

**Outreach and Enrollment
Recommendations
for the
Kentucky Health Benefit Exchange**

DRAFT

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Draft

A Report to the Department of Insurance and Office of Health Policy

Introduction

Kentucky's Health Benefit Exchange (KHBE) will provide a marketplace for individuals and small businesses to purchase high quality, affordable health coverage for a standardized set of benefits with an emphasis on preventive care. Because of subsidies through the Affordable Care Act, the Exchange will make health insurance newly accessible to hundreds of thousands of Kentuckians.

The purpose of this draft report is to identify options and decision points for the Exchange's public relations and advertising campaign, with special focus on the design and operation of the Exchange's Navigator Program.

This report is a draft compiled from a 2011 Kentucky stakeholder survey as well as the experience of other states, most notably Oregon, Maryland and Massachusetts, and the findings from a demographic study conducted by our group in 2011. The report's contents will be updated to reflect more Kentucky-specific information when advisory groups' input has been documented.

Two important features of the context for this draft report should be kept in mind as it is reviewed. First, we anticipate the U.S. Supreme Court's decision on the constitutionality of several Affordable Care Act provisions within the coming month, and several of its elements will impact Exchange operations. Second, Kentuckians generally do not favor the so-called "individual mandate"; a 2011 poll found only 20 percent support. The same poll found a point-in-time uninsurance rate of 32 percent, suggesting that even those without access to health insurance at the time of the poll did not favor compulsory coverage. Thus, even if the Supreme Court upholds all or nearly all of the Affordable Care Act, the Kentucky Health Benefits Exchange has a daunting task to change public perception and foster enrollment.

Key Deadlines

January 1, 2013: Kentucky Health Benefit Exchange certification by the federal government

October 1, 2013: Individual and group enrollment in the Exchange begins

January 1, 2014: Exchange is operational

Relationship to Reporting and Approval Documents

The *Draft Blueprint for Approval of Affordable State-based and State Partnership Insurance Exchanges* (“the Blueprint”) is the document states must complete and submit to achieve approval of their Exchange plans. Requirements in the Blueprint that are relevant to the analysis set out in this document include:

A. Develop and distribute outreach and educational materials regarding eligibility and enrollment options, program information, benefits and services that are:

- 1. Culturally and linguistically appropriate**
- 2. Provide auxiliary aids and services to people with disabilities and those with limited English proficiency**

B. Develop an outreach plan for populations including:

- 1. Individuals**
- 2. Small businesses and their employees**
- 3. Employer groups**
- 4. Agents/brokers and associations**
- 5. Health care providers**
- 6. Community-based organizations**
- 7. Advocacy groups**
- 8. Other relevant populations**

C. Operate a toll-free telephone hotline to respond to requests for assistance and for application support and coordination

- 1. Provide translation and interpretation services and other aids for those with limited English proficiency or communications impairments**
- 2. Provide adequate training and resources, including an operating plan and procedures**

D. Establish and maintain and up-to-date Web site that

- 1. Provides timely and accessible information on qualified health plans (QHPs) available through the Exchange and Insurance Affordability Programs**
- 2. Provides premium and cost-sharing information, QHP comparisons, levels of coverage, transparency of coverage measures, and provider directories**
- 3. Provides information that is accessible to individuals with limited English proficiency and disabilities**

E. Establish a Navigator program consistent with federal requirements

1. Conflict of interest and training standards
2. Plan for ongoing funding
3. Grants awarded to at least two types of entities, one of which is a consumer-focused organization or non-profit
4. Grant agreements ensure that Navigator grantees comply with all legal requirements

F. Provide a clear definition of agent/broker role

1. Process to verify that agents/brokers are in compliance with state law
2. Process to assure agent/broker compliance with Exchange requirements
3. Agreements with web-based brokers regarding training and compliance if applicable

Principles for Policy Decisions

Informed by best practices developed in other states, we propose seven principles to create an Exchange that serves the health care needs of Kentucky individuals, families, employers and employees. These principles guided our decision making on each of the policy topics.

1. **Accessibility.** The Exchange should reduce the number of Kentuckians without health insurance and improve access to health services for all Kentuckians.
2. **Affordability.** The affordability of coverage, within the Exchange and within the state, is essential to the viability of the Exchange and to improving Kentucky's health care system and economy. Decision makers should weigh cost impact against advantages of any steps taken beyond those required by the ACA.
3. **Sustainability.** The Exchange will need to identify revenue streams that assure its long-term success as well as its ability to maintain a risk pool of adequate size and sustainable risk profile.
4. **Stability.** The Exchange should promote solutions that respect existing strengths of our state's health care system and promote stability of coverage and access within the Exchange.
5. **Health equity.** The Exchange should work to address longstanding disparities in health access and health outcomes in Kentucky.
6. **Flexibility.** The Exchange should be nimble in responding to the quickly changing insurance market, health care delivery system, and general economic conditions in Kentucky, while

being sensitive and responsive to consumer demands.

7. Transparency. The Exchange is accountable to the public, and its activities should be transparent, its services easily available, and its information easily understandable by the populations it assists.

Outreach Planning

KHBE outreach is not just a matter of selling the health benefit plans available through the Exchange. Outreach must also

- foster public support for health coverage access, and
- promote understanding of health benefits.

This unique combination of three distinct message elements is best provided by a vendor who has directly relevant experience. Expertise and capacity are essential, but specific competence in related market research and message targeting are also critical to successful outreach. The primary goal of the outreach initiative is obviously to increase health coverage, whether through Medicaid or other Exchange-offered plans.

Illustrations of the need for relevant outreach experience are readily identifiable in Kentucky. For example, the uninsured population includes a larger proportion of working-age men (55%) than women (45%). Research from other states finds that men are more likely to respond to messages emphasizing the protection that health insurance provides against catastrophic financial loss, while women are more responsive to messages addressing access to preventive care. Other message differentiation is likely to be needed for effective communication with members of racial and ethnic minorities, rural and urban Kentuckians, small business owners, farmers, and other readily identified subpopulations.

In addition to the prime vendor contract for outreach, it will be important to engage in public and private partnerships that increase awareness and provide trusted intermediaries for hard-to-reach groups. Sports figures may appeal to young uninsured men, for example, while faith-based groups play a key role with many Kentucky communities and populations. Commercial and public entities that touch the lives of working Kentuckians can also help carry the message. This group includes media service providers, tax preparation firms, drugstores, groceries, public transit, public libraries, cooperative extension agents, community health centers and other clinical service providers—the list can be very long.

Campaign Objectives

Drawing upon work in other states, the outreach and enrollment campaign would address the following objectives:

- Spread the word about Exchange enrollment through effective messages that address the importance and value of health insurance
- Assure consistency and synergy among media initiatives, public gatherings, and individually targeted outreach
- Build support among the state's leaders for the Exchange's activities and leadership
- Promote recognition of the KHBE as a trusted source for health coverage and related information on access to health services
- Motivate uninsured Kentuckians to respond via web-based and other channels for Exchange plan enrollment.

The success of the Exchange depends on the volume of people signing up for coverage, and public relations and marketing campaigns have been successful in driving enrollment in health insurance programs. We analyzed the appropriate role and scale of a public relations and advertising campaign to drive enrollment in the Exchange. We assume that a comprehensive marketing campaign is necessary for the success of the Exchange and assess options.

The viability, sustainability, and affordability of the Exchange depend on having robust enrollment in the Exchange. The Exchange needs a critical mass of enrollment in order to attract carriers' participation, and create a risk pool large enough to keep costs down, and assure affordability of health plans offered.

A comprehensive, wide-reaching, mass-media marketing campaign is needed to create awareness of the Exchange, educate consumers regarding health benefits and the need for coverage, dispel myths, and change perceptions about health insurance so that people will enroll. Market research indicates a nationwide lack of awareness and lack of support for health reform.

Key aspects of a successful campaign include establishing a strong brand identity, launching the campaign as early as possible to ensure awareness of the Exchange by the first open enrollment in October 2013, building support among policymakers and community leaders, developing and disseminating effective messages, mapping all engagement efforts around raising awareness of the Exchange, and ultimately motivating Kentucky residents to enroll in the Exchange. A marketing campaign is a requirement to comply with Affordable Care Act and federal grant funding requirements. Proposed Affordable Care Act regulations state that the

Exchange should conduct outreach and education activities beyond the work of Navigators to encourage Exchange participation. Federal Exchange establishment grant funds require a “robust education and outreach program to inform health care consumers about the Exchange and the new coverage options available to them.” A comprehensive campaign has wide reach, creates awareness of the value and importance of health insurance, and educates about the requirements under the Affordable Care Act.

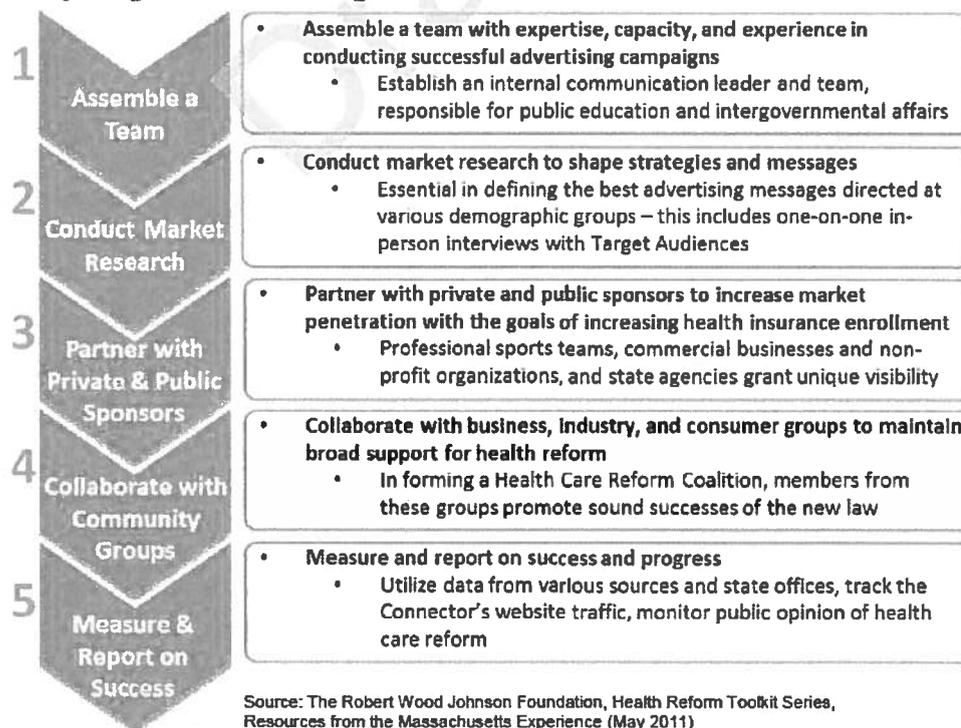
Best Practices in Campaign Planning

The Massachusetts experience has been used to identify best practices in campaign planning as depicted in the following figure:

Fig. 1: Campaign Planning Best Practices

WEBER SHANDWICK

Campaign Planning – MA Best Practices



Required Outreach and Education Elements

1. Develop and distribute outreach and educational materials regarding eligibility and enrollment options, program information, benefits and services. These materials must be culturally and linguistically appropriate, and auxiliary aids and services must be available for people with disabilities and those with limited English proficiency.

Kentucky Medicaid and the KCHIP program have extensive experience in these areas that may be useful in developing Exchange materials. The agencies and organizations that work with recent immigrants and other populations with limited English proficiency also have strong records of partnering in such initiatives.

While web-based information is a core element of Exchange outreach and enrollment systems, it is important to acknowledge that a substantial proportion of Kentuckians eligible for Medicaid or Exchange health plan coverage may lack necessary computer access or computer literacy. Public libraries could play an important role in connecting consumers with computers and Navigators.

2. Develop an outreach plan for populations including individuals, small businesses and their employees, employer groups, agents/brokers (also known as producers), health care providers, community-based organizations, advocacy groups, and other relevant populations.

This task should be addressed in close consultation with the Exchange board of directors and the firm engaged for Exchange marketing, along with representatives of community-based and advocacy organizations, among others. Following models developed in Oregon and West Virginia, the task could be undertaken in five phases:

- a. Planning: Building partnerships with stakeholders and convening workgroups to address policy issues; the message objective in the WV plan for this phase is “be excited and curious”
- b. Operations building: Further engaging stakeholders to assure alignment with consumers and small businesses; WV message is “be informed”
- c. Staging: Preparing for Exchange implementation, training Navigators and agents/brokers, educating small businesspeople, developing launch materials, finalizing outreach plans; WV message is “be ready”
- d. Launch: Promoting and initiating enrollment; WV message is “be insured”
- e. Maintenance and growth: Continuing to promote enrollment, reporting results, developing success stories; WV message is “be reassured”.

While it appears that small business (SHOP) and individual Exchange activities will be governed by the same board and operate in tandem, communication with the small business community must be focused, well-informed and tailored to this constituency's specific needs. Frequent opportunities for small business owners' feedback and insights will build confidence in the program and refine the approach to meet their needs.

For example, WV has developed an outreach and enrollment plan specific to the small business community, including monthly stakeholder meetings, email bulletins, and plans for a designated liaison to this critically important enrollee group.

3. Operate a toll-free telephone hotline to respond to requests for assistance and for application support and coordination. The Exchange must provide translation and interpretation services (including an online Spanish language option) and other aids for those with limited English proficiency or communication impairments, and provide adequate training and resources, including an operating plan and procedures.

The user experience with this hotline will be a critical element in establishing the reputation of the Exchange. Capacity is likely to be tested in the initial launch period, and long wait times are likely to lose potential enrollees. Telephone capacity has been a chronic problem in some local offices that are responsible for Medicaid eligibility determination. Periodic assessments for response time and dropped call rates should be mandatory, as should after hours and weekend access for working people.

4. Establish and maintain an up-to-date Web site that provides timely and accessible information on qualified health plans (QHPs) available through the Exchange and Insurance Affordability Programs and provides premium and cost-sharing information, QHP comparisons, levels of coverage, transparency of coverage measures, and provider directories. In addition to being accessible to individuals with limited English proficiency and disabilities, information must be use-friendly and offer interactive selections.

Stakeholder Survey Feedback

Common themes in the 2011 stakeholder survey with regard to outreach strategies included:

- Multi-media, multi-site publicity
- Targeted messages for likely Exchange-eligible enrollees
- Efficient use of outreach materials and messages developed by national organizations
- Information-rich website for consumers able to access Exchange online
- Important role for hospitals and other health care providers

- Educational content on health insurance, assessing cost factors, and quality of care

With regard to coordination of Exchange outreach efforts with outreach for other public programs, stakeholders were less clear, but encouraged coordination with community groups, diversity councils, the faith community, and advocacy organizations, among others.

On design features and content, stakeholders responding to the 2011 survey recommended presenting information in as simple a manner as possible, with options for more detailed searches at the user's initiative. Web-based tutorials and examples of the costs under various scenarios were also suggested. A few responses pointed to the availability of resources and models to support design and content. Others noted federal requirements for standard terminology, Navigator programs, language access, and a toll-free hotline.

Standing Work Groups

Early innovators in Exchange adoption have found two types of work groups useful: an interagency group to assure shared understanding and feedback across the many administrative units whose work touches Exchange operations, and a forum for all active public and private partners that provides information updates, solicits feedback, and identifies areas of need for technical assistance.

Partnerships

A host of strategic partners can help channel uninsured Kentuckians to Exchange-based coverage and contribute to the provision of services through the Exchange. We will discuss a few and enumerate others.

1. *Agents, brokers and third-party administrations.* Agents/brokers (also called "producers") and third-party administrators provide essential services to most of Kentucky's small group market. A large proportion of small employers who purchase insurance do so through insurance agents or brokers. The majority of small group coverage is administered through third-party administrators that offer a full range of benefits and payroll services to reduce the administrative burden for small businesses, many of which do not have human resources departments. Third-party administrators also currently offer services to the small group market that the Exchange will need to offer, such as online plan comparisons, online and paper enrollment, and billing and premium collection.

In addition to support for the purchase of coverage, small businesses need assistance in administration of health benefits, and the Exchange must be capable of offering this support. The Exchange must be prepared to provide enrollment support for a high volume of enrollment. The state should review the interest and capacity for partnerships with existing resources in the state to offer these services in the Exchange and support further analysis to specify the details of such a partnership.

2. Exchange IT service providers. The Exchange is in the process of procuring a major information technology solution to support enrollment, eligibility, and other additional functions. As the Exchange reviews the requirements, it will take into consideration the capabilities of these potential partners to determine whether they meet the specific needs of Kentuckians.

3. Existing health coverage-related consumer assistance resources. The Kentucky Department of Insurance has modest resources to assist in health coverage purchases, as does the Department of Aging and Independent Living in the Cabinet for Health and Family Services. Established outreach initiatives such as Kentucky Homeplace and the school-based Family Resource and Youth Services Centers should be enlisted in support of Exchange outreach. A census of other consumer assistance resources would doubtless identify other promising partnerships and potential incentives for their participation.

4. Health care delivery sites and health professionals. Those who provide health services have a built-in motivation for engaging with Exchange plan outreach: services for patients with coverage are far more likely to be reimbursed than those for “self-pay” patients. Staff at delivery sites with large proportions of uninsured patients may be appropriate candidates for Navigator status, particularly social workers and discharge planners on the staff of hospitals and other facilities.

5. Community-based and faith-based organizations. Kentucky’s experience with KCHIP outreach points to these organizations as trusted intermediaries for the provision of Exchange information to their members and clients. They are also very valuable sources of information about strategies for messaging and other elements of effective outreach.

6. Business and trade organizations. If the support of key business and trade organizations can be achieved, the Exchange will benefit greatly. Engaging these groups should be a priority for the Exchange board and stakeholders. It would be very helpful if leadership from one or two key organizations actually served as Exchange board members. This model has been used in the states that have Exchange boards in place. Other states have also enlisted the support of

specific businesses such as tax preparation services, drugstores, and groceries to help spread the Exchange messages.

7. State agencies. In addition to Medicaid, many state agencies interact with uninsured Kentuckians, either as patients (for example, state mental health providers), service users (notably the Transportation Cabinet), or fiscal entities (such as the Revenue Cabinet). It is helpful to enlist them as outreach partners because they communicate with large proportions of the state's population routinely. The office of the Secretary of State, for example, communicates with newly incorporated businesses, many of which are small and eligible for Exchange membership.

8. School systems. Schools have a special relationship with students and families that has been central to the success of KCHIP outreach. Because many parents of Medicaid- or KCHIP-eligible children have been ineligible for coverage in the past, schools will be a useful channel for messages targeting uninsured parents. Many of these parents are likely to be eligible for expanded Medicaid coverage. In addition to the Family Resource and Youth Services Centers, Exchange information can be distributed in conjunction with back-to-school events and information packets, at special events such as season kickoff athletic tournaments, and in tandem with supported meal program eligibility determination, among other tested strategies.

9. Participating health plans. Like health care delivery sites and professionals, participating health plans have an obvious incentive to promote Exchange enrollment. Their tactics need to be monitored to assure that Exchange plans are marketing on an ethical basis in a manner that supports the Exchange as a whole. The potential members of this group include Medicaid managed care organizations as well as those offering commercial coverage. Areas in which health plans can make particularly useful contributions include marketing support for messages on the importance of health coverage, preventive services, healthy lifestyles, and compliance with coverage renewal requirements. All these topics are in the health plans' own economic interest as well as that of the Exchange, making them natural partners.

Priority Populations

Demographic Groups

Based on our findings about the uninsured Kentucky population, the outreach campaign for Exchange enrollment has three main targets:

1. Young adults ages 19-34. In Kentucky, uninsured young adults are more likely to be male, reside in both urban and rural areas, and work in low-wage positions. The slow pace of job creation has delayed the entry of young adults into positions offering health benefits and given

their low wages, non-group coverage is typically viewed as unaffordable. The conventional wisdom holds that this group considers itself to be invulnerable with regard to health problems and does not place a high priority on health insurance as a discretionary expense. A substantial proportion of this group may be eligible for Medicaid under the expanded eligibility definition.

2. Other low-wage working adults, members of racial and ethnic minorities, the unemployed.

These three populations are grouped together because many fall into more than one of the listed categories. While Kentucky does not have a large minority population, the state's racial and ethnic minorities have far higher uninsurance rates than white Kentuckians. This group overlaps the larger population of uninsured low-income adults, many of whom will be eligible for Medicaid. The unemployment rate varies widely across the state, with high jobless rates in the 12-15% ranged concentrated in eastern Kentucky. Given the longstanding economic challenges of that region, the actual proportion of the adult population not in the workforce is likely to be much higher. A 2006 survey that assessed uninsurance rates within subsets of the 19-64 year old population found that a higher proportion of Kentucky's uninsured were in the 35-64 year old group than for the nation as a whole (48% vs. 40%). If this finding is still accurate, we can anticipate a higher take-up rate in the population of adults who are more likely to have experienced age-related declines in health status.

3. Small business owners with up to 50 employees and the self-employed. This group is disproportionately uninsured and before KHBE offered coverage, was likely to find it unaffordable. They may express ambiguity or hostility with regard to the requirement that (in most instances) they cover their workforce. Interactions will require careful attention to these concerns and ideally would be undertaken by a trusted intermediary (e.g., experienced peer, agent/broker, colleague).

4. Other potential target groups. Market research in Maryland identified several other groups of interest: those with unstable or intermittent insurance coverage, people who lose jobs after the age of 50 and are likely to have greater health care needs, employed young adults who lose coverage under their parents' plans but lack coverage options through their own employment, and parents of young adults who may be able to influence the coverage decisions of their "young invincible" children.

Prioritizing Geographic Areas

Targeting outreach geographically should be preceded by a thoughtful consideration of priorities and shared understanding among stakeholders. This step is necessary because of the significant difference between counties with large numbers of uninsured residents and those where a large proportion of the population is uninsured. Jefferson County, by far the state's most populous, also has the largest number of uninsured residents (over 51,000), but its

proportion of uninsured, slightly over 8 percent, is among the state's lowest. Conversely, Elliott County has the highest uninsurance rate in the state, but that figure reflects only 4,253 under-65 adults.

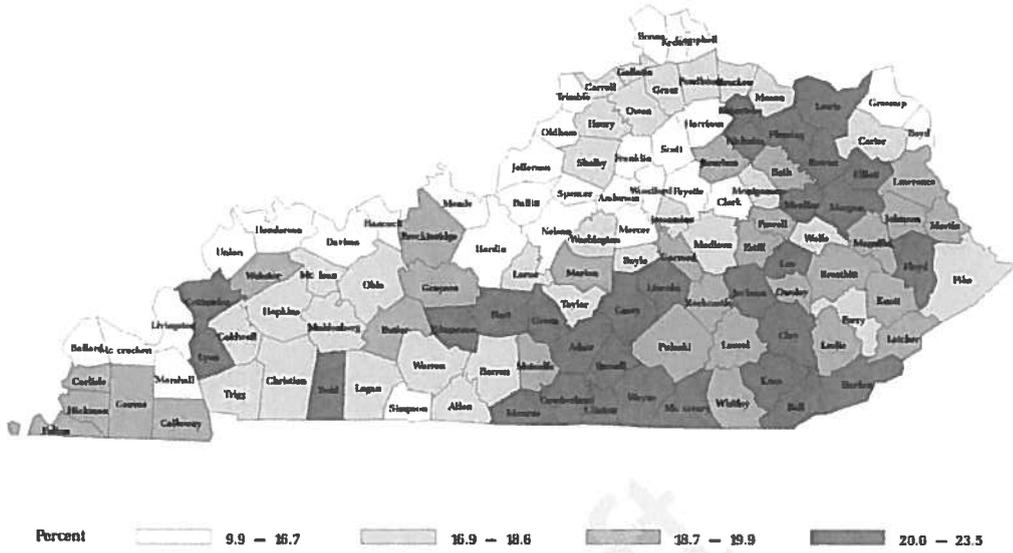
Given the importance of robust initial enrollment, targeting counties with the largest number of uninsured adults makes business sense. The top 10 are also among the state's largest: Jefferson, Kenton, Warren, Bullitt, Fayette, Madison, Boone, Christian, Campbell, and Daviess. Seven of the ten fall into 3 contiguous groups and media markets: the greater Louisville area (Jefferson and Bullitt), the Bluegrass region (Fayette and Madison), and northern Kentucky (Boone, Campbell and Kenton). The other three counties (Warren, Christian and Daviess) are major population centers in the western part of the state but do not share media markets. Thus, mass media may be more effective in the multi-county areas whereas other strategies may be necessary in the three western Kentucky counties with large numbers of uninsured residents.

Enrolling the largest possible number of uninsured Kentuckians is obviously critical to the success of the Exchange, but enrolling individuals and small groups in areas of greatest need reflects the underlying value of reducing health disparities and addressing the needs of vulnerable populations. Seventeen of the counties in the quartile with the highest proportion of uninsured are in western Kentucky. This finding suggests that a marketing strategy targeting the three western Kentucky counties with high absolute numbers of uninsured would have a good chance of reaching those with high proportions of uninsured as well.

Of the remaining 13 counties in the quartile with the highest percentages of uninsured residents, Gallatin and Pendleton are in the same region as the three northern Kentucky counties with high numbers of uninsured, while a fourth, Bullitt County, has the unique distinction of falling into both the high-proportion and high-number groups. The remaining nine counties are in the eastern part of the state, mostly in the northeastern area.

The following maps are based on the Small Area Health Insurance Estimates from the U.S. Bureau of the Census.

SAHIE 2009 – Percent of Uninsured – Under 65, all races, both sexes, all income



Navigator Program

The Exchange's success depends on reaching hundreds of thousands of previously uninsured Kentuckians. Navigators are the organizations and individuals defined by the Affordable Care Act required to provide information and assistance to individuals and small businesses about health plans and enrollment in the Exchange.

The Affordable Care Act requires Exchanges to

- 1) Develop Navigator programs and
- 2) Offer grants to entities to perform the Navigator functions (see box).

Navigators must perform the following functions:

- Conduct public education.
- Distribute fair and impartial information about enrollment into health plans and the availability of tax credits. Such information must acknowledge other health programs.
- Facilitate enrollment in health plans.
- Provide referrals to applicable agencies for enrollees with grievances, complaints, or questions.
- Provide information in a culturally and linguistically appropriate manner.
- Maintain expertise in eligibility, enrollment, and program specifications.

The Affordable Care Act and proposed regulations broadly outline the funding requirements, eligibility criteria, duties, and standards of Navigators but the requirements also provide states with significant flexibility in designing their own programs.

We analyzed options for the design and operations of the Navigator program, including:

- What functions Navigators should perform
- How Navigators and others who enroll individuals into qualified health plans should be compensated
- How to provide training, certification, and oversight for Navigators

The following questions guided our analysis:

- Should individual market Navigator program be integrated with Medicaid outreach and enrollment?
- How do we define, review and select options for individuals and small employers?
- What is the appropriate process for identifying training requirements for Navigators to

meet the needs of diverse populations?

Kentucky has a long history of initiatives similar to the Navigator program and the Kentucky Homeplace workers currently perform similar functions. It will be useful to identify Navigator-like staff who could assume Navigator roles without losing their status of trusted intermediary with the populations they serve. One important lesson from the implementation of KCHIP outreach is the value of building on the work of organizations whose mission is well-aligned with that of the new program. Thus, for example, the Family Resource and Youth Service Center (FRYSC) staff in public schools have been highly valued outreach resources because part of their role is facilitating access to necessary health care for low-income children. For the Kentucky Homeplace program, “inadequate health insurance” is a major focus, so it will be the same kind of natural partner as the FRYSCs are for KCHIP.

The needs of Kentucky’s individual and small group markets are very different. Kentucky has a strong agent/broker sector that provides consumer assistance to a large proportion of the small group market. Small businesses have unique needs that are addressed by agents and brokers, such as weighing plan options against industry dynamics, employer size, demographic and other employee characteristics, cash flow and financing, and overall business philosophy. Producers also provide services to a substantial minority of the individual market. State and local agencies, community-based organizations, and safety-net providers assist individuals with understanding and enrolling in public programs. These agencies conduct outreach and education, provide enrollment support, and target vulnerable populations.

The Exchange is required to provide a seamless entry into coverage across qualified health plans and Medicaid under the Affordable Care Act’s No Wrong Door policy. The Affordable Care Act and accompanying proposed regulations require eligibility determination, enrollment, and transition between programs, including public programs and the Exchange, to be seamless from the view of the consumer.

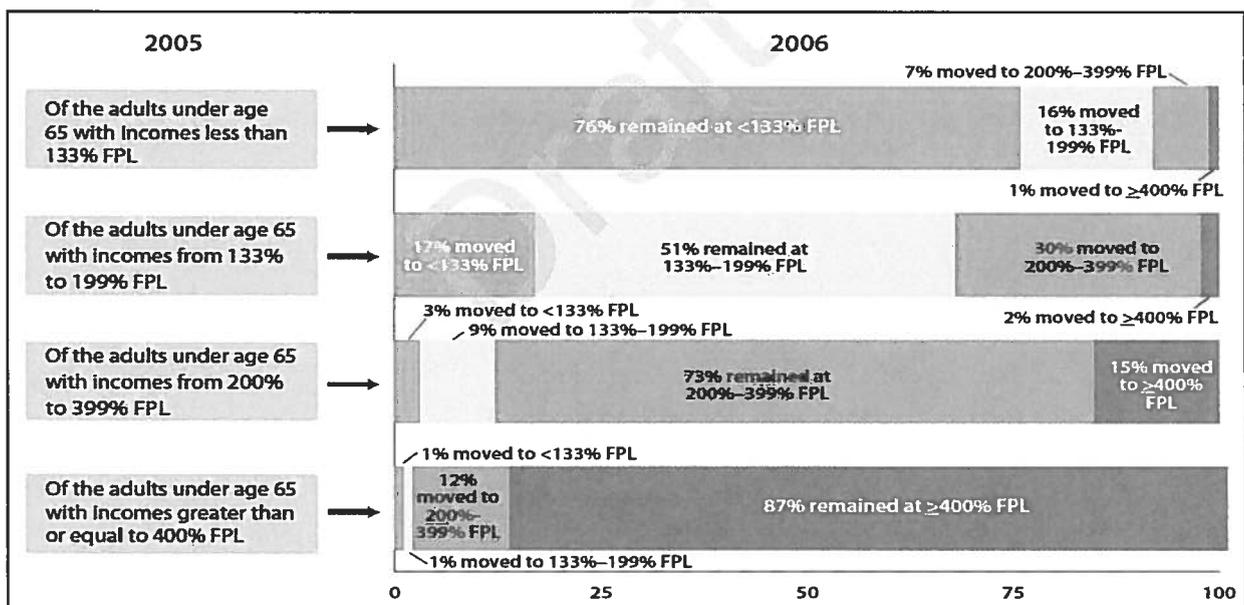
Researchers predict high rates of transition across Medicaid and qualified health plans in the Exchange. A recent study from the Commonwealth Fund shows that income levels among individuals below 400 percent of the federal poverty level (FPL) frequently change, especially for individuals in the lowest income brackets. Figure 1 presents the Commonwealth Fund’s data (from 2005) on income transitions among populations with household income below 400 percent FPL.

A Navigator Program will benefit from the engagement of individuals and organizations that are based within their communities. Effective outreach requires cultural and linguistic

competence. Many individuals without recent experience in the private insurance market will acquire coverage through the Exchange, and they will be more likely to enroll when assisted by someone they trust.

The Affordable Care Act and accompanying proposed rules do not define specific requirements for Navigator licensure. Proposed regulations allow states to prescribe their own certification standards. Navigator functions overlap with some functions requiring producer licensure, but Navigators are not performing all the same functions as producers. It is necessary to determine whether, under existing law, any mandated Navigator functions would require a producer's or adviser's license issued by the Kentucky Department of Insurance. Navigators will also be performing activities not typically provided by producers, such as assisting individuals with Medicaid eligibility and enrollment.

Fig. 2: Changes in Family Income, U.S. Population under Age 65, 2005 – 2006



Source: Farley Short et al., 2011, p.6.

Navigators must be well-trained to protect consumers. Kentuckians should have confidence that Navigators are giving fair and accurate guidance on enrollment, subsidies, and plan selection. The demands on the Navigator program will be intense around the launch of the Exchange. Tens of thousands of Kentuckians may need enrollment assistance within a span of a few months. In light of the scale of the initial outreach effort, training requirements should be reasonably targeted to key areas of competence.

In reviewing whether the Navigator Program should be integrated with Medicaid outreach and enrollment, we noted that the Navigator Program is an opportunity for the Exchange to meet Affordable Care Act requirements for seamless entry into coverage, to support continuity of care and coverage for individuals who transition between Medicaid and the Exchange, to provide culturally and linguistically appropriate services, and to leverage federal Medicaid matching funds. Achievement of these goals would be supported by having Navigators perform outreach, eligibility, and enrollment for the newly eligible Medicaid population. The Navigator program should be well-integrated with Medicaid outreach and enrollment functions.

A Navigator Program design that leverages existing consumer assistance resources and infrastructure would cause the least amount of disruption to the current market, make the most efficient use of Exchange funds and meet the statutory regulation to supplement, but not replace, the current market. The following suggested elements address the need to make optimal use of existing resources:

- For both small employers and individuals, agents/brokers would be permitted to sell qualified health plans in the Exchange, but they would not be compensated as Navigators. Instead, they would be compensated directly as sales agents by carriers. The ACA forbids Navigator compensation by carriers.
- The Exchange would engage Navigators to conduct outreach, serve small businesses that opt not to use a producer, and fill gaps for markets that are not served by agents/brokers.
- The Exchange would also engage Navigators who would be responsible for the management of eligibility and enrollment for individuals in both the Exchange and Medicaid.

In this model, the Exchange would contract with Navigators, and agents/brokers would be permitted to sell qualified health plans within the Exchange alongside Navigators. Navigators would be compensated through grants from the Exchange and agents/brokers would be compensated by insurance carriers. In keeping with the Affordable Care Act requirement, Navigators are not directly or indirectly compensated by insurance carriers in these models, and agent/broker compensation will be comparable inside and outside the Exchange to mitigate the risk that enrollment will be directed away from the Exchange.

We recognized the importance of achieving a balance between ensuring a sufficient number of Navigators to reach target populations, and maintaining appropriate oversight and consumer protections. A certification program for individuals and entities performing

Navigator functions would support this goal. The certification program should be approved by the Kentucky Department of Insurance and should focus on topics essential to consumer protection. Navigators who obtain certification from the Exchange could then be excluded from producer and adviser licensure requirements. The Exchange and the Department of Insurance could develop an approach to enforcing these requirements, with ultimate authority resting with the Department.

Recommendations

- The Exchange should work with Medicaid to integrate the Navigator Program with Medicaid outreach and enrollment.
- The Exchange should adopt Navigator Program options that maintain and utilize the expertise in the existing marketplace to reach the uninsured in Kentucky.
- The Exchange should develop and implement a certification program, approved by the Kentucky Department of Insurance, for individuals who perform certain Navigator functions. Navigators earning certification by the Exchange should be exempt from producer and adviser licensure requirements.
- The Exchange and the Kentucky Department of Insurance should develop an enforcement model for Navigator misconduct.

Identifying Barriers and Strategies for Overcoming Them

Potential Barriers

Barriers to success in enrolling uninsured Kentuckians in health plan coverage start with two related elements: perceptions and politics. Longstanding concerns with the cost of coverage have given rise to a widespread perception that health insurance is unaffordable for individual and small group purchasers. The political discourse surrounding the health reform act in general and the “individual mandate” in particular has fostered hostility to coverage expansions as coercive or as violations of individual liberties.

Other barriers are well-documented and not specific to Exchange activities. These include the attitudes of “young invincibles” regarding low need for health coverage in relation to cost, the absence of cultural and language targeting for ethnic minorities, low health literacy, and low computer literacy (or access). One more pervasive issue is the inherent complexity of health coverage and its tendency to focus attention on undesirable possibilities such as injury or illness.

Overcoming Barriers

Outreach plans from other states provide models for framing positive messages that address many of these barriers. Emphasizing security, affordability, financial protection, and responsible behavior, such messages can serve as models and be modified to reflect specific Kentucky audiences.

Relentlessly positive messages seem to be the preferred mode of communication for the pioneering states. Attempts to counter anti-health reform messages can have the unintended consequence of bringing their content to the public's attention or even reinforcing opposing positions. The Maryland report makes three particularly relevant recommendations:

- Educate residents on what reform does for them, as consumers or employers, and what it does for family, children, friends, and acquaintances who are unemployed
- Educate and positively influence the general population to create ambassadors who positively influence peers, even if the ambassadors don't need the Exchange themselves
- Anticipate sources of negative or confusing information and proactively build corrective statements into messages.

All the reports consulted include recommendations to develop more nuanced understanding of specific target markets and potential strategies to connect them with the Exchange.

Recommendations

As the first state to implement the type of health insurance exchange established by the Affordable Care Act, Massachusetts provides several lessons for states implementing their Exchanges in 2013-2014 (the following summary is based on the Maryland reports):

1. Depoliticize implementation by focusing on consumer benefit, not legislation
2. Balance government and private sector roles to avoid perception of government taking over coverage; state provides assurance of quality, not the health plans themselves
3. Sensitize Kentuckians to the plight of the uninsured by providing real examples ("putting a face" on the uninsured)
4. Be prepared to mount a sustained campaign, including a rapid response group to address issues in a timely manner
5. Use simple, consistent calls to action that connect Kentuckians with information and assistance.

Sample Messages

For the general public:

1. Kentucky is making health insurance more affordable and easier to get through the new Kentucky Health Benefit Exchange.
2. Kentucky employers, the state's health care community, and state officials are working together to expand health care coverage choices.
3. The Exchange will give Kentuckians the opportunity to have the health security they need, even if they couldn't get insurance in the past.
4. Health insurance protects you from financial risk when you have an illness or injury and gives you access to preventive care.
5. Exchange coverage goes with you when you change jobs or lose your job.

For the uninsured:

1. Health insurance will help you stay healthy by giving you coverage for preventive care [market research indicates this is more important to women].
2. Health insurance will protect you from the financial burden of medical bills if you have an illness or injury [market research indicates this is more important to men].
3. You may be eligible for subsidies that make coverage more affordable.
4. The Exchange offers a variety of plan options so you can choose the one that best needs your needs and those of your family.

For businesses:

1. The new Kentucky Health Benefit Exchange gives you an easier and more affordable way to offer your employees health insurance.
2. Offering health insurance helps you recruit and retain talented employees.
3. The Exchange offers a variety of options so you can choose one that suits your budget and keeps your employees protected from the financial risk associated with medical bills.
4. Exchange plans cover preventive services that contribute to a healthier and more productive workforce.

Information Sources (copies available on request)

Blue Cross & Blue Shield Foundation of Massachusetts et al. Effective Education, Outreach and Enrollment Approaches for Populations Newly Eligible for Coverage. March 2012.

_____. Implementing a Successful Education and Marketing Campaign to Promote State Health Insurance Exchanges. May 2011.

Burton, Alice. Consumer Education and Outreach. Report to Maryland Health Care Reform Coordinating Council, June 2010.

Center for Consumer Information and Insurance Oversight, Centers for Medicare and Medicaid Services. Information Technology in Support of Health Insurance Exchanges. May 2012.

_____. Draft Blueprint for Approval of Affordable State-based and State Partnership Insurance Exchanges. May 2012.

Farley-Short, Pamela et al. Realizing Health Reform's Potential. Commonwealth Fund. May 2011.

Hilltop Institute. Navigators: A Background Paper. Report to Maryland Health Benefit Exchange, August 2011.

Holohan, Danielle. Enrolling Childless Adults in Medicaid: Lessons from the New York Experience and Opportunities in Health Reform. October 2010.

Institute for Policy Research, Univ. of Cincinnati. Kentucky Health Issues Poll: Kentuckians' Opinions on the Affordable Care Act. Foundation for a Health Kentucky, January 2012.

Kansas Health Benefits Exchange. The Affordable Care Act Consumer Outreach and Education Plan, January 2012 – December 2013. December 2011.

Kendall, Jessica. Overview of Navigator Program Requirements and Related Issues. Presentation to National Academy for State Health Policy, March 2012.

Manatt Health Solutions. Study of Navigator Program and Consumer Assistance. Report to Maryland Health Benefit Exchange. November 2011.

Maryland Health Benefit Exchange. Recommendations for a Successful Maryland Health Benefit Exchange: A Report to the Governor and General Assembly. December 2011.

Minnesota Health Insurance Exchange Advisory Task Force Recommendations. Adopted January 18, 2012.

National Academy for State Health Policy. Building a Consumer-Oriented Health Insurance Exchange. February 2012.

Office of the Assistant Secretary for Planning and Evaluation, U.S. Dept. of Health and Human Services. The Value of Health insurance: Few of the Uninsured have Adequate Resources to Pay Potential Hospital Bills. Research Report, May 2011.

Snow, John, Inc. The Colorado Health Benefit Exchange Consumer Focus Groups. September 2011.

Weber Shandwick. The Maryland Health Benefit Exchange. Contract No. DHMS296492 November 2011.

West Virginia, Offices of the Insurance Commissioner, Health Benefits Exchange. Business Plan, Version 1.2. January 19, 2012

Exchange Activity		HHS Approval
2.0 Consumer and Stakeholder Engagement and Support		
2.1	<p>The Exchange has developed and implemented a stakeholder consultation plan and has consulted with, and will continue to consult with, consumers, small businesses, State Medicaid and CHIP agencies, agents/brokers, employer organizations, and other relevant stakeholders as required under 45 CFR 155.130.</p>	<p>Brief description of the stakeholder consultation plan that addresses how consultation will occur on an ongoing basis with consumers, small businesses, State Medicaid and CHIP agencies, agents/brokers, employer organizations, and other relevant stakeholders as required under 45 CFR 155.130.</p>
2.2	<p><i>Applicable only to States with Federally-recognized Tribes:</i> The Exchange, in consultation with the Federally-recognized Tribes, has developed and implemented a Tribal consultation policy or process, which has been submitted to HHS.</p>	
2.3	<p>The Exchange provides culturally and linguistically appropriate outreach and educational materials to the public, including auxiliary aids and services for people with disabilities, regarding eligibility and enrollment options, program information, benefits, and services available through the Exchange, the Insurance Affordability Program(s), and the SHOP.</p> <p>In addition, the Exchange has an outreach plan for populations including: individuals, entities with experience in facilitating enrollment such as agents/brokers, small businesses and their employees, employer groups, health care providers, community-based organizations, Federally-recognized Tribal communities, advocates for hard-to-reach populations, and other relevant populations as outlined in 45 CFR 155.130.</p>	<p>Brief description of the outreach plan(s) and targeted efforts that address each population or type of stakeholder, including those identified in 45 CFR 155.130.</p>

Exchange Activity	Supporting Documentation*	HHS Approval Letter for Waive Out (X)
<p>2.3a The Exchange has developed and provides culturally and linguistically appropriate outreach and educational materials and auxiliary aids and services to people with disabilities (including information in alternate format), regarding eligibility and enrollment options, program information, benefits, and services available through the Exchange, SHOP, and other Insurance Affordability Programs, as required in 45 CFR 155.205(c).</p>		
<p>2.3b The Exchange has an outreach plan for populations including: individuals, entities with experience in facilitating enrollment such as agents/brokers, small businesses and their employees, employer groups, health care providers, community-based organizations, Federally-recognized Tribal communities, advocates for hard-to-reach populations, and other relevant populations as outlined in 45 CFR 155.130.</p>		
<p>2.4 The Exchange provides for the operation of a toll-free telephone hotline (call center) to respond to requests for assistance from the public, including individuals, employers, and employees, at no cost to the caller as specified by 45 CFR 155.205(a).</p>	<p>Brief description of the call center's strategy for managing call volume, plan for translation services, and toll-free telephone number.</p>	
<p>2.4a The Exchange provides for the operation of a toll-free telephone hotline (call center) which acts as a central line to handle seamless application support, coordinates with other Insurance Affordability Program(s) and with other State and Federal agencies, and responds to requests for assistance from the public, including individuals, employers, and employees, at no cost to the caller as specified by 45 CFR 155.205(a).</p>		
<p>2.4b The Exchange provides translation and oral interpretation services and auxiliary aids and services to the public, including individuals, employers, and employees, at no cost to the caller.</p>		

Exchange Activity	Supporting Documentation*	HHS Approval Letter for Waive Out (X)
2.4c The Exchange provides adequate training and resources to operate the call center, including an operating plan and procedures.		
2.5 The Exchange has established and maintains an up-to-date Internet Web site that provides timely and accessible information on Qualified Health Plans (QHPs) available through the Exchange, Insurance Affordability Program(s), and the SHOP, and includes requirements specified in 45 CFR 155.205(b).	Internet Web site URL address for the Exchange and the SHOP, if different.	
2.5a The Exchange has established and maintains an up-to-date Internet Web site that provides timely and accessible information on Qualified Health Plans (QHPs) available through the Exchange, Insurance Affordability Program(s), and the SHOP, and includes requirements specified in 45 CFR 155.205(b).		
2.5b The Exchange's Internet Web site provides information on premium and cost-sharing, QHP comparison, metal level of QHP coverage, transparency of coverage measures, and a provider directory.		
2.5c The Exchange's Internet Web site provides information in a manner that is accessible to individuals with disabilities and individuals with limited English proficiency, as required in 45 CFR 155.205(b) and (c).		

Exchange Activity	Supporting Documentation*	HHS Approval Letter for Waive Out (X)
2.6	<p>The Exchange has established or has a process in place to establish and operate a Navigator program that is consistent with the applicable requirements of 45 CFR 155.210, including the development of training and conflict of interest standards, and adherence to privacy and security standards specified in 45 CFR 155.210 and 45 CFR 155.260.</p>	<p>Brief description of Exchange's plan to operate a Navigator program, including documentation outlining the Exchange's progress in developing conflict of interest and training standards; how it will ensure Navigators are appropriately trained and meet the Exchange's conflict of interest, privacy and security standards; and a timeline and strategy for funding for the Navigator program and making the program fully operational.</p>
2.6a	<p>The Exchange has established or has a process in place to establish and operate a Navigator program that is consistent with the applicable requirements specified in 45 CFR 155.210 and 45 CFR 155.260.</p>	
2.6b	<p>The Exchange has a plan for the ongoing funding of an Exchange Navigator program, in order to award at least two (2) types of entities, one of which is a community or consumer-focused organization or non-profit entity. Grant agreements ensure that Navigator grantees ("Navigators") will conduct the five (5) duties outlined in 45 CFR 155.210(e).</p>	
2.6c	<p>The Exchange has begun to develop training and conflict of interest standards for Navigators.</p>	

Exchange Activity	Supporting Documentation*	HHS Approval Letter for Waive Out (X)
<p>2.7 <i>If applicable:</i> The Exchange has established an in-person assistance program distinct from the Navigator program and has a process in place to operate the program consistent with the applicable requirements of 45 CFR 155.20(c), (d), and (e).</p>	<p>Brief description of Exchange's plan to operate an in-person assistance program distinct from the Navigator program, which provides in-person assistance to consumers, including documentation outlining the Exchange's progress in developing conflict of interest and training standards; how it will ensure in-person assistance program staff are appropriately trained and meet the Exchange's conflict of interest, accessibility, and privacy and security standards; and a timeline and strategy for funding for the in-person assistance program and making the program fully operational.</p>	
<p>2.8 <i>If applicable:</i> If the State permits activities by agents and brokers pursuant to 45 CFR 155.220(a), the Exchange has clearly defined the role of agents and brokers including evidence of licensure, training, and compliance with 45 CFR 155.220(c)-(e). The Exchange will have agreements with agents/brokers consistent with 45 CFR 155.220(d), which address agent/broker registration with the Exchange, training on QHP options and Insurance Affordability Program(s), and adherence to privacy and security standards, as specified in 45 CFR 155.260.</p>	<p><i>If applicable:</i> Brief description of the strategy, including the Exchange's compensation policy for agents/brokers, including web brokers, as it relates to their enrollment of individuals through the Exchange.</p> <p>AND</p> <p><i>If applicable:</i> Brief description of the Exchange's policy for ensuring compliance with 45 CFR 155.220(d) and (e), including how it will ensure agents/brokers are appropriately trained and meet the Exchange's privacy and security standards.</p>	
<p>2.8a <i>If applicable:</i> The Exchange has a process to verify that agents/brokers are in compliance with State law, including licensure requirements consistent with 45 CFR 155.220(e).</p>		
<p>2.9 <i>If applicable:</i> If the State permits activities by agents and brokers pursuant to 45 CFR 155.220(a), the Exchange has clearly defined the role of web brokers including evidence of licensure, training, and compliance with 45 CFR 155.220(c)-(e). Specifically, the Exchange has agreements with web brokers</p>	<p><i>If applicable:</i> Brief description of how the Exchange's Internet Web site will interface with web brokers' Web sites.</p> <p>AND</p>	

Exchange Activity	Supporting Documentation*	HHS Approval Letter for Waive Out (X)
<p>consistent with 45 CFR 155.220(d), which address agent/broker registration with the Exchange, training on QHP options and Insurance Affordability Program(s), and adherence to privacy and security standards, as specified in 45 CFR 155.260.</p>	<p><i>If applicable:</i> Brief description of Exchange's policy for ensuring compliance with 45 CFR 155.220(c)(3),(d) and (e), including how it will ensure web brokers are appropriately trained and meet the Exchange's privacy and security standards.</p>	
<p>2.9a <i>If applicable:</i> The Exchange has a process to verify that web brokers are in compliance with State law including licensure requirements consistent with 45 CFR 155.220(e).</p>		
<p>2.9b <i>If applicable:</i> The Exchange has agreements with web brokers, consistent with 45 CFR 155.220(d), which address web broker registration with the Exchange, training on QHP options and Insurance Affordability Program(s), and adherence to privacy and security standards, as specified in 45 CFR 155.260.</p>		

Kentucky Health Benefit Exchange



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Background

On March 23, 2010, the Patient Protection and Affordable Care Act (ACA) was signed into law. The new health care law is designed to ensure that all Americans have access to affordable, quality health care.

HealthCare.gov

Kentucky Health Benefit Exchange

What is an Exchange?

The Health Benefit Exchange will operate as an online marketplace where Individual Kentuckians and employees of small businesses can comparison shop for health insurance based on cost, benefits and quality. It will also allow individuals and businesses to apply for premium subsidies and tax credits. Through the Exchange, an individual can also apply and have eligibility determined for Medicaid and the Kentucky Children's Health Insurance Program (KCHIP).

Comments

Comments from consumers, advocates, employers, insurers and other stakeholders are encouraged. All comments should be relevant to the law and its impact on Kentucky. [E-mail Your Comments](#)
KHBE Office - 12 Mill Creek Park, Frankfort, KY 40601. Phone 502-564-7940 or Fax 502-573-2090.

Meeting Notices

Subcommittee Meetings:

- Behavioral Health-1:30 p.m. - 3 p.m. on Nov. 5, 2012 at 12 Mill Creek Park, Frankfort, KY
- Outreach & Education - 3 p.m. - 4:30 p.m. on Nov. 5, 2012 at 12 Mill Creek Park, Frankfort, KY
- SHOP - 1:30 p.m. - 3 p.m. on Nov. 7, 2012 at 12 Mill Creek Park, Frankfort, KY
- Navigator/Agent - 1:30 p.m. - 3 p.m. on Nov. 8, 2012 at 12 Mill Creek Park, Frankfort, KY

News Updates

HBE Contract Awarded-Oct. 4, 2012

Through a competitive bid process, the Office of the Kentucky Health Benefit Exchange has awarded a contract to DELOITTE CONSULTING LLP for \$101.5 million in federal dollars for the development and implementation of two IT systems that will comprise Kentucky's Health Benefit Exchange IT Solution.

[Continued](#)

Essential Health Benefits - Recommendation for Benchmark Plan - Oct. 1, 2012