

Health Insurance Exchange

Medica Principles

- ✓ Encourage competition among carriers and maximize consumer choice
- ✓ Minimum necessary to meet federal requirements
 - ✓ Time and resources are limited
 - ✓ Market response should determine new functions
- ✓ Focus on the exchange's core function: the sale and purchase of health insurance
 - ✓ Transparent marketplace
 - ✓ Consumer education
 - ✓ Assist individuals enrolling in public programs or utilizing a subsidy

Health Insurance Exchange

Number of Risk Pools

Priority: Minimize disruption in the small group market

- 2014 individual and small group market disruptions:
 - CHAND entry in individual market
 - Guaranteed issue
 - Essential benefit set
 - Rating restrictions
- Advisable to keep risk pools separate in the short term
- However, must maintain flexibility beyond 2014 as the individual and group markets adapt to federal reform
- Maintain small group definition of up to 50 to mitigate concerns of self-funding