the current Delaware EHB Benchmark.
 - Anticipated impact to premiums based solely on the new benchmark list would likely be minimal

Delaware EHB Benchmark Update for Plan Year 2017

Proposed Schedule of Activities

Step	Activity	Proposed Timeline
1	Review changes to federal requirements and guidance regarding selection process, criteria, and 2014 plan options.	March 2015
2	Develop EHB materials for HCC and Stakeholder review	March 23 – April 4, 2015
3	Conduct Public Comment Period on recommended new state EHB Benchmark	April 6 – April 24, 2015
4	Review stakeholder feedback on EHB options and develop final recommendation for HCC decision (approval/denial)	April 27 – May 1, 2015
5	Review and vote on final recommendations with HCC	May 7, 2015
6	Submit Delaware's selection for EHB Benchmark for Plan Year 2017 to HHS for final approval	June 1, 2015
7	Publish Delaware EHB benchmark and QHP Standards for Coverage Year 2016 <i>(Dependent upon HHS approval timeline)</i>	Fall 2015



Key Dates

Date	Milestone
April 6-24, 2015	Public Comment Period on Essential Health Benefits benchmark for PY 2017
April 30, 2015	End of Special Enrollment Period for certain individuals impacted by the tax penalty
November 1, 2015	Beginning of Open Enrollment for 2016

- Medicaid enrollment is open all year.
 - Small businesses can enroll in SHOP at anytime.
 - Only those with qualifying life events, such as birth/adoption of a child, loss of minimum essential coverage, aging out of parents' insurance at age 26, etc., may enroll in the Marketplace outside of open enrollment.
- Reminder: Consumers who enroll on or before the 15th of the month will receive coverage on the first of the following month. Those who enroll between the 15th and the end of the month will begin coverage on the first of the *next* following month.