



HAWAI'I HEALTH CONNECTOR

INFORMATIONAL BRIEFING, March 17, 2014
Committee on Commerce and Consumer Protection
Senator Rosalyn H. Baker, Chair
Senator Brian T. Taniguchi, Vice Chair

Tom Matsuda, Interim Executive Director

State-based marketplaces

Required services:

- Build and operate an online health insurance marketplace for individuals and small businesses
- Public outreach and education; assistance with enrollment
- Be self-sustaining in 2015

Online health insurance marketplace: Current status

- Open Enrollment for individuals ends March 31, 2014
- Submit a completed application by March 31
- Next Open Enrollment for individuals: November 15, 2014 to February 15, 2015
- Small business enrollments are ongoing

Online health insurance marketplace: Current status

- Online system is operating and still under construction
- Individuals and small businesses can apply, get tax credits, compare plans, and enroll
- Real time eligibility determinations
- Working to improve system functionality and ease of use
- Public access: online, in-person, telephone

Online health insurance marketplace: Current status

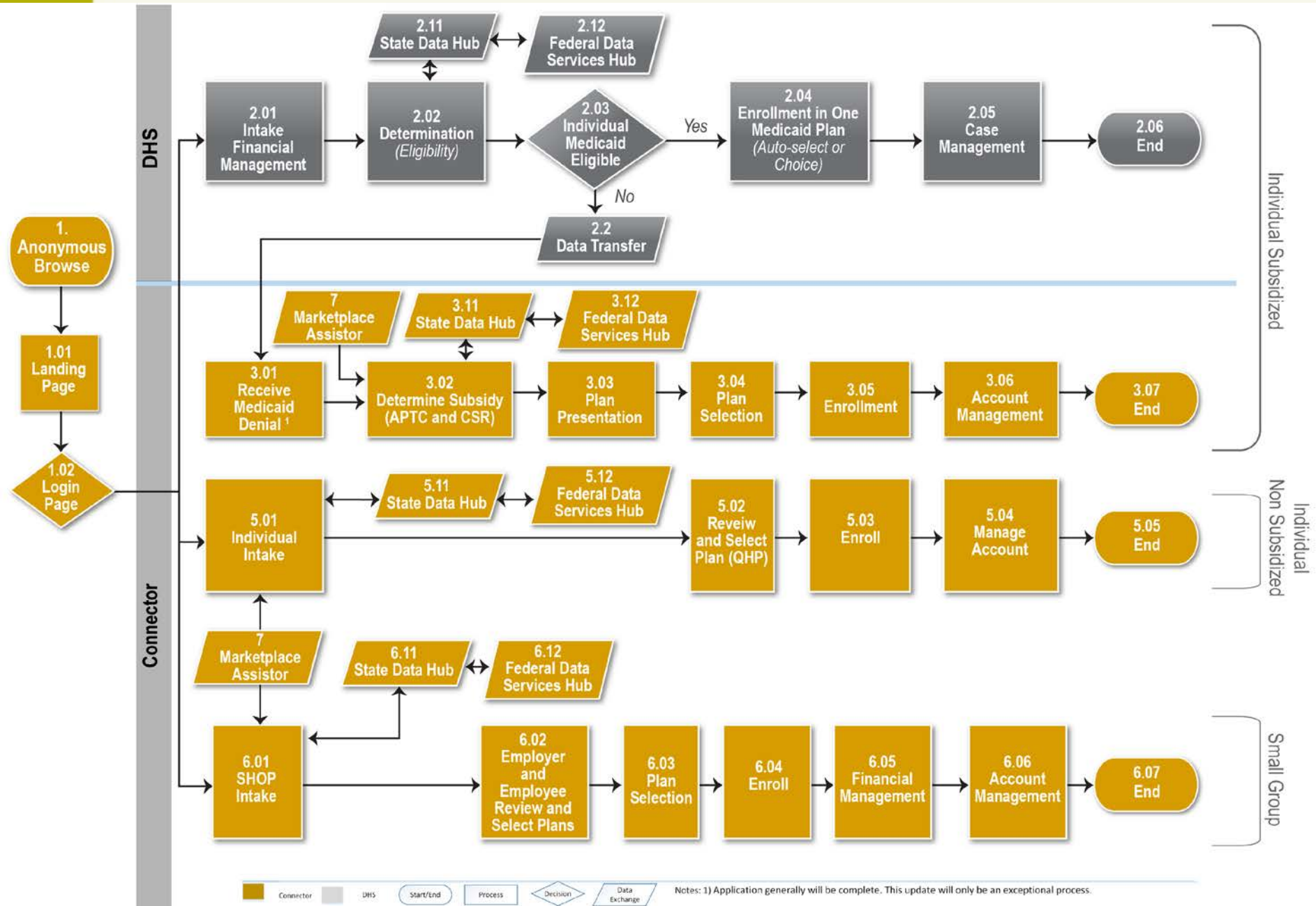
- Uninsured Hawai'i residents are getting coverage, many for the first time
- People with pre-existing conditions are getting coverage and medical care
- Many people are qualifying for tax subsidies to reduce out-of-pocket premium costs

Hawaii Health Connector Metrics

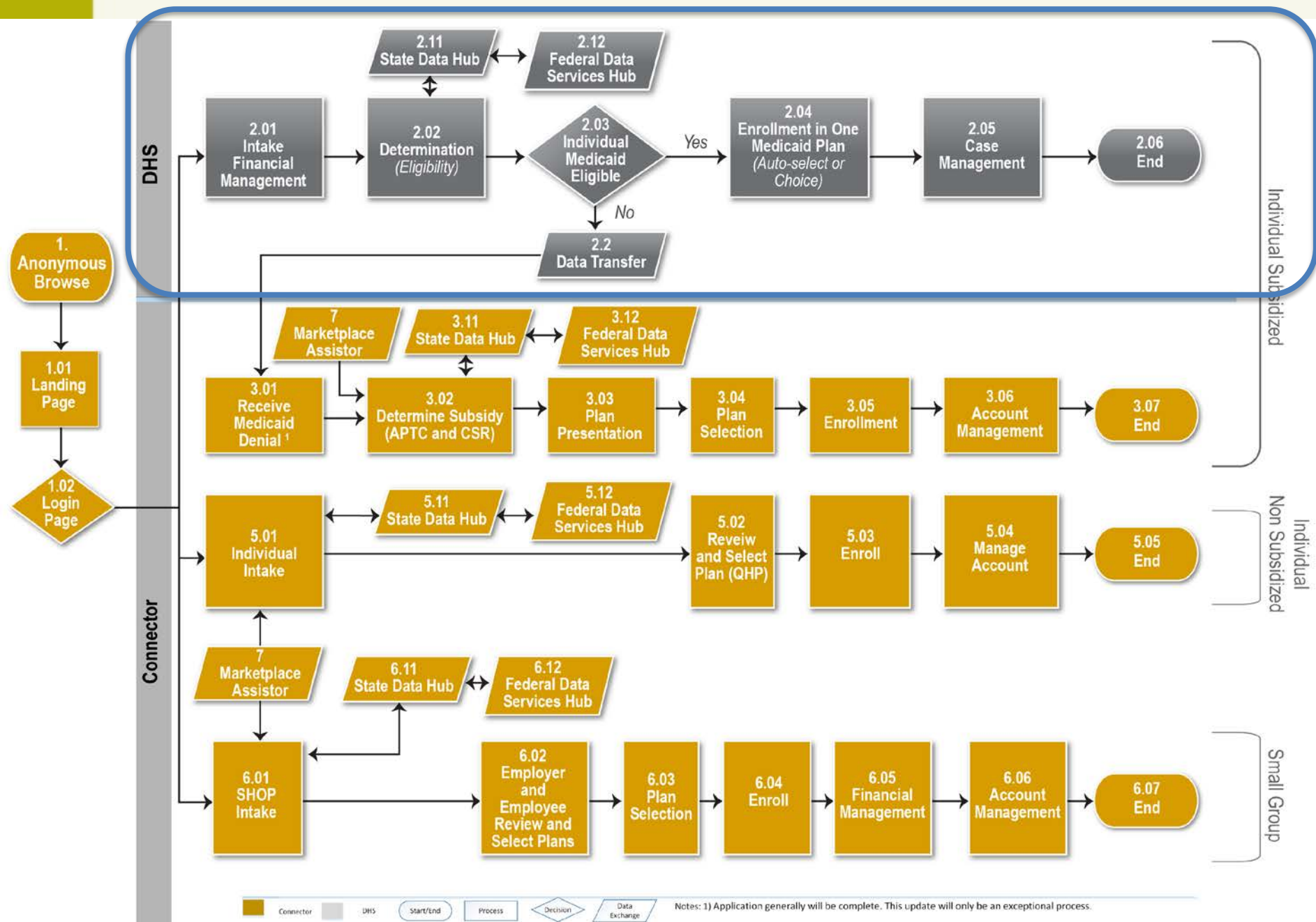
(October 1, 2013 through March 8, 2014)

| METRIC | DECEMBER 7, 2013 | MARCH 8, 2014 |
|--|------------------|---------------|
| Individual/Family Applications Completed | 4,306 | 21,317 |
| Individual QHP Enrollments Sent to Issuers | 683 | 4,969 |
| SHOP Employer Applications | 220 | 476 |
| Contact Center Volume | 29,610 | 80,187 |

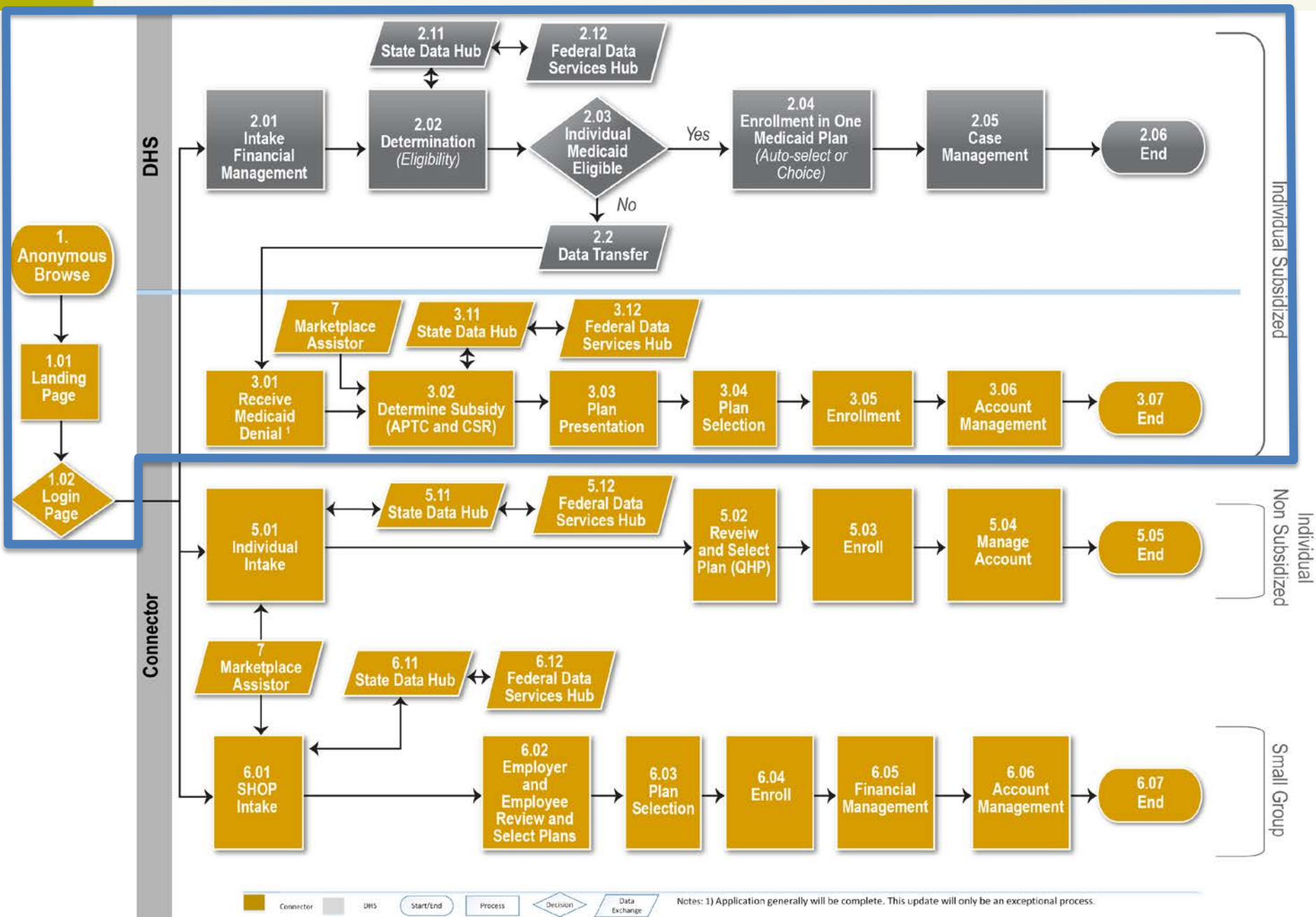
Application Workflow Process



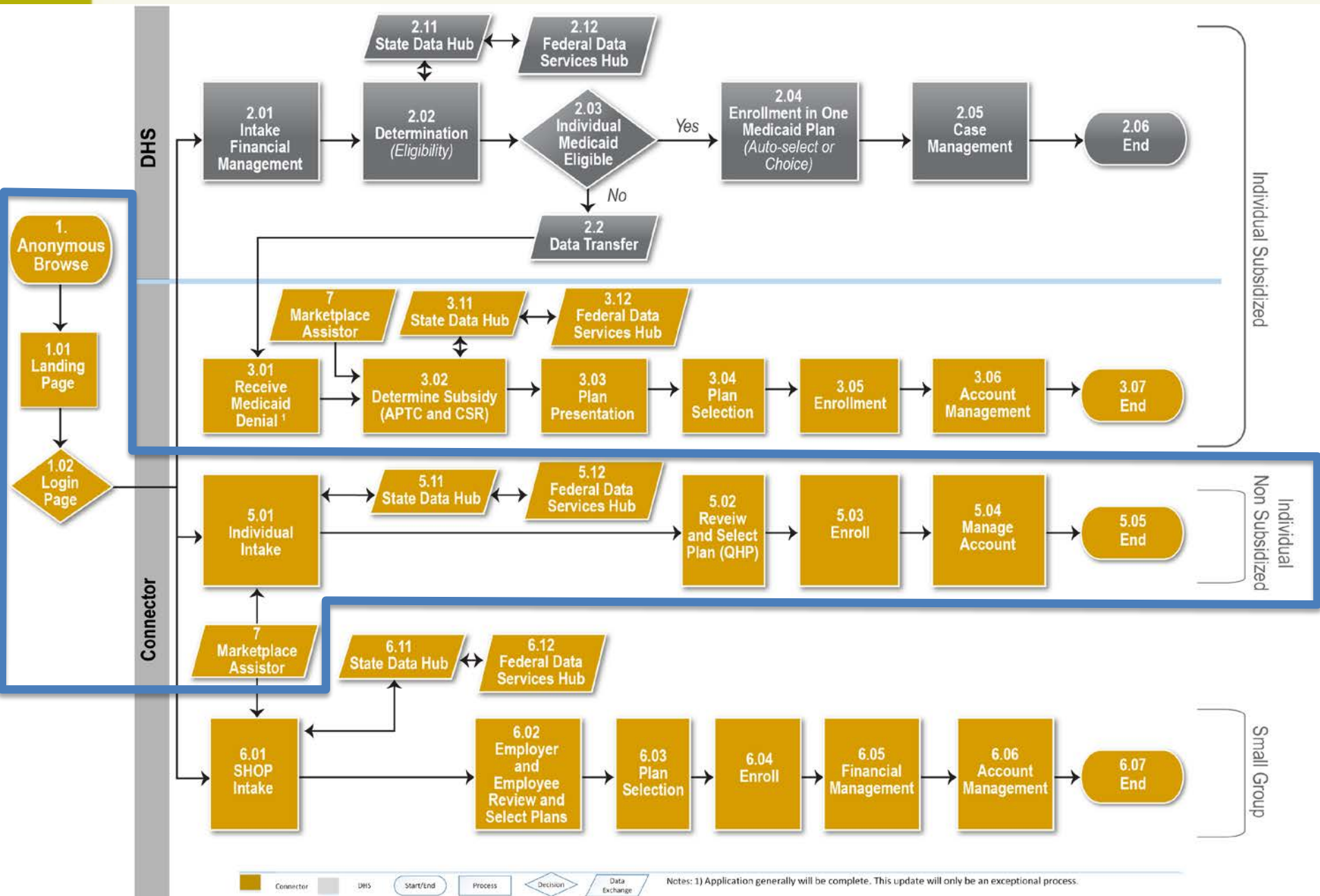
DHS - Medicaid



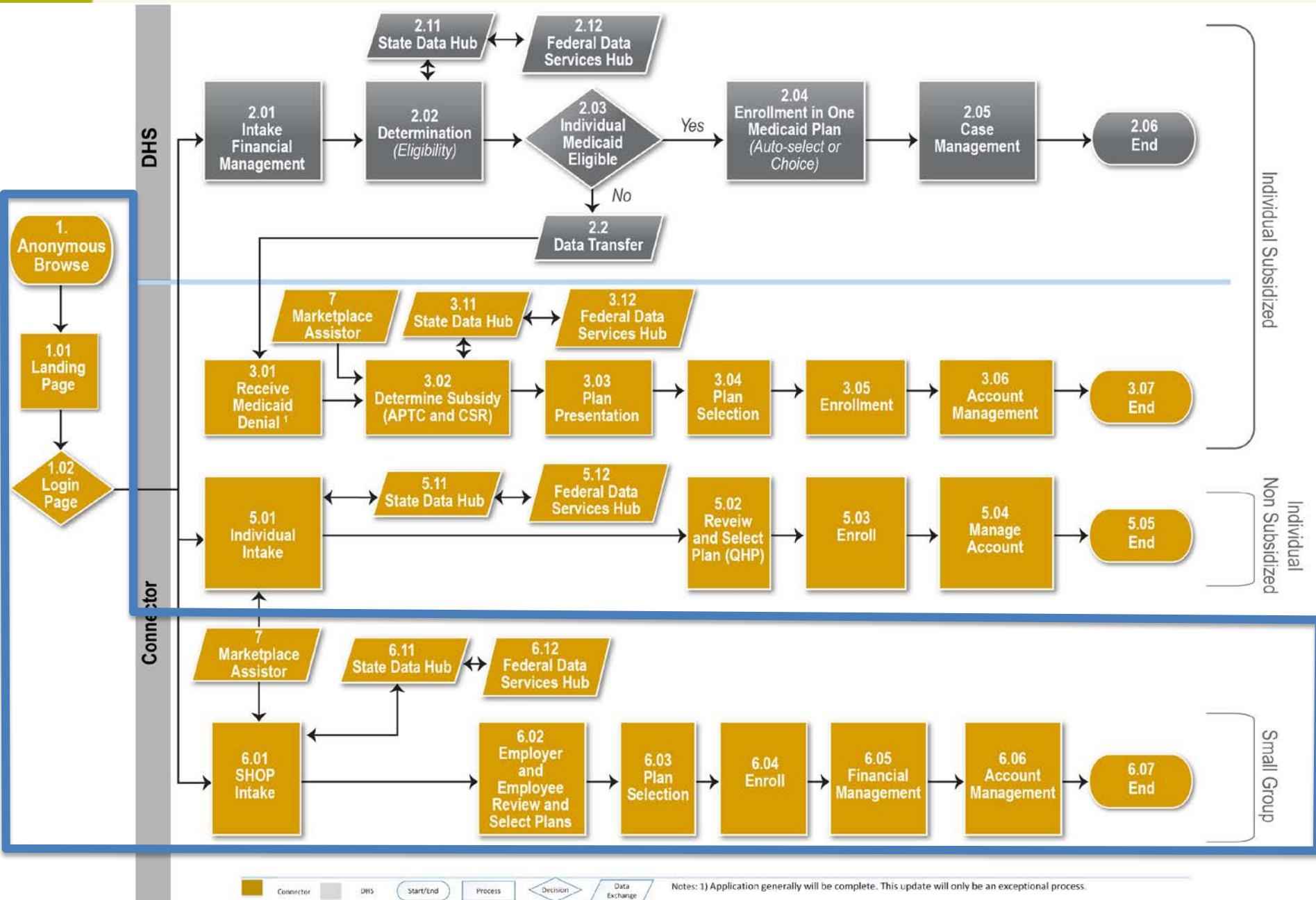
Individual Subsidized



Individual Non-Subsidized



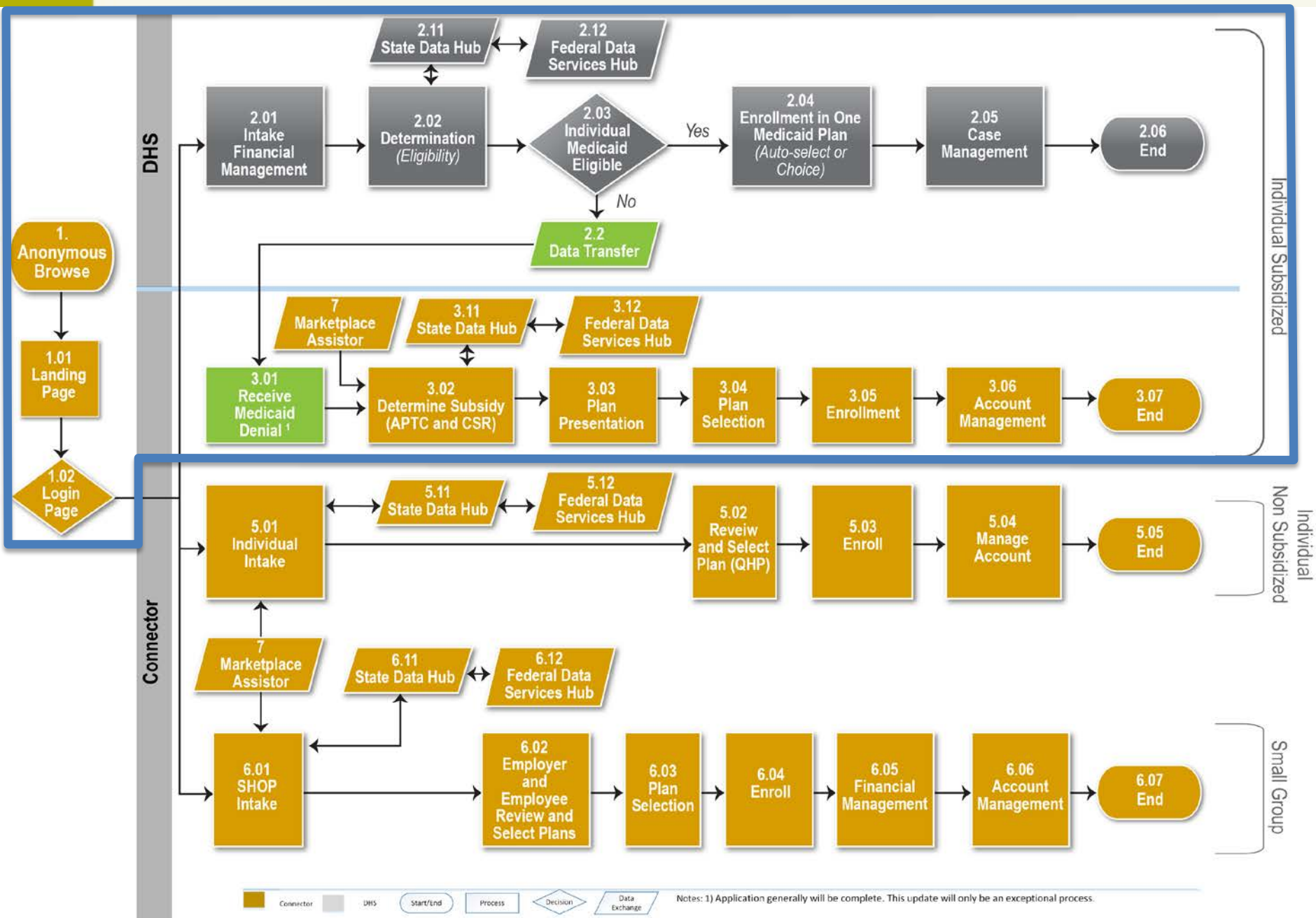
Small Business (SHOP)



Online health insurance marketplace: Current challenges

- Individual Marketplace: Financial Assistance processing backlogs
- SHOP Marketplace: working but difficult to use; improvements in final release
- Online consumer experience: some parts of the process are not user-friendly yet
- Many applicants need assistance to apply and enroll
- Changing rules cause confusion for consumers and create operational challenges

Individual Subsidized



Online health insurance marketplace: Current challenges

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Public outreach and education/ assistance with enrollment: Current status

Hi'i Ola Program

- 31 Community Partners statewide
- 121 Certified Kōkua or In-Person Assisters
- 36 Certified Kōkua or Certified Application Counselors (CACs)
- Recent sub-grant to the Sovereign Councils of the Hawaiian Homelands Assembly (SCHHA)

Public outreach and education/ assistance with enrollment: Current status

Contact Center

- Temporary surge for Open Enrollment: over 80 workers

Grassroots enrollment campaign

- Over 300 events on all islands since February 1st
- “Set an appointment” with our Kōkua

Self-sustaining by 2015: Current status

- Board of Directors sustainability planning ongoing; coordinating with state agencies
- Outline of plan and budget in 2-3 weeks
- Federal grant extension request only partially approved
- “Grandmothered plans” policy extension through 2016 will reduce enrollment
- ACA innovation waiver not available until 2017

Be self-sustaining by 2015:

Keys to achieving a good sustainability plan:

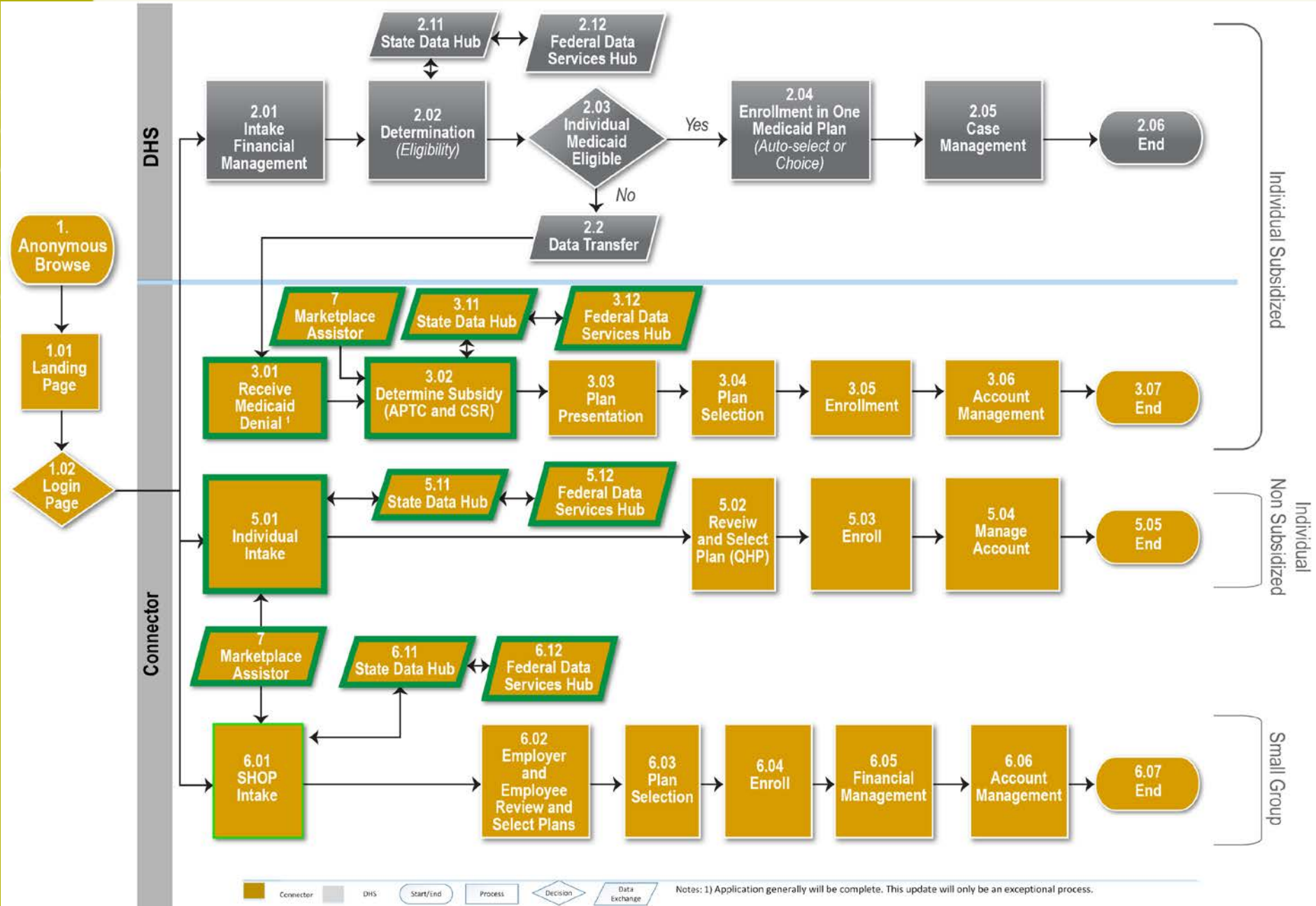
- Reduce operating costs and unnecessary services
- Protect Prepaid Health Care Act
- Continue to enroll the uninsured
- Continue providing ACA tax subsidies only available through the Individual Marketplace
- Coordinate with the State, Consumers, Insurers, Brokers and Agents, and Healthcare Providers
- Leverage remaining federal funds to improve Hawai'i's systems for universal coverage

Be self-sustaining by 2015:

Possible solutions under consideration:

- Unify Medicaid and Connector application and eligibility systems into a single system

Applications and Eligibility Determinations



Be self-sustaining by 2015:

Possible solutions under consideration:

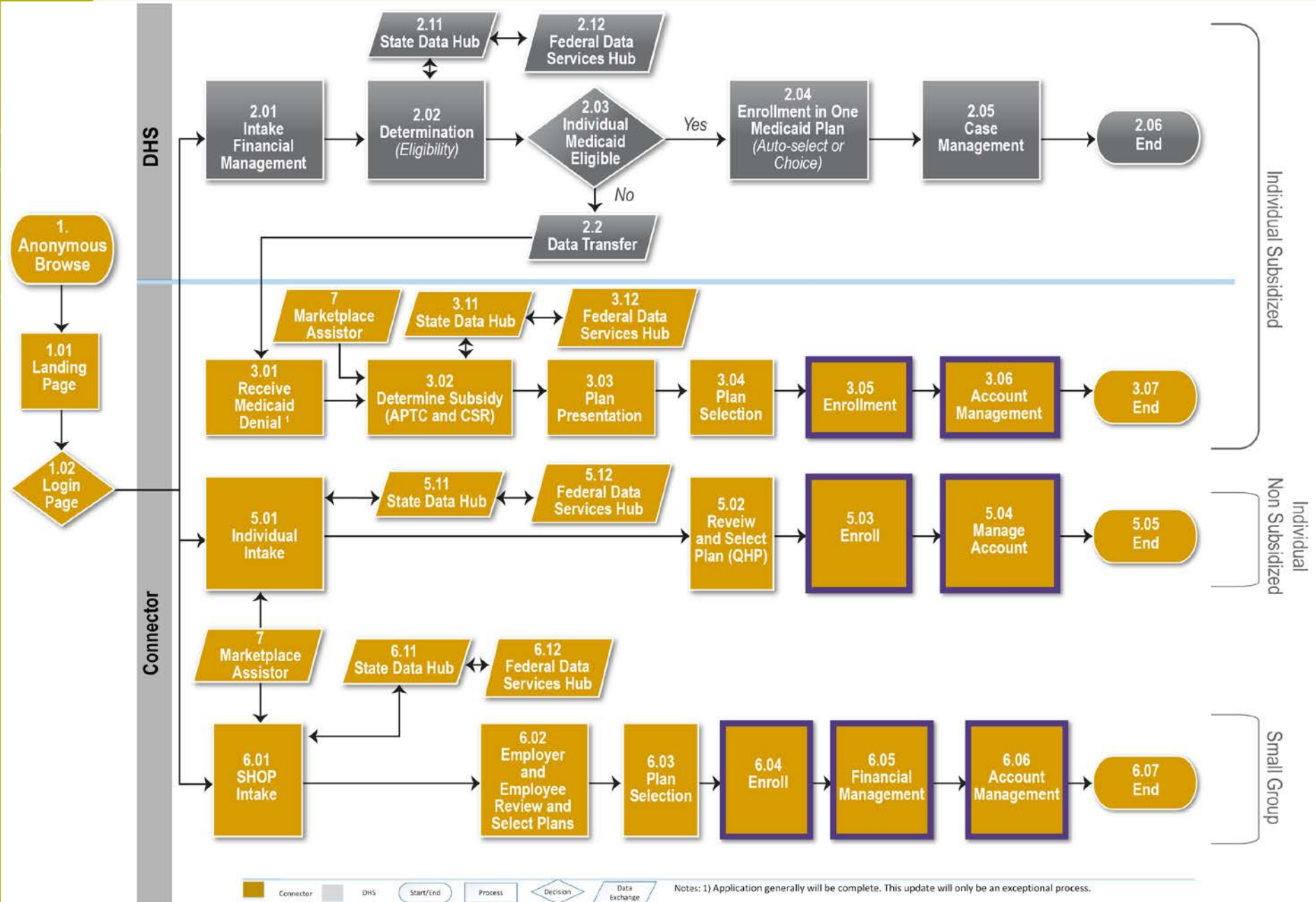
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Be self-sustaining by 2015:

Possible solutions under consideration:

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- After the applicant selects a health plan, the Insurers complete the enrollment process (“Kayak” model)

Enrollment and Financial Management



Be self-sustaining by 2015:

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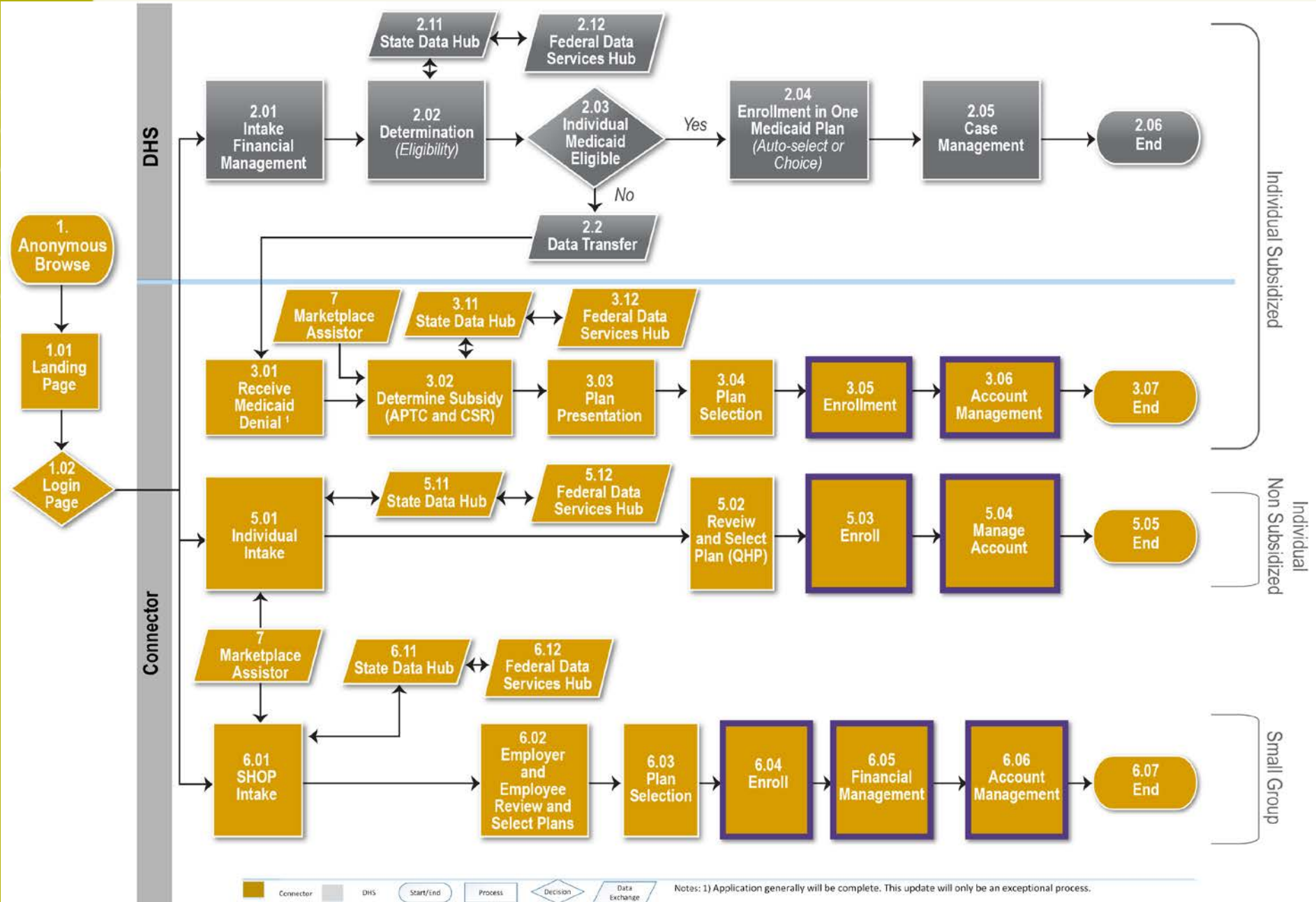
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Be self-sustaining by 2015:

Possible solutions under consideration:

- Unify Medicaid and Connector application and eligibility systems into a single system
- After the applicant selects a health plan, the Insurers complete the enrollment process (“Kayak” model)
- Or - Connector maintains enrollment functions as a service and expands enrollment base to large employers when allowed by the ACA in 2017

Enrollment and Financial Management



Be self-sustaining by 2015:

Analysis needed:

- What is allowed under the ACA?
- What is technically feasible?
- What are the cost savings for each model, and what are the trade-offs?
- How can remaining federal grant development funds be leveraged within the grant timeline?
- What are short-term solutions until the Innovation Waiver becomes available?
- What are long-term solutions that we want to implement before the Innovation Waiver?

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State Agency Update on ACA Implementation

- 1. Connector sustainability,
2015-17**
- 2. Other contingencies, 2015-17**
- 3. Innovation waiver planning,
2017 and after**

Requirements

- **Preserve Prepaid**
- **Be scaled to Hawaii's needs**
- **Be cost-effective, sustainable**
- **Meet ACA requirements**

Contingency Planning

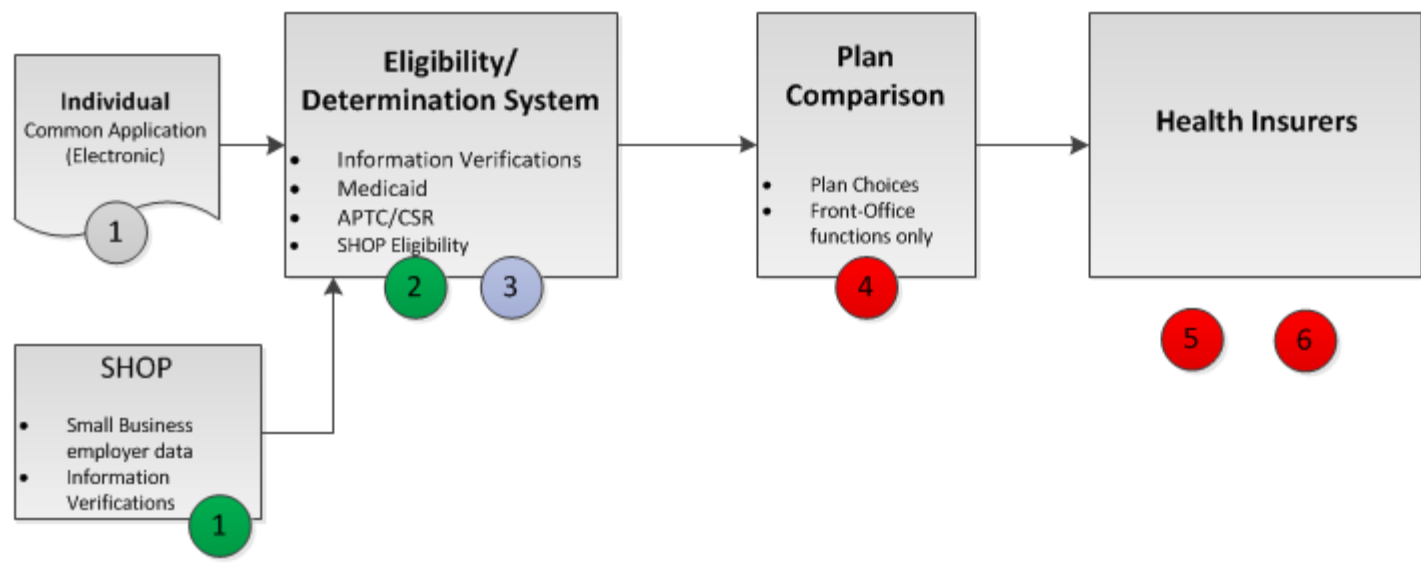
- Federally-facilitated exchange?
- Partnership exchange?
- State-based exchange?

Connector Sustainability

- Reduce operating costs
- One system for Medicaid/APTC determination
- Effective SHOP options
- Meet ACA requirements

Potential Models: (Conceptual diagrams only)

SBM Model A – “Kayak” Model
(More system functions performed at insurers)

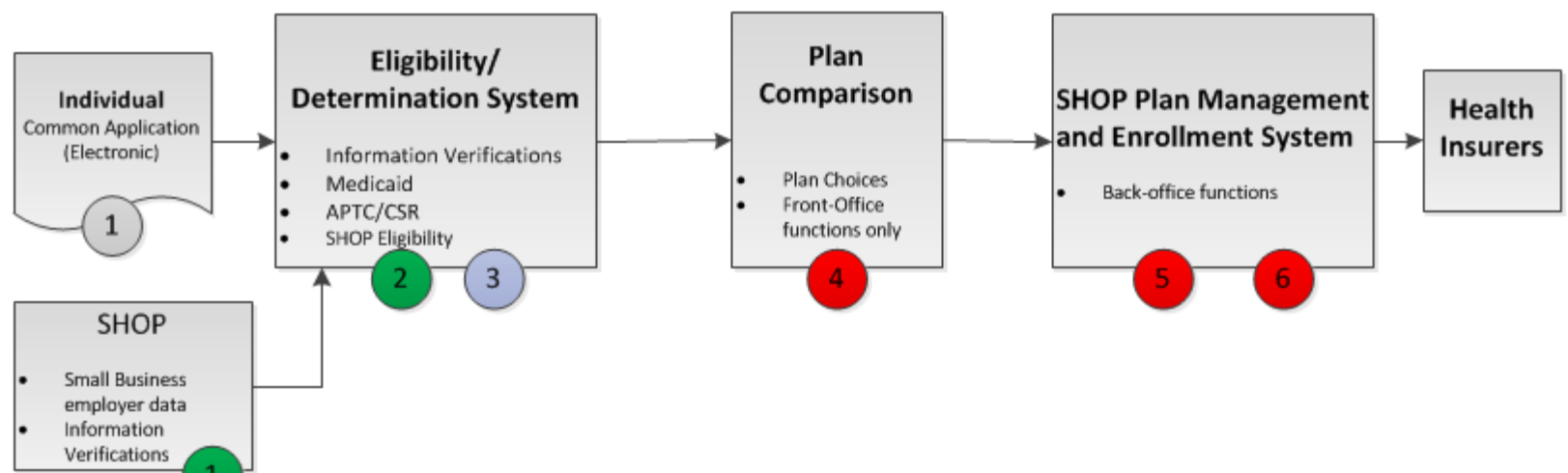


Key:

- Minor reconfiguration of existing capacity
- Reconfiguration of existing capacity
- Complex Reconfiguration or New Build

Note (5)(6) for SHOP:
Requires significant decisions on systems and enrollment; may require Federal waiver for “Direct Enrollment”

SBM Option B – “Orbitz” (More system functions performed at HIX & State)



Considerations

- **Which functionality best fits short- and long-term needs?**
- **Which is most sustainable?**
- **Which meets ACA requirements?**

2017 Innovation Waiver

- Opportunity to re-examine and align health coverage.
 - Enrollment
 - Benefits
 - Providers, models
 - Payment strategies

2017 Innovation Waiver

- **Benefits, cost, availability at least as good**
- **Budget neutral**
- **Can be combined with Medicaid & Medicare waivers**
- **Public input**
- **State laws in place**

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