

Delaware's Health Insurance Marketplace: Update on Activity



Delaware Health Care Commission, August 7, 2014
Secretary Rita Landgraf, Department of Health and Social Services
Commissioner Karen Weldin Stewart and Linda Nemes, Department of Insurance



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Agenda

- Medicaid update
- Consumer Assistance and Outreach activities
- Recent court rulings
- QHP Standards for Plan Year 2016
- Market-wide insurance updates
- Marketplace insurance updates

Medicaid Newly-Eligible Enrollment Update

- As of July 31, 2014, **7,351** individuals have enrolled in Medicaid through the expansion.
- This is an 11% increase since June 30th.

21,748 Delawareans have enrolled in health care coverage through expanded Medicaid and the Marketplace since October 1, 2013.

Medicaid backlog

- Division of Social Services completed eligibility determinations for all available Marketplace applications submitted to Healthcare.gov between October 1, 2013 and April 15, 2014.
- Medicaid eligibility determinations are currently being processed within the normal 45-day time period.
- The FFM recently completed a reconciliation of their system and sent Delaware close to 400 cases.
 - These are being given top priority and should be completed by the end of the week.

Consumer Assistance Update

Marketplace Guides continue to work with consumers to process special enrollments, make Medicaid referrals and provide education about options via the Marketplace.

Since the end of open enrollment and through July 31, Guides have provided support for:

- **106** special enrollments in Marketplace coverage
- **619** referrals to Medicaid (*Reminder: Medicaid enrollment remains open year round*)
- **379** post-enrollment consumer support encounters, focusing on connection to care and using health insurance

The full schedule of Marketplace Guide events and activities remains available at ChooseHealthDE.com.

Outreach Update

- The Marketplace team has met with many community organizations, providers and stakeholders in the last few months.
- Working on a strategy to continue this engagement and increase communication with our partners
- Strategy will include regional coalition meetings with interested partners, starting in September
- To become involved, contact Michelle Amadio at michelle.amadio@state.de.us

Recent Court Rulings on Federal Subsidies

- Two appeals courts issued conflicting rulings last month regarding insurance premium tax credits under the Affordable Care Act. The IRS and the U.S. Department of Justice have reassured those who are receiving advance payments of the tax credits that nothing has changed and that the credits remain available.
- Individuals do not need to take any additional action or make any changes in response to the court rulings.
- Delawareans who qualify for these federal tax subsidies continue to receive them, and they should continue to schedule their medical appointments and pay their part of the monthly premiums.

QHP Standards for Plan Year 2016

A workgroup was formed to make initial recommendations for additional QHP Standards for Plan Year 2016. In developing these additional standards, the Workgroup is focusing on areas that align to the goals and efforts of the state's healthcare innovation model, including:

- Increasing access to healthcare services,
 - Strengthening consumer protections,
 - Supporting the concept that integrating medical and behavioral services will produce better health outcomes while reducing costs associated with treating patients with complex and chronic illnesses.
- The Workgroup also recognizes the need to balance affordable private insurance while still adding value to Delaware consumers.

Next Steps for Plan Year 2016 QHP Standards

- The workgroup will provide recommendations to HCC at the September meeting.
- A 14-day formal Public Comment Period for review of recommendations for new/modified QHP standards will follow.
- Following the open comment period, the team will develop a final list of recommendations, based on stakeholder input for final review at the October HCC meeting and a planned vote at the November HCC meeting.

Key Dates for Consumers

Date	Milestone
November 15, 2014-February 15, 2015	Open enrollment for coverage in Plan Year 2015

Notes:

- **Medicaid enrollment can occur at anytime.**
- Employers may continue to enroll in SHOP on a rolling monthly basis. The deadline to enroll is always the 15th of the month for coverage to be effective the 1st of the following month.

Market-wide Insurance Update

Update on DOI Rate Review for Plan Year 2015
Medical Loss Ratio—Rebates to Delaware
Consumers



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Rate Review Process-Public Comment Period

In July, the DOI conducted a formal two-week Public Comment Period on proposed medical insurance rates for Plan Year 2015 as part of its overall Rate Review Process.

- Information posted to the DOI website included:
 - A DOI overview of the information available for public comment
 - Justification forms and rate sheets from the following medical issuers
 - Highmark Blue Cross Blue Shield-Delaware (Individual and Small Group)
 - Aetna Health, Inc. (Individual and Small Group)
 - Aetna Life Insurance Company (Individual market only)
- The DOI received four responses during the open comment period.

Summary of Public Comment to 2015 Proposed Health Plan Rates

- ✓ Grateful to have insurance, but feel that rate increases will add to existing financial burden.
- ✓ Advocate for standardization of base rate information so that the public may compare rate increases and justifications in a consistent manner across all Issuers.
- ✓ Want all factors that lead to rate increases included in the information shared with the public, including projected health costs vs. administrative costs.
- ✓ Consumer would like the DOI to address high deductibles, suggesting a plan design that allows the “plan to cover upfront, first dollar expenses and put the deductible later in the total year’s expenses.”
- ✓ Requested longer public comment period for rate increases.

Rate Review: Next Steps

- August 8th: DOI submits state recommendations for rate approval to CMS for final review
- Late October-Early November: Insurance Commissioner posts approved rates to DOI website (following CMS rate certification process)

The Commissioner will review all comments and incorporate stakeholder input in her final rate analysis. The DOI will also provide responses to the comments received directly to the consumers.

Medical Loss Ratio (MLR) Rebates

- Delaware consumers will receive a **total of \$734,278 in rebates** on their 2013 health plan premiums across the Individual and Large Group markets. (DE had no refunds for the Small Group market)
- The rebates are required for insurance companies whose Medical Loss Ratio (MLR)—the portion an Issuer spends on health costs vs. administrative costs—does not meet the threshold:
 - MLR for Individual and Small Group must be at least 80/20
 - MLR for Large Group plans must be at least 85/15
- Number of Delaware consumers affected: 5,886
- Average family refund in Delaware: \$174
- A total of \$332,152,474 in MLR rebates will be distributed to 6,816,423 consumers nationwide, with an average family refund of \$80.

Marketplace Insurance Update

1. Compliance review of Marketplace plans for 2015
2. Re-enrollment for 2015



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Compliance Review of 2015 Marketplace Plans (QHPs)

- All plan submissions are now under review for compliance with State and federal regulations and standards.
 - Plans are reviewed for compliance with Network Adequacy, Essential Community Providers, Rate and Service Area, Accreditation and Quality Improvement standards, among others.
- Final QHP Certification—Delaware will complete its QHP review and submit final recommendations for certification to CMS by September 10th .
 - The DOI will then support CMS' final review, including Issuer 'Plan Preview' quality checks. CMS plans to make final decision regarding QHP certification in mid-October.

QHP Review Timeline

Remaining QHP Review Activities		Proposed Dates
QHP Review	Issuers update QHP application data and documentation through SERFF as needed or requested by Delaware	6/23/2014 – 8/7/2014
	Delaware conducts 1 st SERFF Data Transfer	8/8/2014
	FFM reviews plan data	8/11/2014 – 8/25/2014
	FFM notifies Delaware of any needed corrections to QHP data	8/26/2014
	Delaware conducts final review of Issuer and QHP Application	8/27/2014 – 9/4/2014
	Deadline for Issuer to submit final QHP Application information to the State via SERFF. (Data lock-down)	9/4/2014
	Delaware submits recommendations for QHP certification and associated Issuer/QHP Application information to HHS via SERFF (2 nd SERFF-to-HIOS Data Transfer)	9/5/2014 – 9/10/2014
	FFM completes re-review of plan data and Delaware recommendations	9/22/2014
	Issuers review data on FFM web portal and address data errors. Delaware supports CMS during the Limited Data Correction Window. (Data changes must be pre-approved by CMS and the State.)	9/24/2014-10/6/2014
QHP Agreement / Final Certification	<ul style="list-style-type: none"> • HHS notifies State and all Issuers of QHP Certification decision; • QHP Agreement signed; • QHP data finalized; • DOI posts final rates to DOI Website 	10/14/2014-11/3/2014

Medical QHP Submissions

Three medical plan issuers have submitted plans for QHP certification:

- Highmark BlueCross BlueShield Delaware, Inc.
 - Requesting recertification of all 2014 plans, plus additional new plans
- Aetna Health, Inc. (*replaces Coventry Health Care of Delaware, Inc.*)
- Aetna Life Insurance Company (*replaces Coventry Health and Life Insurance Company*)

Metal Level	Individual* 2015	Individual* 2014	SHOP 2015	SHOP 2014
Bronze	6	4	5	4
Silver	7	5	5	4
Gold	10	9	6	3
Platinum	1	1	0	0
Catastrophic	1	2	0	0
Total	25	21	16	11

*Includes 1 Silver and 1 Gold Multi-State Plan

Stand-alone Dental (SADP) QHP Submissions

- Four SADP Issuers have submitted plans for QHP certification—each is seeking recertification of some or all of their 2014 QHP offerings
 - Delta Dental of Delaware, Inc.
 - Dentegra Insurance Company
 - Dominion Dental Services, Inc.
 - The Guardian Life Insurance Company of America

Actuarial Level	Individual 2015	Individual 2014	SHOP 2015	SHOP 2014
Low (70%)	8	10	10	13
High (85%)	3	6	5	9
Total	11	16	15	22

In addition, six SADP Issuers are seeking QHP certification for plans to be sold outside of the Marketplace only.



Re-enrollment for 2015

- Consumers who are enrolled in plans seeking recertification will have the option to renew their plans or enroll in a different plan through the Marketplace during Open Enrollment.
- Consumers who are enrolled in plans that are NOT seeking recertification (Coventry plans) will need to select a new QHP through the Marketplace during Open Enrollment.
 - CMS and the FFM are working with issuers to develop a streamlined process for re-enrollment during the Open Enrollment period. Additional information will be provided regarding the process, including timelines for Marketplace and Issuer notifications as it becomes available.

The Delaware Marketplace team will work closely with Marketplace Guide Organizations, Certified Application Counselors, Agents & Brokers and other community partners to ensure broad communication is delivered to consumers prior to the start of Open Enrollment.

Thank you!



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