

KENTUCKY HEALTH BENEFIT EXCHANGE ADVISORY BOARD

QUALIFIED HEALTH PLANS SUBCOMMITTEE

Meeting Minutes

February 18, 2014

Call to Order and Roll Call

The tenth meeting of the Qualified Health Plans Subcommittee was held on Thursday, February 18, 2014, in the Small Conference Room at the Office of the Kentucky Health Benefit Exchange. Deborah Moessner, Chair, called the meeting to order at 11:30 a.m., and the Secretary called the roll.

Subcommittee Members Present: Deborah Moessner , Chair (by phone); Jill Bell, Dr. Joe Ellis (by phone), Carl Felix (by phone), Nancy Galvagni (by phone), Shelley Gast (by phone), Donna Ghobadi, Dr. Amanda Howell (by phone), Michael Huang (by phone), and Ramona Osborne (by phone).

Staff Present: Carrie Banahan, Wanda Fowler, Brenda Parker, Melea Rivera, D.J. Wasson, DOI (by phone), and Maggie Woods, DOI, (by phone).

Approval of Minutes

A motion was made to accept the minutes of the May 23, 2013, meeting as submitted, seconded, and approved by voice vote.

Update on Exchange Activities

Carrie Banahan, Executive Director, Office of the Health Benefit Exchange (KHBE) informed the subcommittee that five administrative regulations have been filed, including Qualified Health Plans (QHP), Small Employer Health Options Program (SHOP), Agent/Navigator, Eligibility and Enrollment, and Appeals regulations. In August 2013, the Exchange received certification, became operational in October 2013, and has been relatively successful. The Exchange has enrolled 237,000 people to date. Seventy-five percent of the enrollees are Medicaid eligible, primarily through the Medicaid expansion. Forty-seven percent of enrollees are under the age of 35 (Medicaid and QHP enrollees), and 32 percent of those enrolling in qualified health plans are under 35. The Exchange does not have information on the number of enrollees who have not paid their premiums, or the number of enrollees who have applied without the assistance of an agent or kynector , but will have the information available to share at the next subcommittee meeting. Over 15,000 individuals have enrolled in stand-alone dental plans.

Auto-assignment of enrollees into Medicaid managed care organizations (MCO) is an issue that will be improved prior to the next open enrollment period. The Exchange is trying to work with

the Department for Medicaid Services to have the same open enrollment period for MCOs to avoid disruptions in the market.

Qualified Health Plan Certification for 2015

The dates for issuers to file forms and rates have not changed from last year. All plans will be certified by the Exchange by September 1, 2014. Because open enrollment has been delayed for the next plan year, issuers will have more time for testing. Additionally, next year the Exchange will require a Spanish version of the Summary of Benefits and Coverage (SBC).

D. J. Wasson, Department of Insurance, provided additional information to issuers on the actuarial value (AV) calculator and confirmed the dates for filing of rates and forms.

Provider Networks

The Exchange has received concerns and questions from enrollees regarding provider networks. These concerns center mainly on the lack of robust networks. The provider networks did meet the network adequacy standards of the Exchange, but enrollees have expressed a desire for more choice of providers. Consumer education may help alleviate some of the concerns as consumers may not understand that robust networks will increase the cost of the plan.

Essential Health Benefits – Dental Benefits

Proposed federal rules would change the maximum out of pocket for dental plans and eliminate the low and high actuarial values. The Dental and Vision Subcommittee will be discussing these changes. The elimination of the actuarial values may increase the cost of the dental plans.

Qualified Health Plan Administrative Regulation

The final QHP administrative regulation has been filed and distributed to members of the subcommittee.

Medicaid Bridge Plans

Some issuers have expressed interest in pursuing Medicaid Bridge plans. The KHBE has prepared a draft proposal. Ms. Banahan informed the members of the requirements for bridge plans and the population eligible to participate in bridge plans. Bridge plans are believed to provide continuity of care for enrollees whose eligibility may fluctuate and transition from enrollment in a QHP to enrollment in an MCO. Ms. Banahan asked that the members review the KHBE draft proposal and provide comments.

Currently, California is the only state pursuing a bridge plan. The state submitted a proposal to the Center for Consumer Information and Insurance Oversight (CCIIO) in August 2013, but has not received approval. The subcommittee members expressed support for the KHBE bridge plan proposal but raised concerns about the proposed aggressive timeframe to implement the plans. Other concerns expressed centered on costs and the issuers' ability to provide services below the cost of services provided to Medicaid. Also, the amount of "churn" between Medicaid and the Exchange is still unknown. The Exchange is not ready at this time to submit a proposal to CCIIO to implement Medicaid Bridge Plans.

Other Business

The next meeting of the subcommittee will be held on March 26, 2014, 10:30 a.m., at the Office of the Kentucky Health Benefit Exchange.

Adjournment

The meeting adjourned at 1:36 p.m.