

## **Opportunities for Regional Collaboration on Health Insurance Exchange Planning: Results of Initial Meeting of New England States**

January 2011

### **Background:**

The Patient Protection & Affordable Care Act (the ACA) allows states to decide whether to establish a state-based exchange, a regional exchange, or default to a federal exchange. Each of the New England States have applied for and received a planning grant from the Office of Consumer Information and Insurance Oversight (OCIO) to begin to assess the options available to them and to plan and potentially implement a health insurance exchange. Given their small geographic sizes, regional economies and history of collaboration, there are significant opportunities for the New England states to share resources, planning and possibly operations as they prepare to respond to the opportunities of the ACA.

### **Identifying Opportunities for Collaboration:**

On December 7, 2010, the New England States Consortium Systems Organization (NESCSO), with assistance from Bailit Health Purchasing under contract with the State of Vermont, facilitated a meeting of stakeholders to discuss and identify opportunities for collaboration in New England related to the planning and development of health insurance exchanges. The meeting was funded by the Milbank Memorial Fund. All of the New England states were represented and attendees included representatives from Departments of Health and Human Services, Medicaid, Departments of Insurance, legislators, the Massachusetts Connector (Health insurance Exchange), Dirigo Health, Office of the Governor and the University of Massachusetts Medical School. The goal of the full day meeting was to identify the functions of Health Insurance Exchanges with a high level of potential for collaboration, given the absence of a region-wide health insurance market. The morning session was organized into the following phases: Introductions; Review of Key Functions of Exchanges; Discussion of State Priorities and Goals for Exchanges; and Bucketing and Discussion of Major Areas of Interest.

### **The following Health Insurance Exchange functions were identified and discussed:**

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| <b>Benefit Plans:</b>                      | Create standardized benefit categories of health insurance plans.                         |
| <b>Call Centers:</b>                       | Maintain a call center for customer service and for enrolling individuals and businesses. |
| <b>Eligibility &amp; Enrollment:</b>       | Determine eligibility and establish enrollment process.                                   |
| <b>Financial Sustainability:</b>           | Develop a business model for the exchange.  |
| <b>Navigators:</b>                         | Create a support service or Ombudsman type function to educate consumers.                 |
| <b>Outreach &amp; Marketing:</b>           | Inform and educate consumers on the availability and products of an exchange.             |
| <b>Quality Reporting &amp; Evaluation:</b> | Create methods to evaluate the success of the exchange.                                   |
| <b>Website:</b>                            | Establish a website for consumers for each exchange.                                      |

A prioritization process identified the following areas from the list above as having the greatest potential for regional collaboration: Benefit Plans and the Website for the exchange.

Further discussion related to Benefit Plans identified potential opportunities to standardize benefit categories; facilitate shopping across state borders; and helping customers make more informed choices by using common language to describe benefit options. Discussion related to collaboration on exchange Websites concluded with a consensus that design elements of exchange websites are state specific. However, operations of the websites may be leveraged by collaboration. With an operating exchange website in the region, the New England States have the opportunity to share best practices and successful operational strategies from Massachusetts' experience. A number of these functions rest on sophisticated information technology planning, which is itself a major opportunity for collaboration. Additionally, the group determined generally that opportunities for collaboration exist in three major categories:

- Planning – jointly working through policy and operational issues on particular topics;
- Learning from each other – sharing; and
- Coordinating in the development of procurement activities. This opportunity involves two different potential options:
  - Collaboration around the development of RFP specifications and separate procurements; or
  - Collaboration around the development of RFP specifications and a joint procurement.

Participants recognized that this is a time sensitive opportunity. As each state is currently developing its own plan for Exchange implementation, now is the time to nail down one or two areas where collaboration across states can be jointly identified within the separate planning processes. The afternoon of the meeting was spent developing a shared vision for a joint application for an “Early Innovator Grant” for New England, building upon the experience of the Massachusetts Connector. The early innovator funding opportunity will provide a mechanism for collaboration on exchange technology components including the exchange delivery service and the components of a centralized web page.

**Next Steps for Regional Collaboration on Health Insurance Exchanges:**

Massachusetts, in collaboration with all the other New England states, submitted a proposal for an “ Early Innovator Grant” to establish the New England States Collaborative Insurance Exchange Systems (NESCIES) project managed by the University of Massachusetts Medical School and overseen by a multistate Steering Committee chaired and convened by NESCSO to develop technical components for health insurance exchanges that may be shared across the region and ultimately by other states throughout the country. The award will be announced in February 2011. In addition, the participating states asked that NESCSO continue to coordinate regional meetings to discuss progress on exchange planning and to investigate opportunities for multi-state procurement and other collaborative efforts. The technical leads for the NESCIES project will be participating in a webinar in late January to continue to discuss progress on their planning efforts related to their HIX planning grants, specifically the technology aspects of the planning. NESCSO will convene a regional meeting for stakeholders (similar group to those convened in December) in late February or early March to review progress to date on the Innovator Grant Application and to continue the discussions on Benefit Plan Models, Website Components and other potential collaborative opportunities from the list of exchange functions. For additional information please contact Nancy Peterson at [Nancy.Peterson@umassmed.edu](mailto:Nancy.Peterson@umassmed.edu) or at 508.856.6425.