



Health Insurance Exchange

Review of Stakeholder Engagement Requirements

Update: February 20, 2012

Background

Title I, Subtitle D, Part 2, Section 1311 of the Patient Protection and Affordable Care Act provides the basis on which each state must establish a health insurance exchange (Exchange). These exchanges will be online marketplaces where individuals and small businesses can shop for health plans in a way that permits comparison of plan options based on price, benefits, services and quality.

Section 1311(d)(6) requires Exchanges to consult with a broad range of stakeholders in carrying out their activities. Specifically, An Exchange shall consult with stakeholders relevant to carrying out the activities under this section, including—

- (A) health care consumers who are enrollees in qualified health plans;
- (B) individuals and entities with experience in facilitating enrollment in qualified health plans;
- (C) representatives of small businesses and self-employed individuals;
- (D) State Medicaid offices; and
- (E) advocates for enrolling hard to reach populations.

Successful Exchanges will undertake aggressive and multi-faceted outreach to inform the public of their services and coverage options. The act provides for some specific requirements such as:

- (A) provide for the operation of a toll-free telephone hotline to respond to requests for assistance;
- (B) maintain an Internet website through which enrollees and prospective enrollees of qualified health plans may obtain standardized comparative information on such plans

(C) Public reporting on Exchange activities including standardized data reporting on price, quality, benefits, consumer choice and other factors that will help measure and evaluate performance along with enrollee satisfaction survey results.

The Act also provides for the development of “Navigators” to conduct public education activities to raise awareness of the availability of qualified health plans, distribute fair and impartial information concerning enrollment in qualified health plans, facilitate enrollment in qualified health plans and provide information in a manner that is culturally and linguistically appropriate to the needs of the population being served by the Exchange.

Nationally, there are 14 states (California, Colorado, Connecticut, District of Columbia, Hawaii, Maryland, Massachusetts, Nevada, Oregon, Rhode Island, Utah, Vermont, Washington and West Virginia) who have established Exchanges, 4 states (Illinois, Indiana, Mississippi, and Virginia) with plans to establish an Exchange, 23 studying options, 8 with no significant activity (Alaska is included in this group) and 2 who have decided not to create an Exchange (Arkansas and Louisiana).

What does this mean for Alaska?

Public Consulting Group (PCG) has been awarded a contract from the Alaska Department of Health and Social Services (DHSS) to assist in the design and development of the Exchange for Alaska. One component of their deliverables will be to engage with stakeholders utilizing public forums, issue briefs, organize focus groups, conduct surveys and interviews. In the PCG proposal, they indicated that they would be utilizing stakeholder activities from other states that have proven effective, specifically work done in Nevada and Delaware.

In Nevada, PCG engaged stakeholders and the general public through a series of community and individual meetings with a range of groups including consumers, insurance carriers, tribal members, brokers, consumer advocates, providers, and business owners. They also held a series of forums throughout Nevada to begin educating Nevadans about health care reform and the potential role of the Exchange. The forums provided an opportunity for the State to receive input from key constituencies and the general public regarding the plan, design, and operations of the Exchange in Nevada. These meetings were held over a four-month period. They also developed a website with the latest information related to health care reform and the Exchange

along with consumer satisfaction information. They also conducted 12 focus groups over a 3 month period to gather information to be used for planning and development purposes.

Josh Applebee, Deputy Director, DHSS, Health Policy and Project Director for the Exchange contract has indicated that he anticipates PCG will conduct 4 to 8 public meetings to gather information. He anticipates this level of stakeholder involvement to occur in February and March. Mr. Applebee began conversations with the Alaska Native Health Board who has formed a subcommittee to focus on Exchange development activities.

Additionally, Senator Hollis French has sponsored SB70 which is an act to establish the Alaska Health Benefit Exchange. The bill proposes to establish an Exchange Board to manage the exchange. The board would consist of 8 members, 6 of whom represent small business, health plan finance, health care insurance, health plan administration, an actuary and a health care consumer representative. The board, in addition to other duties, would be required to consult with persons having an interest in activities of the exchange including but not limited to: health care insurers; health care consumers who are enrollees in qualified health plans; individuals and entities with experience in facilitating enrollment in qualified health plans; representatives of small businesses and self-employed individuals; the division in the Department of Health and Social Services responsible for administering Medicaid; and advocates for enrolling hard-to-reach populations. Further, the act requires the establishment of one or more advisory groups to consult with the board to provide expertise on and input into operations of the exchange; the membership of an advisory group may include health care providers, hospitals, and persons identified in the groups above. To date, SB70 is currently in the Rules Committee and waiting to be scheduled for a floor vote. There is not currently a house version of the bill. Commissioner Streur, DHSS, stated in a joint HESS hearing that the Administration is not supporting the bill.

Stakeholder engagement is a requirement of the Affordable Care Act. There will be opportunities for a variety of stakeholder groups to be involved during the next few months during the design phase of the Exchange and after as representatives on an Exchange board, advisory council or other structure as yet to be determined.