1332 State Innovation Task Force Meeting Agenda

December 12, 2016
1:30 p.m.-3 p.m.
Office of the Governor
2300 N. Lincoln Blvd., Large Conference Room
Oklahoma City, OK 73105

Section	Time		Presenter
Welcome and Introductions	**1:30**	**10 min**	**Julie Cox-Kain, Deputy Secretary of Health and Human Services**
Overview of Consumer and Business Surveys	**1:40**	**10 min**	**Kevin Jessop, Evolve**
Overview of Task Force Responses to Proposed Solutions	**1:50**	**10 min**	**Buffy Heater, HHS Project Lead**
Discussion of Marketplace Options	**2:00**	**50 min**	**Buffy Heater, Task Force**
Next Steps	**2:50**	**10 min**	**Buffy Heater**

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Research Introduction

RESEARCH CONTRACTORS

vi marketing and branding

GRETA ANGLIN
Group Account Director

Project consultant

EVOLVE RESEARCH

KEVIN JESSOP
CEO/Research Director

Research implementation, fieldwork and analysis

Lateral Research

SIMULTANEOUS RESEARCH PROJECTS

CONSUMER

GOALS INCLUDE

Understand the decline in FFM sign-ups, perpetually uninsured
Learn thoughts and feelings about insurance marketplace, “value” and level of understanding
Establish role of healthcare.gov and purchasing experience

BUSINESS

GOALS INCLUDE

Thoughts about insurance, costs, plans, wellness programs and coverage.
Re-fielding of 2014 State of Oklahoma Business Health & Wellness Survey

Business Research

- VI Marketing & Branding and Evolve Research OKC-based research agency
  - Worked extensively on Tobacco Stops With Me and Shape Your Future
- Currently working on Consumer and Business Survey research project
  - Results informing 1332 Task Force solutions

Consumer Survey

AUDIENCE

- Those who have visited healthcare.gov but have not signed up
- Those who have visited healthcare.gov and have signed up
- Those who have private health insurance (either through an employer or personal/individual)
- Those who have no health insurance

All live at, below or within 400% of the Federal Poverty Line

SURVEYS

- **Focus Groups:** 8 in urban locations (Tulsa, OKC), 8 in rural locations (McAlester, Enid)
  - Tulsa Focus Groups occur the week of 19th December, others January 2017
- **In Depth Interviews:** 40 telephone in-depth interviews
  - Fieldwork starts December and finishes January
- Initial report Feb 1

Opportunity for task force to attend Tulsa/OKC groups – can observe from "behind the mirror"

Business Survey

AUDIENCE

- Employers and business decision makers
  - 1-24 employees
  - 25-49 employees
  - 50+ employees

SURVEYS

- **Online survey** – link distributed by task force. Will be live the week of December 12. Goal: 500+ participants, similar instrument to 2014
- **Telephone "poll"** – 150 telephone interviews, similar instrument to 2014
  - Will start interviewing 2016
- **In Depth Interviews** – 8-10 interviews with small business owners who currently do not offer insurance to employees
  - Will start interviewing 2016

Task force role: review and comment on survey questions, distribute online survey to members, provide contact details for telephone poll and interview's.
Vital to success of research and meeting deadline.

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Overview of Responses to Proposed Solutions

What was asked…

- **Survey emailed to Task Force, Data Workgroups, and Agency Conveners**
- **62 solutions proposed - asked to respond to each**

What was received…

- **19 Total Responses**
- **11 of 18 Task Force members responded**

Result details…

- **None received score of zero “0”**
- **All responses included**
- **Average response score of each solution provided below**

Overview of Responses to Proposed Solutions

Highest Ranking Solutions - 2 and Higher:

Scale of 0-3 0-Do not recommend 3-Strongly recommend

1.	**Assistance to families to access financial tools/understand coverage**	2.368
2.	**Maintain $0 co-pays for preventive services**	2.316
3.	**Reduced administrative burden**	2.211
4.	**State-assessed penalties on plans for failure to comply with reg.'s**	2.167
5.	**Encourage the use of telehealth**	2.158
6.	**More robust verification of special enrollment requests**	2.105
7.	**Qualify plans that incorporate VBP methods**	2.056
8.	**Implement quality measures related to chronic disease**	2.053
9.	**Increase marketing effort**	2.053
10.	**Allow variance to the rating windows to include age**	2.000
11.	**Require premium to be paid before policy is issued**	2.000
12.	**Work with HHS to improve FFM functionality and accessibility**	2.000

Overview of Responses to Proposed Solutions

Solutions 1.9 and Higher:

Scale of 0-3 0-Do not recommend 3-Strongly recommend

13. Limit number of special enrollment periods and requests	1.947
14. Waive the FFM and allow plans to directly enroll consumers	1.947
15. Encourage plans to offer additional value-added benefits	1.947
16. OID assumes rate review and QHP certification	1.947
17. Adopt Medicare Advantage risk adjustment models	1.944
18. Leverage the state's purchasing power	1.944

Overview of Responses to Proposed Solutions

Solutions with Majority Favorable Responses and Moderately High Score

Scale of 0-3 0-Do not recommend 3-Strongly recommend

• **State oversight to ensure QHPs implement case mgmt./care coord.**	1.895
• **State qualifies plans that incorporate VBP**	1.895
• **Tighten exemption criteria and allow fewer exemptions**	1.895
• **In lieu of FFM, modify existing platforms (create HSA-like accounts, leverage IO eligibility & subsidy platform)**	1.889
• **State oversight to ensure QHP process includes validation of AV**	1.889
• **Modify husband/wife ownership rule/allow spouses to form a group**	1.842
• **Reduce to 30-day grace period for premium payments**	1.842
• **Allow plans to direct market, solicit clients, assist in enrolling**	1.778
• **Ensure QHP process includes validation of AV calculations**	1.778
• **Require MCOs to offer coverage on marketplace to be allowed to participate in Medicaid/EGID**	1.632

Highest-Rated Responses: Packages by Pain Point

Outreach

- ✓ **Assistance to families to access financial tools/understand coverage**
- ✓ **Increase marketing effort**
- ✓ **Work with HHS to improve FFM functionality and accessibility**
- ✓ **Waive the FFM and allow plans to directly enroll consumers**
- ✓ **Allow plans to direct market, solicit clients, assist in enrolling**

Plan Design

- ✓ **Maintain $0 co-pays for preventive services**
- ✓ **Encourage the use of telehealth**
- ✓ **Encourage plans to offer additional value-added benefits**

Highest-Rated Responses: Packages by Pain Point

Plan Regulation

- ✓ State-assessed penalties on plans for failure to comply with reg.'s
- ✓ Qualify plans that incorporate VBP methods
- ✓ Implement quality measures related to chronic disease
- ✓ Reduced administrative burden
- ✓ Allow variance to the rating windows to include age
- ✓ OID assumes rate review and QHP certification
- ✓ State oversight to ensure QHPs implement case mgmt./care coord.
- ✓ Ensure QHP process includes validation of AV calculations

Risk Management

- ✓ Adopt Medicare Advantage risk adjustment models
- ✓ Leverage the state's purchasing power
- ✓ Require MCOs to offer coverage on marketplace to be allowed to participate in Medicaid/EGID

Highest-Rated Responses: Packages by Pain Point

Special Enrollment/Exemptions/Grace Periods

- ✓ More robust verification of special enrollment requests
- ✓ Require premium to be paid before policy is issued
- ✓ Limit number of special enrollment periods and requests
- ✓ Tighten exemption criteria and allow fewer exemptions
- ✓ Reduce to 30-day grace period for premium payments

Infrastructure/Technology

- ✓ In lieu of FFM, modify existing platforms (create HSA-like accounts, leverage IO eligibility & subsidy platform)

Other

- ✓ Modify husband/wife ownership rule/allow spouses to form a group

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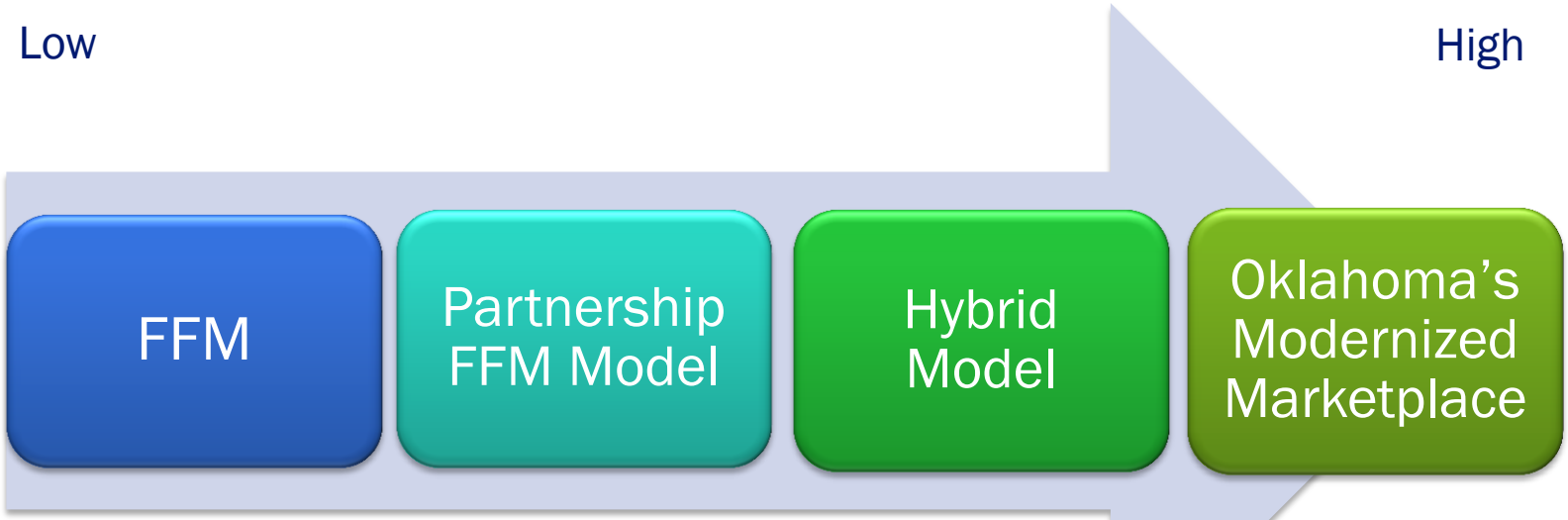
Emerging Federal Proposals

- Priorities of the New Administration and Congress have introduced ACA alternatives.
- Plans such as “A Better Way” (Ryan); HR3762 (Price); HR2300 (Price); CARE Act (Burr/Hatch) include proposals for:
    - Insurance market policies such as:
        - Guaranteed issue
        - Continuous coverage requirements
        - Dependent coverage to age 26
        - Age rating changes
        - Permit sale across state lines
    - Elimination of mandates
    - Tax credits as subsidies, coupled with HSA-like accounts
    - Pool stabilization and risk management approaches
        - High risk pools, reinsurance, risk adjustment
- Oklahoma has opportunity to propose concepts supporting both state-identified priorities and federal alternatives emerging from a new administration.

Options for Oklahoma's Marketplace

FFM	Partnership FFM Model	Hybrid Model	Oklahoma's Modernized Marketplace
Maintain the current FFM infrastructure and federal oversight, with state involvement in outreach efforts and overarching policy support	**Maintain the current FFM infrastructure, but utilize state entities to review, qualify, regulate and enforce or oversee compliance for marketplace insurance plans**	**Modify the current FFM infrastructure, but utilize state entities to regulate marketplace insurance plans while requesting flexibility with certain federal regulations**	**Replace the FFM with a state-designed subsidy leveraging eligibility infrastructure used for Insure Oklahoma with regulations and processes controlled by the state**

Options for Oklahoma: Level of State Control



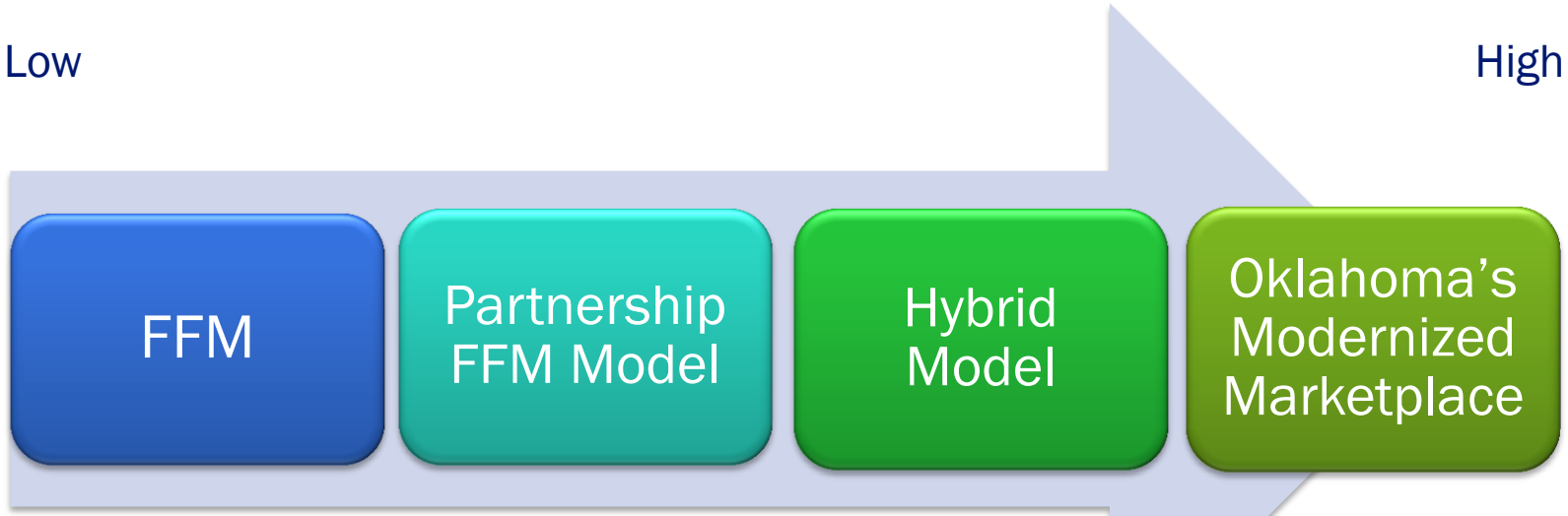
- ✓ Outreach
- ✓ Plan Design

- ✓ Outreach
- ✓ Plan Design
- ✓ Plan Regulation
- ✓ Risk Management

- ✓ Outreach
- ✓ Plan Design
- ✓ Plan Regulation
- ✓ Risk Management
- ✓ Special Enrollment
- ✓ Subsidies

- ✓ Outreach
- ✓ Plan Design
- ✓ Plan Regulation
- ✓ Risk Management
- ✓ Special Enrollment
- ✓ Subsidies
- ✓ Technology
- ✓ HSA-like Accounts

Options for Oklahoma: Level of Resource Reliance



- ✓ Outreach Efforts
- ✓ New State Support

- ✓ Outreach Efforts
- ✓ Regulatory Mechanisms
- ✓ Risk Management
- ✓ New State Support

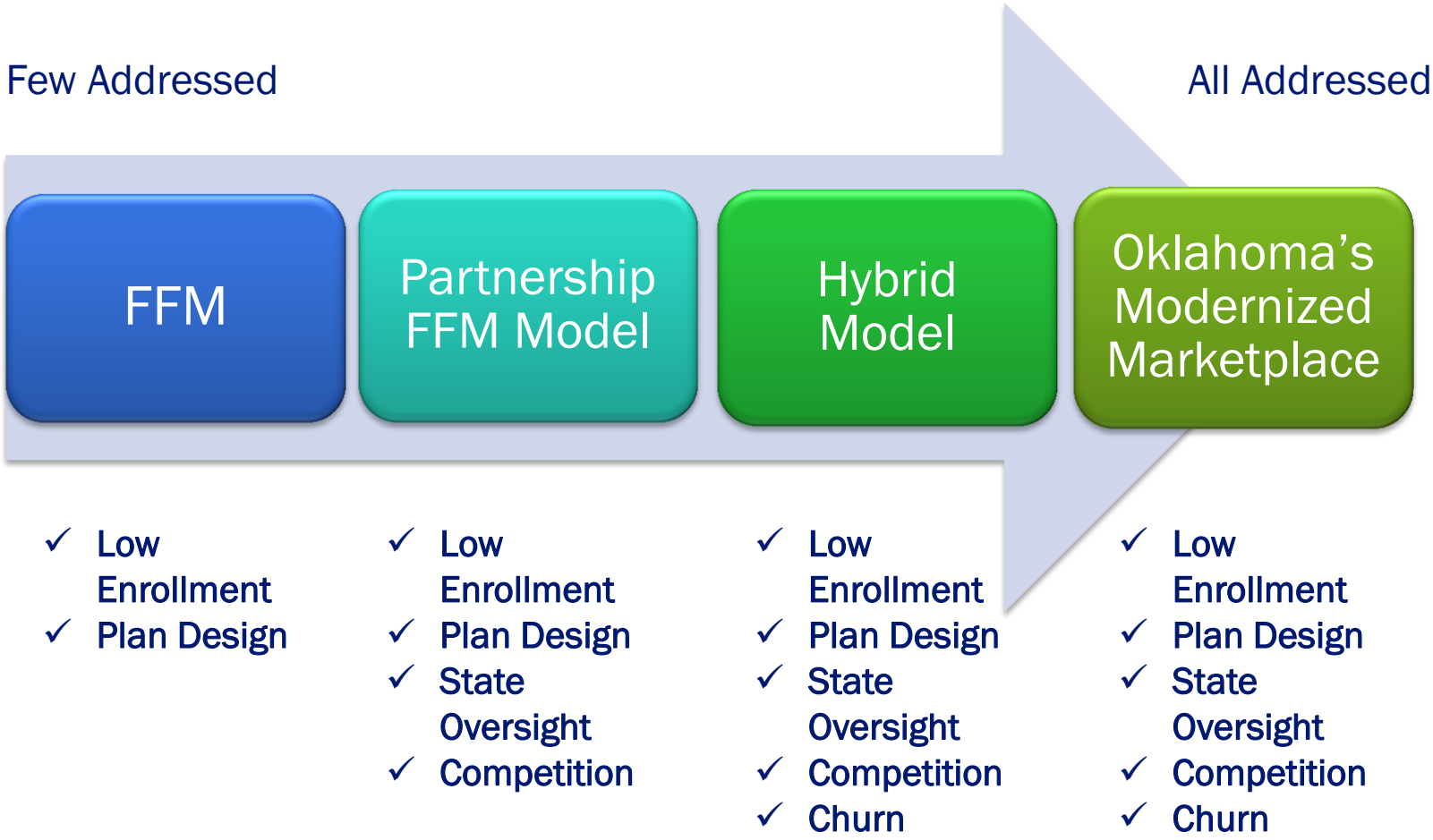
- ✓ Outreach Efforts
- ✓ Regulatory Mechanisms
- ✓ Risk Management
- ✓ Enrollment Procedures
- ✓ Subsidy Processes
- ✓ New Federal Support

- ✓ Outreach Efforts
- ✓ Regulatory Mechanisms
- ✓ Risk Management
- ✓ Enrollment Procedures
- ✓ Subsidy Processes
- ✓ Web Maintenance
- ✓ Payment Management
- ✓ New Federal & State Support

Resource and Operational Considerations

Authority	• What authority does the state need to effectuate?	• Federal Authority • State Authority • Administrative Code • Other rules or regulation
Administration	• How is the solution administered and how complex?	• Requires new functional units • Requires new FTEs • Requires highly skilled FTEs
Infrastructure & Resources	• What technology and other resources are needed?	• IT systems • Brick and mortar • Other tangible resource
Time	• How long will it take to implement?	• Month • Years
Cost	• Considering all these factors, what is the cost in rough order of magnitude?	• $10,000 • $100,000 • $1,000,000 • $10,000,000 • $100,000,000

Options for Oklahoma: Pain Points



Options for Oklahoma: Authority

Does not require 1332 Waiver/State Action Only

Solution	FFM	Partner	Hybrid	OK Model
Assistance to families to access financial tools/understand how coverage works	✓	✓	✓	✓
Maintain $0 co-pays for A and B-rated preventive services	✓	✓	✓	✓
Encourage the use of telehealth	✓	✓	✓	✓
Increase marketing effort; creation of advertisements	✓	✓	✓	✓
In lieu of FFM, modify existing platforms (create HSA-like accounts, leverage IO eligibility & subsidy platform)				✓
Require MCOs to offer coverage on FFM to be allowed to participate in Medicaid/EGID	✓	✓	✓	✓

Options for Oklahoma: Authority

1332 Waiver

Solution	FFM	Partner	Hybrid	OK Model
State-assessed penalties on plans for failure to comply with state regulations		✓	✓	✓
OID assumes rate review and QHP certification for the state		✓	✓	✓
Leverage the state's purchasing power	✓	✓	✓	✓
Qualify plans that incorporate VBP		✓	✓	✓
Adopt Medicare Advantage risk adjustment models		✓	✓	✓
Implement quality measures related to chronic disease		✓	✓	✓

Options for Oklahoma: Authority

1332 Waiver

Solution	FFM	Partner	Hybrid	OK Model
Encourage plans to offer additional value-added benefits		✓	✓	✓
Waive the FFM and allow plans to directly enroll consumers				✓
State oversight to ensure QHPs implement case management/care coordination		✓	✓	✓
Ensure QHP process includes validation of AV calculations		✓	✓	✓
Allow plans to direct market, solicit clients, assist in enrolling	✓	✓	✓	✓

Options for Oklahoma: Authority

Federal Action

Solution	FFM	Partner	Hybrid	OK Model
Work with HHS to improve FFM functionality and accessibility	✓	✓	✓	
More robust verification of special enrollment requests			✓	✓
Allow variance to the rating windows to include age			✓	✓
Require premium to be paid before the policy is issued (reenrollment)			✓	✓
Limit number of special enrollment periods and requests			✓	✓
Tighten exemption criteria and allow fewer exemptions			✓	✓

Options for Oklahoma: Authority

Federal Action

Solution	FFM	Partner	Hybrid	OK Model
Modify husband/wife ownership rule/allow spouses to form a group			✓	✓
Reduce to 30-day grace period for premium payments			✓	✓
Change subsidy eligibility to cover gap populations			✓	✓
Changes to APTCs and CSRs (shift to gap populations, combine APTC&CSR, create HSA-like accounts)			✓	✓
Consumer incentives for enrollment longevity and healthy behavior			✓	✓

Highly-Rated Proposed Solutions

1332 Waiver
State Action
Federal Action

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Low Enrollment

State-Leveraged Populations

1. Shift APTCs and CSRs to gap populations

Value

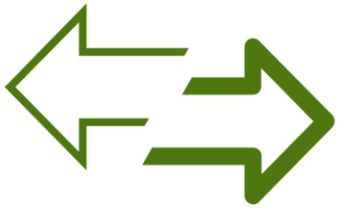
2. **Redeploy APTC from 250-400% FPL into more subsidies for lower incomes**
3. **Standardize subsidies**
4. Consolidate CSR into APTC

Consumer Supports

5. **Waive the FFM and allow plans to directly enroll consumers**
6. **Allow plans to direct market, solicit clients, assist in enrolling individuals**
7. Increase marketing effort; creation of advertisements
8. Assistance to families to access financial tools and understand how coverage works
9. Work with HHS to improve FFM functionality and accessibility

Highly-Rated Proposed Solutions

1332 Waiver
State Action
Federal Action



Created by Indygo from Noun Project

Churn

Exemptions

1. Tighten exemptions criteria and allow fewer exemptions

Special Enrollment Periods

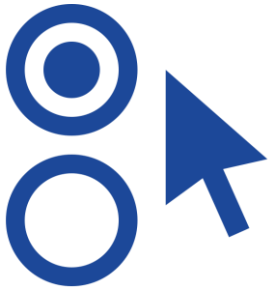
2. More robust verification of special enrollment requests
3. Limit number of special enrollment periods and requests

Grace Periods/Payment/Gaps in Coverage

4. Implement enrollee loyalty incentives (e.g., lower deductibles, HSA-like funds)
5. Reduce to 30-day grace period for premium payments
6. Require premium to be paid before the policy is issued (reenrollment)

Highly-Rated Proposed Solutions

1332 Waiver
State Action
Federal Action



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Lack of Competition Among Plans

Risk Management

1. Adopt Medicare Advantage risk adjustment models

Simplification

2. Require MCOs to offer coverage on exchange to be allowed to participate in Medicaid/CHIP/EGID
3. Reduce administrative burden on plans (e.g. risk management, reporting, enrollment and subsidy administration)

Highly-Rated Proposed Solutions

1332 Waiver
State Action
Federal Action

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Plan Design

Cost

1. Allow variance to the rating windows to include age (e.g., from 3:1 to 5:1 for age)
2. Create “copper” plan with limited network and benefits
3. Create a simple option with fixed premiums and co-pays

Outcomes

4. Qualify plans that incorporate value-based payment methods (e.g., episodes of care, shared savings)
5. Implement quality measures related to chronic disease
6. Maintain $0 co-pays for A and B-rated preventive services

Actuarial Value

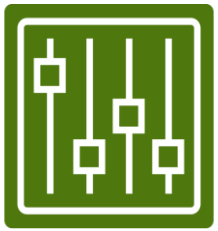
7. Ensure QHP process includes validation of AV calculations and assumptions

Appropriate Benefits

8. Encourage the use of telehealth
9. Encourage plans to offer additional value-added benefits (dental, vision)

Highly-Rated Proposed Solutions

1332 Waiver
State Action
Federal Action



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State Oversight

Infrastructure

1. **OID assumes rate review (as prescribed in SB 1386) and QHP certification for the state**
2. In lieu of FFM, modify existing platforms (create HSA-like accounts, leverage IO eligibility & subsidy platform)
3. Establish operational funding through state sources (e.g., carrier fees, penalties, cigarette tax, etc.)
4. State oversight to ensure QHPs implement effective case management/care coordination strategies aligned with OHIP goals
5. Leverage the state's purchasing power

Regulation

6. **State-assessed penalties on plans for failure to comply with state regulations**
7. State-prescribed attribution methodology for new lives (AR model)
8. State oversight to ensure QHP process includes validation of AV calculations and assumptions
9. State qualifies plans that incorporate value-based payment methods (e.g., episodes of care, shared savings)

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Next Steps

By December 31:

- Draft concept paper completed and available for public comment

January Task Force Meeting:

- Review of concept paper
- Incorporate comments

February Task Force Meeting:

- Final concept paper submitted
- Next steps discussed