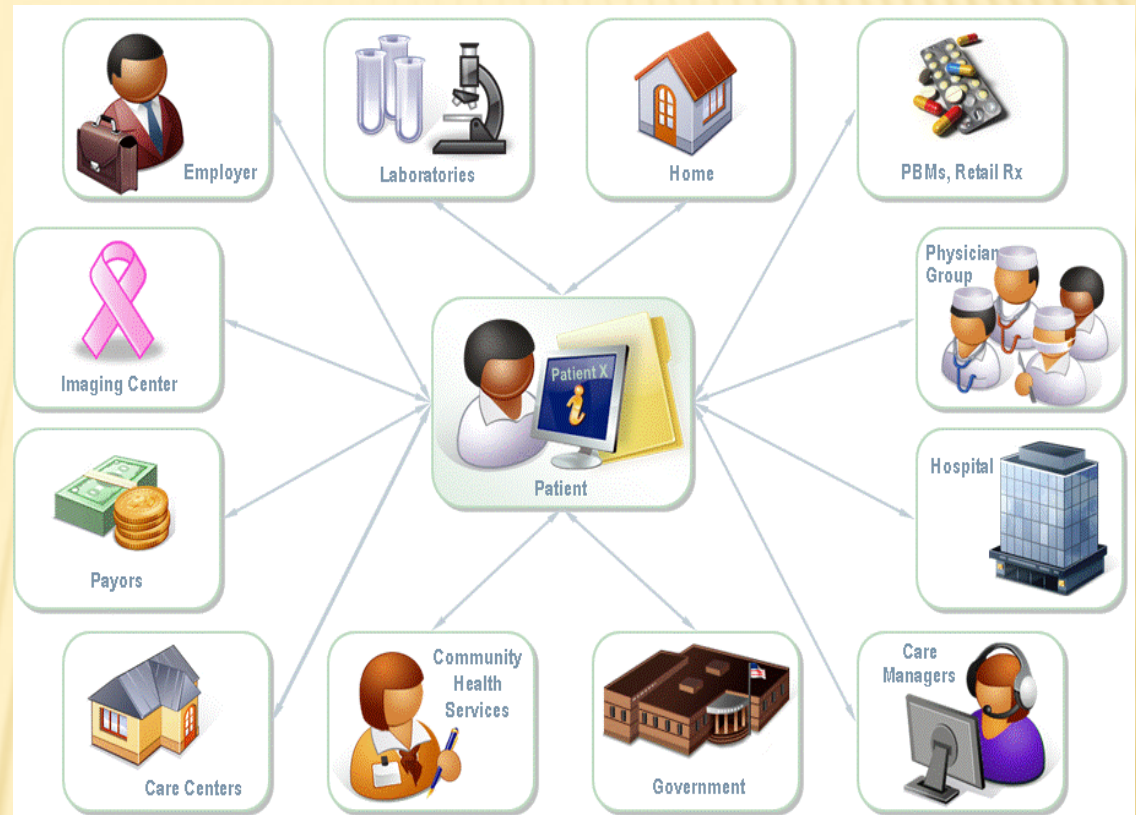


Presented by
Lisa Feldner
Chief Information Officer
ND Information Technology Department
to the
Health Care Reform Review Committee
Tuesday, September 20, 2011

HEALTH BENEFIT EXCHANGE

- Funded by “Stimulus” dollars
- Governed by provisions in the HITECH Act.
- Administered by the U.S. Department of Health and Human Services, the Office of the National Coordinator for Health Information Technology
- An information technology engine that serves as a hub through which electronic health information is exchanged to enhance the quality of healthcare services and improve citizen health.



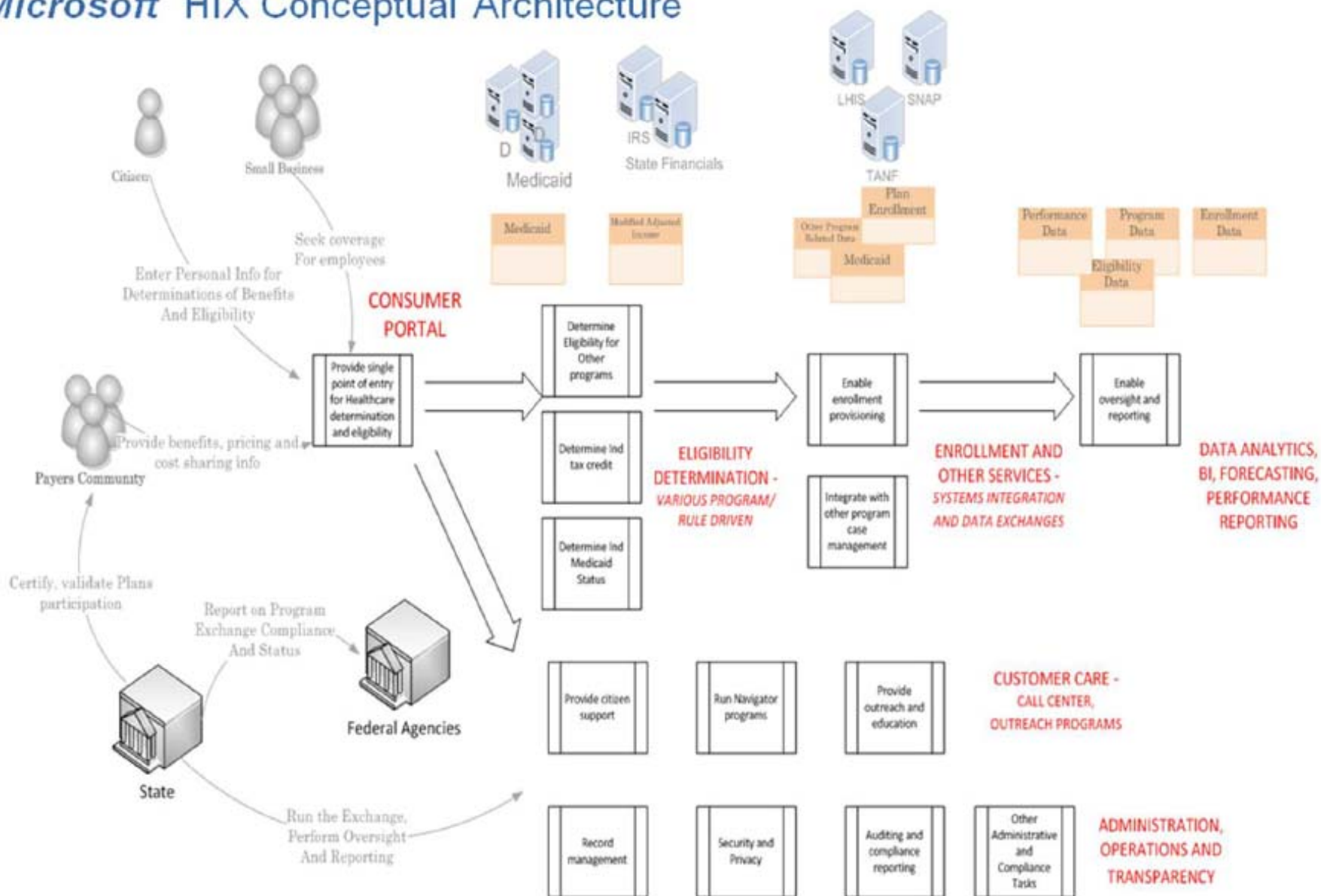
© 2009 Healthcare Information and Management Systems Society (HIMSS).

HEALTH INFORMATION EXCHANGE

HEALTH BENEFIT EXCHANGE

- Funded by the Affordable Care Act
- Governed by the U.S. Department of Health and Human Services
- Administered by the Centers for Medicare and Medicaid Services new Center for Consumer Information and Insurance Oversight
- An information technology engine with applications to facilitate various functions

Microsoft HIX Conceptual Architecture



THROUGH THE EXCHANGE, CONSUMERS CAN:

- Compare health insurance plans and make a choice based on benefits, price and quality of those plans.
- Enroll in Medicaid if they qualify.
- Determine, based on the Act, if they are eligible for health insurance tax subsidies and learn how to obtain them.
- Choose coverage for employees

THE EXCHANGE MUST

- ✗ Certify health plans as Qualified Health Plans
- ✗ Operate a website to facilitate comparisons among plans
- ✗ Provide consumer support: Navigators, toll-free hotline, etc.
- ✗ Facilitate enrollment of consumers in qualified plans

THE STATE MUST

- Establish a Governance entity to oversee regulatory requirements and ensure transparency
- Meet all regulatory reporting requirements
- Prevent Fraud and Abuse
- Ensure privacy and security of data
- Determine sustainability beyond 2015

OUR STATE EXCHANGE

- ✖ Health Care Coverage portal (website) must incorporate Medicaid eligibility components. (DHS/ITD).
- ✖ Health Care Coverage portal must incorporate health plans that consumers and businesses can choose from (ITD).
- ✖ Identify the plans as Platinum, Gold, Silver or Bronze and have a standard benefit plan (Insurance Dept. using federal criteria)

Presented by
Jennifer Witham
Director, Information Technology Services
ND Department of Human Services
to the
Health Care Reform Review Committee
Tuesday, September 20, 2011

MEDICAID ELIGIBILITY SYSTEM

Presented by
Jennifer Witham
Director, Information Technology Services
ND Department of Human Services
to the
Health Care Reform Review Committee
Tuesday, September 20, 2011

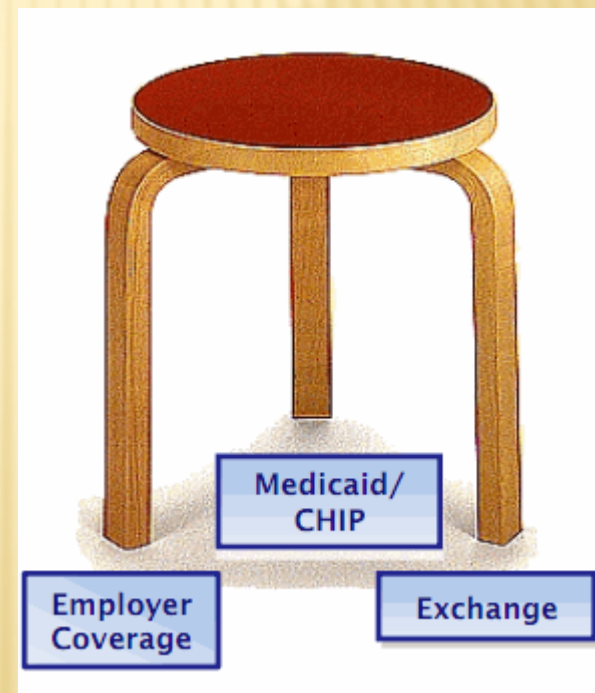
ELIGIBILITY & ENROLLMENT

KEY CONSIDERATIONS

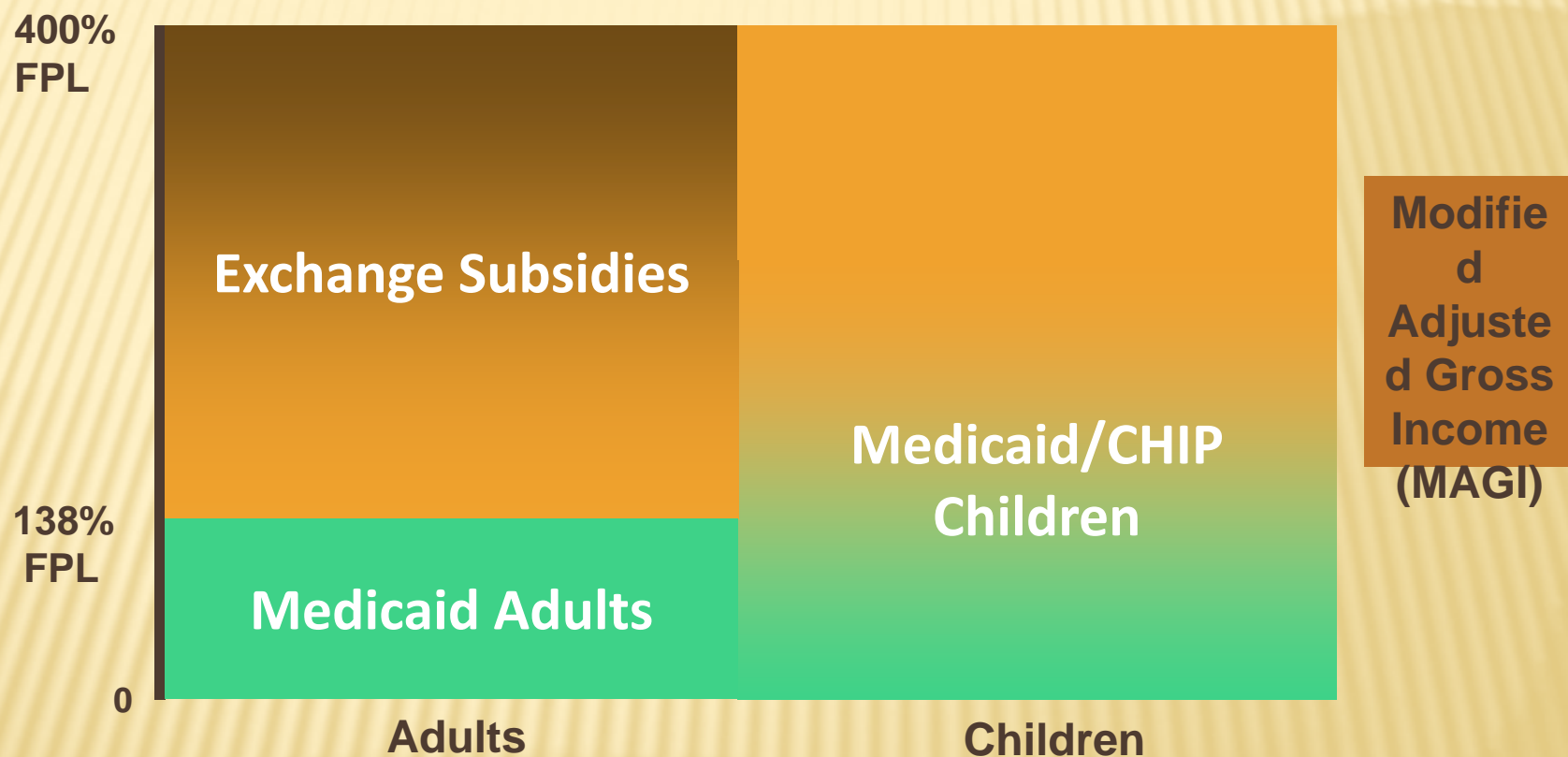
- ✗ Intent of Affordable Care Act
 - + Simple and seamless – one stop shopping
 - + Implications for current Medicaid/CHIP coverage
- ✗ Notice of Proposed Rulemaking 8/12/2011
 - + Modified Adjusted Gross Income
 - + Implications for current Medicaid categories
- ✗ Shared information system framework
- ✗ Funding options
 - + Medicaid Enhanced Match
 - + CCIIO Establishment Grants

NORTH DAKOTA MEDICAL SERVICES AND THE HEALTH BENEFIT EXCHANGE

- ✖ Current Medicaid enrollment approximately 65,000
 - + North Dakota estimates up to 50% increase in enrollment
 - + Estimated increase from 65,000 to 97,000
- ✖ Medicaid currently covers:
 - + Children in foster care or subsidized adoption
 - + Children with disabilities (birth to 19)
 - + Other children up to age 21
 - + Pregnant women
 - + Women with breast or cervical cancer
 - + Parents or caretakers of deprived children
 - + Workers with disabilities
 - + Other blind and disabled individuals
 - + Individuals age 65 or older
 - + Low-income Medicare beneficiaries (Medicare Savings Programs)
- ✖ Healthy Steps (CHIP)
 - + Families with net countable income that does not exceed 160% Federal Poverty Level



MEDICAID, CHIP AND EXCHANGE PREMIUM TAX CREDIT (I.E.SUBSIDIES)



ND newly eligible are primarily projected to be non-disabled, childless adults with incomes up to 138% Federal Poverty Level (FPL) based on MAGI

CMS NOTICE OF **PROPOSED** RULEMAKING

AUGUST 12, 2011

- ✖ NPRM proposes collapsing many existing eligibility categories into four, based on Modified Adjusted Gross Income (MAGI) by 2014
 - + Children
 - + Pregnant women
 - + Adults
 - + Parents and Other Caretaker Relatives
- ✖ Current income counting rules and disregards will be converted to MAGI to determine eligibility

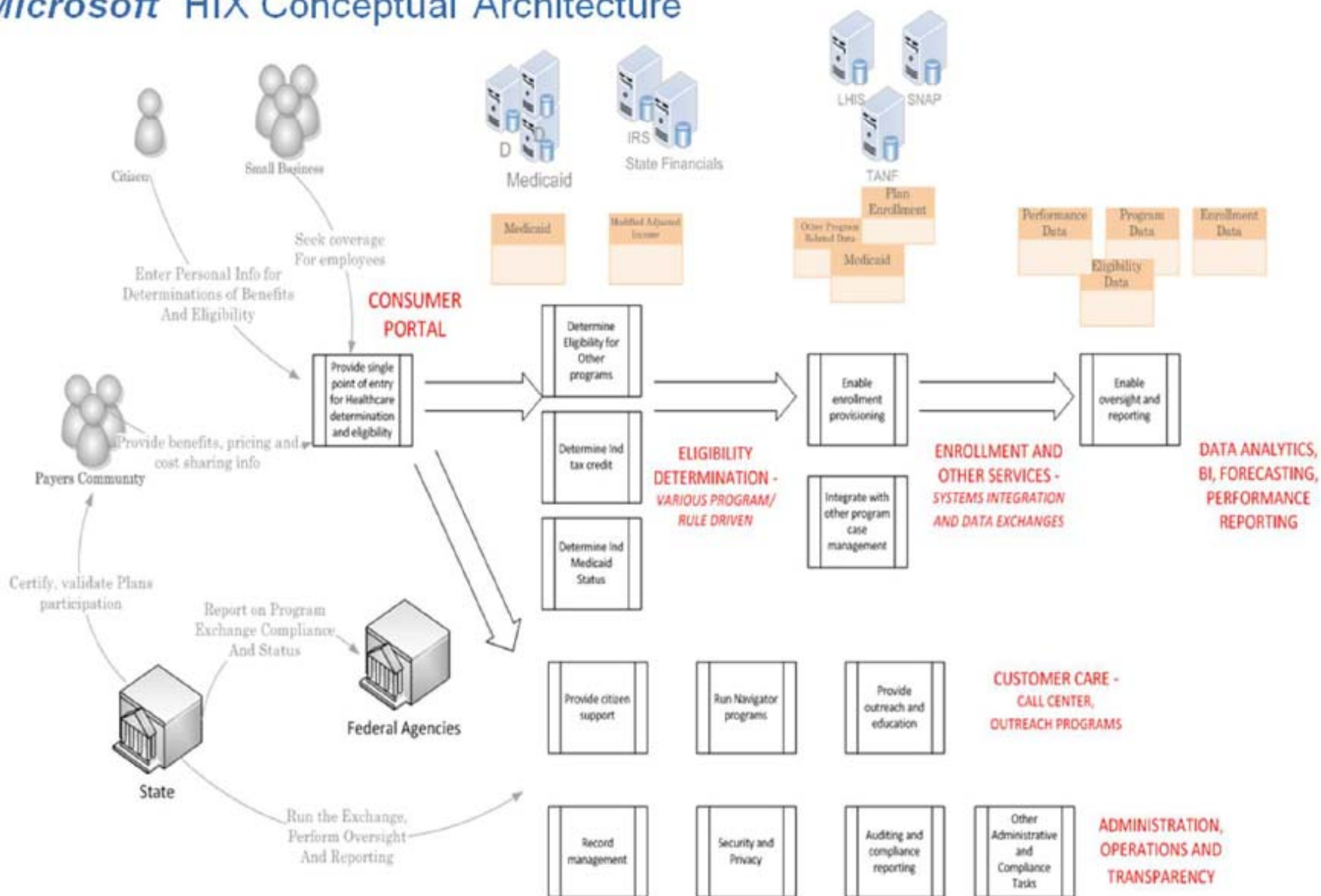
NPRM - CONTINUED

- ✘ Some categories may continue to have eligibility determined based on traditional rules, including asset tests
 - + Social Security Income Eligibles
 - + Eligibility depends on blindness or disability
 - + Aged 65 or over
 - + Individuals receiving long-term care services
 - + Medically needy
- ✘ Adults who are blind, disabled or medically needy may qualify under the expansion rules if income is at or below 138 percent of poverty w/o having to establish eligibility as blind, disabled or medically needy

NPRM - CONTINUED

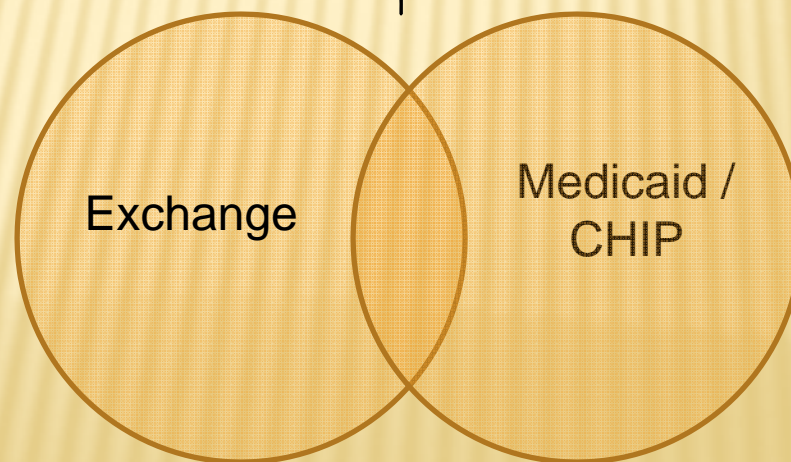
- ✖ MAGI also used to determine premium tax credits
 - + NOTE: Same rules used to determine MAGI for both Medicaid and premium tax credits
- ✖ Result should be a seamless/coordinated eligibility determination process for individuals applying for coverage whether they ultimately are determined eligible for Medicaid or Exchange coverage
- ✖ Applicants will go through the same process,
 - + Use a single, stream-lined application form that can be filed either on-line or on paper
 - + Face-to-face interviews cannot be required
- ✖ All applicants can go through the Exchange

Microsoft HIX Conceptual Architecture



EXCHANGE AND MEDICAID /CHIP SHARED ELIGIBILITY COMPONENTS

- Health Care Coverage Portal
- Business Rules Management (i.e. MAGI, state verification options, etc.)
- Interfaces to federal data services hub and other verification sources
- Account creation and case notes
- Notices
- Customer service support
- Interfaces to community assisters and other outreach organizations



FUNDING OPTIONS

- ✗ CMS – Medicaid
 - + 90% federal match for Medicaid Eligibility and Enrollment systems
 - ✗ Available thru December, 31, 2015
 - ✗ State must submit Advanced Planning Document to CMS for approval
 - + Reusability of infrastructure for SNAP, TANF
 - + Cannot duplicate functions provided by Exchange
- ✗ CMS - Center for Consumer Information and Insurance Oversight
 - + Planning Grant (July 2010, up to \$1M/state)
 - + Establishment Grants
 - ✗ Level one: *“These grants provide up to one year of funding to States that have made some progress under their Exchange planning grant.” (Must apply by December 30, 2011)*
 - ✗ Level two: *“This category of grants is designed to provide funding through December 31, 2014 to applicants that are further along in the establishment of an Exchange (must apply by June 29, 2012)*

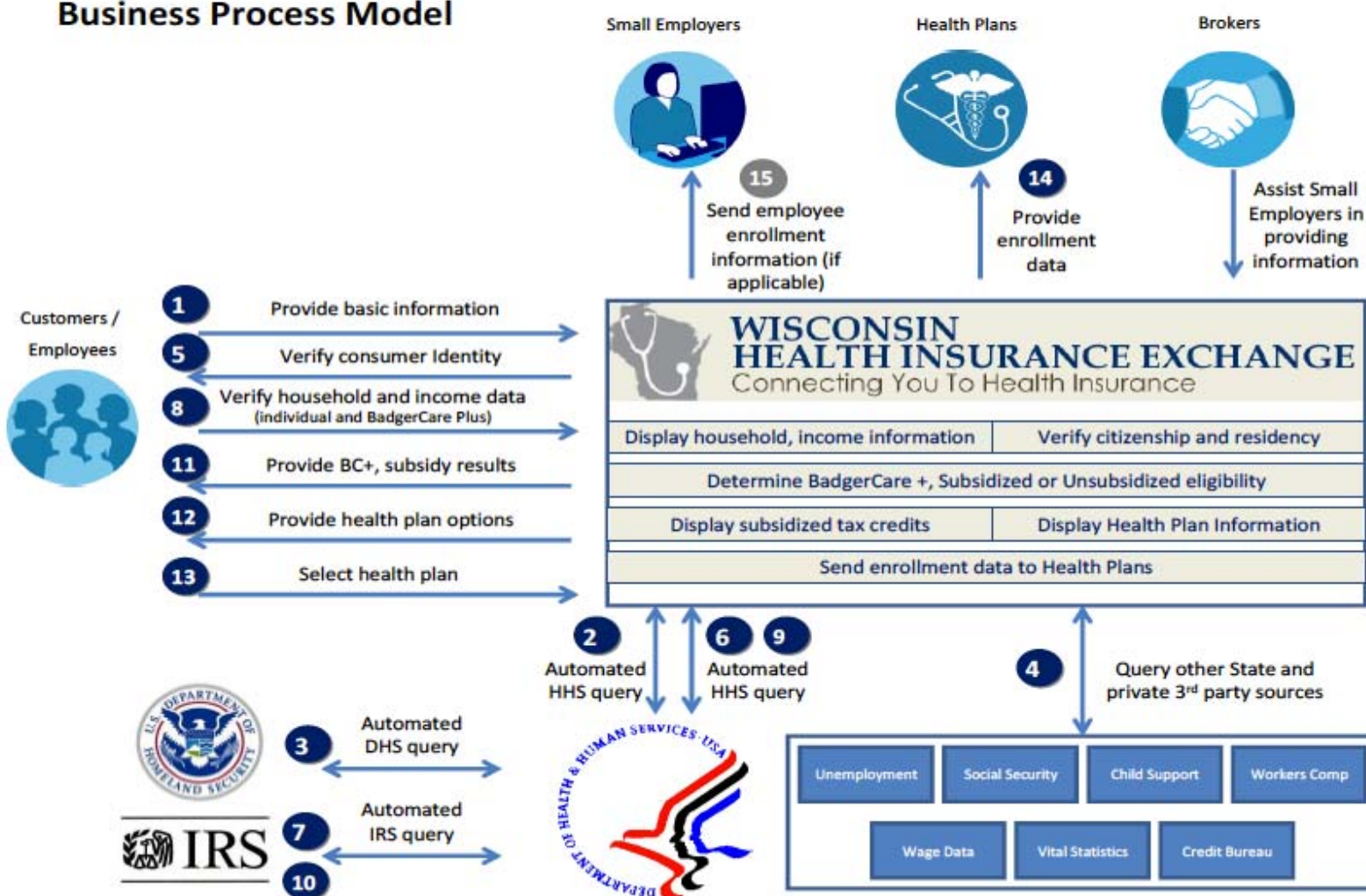
WISCONSIN HEALTH BENEFIT EXCHANGE

“Wisconsin Access” Demonstration

WI Project Information (High Level Business Concept)



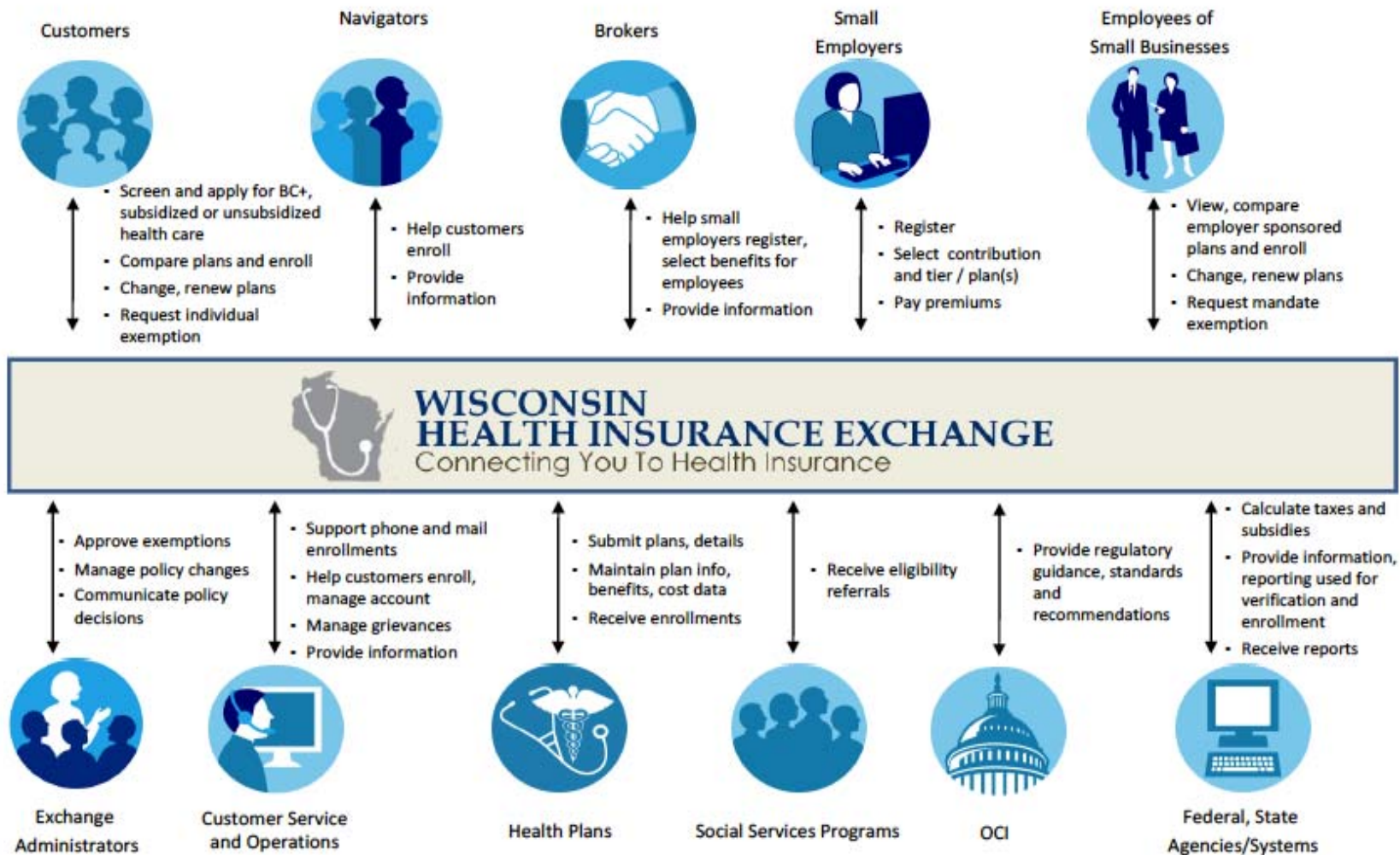
Business Process Model



WI Project Information (Operational Model)



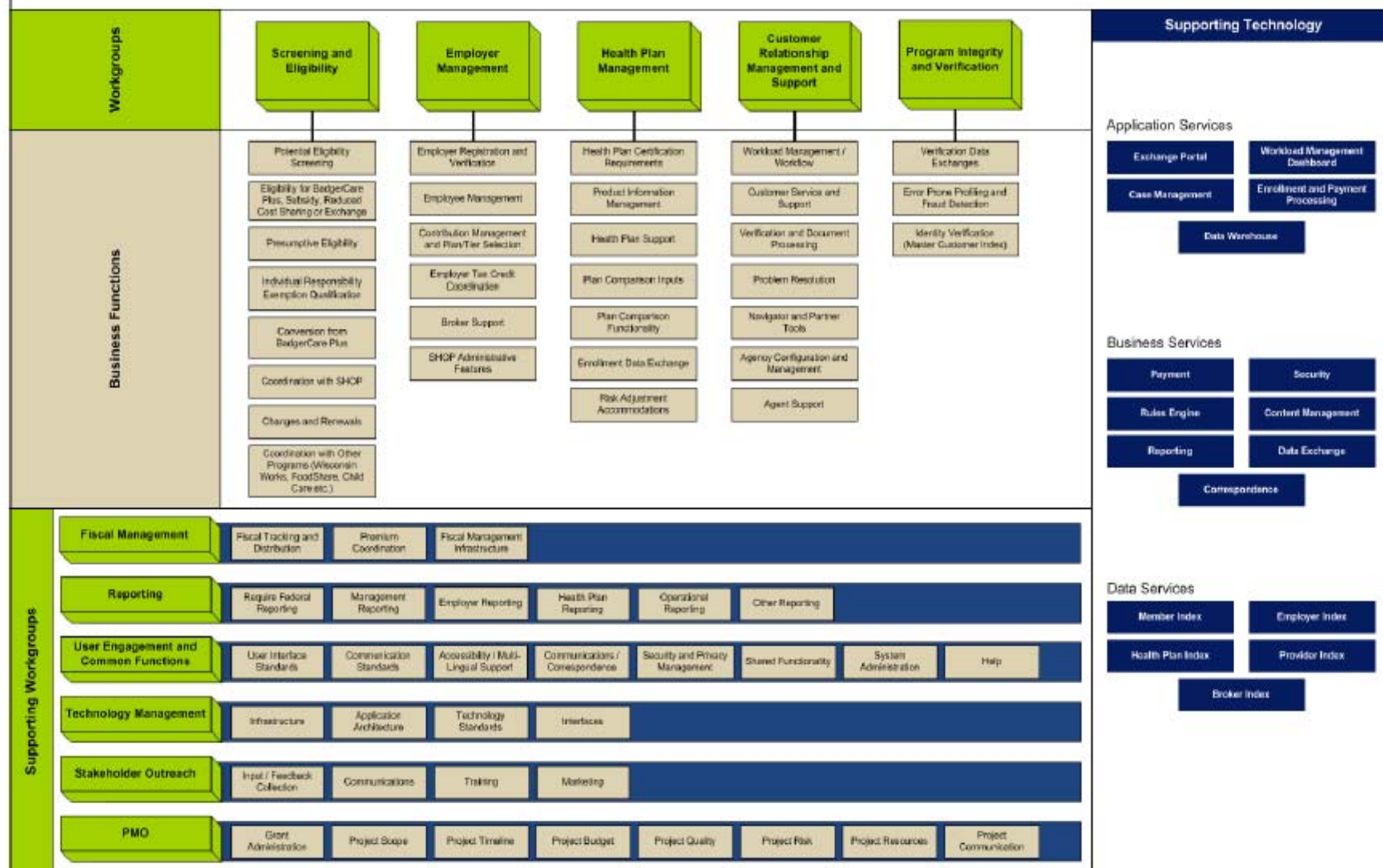
Operational Model



WI Early Innovator Scope Overview



Wisconsin Health Insurance Exchange Workgroup and Business Function Alignment



WI Release Plan

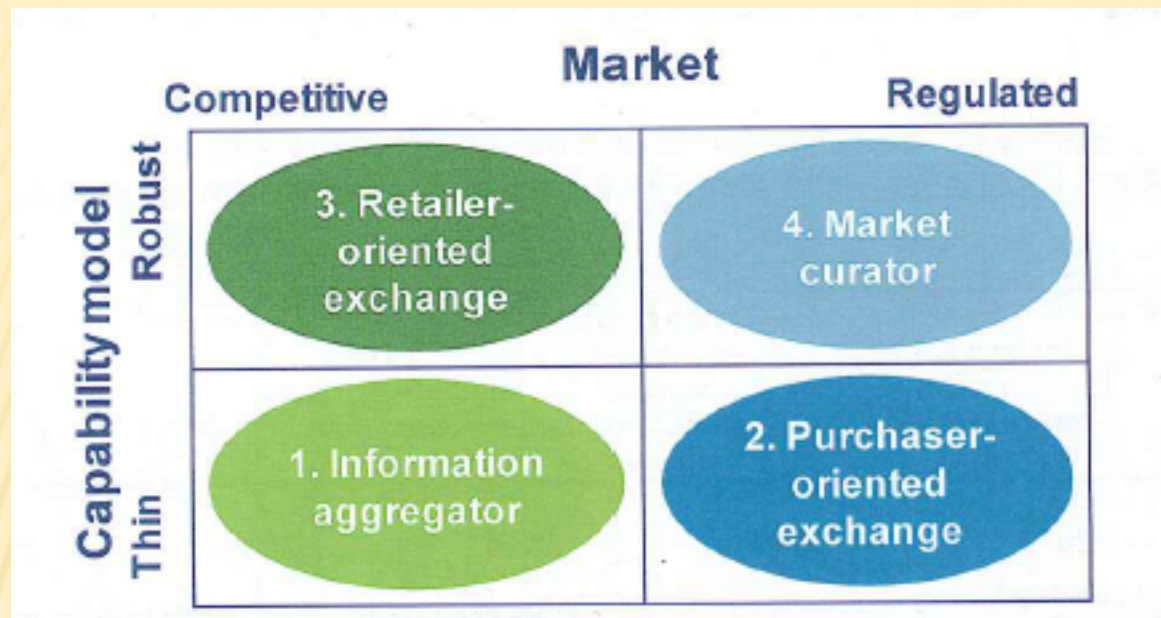


Wisconsin plans to use a phased release approach to implement the Exchange functionality.

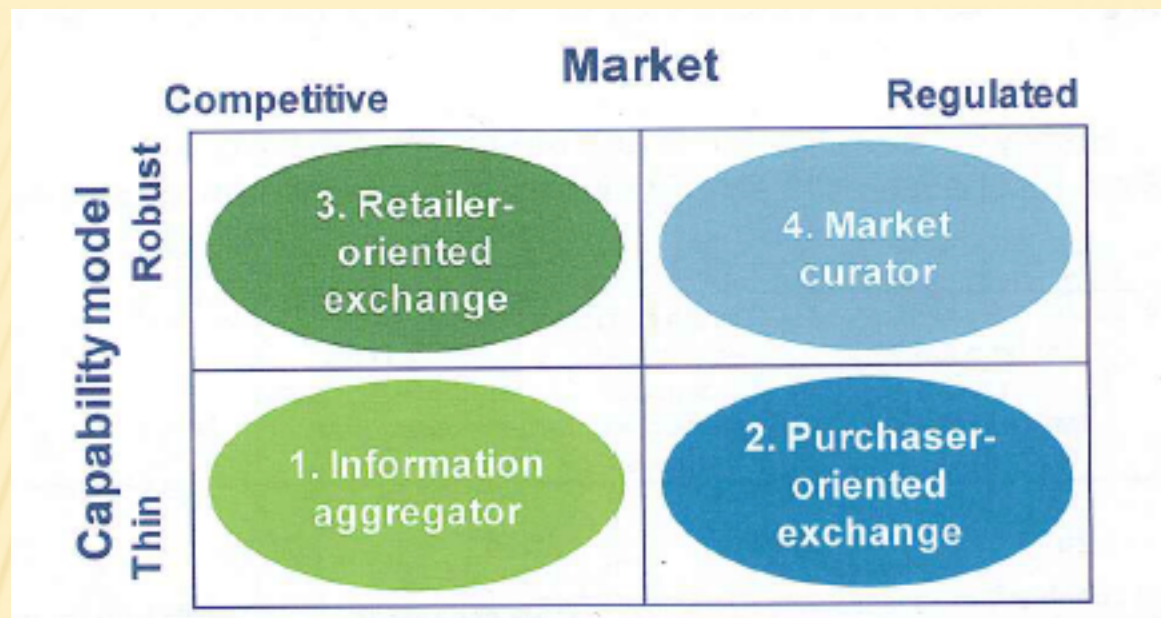


- ◆ Stakeholder feedback will be collected throughout the process and after the completion of each phase.
- ◆ Projects will be ready for production use at the end of each release.
- ★ Project is ready for User Acceptance Testing and ready for transfer to other states.

Wisconsin - PBR

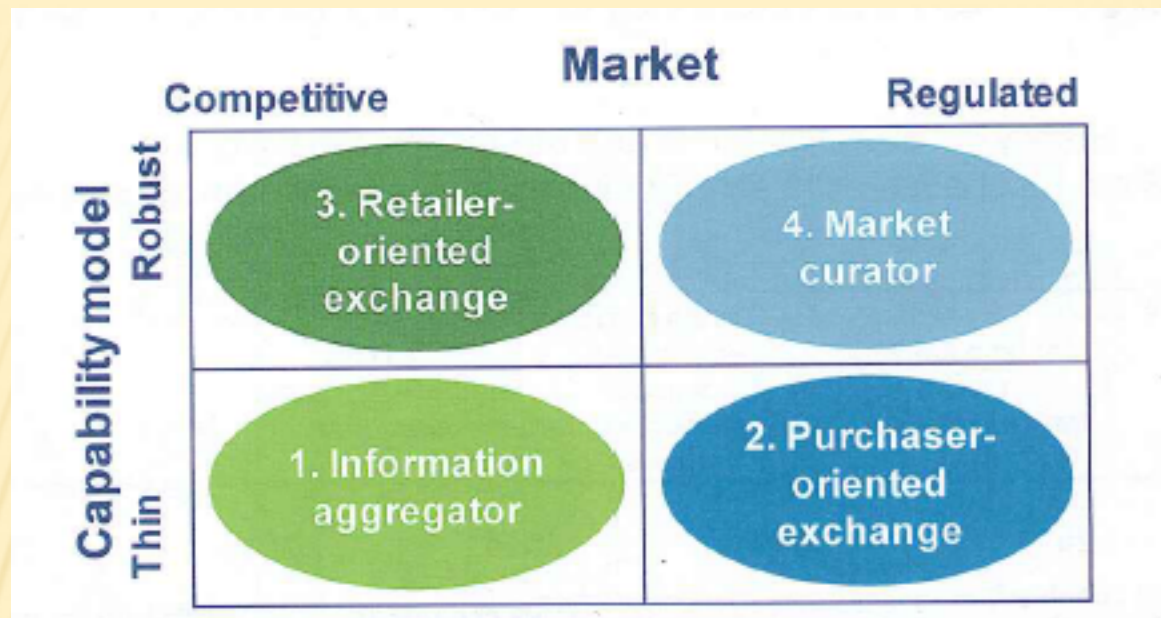


- ✖ 1. Information Aggregator
 - + Delivers bare minimum requirements
 - + Aggregates information on health plan products and their quality
 - + Provides an application to make plan comparisons
 - + Other requirements left to plans and Exchange provides links to their websites



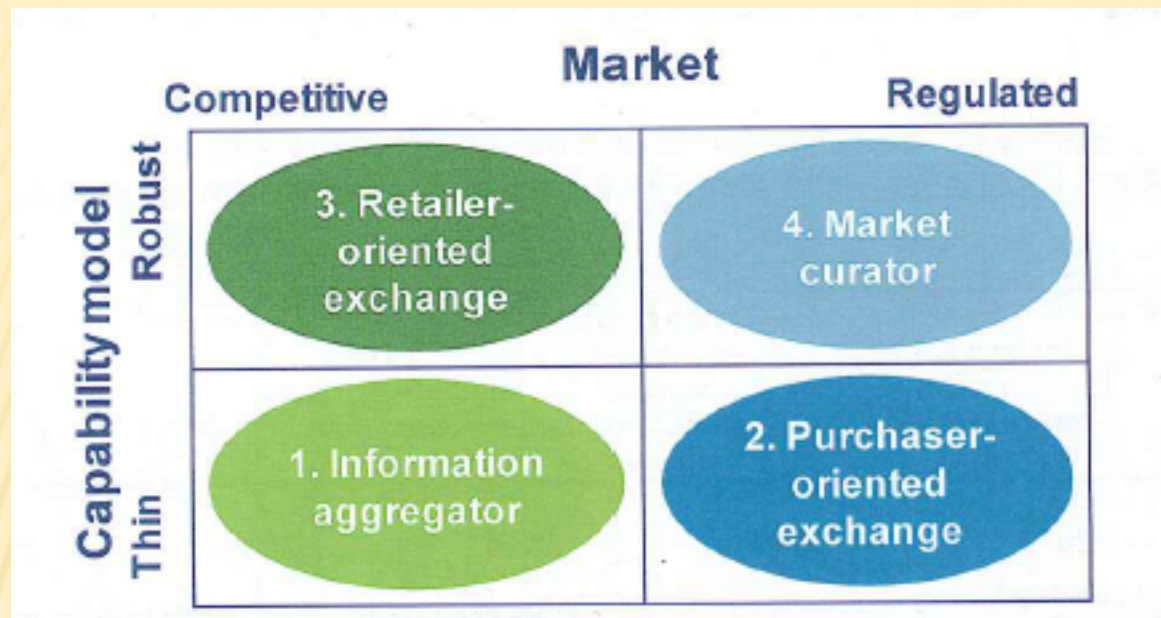
✖ 2. Purchase-oriented

- + Creates criteria for plans to participate on the Exchange
- + Standardizes plan products
- + Creates mandates and regulatory oversight over the market
- + Exchange functions are minimal, similar to #1.



× 3. Retail-oriented

- + Robust service capabilities – transactions include enrollment and payment, besides comparisons
- + Offers its own products
- + Provides outreach, education and technical assistance
- + Provides information and enrollment assistance



✖ 4. Market Curator

- + End-to-end experience-- shopping to enrolling
- + Exchange selects products it feels are best and maintains product data files
- + Extensive consumer and member management services (enrolling, billing and maintenance transactions)

KANSAS

✖ Kansas

- + Returned Early Innovator funding of \$31 m
- + Rewriting Eligibility system at \$85 m and \$10 m per year for operations
- + Software as a Service contract
- + RFP was coming out in November but now are rethinking the way they are doing the exchange

OKLAHOMA

- ✘ Oklahoma returned their Early Innovator Grant of \$54 m
- ✘ Had no vendor responses for their RFP on Eligibility because it included so many functions i.e. Child Support, Child Welfare, & Eligibility
- ✘ Will start over with a reduced focus

SOUTH DAKOTA

- ✘ 60 Member task force chaired by Lt. Governor
- ✘ Want state operated exchange
- ✘ Will have one exchange
- ✘ Have to get a new Eligibility system
- ✘ Open to working with other states
- ✘ Choosing Market Facilitator model
- ✘ Will maintain market outside the exchange
- ✘ Applying for Establishment Grant Phase I in 12/2011

RHODE ISLAND

- ✗ Received an Early Innovator Grant \$36 m along with other New England states to create an exchange
- ✗ Will use the Exchange created by this consortium
- ✗ Received Level I Establishment Grant of \$5.2 m to continue detailed planning June 2011 - May 2012
- ✗ Rewriting their existing eligibility system and phasing it in because they can't make the 2013 deadline. They will keep both new and old eligibility systems running until everything is cut over to the new system.
- ✗ Detailed planning needed to design interfaces for both eligibility systems, the exchange, & Federal data systems

OTHER STATES

- ✖ Oregon received an Innovator grant but are lagging significantly in their timeline
- ✖ Indiana received an Innovator grant and is worth further investigation

RECOMMENDATIONS

- ✖ Proceed with Eligibility Rewrite immediately
- ✖ Pursue Level One Establishment Grant in December 30, 2011 to provide for further detailed planning on interfaces and structure
- ✖ Continue to explore reusable technologies from other states
- ✖ Continue to explore regional exchanges

Thank You!
