



# MNsure Overview

Board of Directors Meeting

May 17, 2013

April Todd-Malmlov  
MNsure Executive Director



# Overview

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**What is MNsure**

**Exchange requirements**

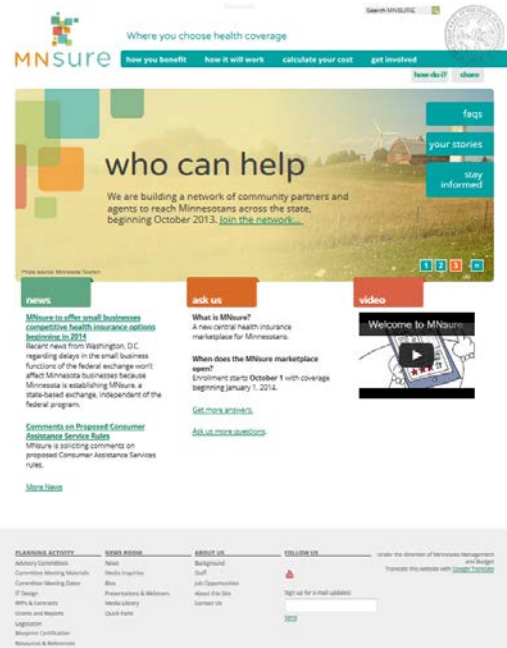
**Progress to date**



# What is MNsure

# What is an Exchange - MNsure?

A new marketplace where Minnesotans can find, compare, choose, and get quality health care coverage that best fits their needs and budget.



# Why an Exchange? Why MNsure?

Subject of ongoing dialogue in Minnesota since 2006

Provision within the federal **Affordable Care Act (ACA)** enacted in March 2010

State-based Exchange signed into law by Governor Dayton in March 2013



# Why MNsure?

Simple One-Stop Shop

Easier for individuals to search, select and enroll, easier for small employers to administer, and streamlined access for public /private coverage

Choice

Individuals and employees of small businesses can pick from among multiple quality plans that best fit their needs

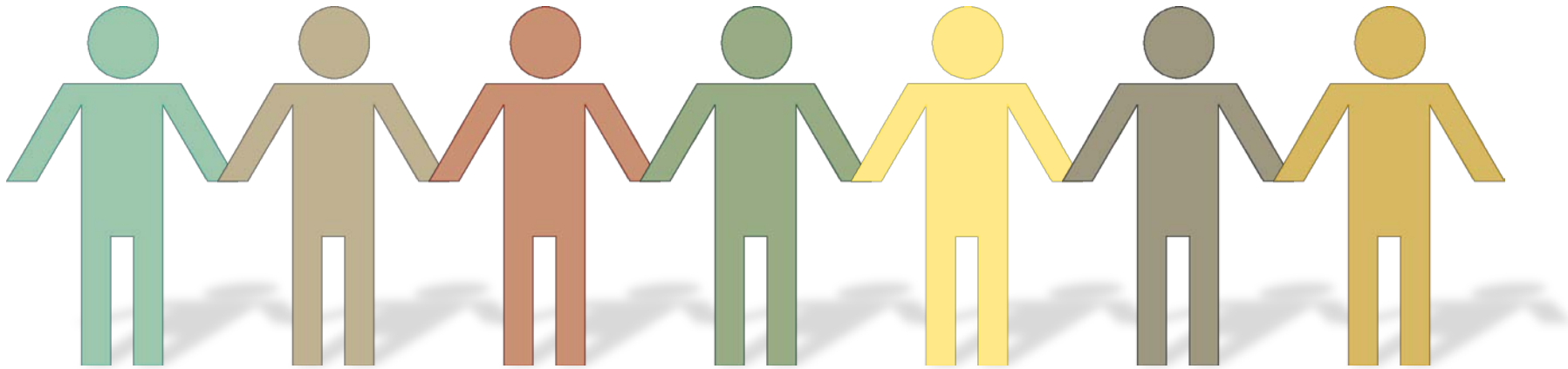
Affordability and Value

Financial assistance and greater market incentives for competition and innovation on cost, quality, satisfaction, etc.

Comparable Information

Consumers can find easy to use, comparable information on plans and providers

# Who will MNsure serve – Over 1 million Minnesotans projected by 2016



**Individual Consumers –  
300,000**

**Small Businesses and  
Employees – 150,000**

**Medical  
Assistance/MNCare –  
850,000**

# Who will MNsure serve?

- **Individuals**
  - Those seeking individual market coverage
  - Tax credits available from 100% to 400% FPL to limit second lowest cost “silver plan” premiums from 2.0% to 9.5% of income
  - Tax credits available to those without “affordable” employer coverage (employee share of premiums above 9.5% of income) and those not eligible for public programs
- **Medical Assistance and MinnesotaCare**
  - Medicaid Assistance: Adults below 138% FPL, kids under 275% FPL
  - MinnesotaCare: Adults between 138% and 200% FPL
- **Small Employers**
  - < 50 employees through 2015, < 100 employees starting 2016
  - Tax credits for < 25 employees below \$50,000 average wage
  - State option for larger employers starting in 2017



# Enrollment and Ramp Up Estimates

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- **2014 Estimates Compared to 2016 Full Implementation Projections**
  - Individual Market: 35% to 60%
  - Small Group: 8% to 25%
  - Medical Assistance: 90%
  - MinnesotaCare: 70%

# Exchange Requirements

# Exchange Functional Requirements



- Provide one-stop shop including a call center and website
- Ensure health insurance plans meet market wide and exchange specific standards
- Provide comparative information on health benefit plans, costs, quality, and satisfaction using a standard format
- Provide assistance online, by phone, and by mail
- Facilitate “real-time” eligibility and enrollment
- Determine eligibility for individual and employer tax credits, Medicaid, and coverage requirement exemptions
- Process appeals for determinations
- Establish a “Navigator” program
- Consultation with stakeholders
- Additional functions for small employers: Employee choice (“defined contribution”) and premium aggregation
- Comply with numerous federal oversight, auditing, and reporting provisions

# Federal Benchmarks

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## **Blueprint Certification Application**

**November 2012**

**Described readiness to perform exchange activities and functions for states seeking approval to operate a state-based exchange**

**Conditional Approval Received**

**December 20, 2012**

**Certification Documents and Approval Notification**  
**<http://www.mn.gov/hix/planning-activity/certification/>**

# Exchange Approval Requirements

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- 1.0 Legal Authority and Governance
- 2.0 Consumer and Stakeholder Engagement and Support
  - Includes stakeholder consultation, Tribal consultation, outreach and education, call center, website, Navigators and Agents/Brokers
- 3.0 Eligibility and Enrollment
- 4.0 Plan Management
- 5.0 Risk Adjustment and Reinsurance
- 6.0 Small Business Health Options Program (SHOP)

# Exchange Approval Requirements

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- 7.0 Organization and Human Resources
- 8.0 Finance and Accounting
- 9.0 Technology
- 10.0 Privacy and Security
- 11.0 Oversight, Monitoring and Reporting
- 12.0 Contracting, Outsourcing and Agreements

# Progress To Date

# Governance

HF5 / SF1 introduced  
January 10, 2013

Heard and  
passed in 18  
House and  
Senate  
committees

More than  
100  
amendments  
offered

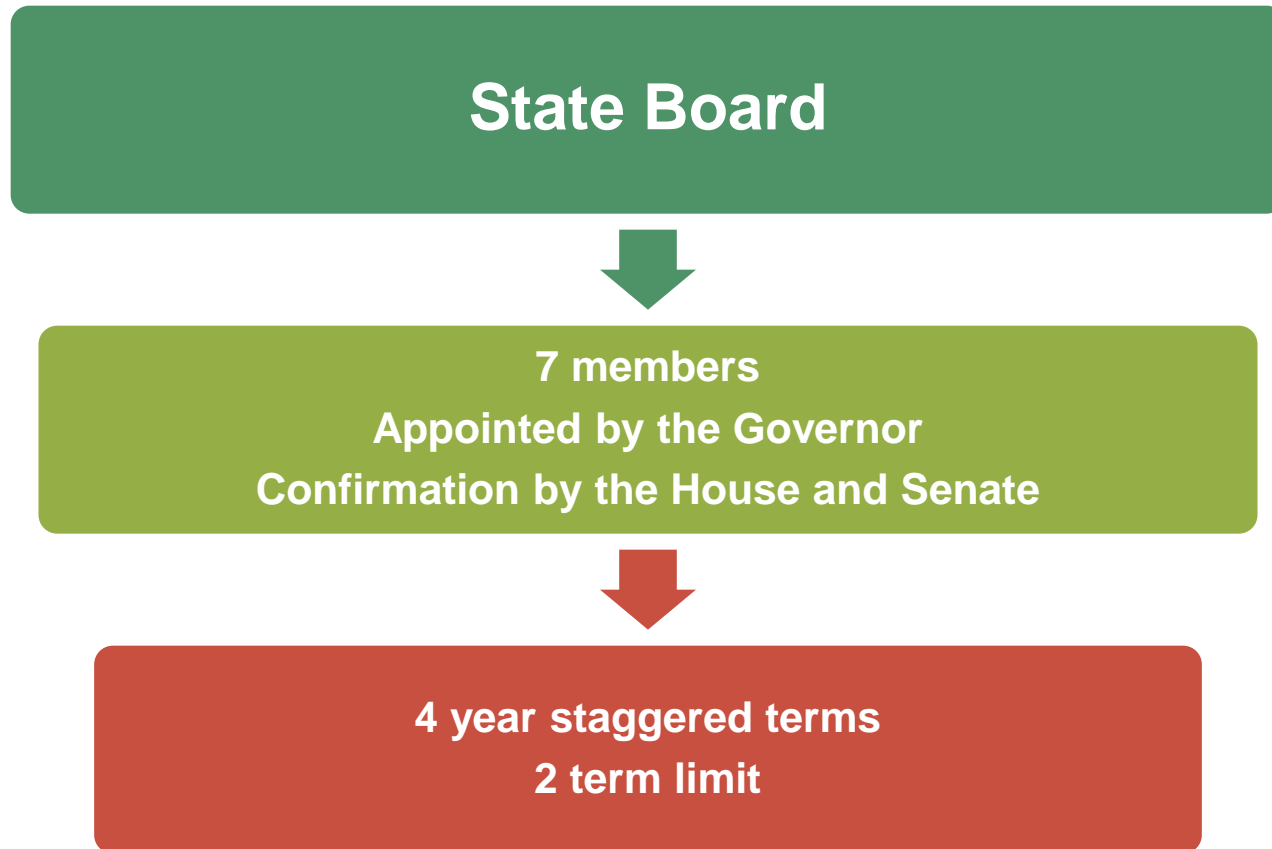
Over 100  
hours of  
debate

MNsure legislation enacted March 20, 2013



# MNsure Governance

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# Stakeholder Engagement

## **Advisory Task Force** 15 members

Provide guidance on issues related to the development of a health insurance marketplace for Minnesota

## **Technical Work Groups** 200+ members

Provide technical assistance on specific issues to the Advisory Task Force

- Adverse Selection
- Finance
- Governance
- Individual Eligibility
- IT and Operations
- Measurement and Reporting

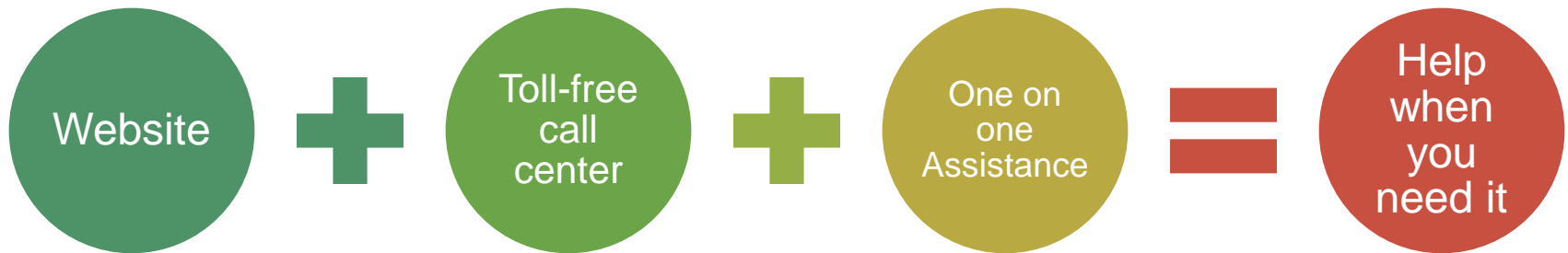
- Navigators and Agents/Brokers
- Outreach, Communications & Marketing
- Plan Certification
- Small Employers and Employees
- Tribal Consultation

# Stakeholder Engagement

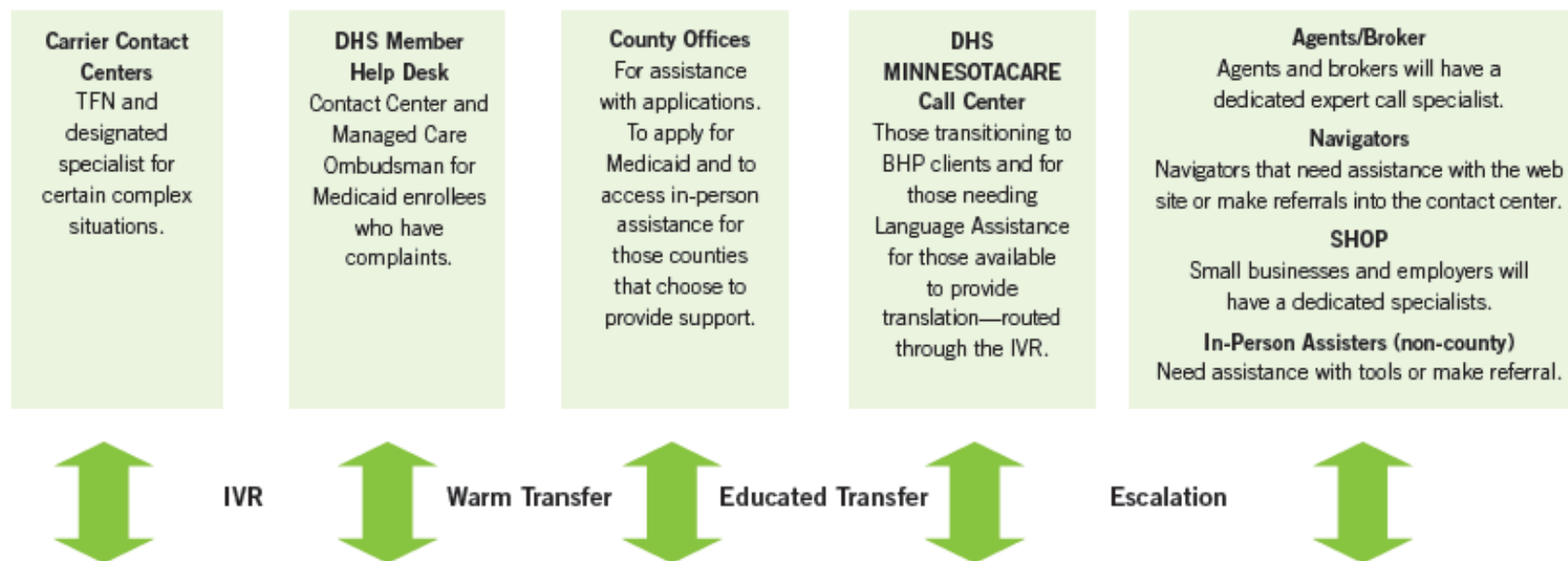
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- Stakeholder Consultation: MNsure statute specifies the creation of stakeholder advisory committees
- Tribal Consultation: Existing consultation policy will need to be updated
- Outreach, Education, and Marketing: Multifaceted campaign ramps up this summer

# Consumer Assistance Network



# Health Insurance Customer Service Framework



## Health Insurance Exchange Contact Center

### Tier 1— Main Phone Line

- Web chats
- Response to emails
- Language Line
- Unique accessibility and accommodation requests/service delivery
- Robust IVR to route calls.

### Tier 2—Second Line Specialist

- Up to seven specialists who handle enrollment issues for complex situations (pharmacy and families with multiple needs or approaches)
- Understand the tax credit, Handle agent/broker concerns.
- Complaint handling and appeals.
- Second level review issues for escalation to carrier.
- Will include SHOP specialists for small businesses and employers

## Health Insurance Exchange Front Door

# One On One Assistance

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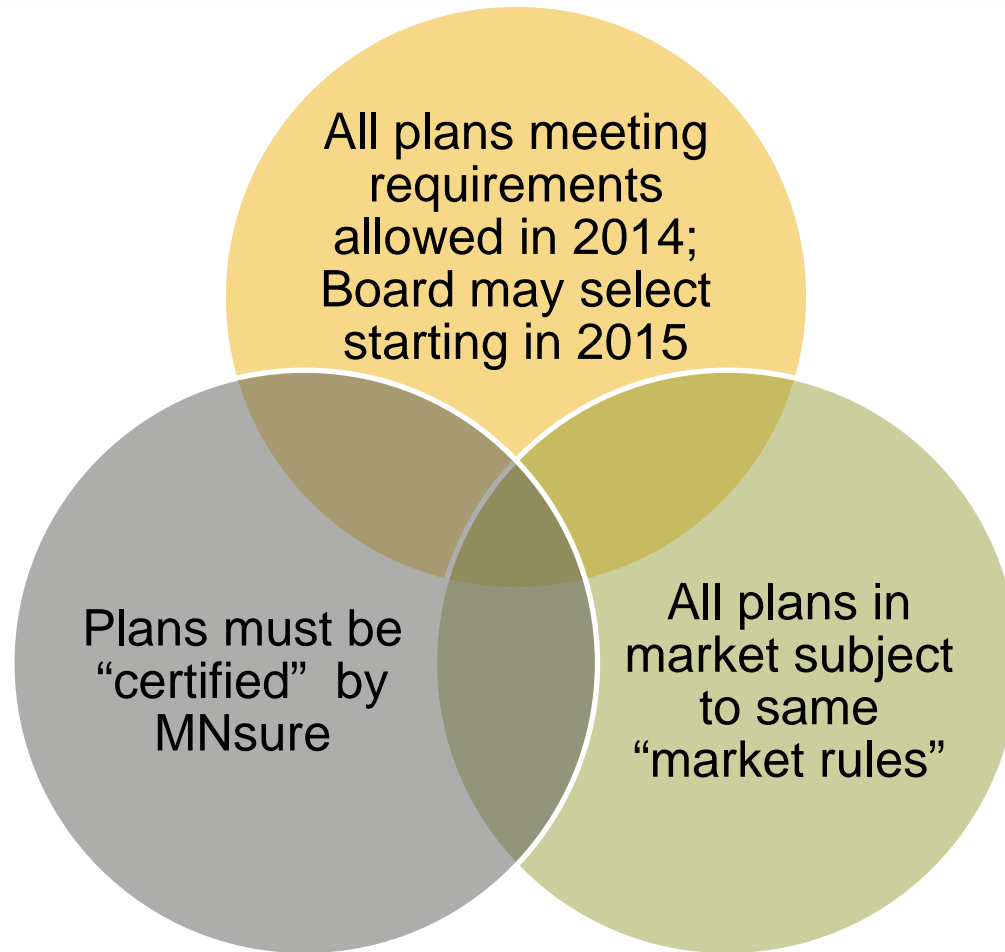
- Four types of one on one assisters:
  - Navigator
  - In Person Assister
  - Certified Application Counselor
  - Agent/Broker
- April 29<sup>th</sup> rules described programs for assisters:
  - Participation requirements
  - Responsibilities
  - Training requirements
  - Compensation structure

# Eligibility and Enrollment

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- Same experience for private and public coverage:
  - Same eligibility rules
  - Same process/application
  - Same appeals process
- Real time eligibility and enrollment:
  - No waiting for underwriting
  - Caseworker facilitation not required – self service

# Plan Management





# Market Rules



- **Benefit, Rating, and Issue Rules:** Apply to all individual and small group plans inside and outside the Exchange not “grandfathered”
  - **Benefit Rules:** Must provide essential benefits and fit an actuarial level (Bronze, Silver, Gold, Platinum, or “Catastrophic”); small group deductible limits \$2,000/\$4000
  - **Rating and Issue Rules:** Premium variation based on health status prohibited. Rating variation limited to tobacco use (1.5:1), age (3:1), geography, and family composition. Guarantee issue. No pre-existing condition limitations
- **Premiums:** For the “same plans” inside and outside Exchange must be the same
- **Open Enrollment:** Applies inside and outside Exchange

# Plan Certification

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- Marketing criteria
- Network adequacy requirements
- Accreditation
- Disclosure of information
- Implementation of a quality improvement strategy
- Utilization of a standard format for comparing plan options
- Utilization of a uniform enrollment form/process
- Health plan offering of at least 1 “Silver” and 1 “Gold” plan
- Multi-state plans within 4 years – potentially different rules
- Plans may start filing the end of March and must file by mid May to participate in October 1, 2013 open enrollment

# Plan Selection

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- MNsure legislation allows for selection of plans starting in 2015
- To be selected, insurers must:
  - Comply with all market rules
  - Apply to offer plans in all metal levels and markets the insurer offers coverage outside MNsure
  - Not operate under a separate license of the parent company than they operate outside MNsure

# Plan Selection

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- Plans may be selected based on the following:
  - Affordability
  - Quality and value
  - Promotion of prevention/wellness
  - Promotion of initiatives to reduce health disparities
  - Market stability and adverse selection
  - Meaningful choices and access
  - Alignment with state/private sector purchasing/payment reforms
  - Other criteria deemed appropriate

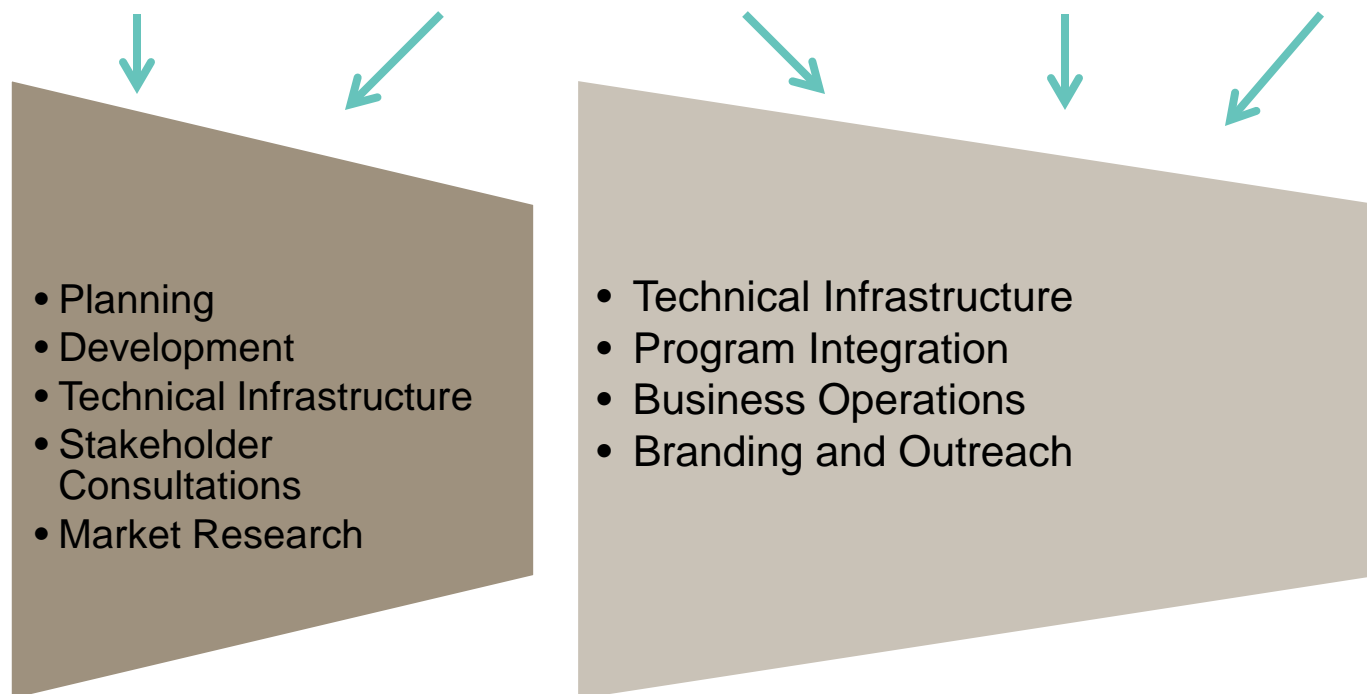
# SHOP

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- Small Employer Health Options Program
- Employer and employee choice options
  - Employer picks one plan for all employees
  - Employer can pick multiple plans for employee choice
  - Defined contribution towards all plans or smaller set of plans
- Defined contribution
  - Employer selects benchmark/reference plan
  - Employer determines contribution by percentage or equal employee payment
  - Employer determines employee choice options
- Participation (75%) and contribution (50%) requirements for selecting any plan year month
  - Requirements waived Nov 15Dec 15

# Grant Funding

|  |  |   |   |  |
|--|--|---|---|--|
| Federal Grant of<br>\$1 M<br>February 2011 | Federal Grant of<br>\$4.2 M<br>August 2011 | Federal Grant of<br>\$23.3 M<br>February 2012 | Federal Grant of<br>\$42.5 M<br>August 2012 | Federal Grant of<br>\$39.3 M<br>January 2013 |
|--|--|---|---|--|

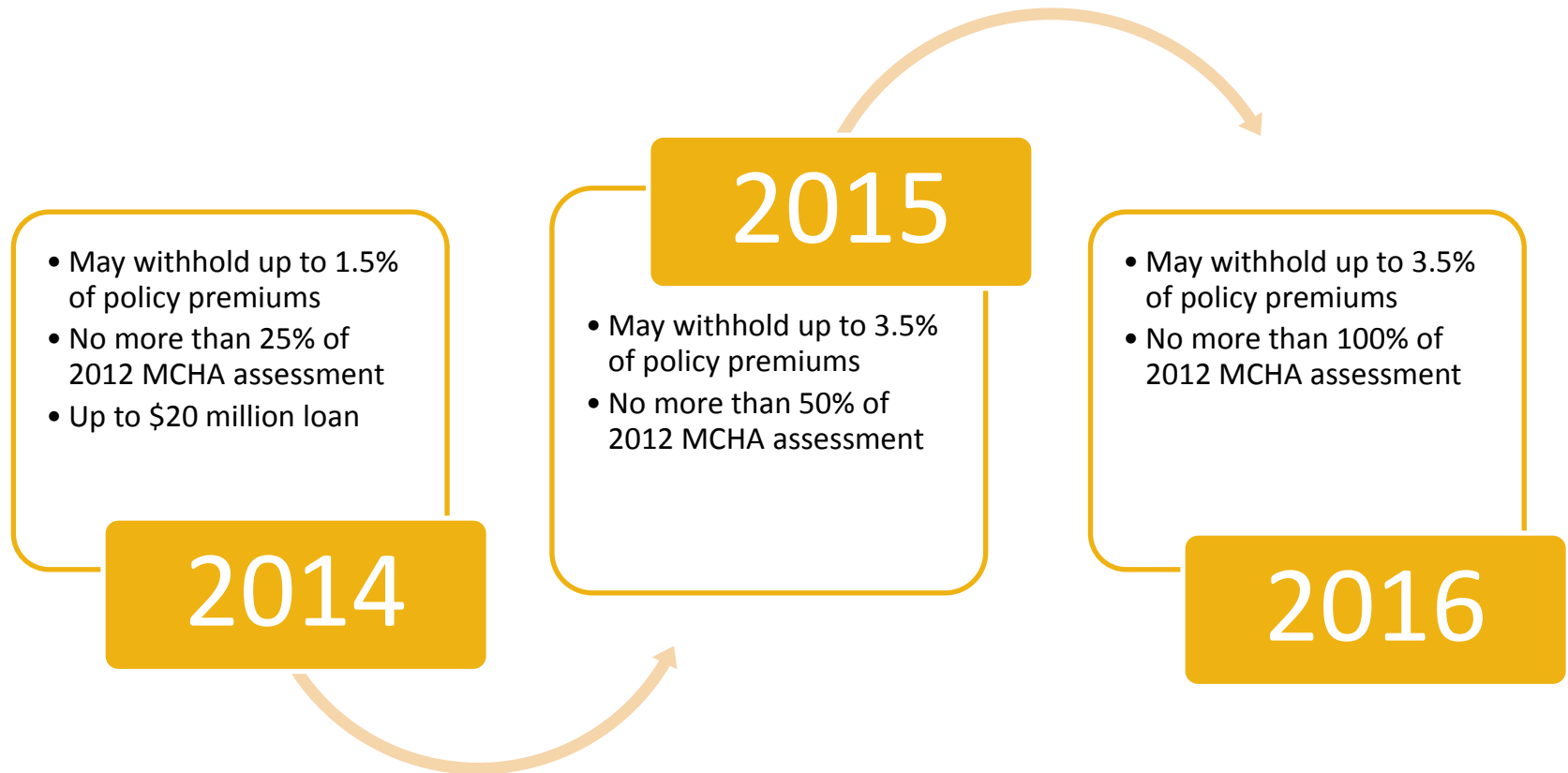


# Current Funding

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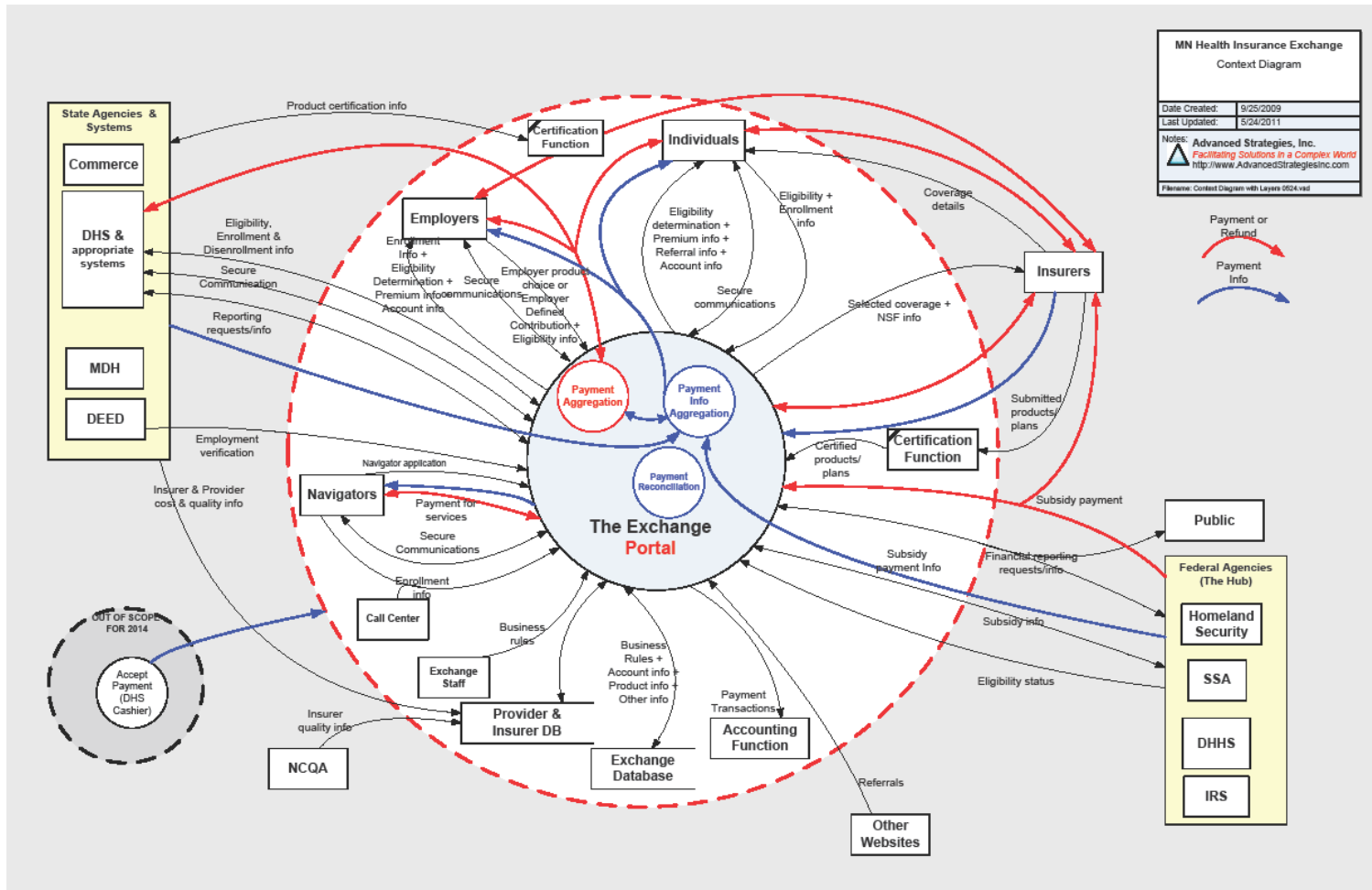
- Federal Grants
  - Total Awards: \$110 million
  - Spent through April 2013: \$33 million
  - Encumbered through April 2013: \$17 million
  - Remaining: \$60 million
- Medicaid Cost Allocation (includes state and federal share)
  - Total Awards: \$55 million
  - Spent through April 2013: \$25 million
  - Encumbered through April 2013: \$16 million
  - Remaining: \$14 million

# MNsure Financing





# MNsure Functionality and Interactions



# System Development

## MAXIMUS®

HELPING GOVERNMENT SERVE THE PEOPLE®

Project oversight, business requirements analysis and documentation, integrated testing oversight and exchange reporting.



## System Integration

Including QA, identity management, event tracking and security.



Module 1 -  
Individual Eligibility  
and Exemption

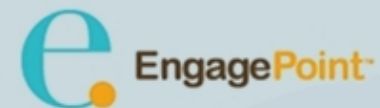
Module 2 -  
Individual  
Enrollment



Module 3 -  
Small Employer  
Eligibility and  
Enrollment

Module 4 -  
Health Benefit Plan and  
Navigator/Broker  
Certification and Display

Module 5 -  
Provider Display








Module 6 -  
Fund Aggregation  
and Payment

Module 7 -  
Account  
Administration

# The User Experience

Helps to design a user experience that is responsive to people's different needs, desires and expectations.

|   |  |  |   |  |
|---|--|--|---|--|
|  <p><b>Passenger</b><br/>Get it done for me</p> <p>How they want to engage: Hands-off</p> <p>How they want to feel: Unburdened</p> <p>What they're willing to give up: Control for convenience</p> |  <p><b>Apprentice</b><br/>Hold my hand</p> <p>How they want to engage: Hands-on</p> <p>How they want to feel: Like they're doing the right thing and making appropriate decisions</p> <p>What they're willing to give up: Speed, convenience, and flexibility</p> |  <p><b>Manager</b><br/>Keep me posted</p> <p>How they want to engage: Only when needed for oversight and approval</p> <p>How they want to feel: Confident and well represented; that their time is used effectively</p> <p>What they're willing to give up: A certain degree of control over the process</p> |  <p><b>Engineer</b><br/>Get out of my way</p> <p>How they want to engage: Detail by detail</p> <p>How they want to feel: Equipped to make decisions and changes when necessary</p> <p>What they're willing to give up: Very little</p> |  <p><b>Assister</b><br/>How can I best help you?</p> <p>How they want to engage: Meet consumers where they are</p> <p>How they want to feel: Like they're providing a valuable service</p> <p>What they're willing to give up: Many of the easier cases</p> |
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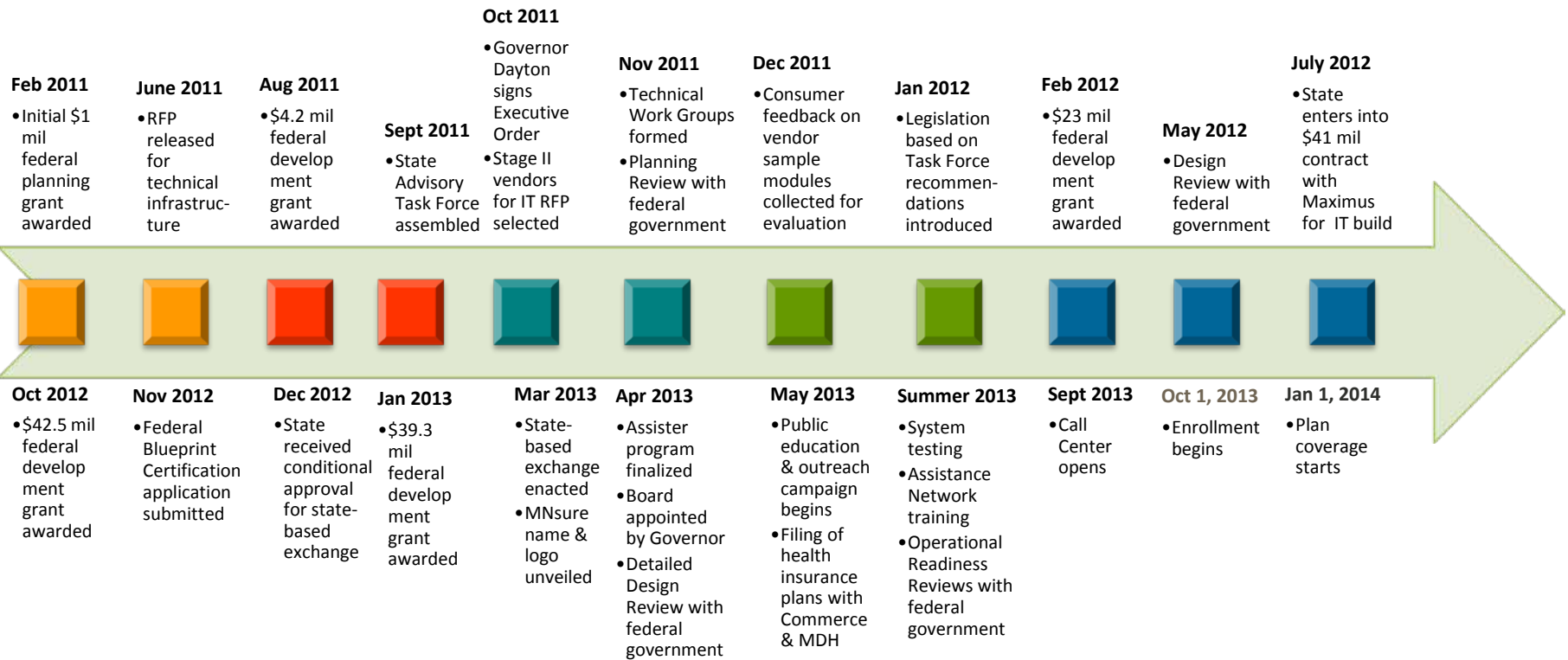
ENROLL 2014 **UX** WELCOME TO COVERAGE

# Privacy, Security, and Oversight

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- State
  - Legislative auditor
  - Open meeting law
  - Chapter 13 data practices plus additional requirements
  - Legislative Oversight Committee
  - Reports to Legislature
- Federal
  - Grant, IT, and Operational Readiness reviews
  - Annual reporting and audits
  - Independent Verification and Validation (IV&V) audit
  - Compliance with all federal privacy and security standards (IRS Federal Tax Information requirements, identity proofing, multifactor authentication, etc.)

# MNsure Milestones



# Questions?

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