

# Health Industry Advisory Committee (HIAC)

April 28, 2016

# HIAC Welcome & Introductions

2:30 – 2:40 pm

# HIAC Public Comment

2:40 pm – 2:45 pm

# Minutes from February 24, 2016

## HIAC Meeting

2:45 pm – 2:50 pm

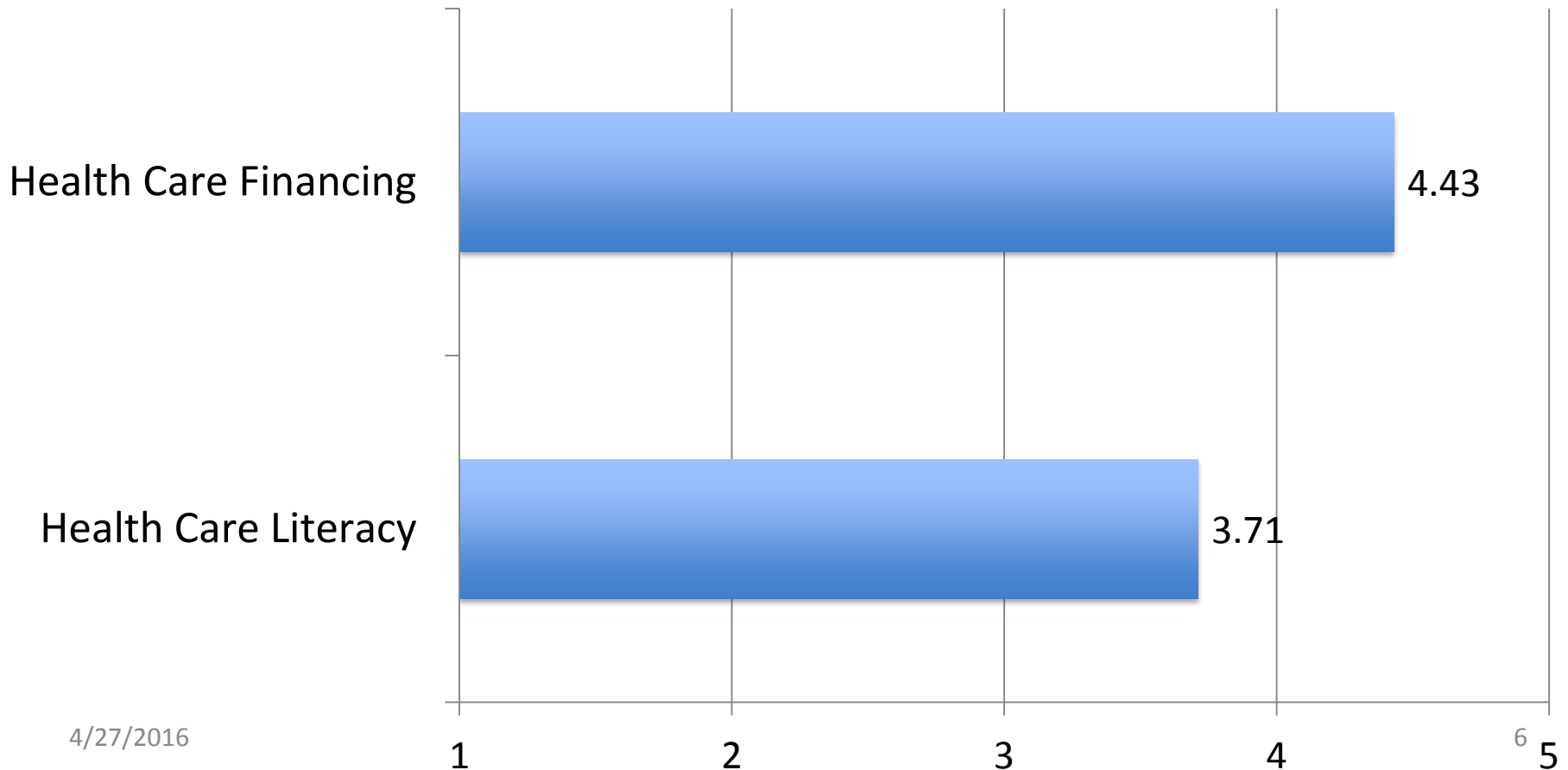
# HIAC Evaluation – March 24, 2016 Joint CSEAC/HIAC Meeting

2:50 pm – 2:55 pm

7 HIAC respondents – 47% rate\*  
Need 100%

# HIAC 3.24.2016 Evaluation

How would you rank the effectiveness of the discussion items?



## HIAC March 24 Meeting Evaluation

### Q2 Please contribute any ideas you would like the HIAC to consider for our discussions related to HEALTH LITERACY.

Answered: 4 Skipped: 3

#	Responses	Date
1	The idea of reviewing MNSure communication through this lens would be good.	3/28/2016 2:40 PM
2	MNSure's role in health literacy should be limited to literacy of health insurance not health care. The discussion in the meeting was much broader than our scope.	3/25/2016 1:50 PM
3	I would like to see oral health/ dental be a part of the project	3/25/2016 11:18 AM
4	I had to dial in and could not see the financing presentation. I followed along a bit with what was sent out. No complaints, that's just how it worked out.	3/25/2016 10:53 AM

## HIAC March 24 Meeting Evaluation

### Q3 Please contribute any options you would like the HIAC to consider related to MNSure Financing and Sustainability.

Answered: 5 Skipped: 2

#	Responses	Date
1	All options should still be considered. As of now, I don't believe I am in favor of having the plans pay for the funding. In addition, I wonder if some of it can be funded by a user fees from the actual users. No additional general fund or taxes on people not using MN Sure should be considered. I am also in support of a "wait and see" approach following the election of 2016.	4/4/2016 6:50 AM
2	Tom did a nice job presenting but his math was not correct. The individual market would have to be \$2 billion for his number to work and they are about 1/2 that amount.	3/28/2016 2:40 PM
3	We should try to find a way to identify the MNSure costs that are related to QHPs vs other products. Costs associated with QHP services should continue to come from the plan premium tax. Other costs should be funded by DHS or the general fund.	3/25/2016 1:50 PM
4	The HIAC should continue to work, and take public, its recommendations for sustainability (or transition to healthcare.gov).	3/25/2016 11:18 AM
5	Would LOVE to re-visit the financing presentation and people involved. VERY topical	3/25/2016 10:53 AM



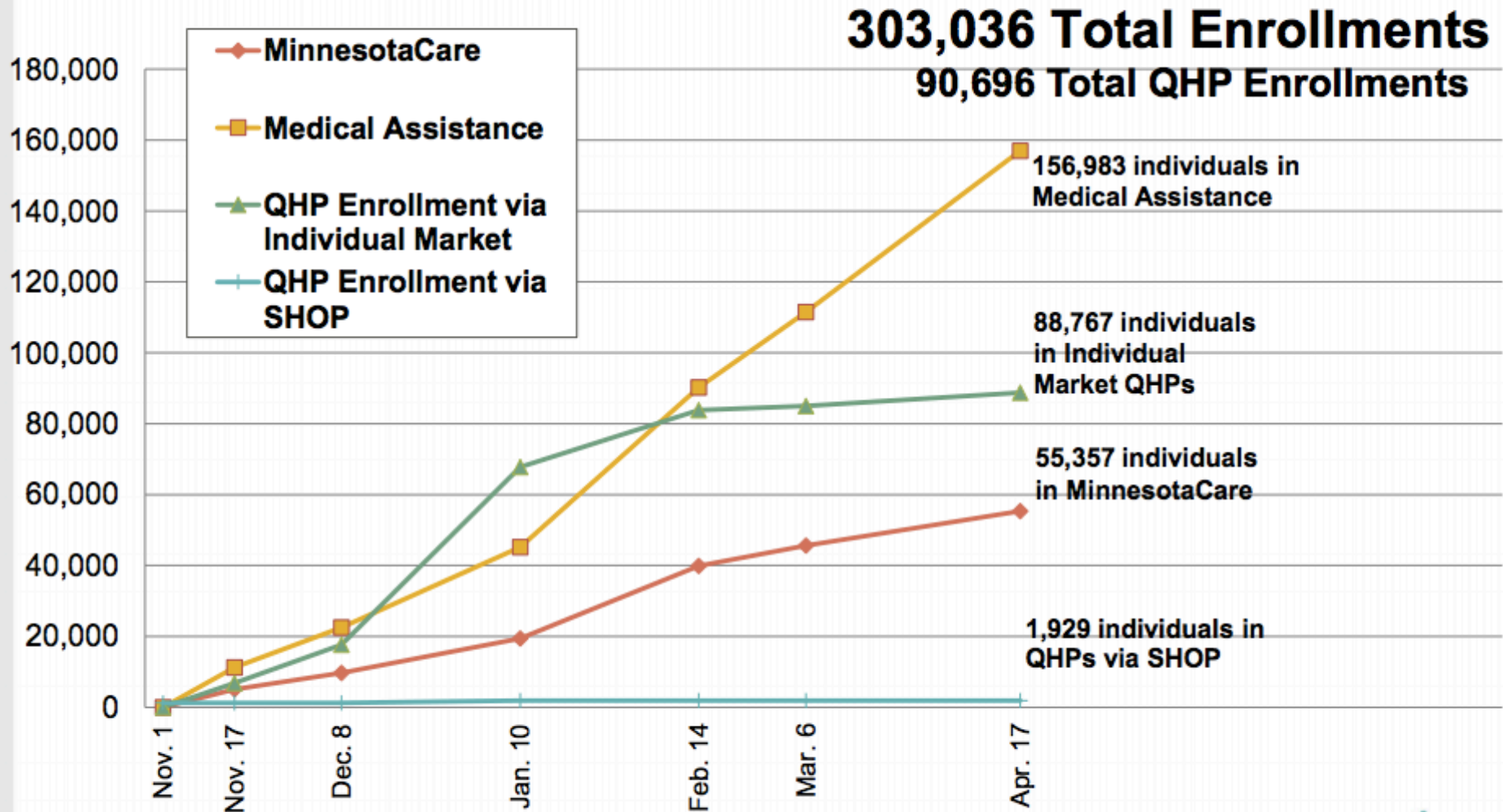
# MNsure Board & Staff update

2:55 pm – 3:15 pm

Latest Enrollment Data  
MNsure Board Liaison & Staff Report

# Enrollments by Program

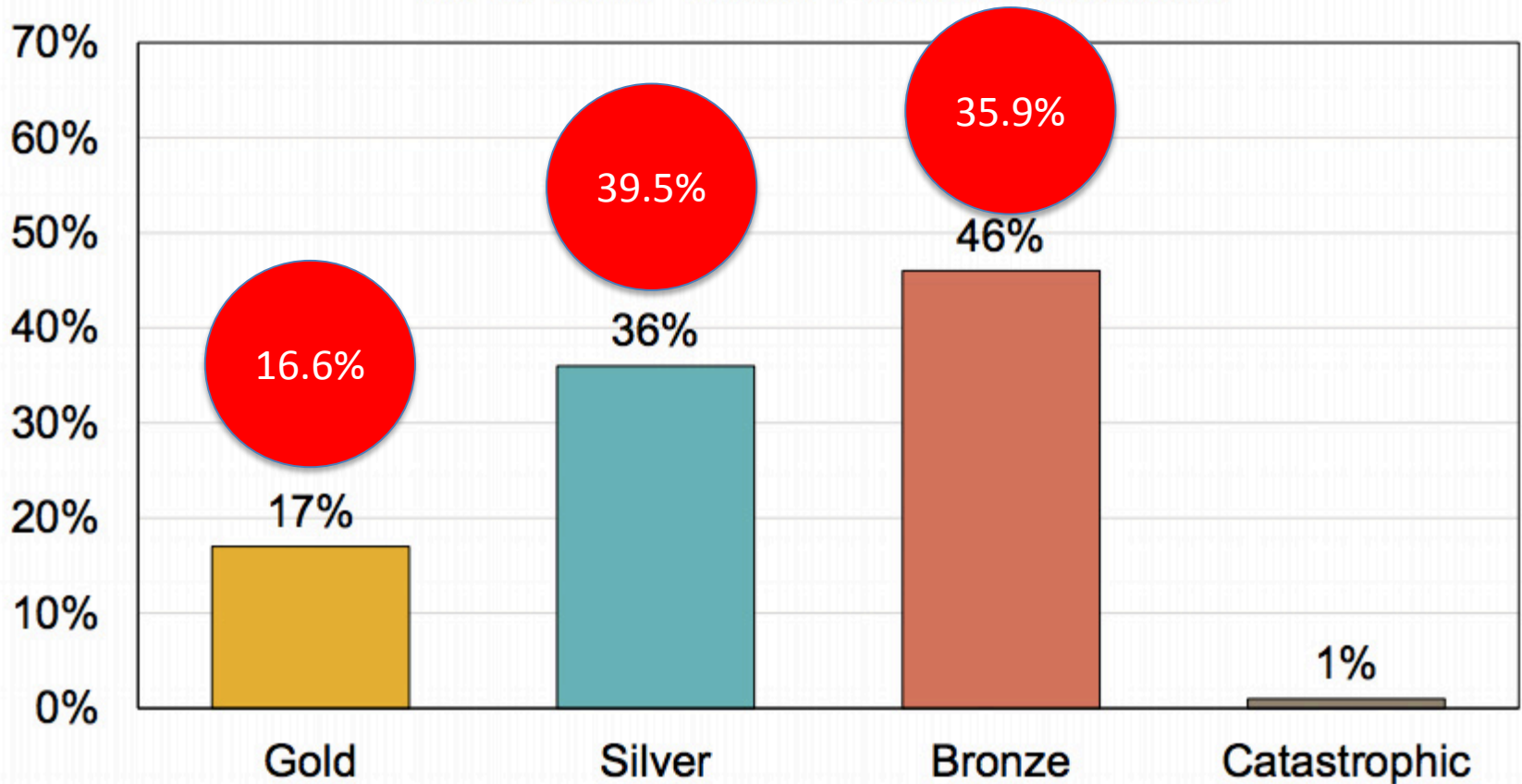
## November 1, 2015 – April 17, 2016



Program enrollment began at zero for all programs except SHOP starting November 1, 2015.

# Individual Market: Metal Levels November 1, 2015 – April 17, 2016

## 2016 QHP Metal Level Selection



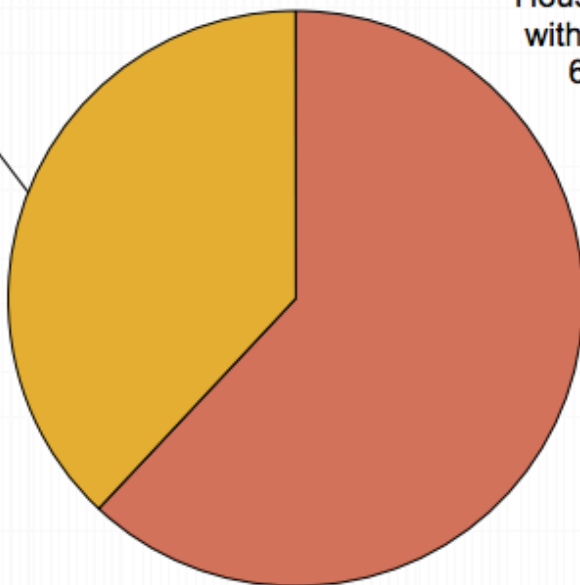
Note: Data reflects all QHP enrollment except SHOP enrollment.

# QHP Households Receiving Financial Help

## November 1, 2015 – April 17, 2016

### Advanced Premium Tax Credit subsidies

Households without APTC 38%

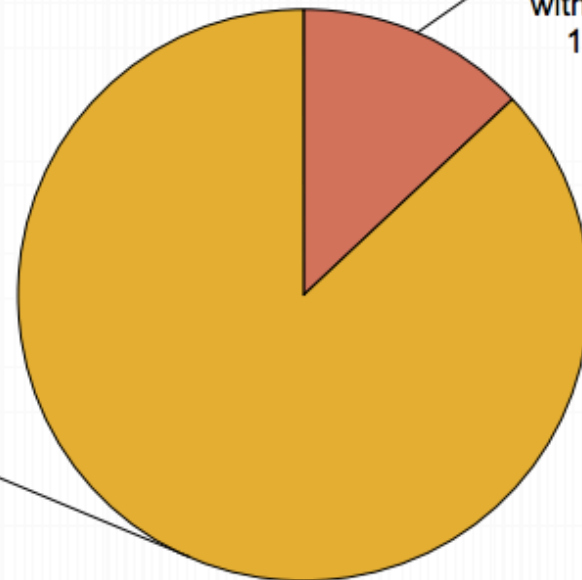


Households with APTC 62%

53%

### Cost Sharing Reduction subsidies

Households with CSR 13%



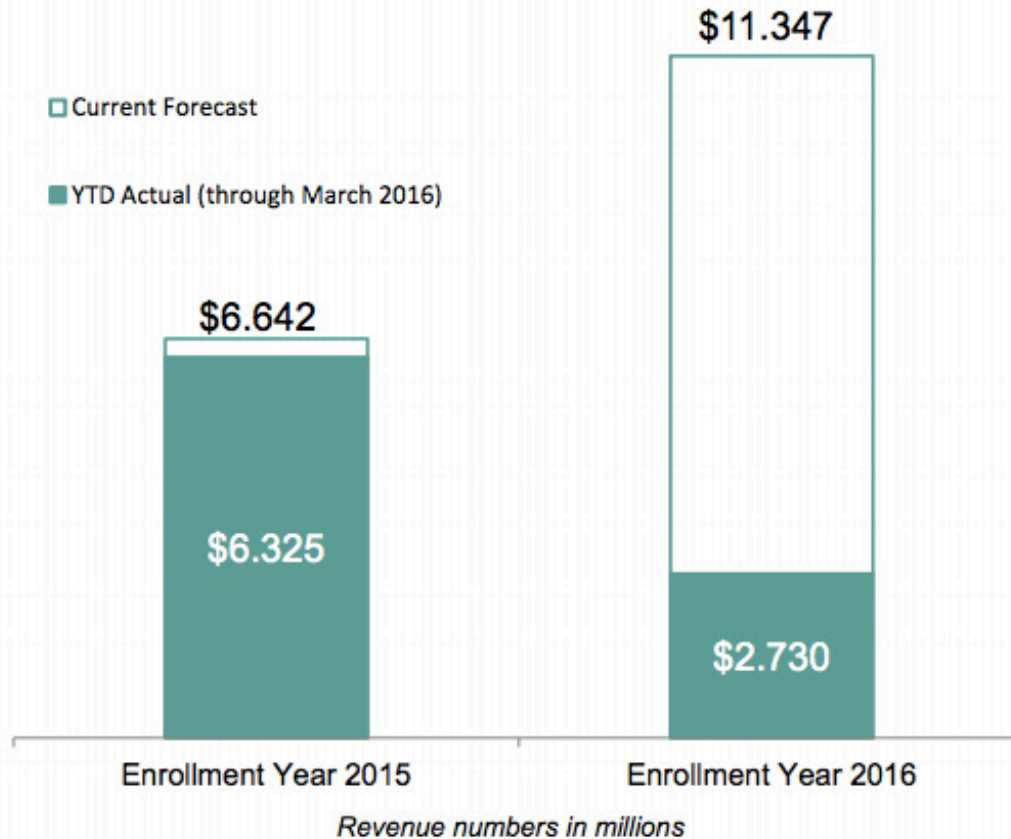
47%

Households without CSR 87%

Note: Data is based off of effectuated enrollment for March 2016. Data reflects all QHP enrollment except SHOP enrollment.

# MNsure Premium Withhold Revenue

## Forecast and YTD Actual



Note: EY16 forecast is based on preliminary budget passed at March 9, 2016 MNsure Board meeting. Numbers are subject to change.

# 2016 IT Release Plan: Project Status

Work Incomplete
Work Completed
Work Currently Underway
Work in Planning Phase
Work Scheduled for Scoping/Planning

★ = Change in Status	⊕ = Project Addition
Ⓢ = Change in Scope	H = Project On Hold
↔ = Change in Timing	XL = "Mega Project"

## Spring Release

Notices, Phase 1
Renewals Functionality
Unique Person ID / ID Matching, Phase 1
METS-MMIS Interface Functionality, Phase 1
PRISM Iteration 2
Caseworker Functionality – Missing Task Functionality
MinnesotaCare Invoicing
1095-B Phase 2
Reporting, Phase 1
METS Data Fixes, Phase 1
Security Enhancements: Compliance & Audits
Security Enhancements: Multi-Factor Authentication enhancements

## Summer Release #1

Periodic Data Match XL
Unique Person ID / ID Matching, Phase 2 H
PRISM Iteration 3 H
Effective Dates, Phase 1 H

## Summer Release #2

Renewal Functionality Improvements – QHP and Public Programs XL S
Notices, Phase 2

## Fall Release

Eligibility System Upgrade (IBM/Curam) XL
Notices, Phase 3
2017 QHP Marketplace Set-up

## Winter Release

Project Selection Under Consideration
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## Off-Cycle Work (Not Aligned with Releases)

Reporting, Phase 2, Phase 3	METS-MMIS Interface Functionality, Phase 2
834 Electronic Interface Testing, Readiness Review, Effectuation, etc.	1095-Plus (CMS)
Manual Electronic Data Interface Effectuation	Reconciliation
1095-SHOP	1095 (2016) Monthly file to IRS
ESOR Graphic User Interface – Phase 2	Special Enrollment Period support
Passive Renewals Support	Open Enrollment Period support
Change Records Data Entry into ESOR	MAXIS to METS Conversion, MAGI population
Federal Poverty Limit (FPL) Medicaid income update	Defect Fixes regarding Medicaid coverage of pregnant / post-partum women and newborns
Enrollment Data: Carrier integration and federal reporting: 1095-A; 1095 IRS & CMS reports; 834 EDI file testing and production; enrollment data reconciliation with carriers; ESOR GUI Phase 2 – manual enrollments.	
METS Data Fixes	

# Immediate Operational Feedback Loop

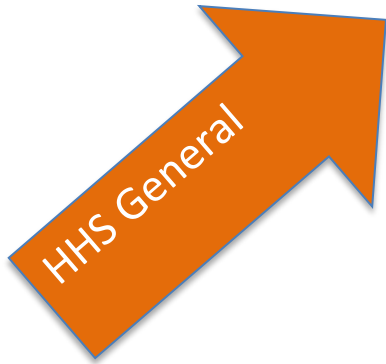
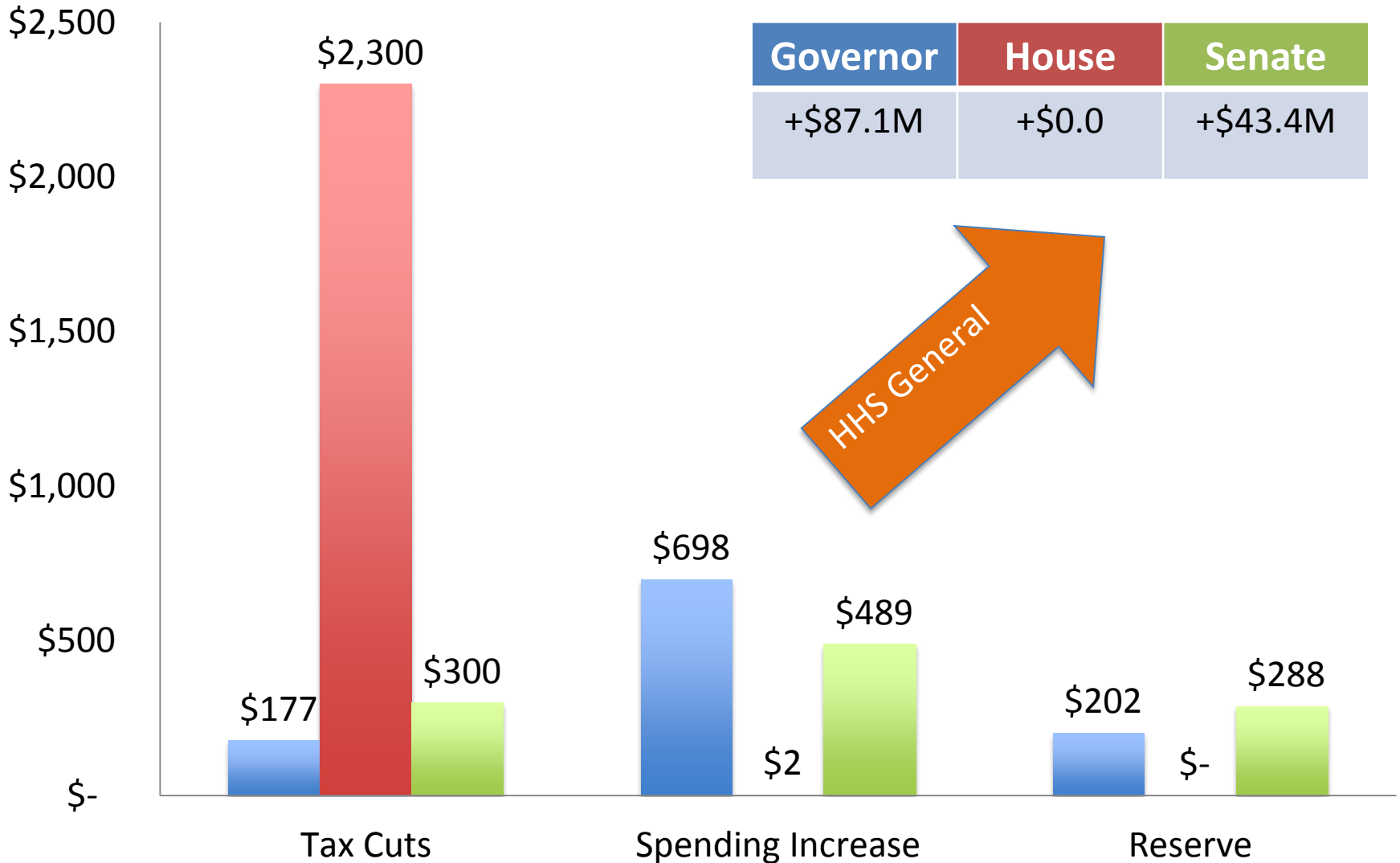
3:15 pm – 3:30 pm

# 2016 State Legislative Scan MNsure Related Items

3:30 pm – 3:45 pm



# Comparing Governor, GOP House, DFL Senate Plans for Surplus (\$s in millions)



# MNSure Operations Funding Proposals

## SENATE – HHS Article 2

- Collect up to 3.5% of total premiums sold through MNSure until Dec. 31 2017
- Beginning January 1, 2018, MNSure should collect 1.5% of total premiums sold on and off the exchange for individual health plans and dental plans.
- Cannot exceed 100% collected for MCHA in 2012
  - \$168M (?)

## HOUSE – HF3467

- CY16 = up to 3.5% sold through MNSure
- CY17 = up to 1.75% sold through MNSure
- CY18 = up to 1.75% if independent, 3<sup>rd</sup> party certifies that MNSure meets operational and technical benchmarks\*\*
  - If no, retain up to 1.5%.
- Revenue cannot exceed 60% of funds collected in MCHA in 2012
  - \$101M (?)

# **\*\*House** Operational & Technical Benchmarks

- Transfer data to carriers daily in the EDI834 format completely and accurately
- Automatically process enrollment renewals in QHPs and MHCP
- Automatically process invoices for and payments of MNCare premiums
- Provide self-service functionality for account changes and qualifying life events
- Transmit 1095-A forms to enrollees by 1/31 each year
- Call center response/resolution times met or exceed industry standards

# Eligibility System Executive Steering Committee

- Both the House and Senate establish committee to govern the “shared eligibility system” for MA, MNCare and QHP
- Differences between House and Senate are related to:
  - Membership of Committee
  - Level of specificity of duties
  - Meetings

# House Waivers

1. DHS apply for waiver to: Allow persons eligible for MNCare to decline coverage and use APTC and cost-sharing to buy QHP through or outside MNsure.
  - Commerce Dept. apply for waiver to allow QHP purchase from health plans using APTC and cost-sharing
2. DHS apply for waiver for: a federal-state eligibility determination and enrollments (D&E) system effective 1.1.2018
  - MN DHS conduct D & E for MA and MNCare
  - Federal Exchange conduct D & E for QHP

# Legislative Scan

- Outlook
- Discussion
- Questions

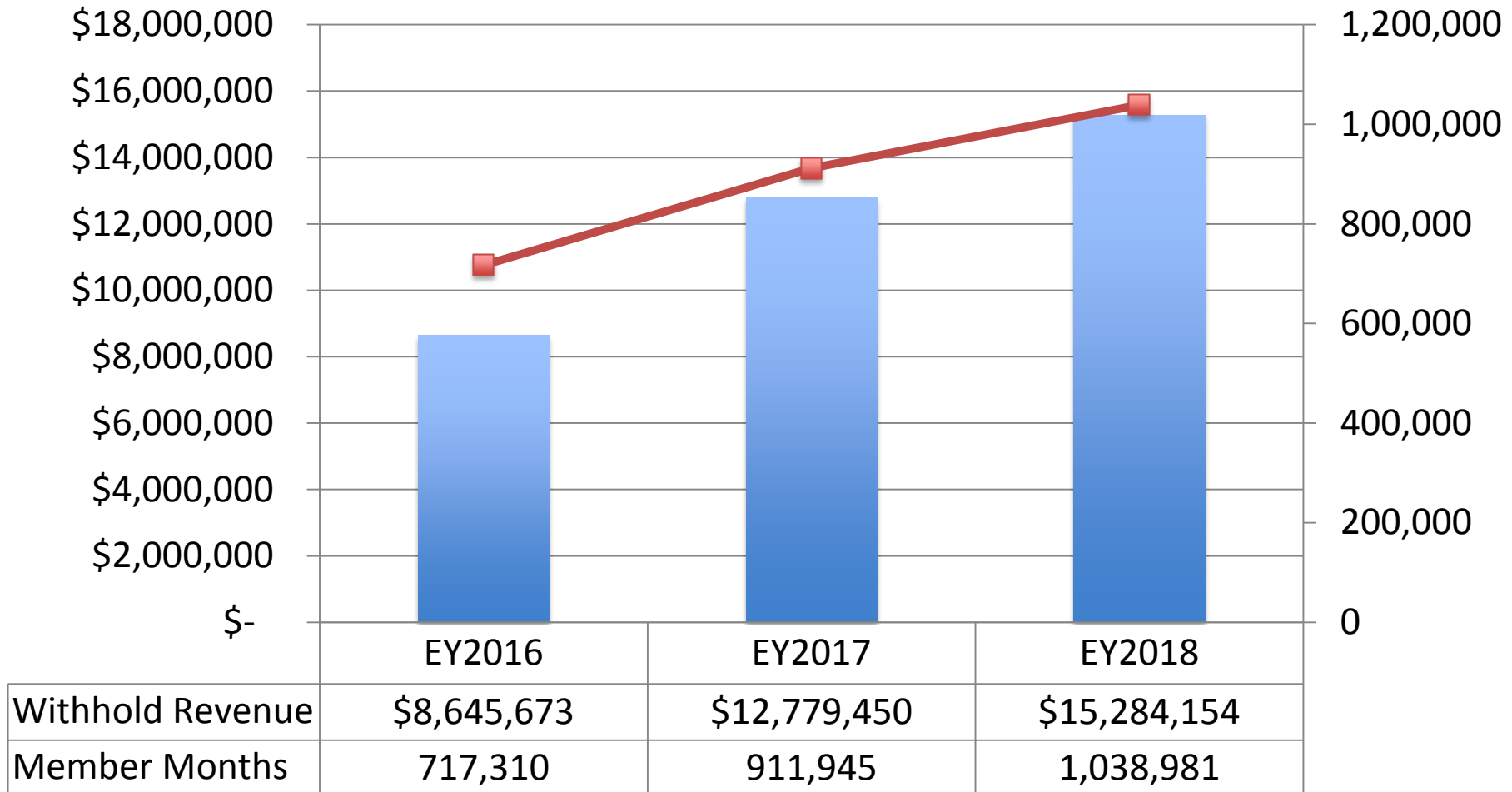
# Policy Recommendation Development – MNsure Financing

3:45 pm – 4:35 pm

GOAL:

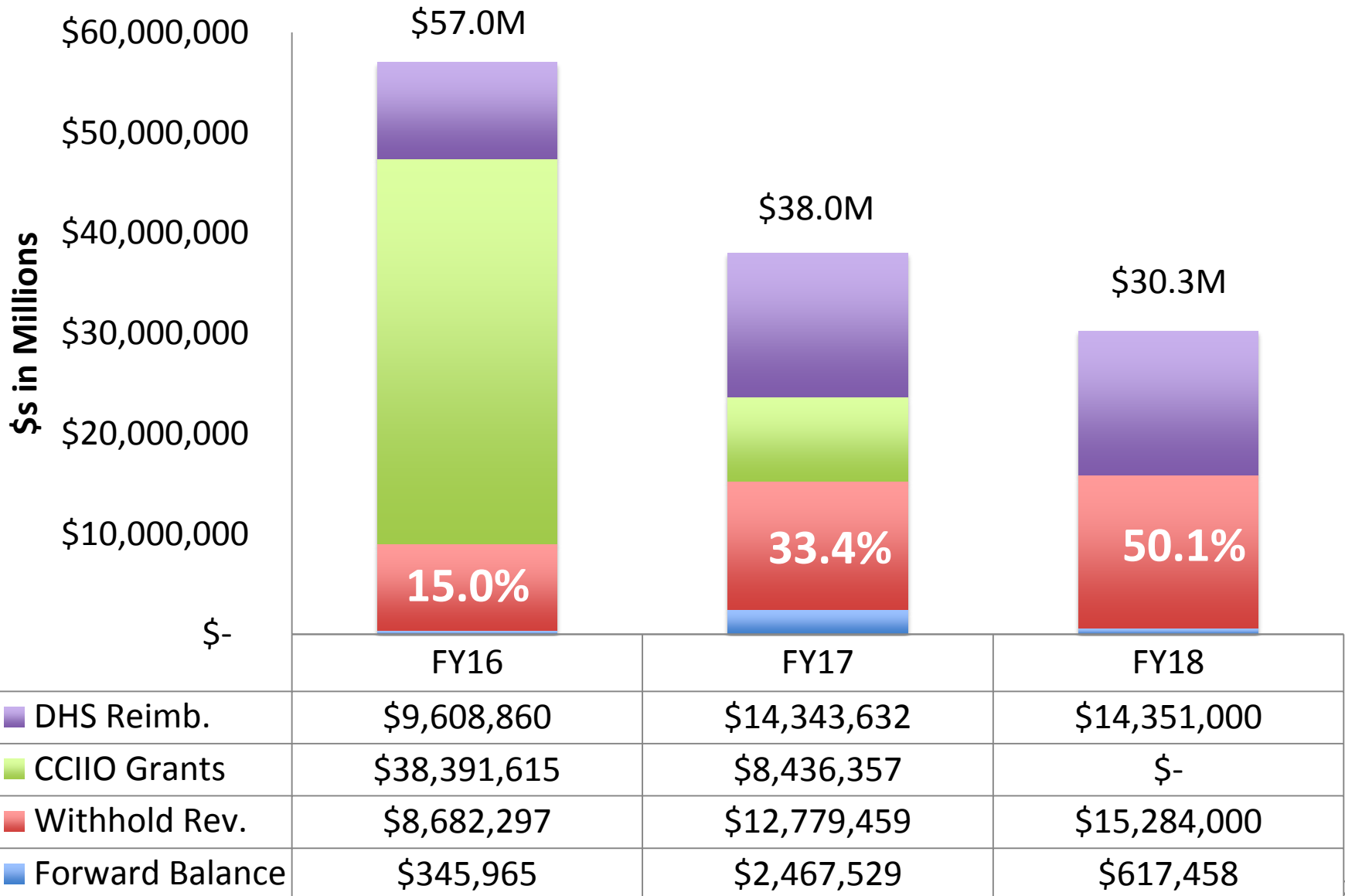
Develop slate of options to consider for  
HIAC recommendations to MNsure  
Board

# Withhold Projections (MNsure Board Meeting 3/9/16)





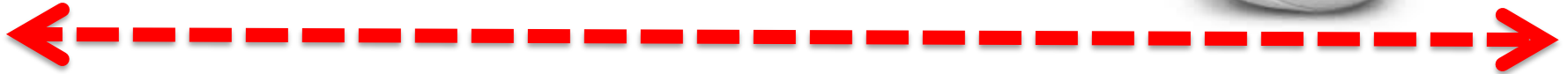
## MNsire Preliminary Three Year Plan (March 9, 2016 MNsure Board Meeting)



# Recap of 3.24.2016 Financing Discussion

- 17 SBM use varying financing mechanisms, sometimes simultaneously
  - % with hold, PMPM, state funding
- 8 SBM assess only on plans offered through exchange
- 5 SBM assess on plans on inside and outside
- MNsure Board member recommendation on lowering assessment to on and off exchange

# Operating Budget Projection \$30-\$35 Million / Year

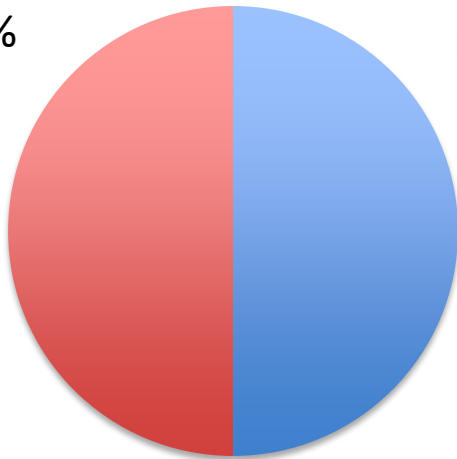


Status Quo

Diversified

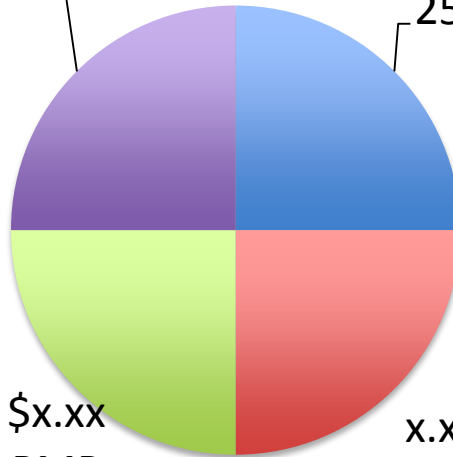
Fed/State

3.5%  
Prem.  
, 50%



DHS,  
50%

GF  
\$,  
25%

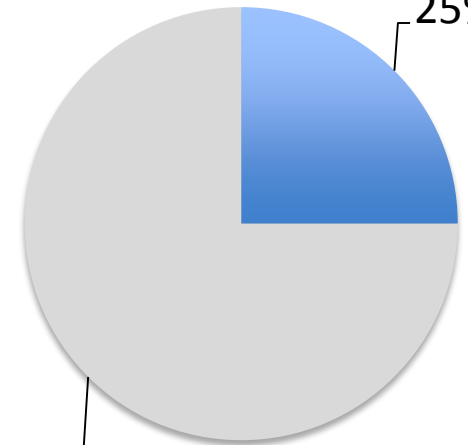


DHS,  
25%

\$x.xx  
PMP  
M,  
25%

x.x%  
Pre  
m.,  
25%

DHS,  
25%



Fede  
ral,  
75%

**Note: Figures are for illustration only**

4/27/2016

# Analysis

- Assess each option with regard to:
  1. Consumer Implications
  2. Financial Implications for MNsure
  3. Policy Implications
  4. Market/Industry Implications
  5. Other Implications?

# Recommendation Structure

- Option Description
  - *1.25% assessment on and off Exchange + \$3.31 PMPM*
- Estimated Revenue
  - *\$18.2 million annually*
- Pros
  - *Reduces assessment*
- Cons
  - *Restricts health plan choices*
- Number of Supporters/Ranking
  - *Ranked as 4<sup>th</sup> out 7<sup>th</sup> options.*

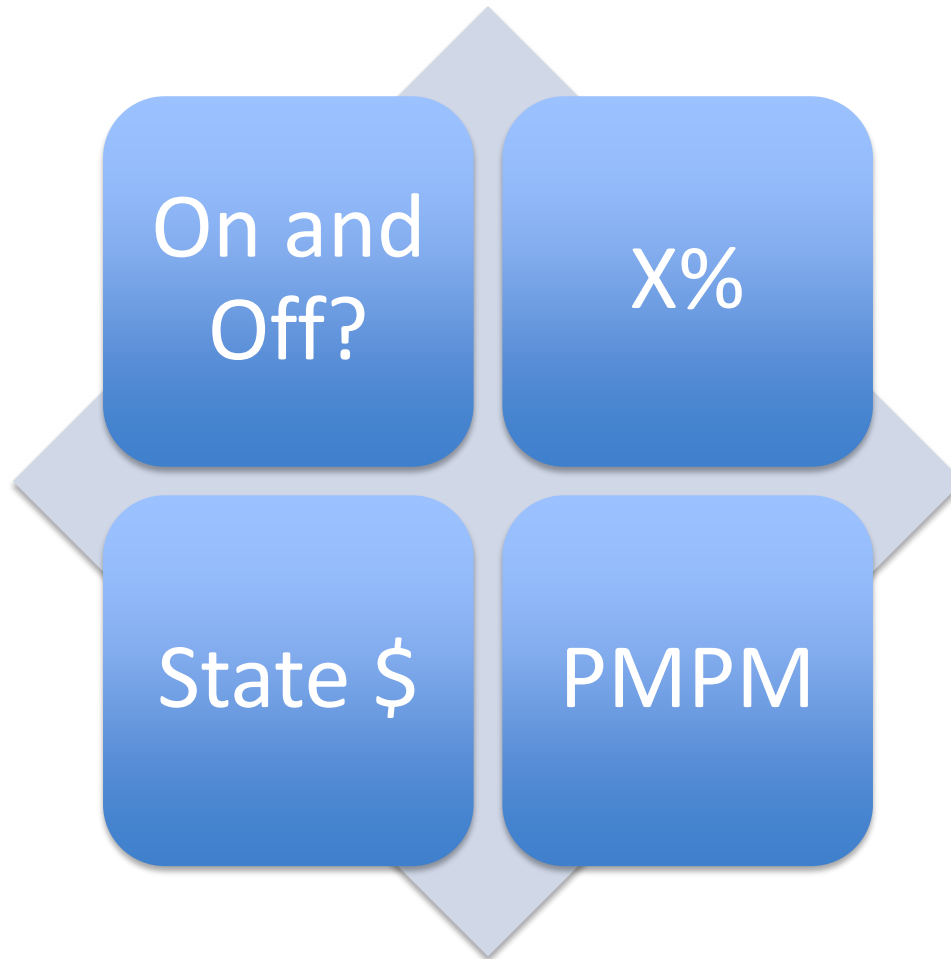
# Approach #1

1. Status Quo (3.5% On Exchange)
2. Reduced assessment On and Off Exchange
3. Combination of PMPM and % Assessment on Exchange
4. Combination of PMPM and % Assessment On and Off Exchange
5. PMPM On Exchange
6. PMPM On and Off Exchange
7. State Appropriation Only
8. State Appropriation + PMPM + % Assessment
9. State Appropriation + PMPM
10. State Appropriation + % Assessment
11. Federal Exchange
12. Others



4 – 5  
Options

# Approach #2



# Action Steps

- Develop list of options (narrow to 4-5? by Summer)
- Run analysis of options with goal of generating \$30 million in revenue
  - Need data source to evaluate \$ impact – Commerce Dept.?
- Survey members on pros and cons of options
- June meeting – inventory of options and analysis
- Summer – Discussion/Refinement of Options
- Fall – Recommendation/rankings of options forwarded to MNsure Board



# Policy Recommendation Development – Health Literacy

4:35 pm – 4:55 pm

## GOALS:

Launch Workgroup with CSEAC  
Develop slate of options for Joint  
Recommendations to MNsure Board

# Next Meeting Date & Topics

June 2, 2016

Continue Financing Discussion  
Continue Health Literacy Discussion  
Other Speakers/Topics