



Evaluation Plan for Vermont's Exchange

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August 13, 2012

Table of Contents

Introduction and Background.....	3
Goals and Key Indicators.....	3
What is the role and scope of the evaluation?.....	4
Exchange Specific Measures.....	4
Pre and Post Exchange Market Measures.....	5
Broad Reform Measures.....	6
What are the effects of the Exchange and health reform on Vermonters?	7
What are the effects on employers?.....	8
How does the Exchange affect the process of obtaining coverage?.....	8
Using Existing Data Sources.....	9
Inventory of Existing Data Sources	10
State Data Sources:	10
Secondary Data Sources:	11
National Data Sources:	11
Strategies for Collecting Key Indicators	12
Budget Considerations.....	14
Staffing.....	14
Data collection.....	15
Summary and Conclusions	15
Appendix I: Goals and Indicators related to Vermont’s strategic plan for Health Reform	17

Introduction and Background

Governor Shumlin has defined a bold agenda for health reform in Vermont. This includes implementing a single payer system of health coverage for Vermonters and controlling the rate of growth in health care costs. The state's current health reform agenda builds on progress already made over more than two decades to expand and improve health insurance coverage in Vermont, improve fairness in the insurance market, and fundamentally redesign and improve the primary care system.

Vermont Act 48 of 2011 creates the framework for Green Mountain Care, Vermont's universal and unified health system, to be implemented as soon as a waiver from the Affordable Care Act is available from the federal government. Vermont's goal for its Exchange is to comply with the Affordable Care Act and use the Exchange as the platform on which to build its universal health care system.

In developing an evaluation plan for the Exchange, the plan must account for the unique features of Vermont's Exchange and its role in advancing the goals of health reform in Vermont. An effective evaluation plan will be a key component of successful Exchange planning, establishment, and operations. In the establishment phase, the evaluation plan will help ensure that project milestones are met. Once the Exchange is operational, the evaluation plan should allow the state and other interested parties to monitor the performance of the Exchange. A robust measurement and evaluation program will provide Vermont with data to demonstrate success, identify issues needing mid-course correction, and continually improve its programs, while working toward its goal of a single payer system.

In this report, we review the key goals for the Exchange, identify key indicators to measure progress toward those goals, inventory existing data sources, suggest strategies to fill gaps in existing data collection, and provide budget estimates to help inform Vermont's decision-making.

Goals and Key Indicators

The goals of the Exchange are closely tied to the goals of health reform in Vermont, which have been laid out in the state's strategic plan.¹ Vermont's health reform goals as defined in the strategic plan are to:

1. Reduce health care costs and cost growth;
2. Assure that all Vermonters have access to and coverage for high quality health care (health care includes mental and physical health and substance abuse treatment);
3. Support improvements in the health of Vermont's population; and
4. Assure greater fairness and equity in how we pay for health care.

During the original development of the evaluation plan, several applicable metrics and data sources were identified to measure progress towards these broad health reform goals in the state. Those original assignments can be found in Appendix I. However, based on feedback from key stakeholders in Vermont, we found that it was important to segregate those goals which could be

¹ Director of Health Care Reform, Agency of Administration, State of Vermont. Strategic Plan for Vermont Health Reform 2012-2014. January 2012. Available at: http://gmcboard.vermont.gov/sites/gmcboard/files/Strategic_plan011612.pdf. Accessed on: March 27, 2012.

applied specifically to the Exchange, for the purposes of a successful Exchange evaluation. Exchange specific goals are laid out in Vermont Act 48². These Exchange specific goals although they tie closely to those outlined in the Strategic plan measures are specific to the Exchange and aim to:

1. Reduce the number of uninsured and underinsured
2. Improve quality of health care
3. Promote health, prevention, and health lifestyles by individuals
4. To contain costs
5. Reduce administrative costs in the insurance market
6. Reduce disruption when individuals lose employer-based coverage

What is the role and scope of the evaluation?

The application of this evaluation framework presents two related challenges. The first is identifying and measuring those changes that are directly attributable to the Exchange. The second is controlling for other state and federal policy initiatives that contribute to meeting the goals of the Exchange. For example, health care costs and the rate of health care cost growth (as measured by premiums) will be influenced by both Exchange-specific factors (merging of risk pools, enrollment by lower-risk individuals) and by other state initiatives such as payment reform and the Blueprint for Health.

The Exchange specific goals defined in Vermont Act 48 present a more focused approach towards evaluation. These more focused goals can be measured in a variety of ways and the varying indicators can be applied at different levels of evaluation, including: (i) measures specific to Exchange performance (ii) measures used in both the pre and post Exchange market, and (iii) those measures which examine the broader reform goals in the State. The second and third categories represent a more expansive evaluation strategy and were separated based on the expressed goals for this evaluation plan by Vermont.

Exchange Specific Measures

There are certain indicators that are specific to Exchange function, and as such are not available for measure prior to implementation. Nevertheless, these measures represent strong indicators of Exchange performance. In the table below, we have outlined several proposed measures that work towards the Exchange specific purposes in Act 48, and, when possible, indicate an existing data source that could be employed as a mechanism for its measurement. There are several measures that will rely on the provision of data from the Exchange. As such, reporting requirements allocated to the Exchange should include much of the measures outlined below.

1. Reduce the Number of uninsured and underinsured	Data Source
Number of Vermonters newly insured through the Exchange	Exchange enrollment data, DFR household survey
Employer take up in SHOP	Exchange enrollment data
2. Improve quality of health care	
Progress against the Quality improvement plans implemented by QHPs within the Exchange	Exchange analysis data

² General Assembly of the State of Vermont. No 48. An act relating to a universal and unified health system. Available at: <http://www.leg.state.vt.us/docs/2012/Acts/ACT048.pdf>

3. Promote health prevention, and healthy lifestyles by individuals	
N/A	
4. To contain costs	
Number of Vermonters receiving premium tax credits or cost-sharing subsidies	Exchange analysis data
Average value of premium credit or subsidy	Exchange analysis data
Enrollment concentration in lowest cost plans	Exchange enrollment data
Annual premium trends within Exchange	Exchange analysis data
5. Reduce administrative costs in the insurance market	
Administrative costs as a percent of premiums paid	Exchange analysis data
Savings relative to predicted spending	GMCB expenditure analysis, Exchange analysis data
6. Reduce disruption when individuals lose employer-based coverage	
Number of Vermonters maintaining coverage through the Exchange but shifting from group to non-group	Exchange enrollment data, Exchange analysis data
How many people maintaining coverage, remained in similar plans	DOL Fringe Benefit Survey, DFR household survey
Of those Vermonters that maintained coverage, how many were able to retain their usual source of care	DFR household survey
Number of Vermonters who lost employer-coverage and qualify for an individual tax credit	Exchange analysis data, DFR household survey

Pre and Post Exchange Market Measures

There are various measures that can be evaluated prior to Exchange implementation as a way to generate a baseline report, and that can continue to be measured and evaluated during Exchange implementation and operation. Many of these measures use data collection methods employed on an annual basis; this yearly analysis should continue as a way to discover and evaluate both positive and negative trends.

1. Reduce the number of uninsured and underinsured	Data Source
Percent of Vermonters covered/insured (full year and point-in time)	DFR Household Survey, ACS, CPS
Percent of Vermonters underinsured	DFR Household Survey
Insurance Coverage Distribution	DRF Household Survey, ACS CPS data
2. Improve quality of health care	
Preventable ER visits	VHCURES, DFR Household Survey
Percent of Vermonters in a Medical Home	Blueprint data
Access and Utilization measures	VHCURES, VHHIS, Blueprint data
Satisfaction with coverage	DFR Household Survey, HCSS
Plan Quality (HEDIS measures)	VHCURES
3. Promote health, prevention, and healthy lifestyles	

Blueprint enrollment	Blueprint data
Blueprint outcome measures	Blueprint data
Plans offering a wellness program	DVHA, Provider contracts
Enrollment in Healthier living workshops	Blueprint data
Health status/ Behaviors	DFR Household Survey, BRFSS, VHCURES
4. To contain costs	
Premium as percent of income	DFR Household survey
Annual premium trends in S-G and N-G [?]	MEPS data
Out-of-pocket expenditures	DFR Household survey
Magnitude of Cost-shifting	GMCB cost shift analysis
5. Reduce administrative costs in the Insurance Market	
Administrative costs as percent of premiums in N-G and S-G [?]	GMCB expenditure analysis, DVHA reports
6. Reduce disruption when individuals lose employer-based coverage	
Percent of workforce in firms that offer coverage	DOL Fringe Benefit Survey, DFR Household Survey
Changes in benefits offered	DOL Fringe Benefit Survey, DFR Household Survey

Broad Reform Measures

There is a level of evaluation that goes beyond that of Exchange functions. The measures listed below are those that could be used to evaluate the progression of the state's broader reform goals listed in the Vermont Strategic Plan. Much of this data is currently being collected through the State's extensive evaluation strategies. The evaluation of broader reform goals will run parallel to the evaluation of the State Exchange, and each should build off the other.

1. Reduce the number of uninsured and underinsured	Data Source
N/A	
2. Improve quality of health care	
Provider supply relative to adequacy	VT AHEC, DOH surveys
Usual Source of Care	DFR Household Survey, BRFSS
3. Promote health, prevention, and healthy lifestyles by individuals	
Community health assessments	DOH, Blueprint data
Blueprint outcome measures	Blueprint data
Health Status and Behaviors	DFR Household Survey, BRFSS
4. To contain costs	
Rate of growth in Vermont health care expenditures	GMCB expenditure analysis, CMS data
Rate of growth per capita expenditures relative to economic growth	GMCB expenditure analysis, CMS data
Savings relative to predicted spending	GMCB expenditure analysis

Equitable financing legislation	DHVA
5. Reduce administrative costs in the insurance market	
N/A	
6. Reduce disruption when individuals lose employer-based coverage	
Trends in employer contribution	Employer Survey, MEPS
Percent of people in group markets vs. individual purchasers	DFR Household survey, Exchange analysis data

In the context of this evaluative framework, we have considered the specific role and contribution of the Exchange to health reform in Vermont. In light of the goals of health reform and the role of the Exchange, we have identified a number of key questions that should be at the core of the evaluation plan for the Exchange. For each key question, we suggest indicators that could help the state to evaluate progress.

What are the effects of the Exchange and health reform on Vermonters?

As the Exchange becomes operational, it may impact a number of population-based measures of coverage and affordability. While a population-based survey would not readily differentiate between the effects of the Exchange and of other changes to the health care system, it would provide policymakers and stakeholders with important data on the overall state of health care coverage and access in the state. The state could add the Exchange as a source of coverage into its survey instrument, and consider adding questions about attitudes toward and awareness of the Exchange. In addition, the Exchange could consider augmenting statewide data collection efforts with periodic surveys of Exchange members, using these, or a subset of these, indicators.

Outcome	Indicator
New coverage	Reduction in number of uninsured
Better coverage	Reduction in number of underinsured
	Satisfaction with coverage
Change in source of coverage	Type of coverage
	Source of coverage
	Purchase through Exchange
Change in cost of coverage	Premium information
Change in out-of-pocket spending	Out-of-pocket expenditures, as a percent of income
Change in access to/use of care	Usual source of care
	Visits to doctor, including for preventive care
	Went without needed care
	Ability to access generalist/specialist care
	Emergency room utilization
Change in health status	Health status
	Chronic disease prevalence
	Healthy behaviors

What are the effects on employers?

Because of Vermont’s goal of transitioning toward a single payer system, Vermont’s approach to employer-sponsored coverage will likely be different than that of other states. For example, the source of coverage for an employee (whether it is offered through their employer or purchased directly by the employee through an Exchange) may be of less importance than the overall rates of coverage and the adequacy of that coverage. In evaluating the impact of the Exchange on employers and employees, the state should try to track how many employees have insurance coverage, whether or not that insurance is from their employer. This type of measure would allow Vermont to follow those that lose employer-based coverage but remain covered due to increased portability within the Exchange.

Outcome	Indicator
Changes in offer/non-offer	Number dropping coverage (and why)
	Number newly offering coverage (and why)
Change in benefits offered	Tier of coverage (if known)
	Deductible/out of pocket max
Coverage of employees in individual Exchange	Prior source of coverage for new enrollees in individual Exchange; number of clicks from SHOP portal into individual Exchange
Number of small employers in the Exchange	Enrollment numbers
Employees with Insurance Coverage	Percentage of working adults who are insured, regardless of source of coverage

How does the Exchange affect the process of obtaining coverage?

The Exchange aims to make the purchase of insurance simpler for individuals and small businesses, though the state recognizes that the Exchange will be operating within the constraint of a multi-payer system. It will be important for Vermont to assess the impact of the Exchange on the process of obtaining coverage, as it plans for additional state-wide reforms. Moreover, for the Exchange to be successful in serving its customers, it needs to ensure that its customers are satisfied and that its operations are efficient and effective.

Outcome	Indicator
Simplification of process	Consumer & employer satisfaction with process
	Administrative expenses (Exchange, MLR of health plans)
	Trends in enrollment towards concentration in fewer plan designs
	Provider satisfaction with benefit variations
Speed	Time between application and enrollment
Service	Web service level agreement measures, call center customer service measurements (wait time, length of call, call abandonment rate, first call resolution, etc.)

Member satisfaction
Member persistency
Cancellations per month, and reasons for disenrollment

Using Existing Data Sources

Vermont is fortunate to have strong on-going data collection efforts. For example, the state has conducted five statewide household surveys (1997, 2000, 2005, 2008, and a limited version in 2009), which provide important baseline information about health insurance trends. The state also maintains VHCURES (Vermont Healthcare Claims Uniform Reporting and Evaluation System), a claims database that includes information from commercial carriers, including from self-insured employers. VHCURES is envisioned to ultimately contain claims and enrollment records for nearly all Vermont residents, including those covered by commercial insurance, Medicare, and Medicaid. The state also maintains a wealth of data in the annual reports issues by the Vermont Blueprint for Health initiative.

Baseline data measures and ongoing evaluation strategies will rely heavily on the current mechanisms already at work in the state. The extensive Household Survey conducted by the DFR will be an invaluable resource for the evaluation of the Exchange as well as broader health reform goals. The survey and the data that it provides will allow the State to design and evaluate programs and initiatives that work to maintain and expand coverage across the state. Questions can be added or removed before the survey is administered, allowing for an inclusion of new data, or the removal or redundancies.

The Vermont Blueprint for Health Initiative's annual reports are another invaluable resources for Evaluation. Goals two and three under Act 48 relate specifically to quality of care, and the promotion of health and wellness. These are some of the main areas of focus for the Blueprint program in the State. By leveraging the existing reporting strengths of the Blueprint program, the State will be able to monitor the health and welfare of its population, and the quality of care they are receiving, prior to, during, and after Exchange operations.

While Vermont's data collection efforts are robust, there are several issues and data gaps for the state to consider in planning for Exchange evaluation. One gap is information about benefits, premiums, and employer and employee contributions to coverage, particularly prior to 2014. To fill this gap, the Exchange could consider fielding additional or more robust employer surveys. The Fringe Benefit Survey conducted by the Department of Labor measures many of these data points, but the data is not collected at regular intervals. The state should consider adding additional measures such as benefits and coverage, as well as consider implementing the survey on an annual basis. Vermont may also want to consider conducting a carrier data call prior to 2014, in order to fill gaps in coverage and benefit measures.

For efficiency, the Exchange should coordinate where possible with existing data collection efforts and monitor new data as it is released. Where appropriate, existing survey instruments could be modified to account for the Exchange as a coverage source.

Inventory of Existing Data Sources

The following recent data sources may be useful for Exchange evaluation:

State Data Sources:

➤ *The Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES)*
As currently conceptualized, VHCURES will ultimately contain claims and enrollment records for nearly all Vermont residents, including those covered by commercial insurance, Medicare, and Medicaid. Currently, VHCURES contains information from commercial carriers (including self-insured employers, but excluding insurers with minimal business in Vermont). Efforts to add Medicaid data into the 2012 survey are under way, as are discussions with the federal government to add Medicare.

➤ *Vermont Household Health Insurance Survey (VHHIS)*
VHHIS is likely to become one of the most valuable information resources. It is a periodic survey of Vermonters to obtain information on a wide range of subjects, including insurance coverage, income, education, employment, and health status. To date, the survey has been conducted 5 times (1997, 2000, 2005, 2008, and a limited version in 2009). The next survey is planned for the end of 2012. This survey is conducted by telephone.

➤ *Expenditure Analysis*
Vermont has been analyzing patterns of health care spending since 1992. The Expenditure Analysis, which is modeled on the National Health Expenditure system at CMS, estimates spending both by type of service (hospital, physician, pharmacy, etc.) and by payer (Medicare, Medicaid, BCBS, MVP, etc.). It is the only source of financial information that explicitly addresses the two distinct views of Vermont: resident, regardless of where care was obtained and provider, regardless of the residence of the patient.

➤ *Behavioral Risk Factor Surveillance System (BRFSS)*
The BRFSS is a joint effort between the federal Centers for Disease Control and Prevention (CDC) and all 50 states. Vermont has been participating in the BRFSS project since 1990. The survey, which is done annually and is conducted by telephone, covers an enormous range of topics, from specific behaviors to respondent health, both generally and in specific clinical areas.

➤ *Health Provider Survey*
The Vermont Department of Health collects information on health care providers going back to 1992. Physicians, dentists, and physician assistants are surveyed by mail every two years at the time of license renewal. The surveys are intended to include all active providers; respondents are compared with lists of licensees. Response rate is usually above 99%. The data collected includes specialty, practice setting, location of practice, number of hours within a clinical setting, and whether the practitioners are accepting new clients. The most recent survey was completed in 2010.

➤ *Health Care Satisfaction Survey*
This survey gauges practitioner satisfaction levels with health insurers in Vermont. The survey was conducted between May of 2009 and August of 2009. Survey respondents included physicians, physician assistants, nurse practitioners, and office managers.

➤ *Hospital Discharge Data (VHDDS)*

Vermont has been collecting information on hospital utilization since the early 1980s. For much of this time, only inpatient care was included, but outpatient use, originally limited to surgery but now including a much broader scope of care, has been included for more than 15 years.

➤ *Hospital Budget Data*

Vermont has been reviewing community hospital³ budgets since the early 1980s. While there have been some expansions in what is collected, the basic format of this dataset has been extremely consistent across time. Data includes revenues, expenditures, and utilization, at a high level of detail.

➤ *Department of Labor Fringe Benefit Study⁴*

The Vermont Department of Health periodically collects information from Vermont business to determine the typical package of benefits that is offered to workers. The study provides information on health insurance, sick leave, vacation, and other benefits. Only private employers covered by unemployment insurance are sampled, self-employed and government employees are not included. The survey was last collected in 2011.

Secondary Data Sources:

➤ *Study of Uninsured and Underinsured*

This study was prepared in 2011 for the Department of Vermont Health Access. The data and results are derived from the Vermont Household Health Insurance Survey from the years 2005, 2008, and 2009. Each survey uses a slightly different sampling approach, and the 2011 report attempts to combine the three to offer statewide population information on health insurance status, health variables, and demographics.

➤ *Health Status Report*

The Department of Health brings together data from a variety of sources and compiles them into a single document to present a complete picture of overall health status. The report includes data and trends through 2005 related to illness and disease, clinical preventive services, health insurance, access to medical care, and personal health behaviors. The report is used as a benchmarking tool for the *Healthy Vermonters 2010* goals and was released in 2008.

➤ *Health Disparities Report*

This 2010 report presents information, maps, data and trends that illuminate the health disparities in the state, and make recommendations towards reducing these disparities. The report looks at the collective access to education, jobs, a living wage, healthy foods, medical care, safe housing, and healthful, supported and connected communities, and compiles information from birth and death records, hospital discharge data, and survey data.

National Data Sources:

➤ *American Community Survey*

This yearly survey gathers information about age, sex, race, family and relationships, disabilities, income and benefits, health insurance, education, and employment. The survey can provide state-level estimates.

³ Information is not collected from the Brattleboro retreat, VSH, or the VA hospital. DHMC provides some information voluntarily

⁴ Vermont Department of Labor: 2011 Fringe Benefit Study. Available at: <http://www.vtlmi.info/fringebene.pdf>. Accessed on: July 27, 2012.

➤ *Current Population Survey*

This survey is conducted jointly by the U.S. Census Bureau and the U.S. Bureau of Labor Statistics. It serves as the primary source of labor force information for the populations of the United States. The survey gathers information about health insurance, demographic data, and earnings. For state level estimates, researchers frequently need to combine several years of data to obtain adequate sample size.

➤ *Medical Expenditure Panel Survey—Insurance Component*

The Medical Expenditure Panel Survey is a collection of surveys looking at families, individuals, their medical providers, and employers across the United States. This survey provides a comprehensive source on the cost and use of health care and insurance coverage. The insurance component of MEPS collects information from both private and public sector employers and provides state-level estimates. The survey looks at the number and type of private insurance plans offered, premiums, contributions by employers and employees, eligibility requirements, associated benefits, and employer characteristics.

Strategies for Collecting Key Indicators

Vermont already collects many key indicators. For efficiency, the Exchange should coordinate where possible with existing data collection efforts and monitor new data as it is released. Where appropriate, existing survey instruments could be modified to account for the Exchange as a coverage source.

Once the Exchange is up and running, it will have benefit, premium, and employer and employee contribution information for plans that are sold through the Exchange, which should include all individual and small group plans. The Exchange should plan for adequate staff to track, review, and analyze this information. For large group plans, the Exchange could review data obtained through existing surveys, notably the insurance component of the Medical Expenditure Panel Survey (MEPS-IC). If the Exchange desired more detailed data, it may wish to repeat the employer survey or carrier data call post-2014.

Another option might be to explore whether data required to be reported by large employers to the Internal Revenue Service under section 1514 of the Affordable Care Act will be available to the state. This data includes premiums and contributions to coverage, and could potentially provide useful information to the state about trends in coverage and benefits in the large group market.

An additional limitation to consider is the difficulty in tracking people across sources of coverage. If for example, an employee goes from group coverage to individual coverage, or from Medicaid to private insurance, we do not have the ability to find out what happens to that specific individual, in terms of coverage, access, and affordability. While a mechanism to track individuals across changes in payer, group, and benefits would be useful, it would have to be carefully designed to preserve anonymity.

We provide additional descriptions of the strategies that could be used to collect the indicators of interest.

➤ State-wide household surveys

Vermont has conducted periodic household surveys that collect valuable information about insurance coverage, and has posted a RFP for a 2012 survey. In addition, in its recent study of the uninsured and underinsured, Vermont explores measures of underinsurance. In future analysis, it might wish to consider linking underinsurance with measures of health status and satisfaction with coverage to further distinguish between “actual” underinsurance (a sick individual who faces high out of pocket costs) versus “potential” underinsurance (a healthy individual who chooses a high-deductible plan, for example). Vermont may also wish to add questions specific to the Exchange, including attitudes toward the Exchange and health reform, into the survey instrument. Previous Household surveys have been conducted by phone. The State should consider conducting additional surveys in 2014 and 2015 to measure Exchange-related changes.

➤ Enrollment files

Exchange enrollment files will be a critical source of information for the managing the Exchange. These files should be analyzed routinely to provide essential business intelligence, including number of enrollees, by age, region, tier, carrier, and subsidy level. In addition, we propose asking applicants (or a random subset of applicants) optional questions at enrollment about their prior source of coverage. This could be a valuable mechanism for understanding changes in coverage that are occurring with Exchange implementation.

The Exchange will also want to track number of cancellations, which could be collected by the individual carrier upon notice from the enrollee of their intent to discontinue coverage, or a cancellation due to payment delinquency. Data on the reason for disenrollment and cancellation may be collected and tracked routinely with the use of consumer surveys or carrier report. The Exchange should plan on preparing basic enrollment data reports on a monthly basis for Exchange leadership, with more detailed reports for the Advisory Committee on a quarterly basis for the first year of operation, and annually after that.

➤ Member surveys

To ensure that the Exchange is meeting its goals of improving the process of obtaining coverage in Vermont, the Exchange may wish to consider implementing periodic member surveys. These surveys could assess member satisfaction with different aspects of the Exchange experience, including the application and enrollment process, customer service, plan choice, and plan satisfaction. A more comprehensive survey could also include questions about affordability and access to coverage. These surveys could be fielded by a contracted vendor.

For simple surveys, an inexpensive option would be to use low-cost on-line survey programs such as Zoomerang and SurveyMonkey. While these tools will not reach a representative sample of respondents, and their generalizability to the population as a whole is limited, they do represent a quick, simple, and inexpensive option, in situations when a rigorous survey technique is not required.

The Exchange should consider conducting separate surveys for individual and SHOP enrollees. In addition, the Exchange should plan to track complaints that are received online as well as by telephone.

➤ Service level agreements

Many states choose to contract with a vendor to provide call center services and web hosting services. These vendor contracts typically include service level agreement metrics. For example, for

the call center, the Exchange will want to track call volume, time to answer, call abandonment rates, and first call resolution. Web hosting services typically report on availability, response time, and issue resolution; the Exchange will also want to track web site traffic, time spent on each page, how many people start but don't complete an application or enrollment process, how many people start in the SHOP Exchange but eventually purchase through the individual Exchange, and how people are directed to the Exchange. Defining a realistic, feasible set of operating metrics in the vendor contract, and then holding the vendor accountable to track and report performance accurately, is critical to obtaining useful, revealing information.

➤ **VHCURES**

VHCURES is a key source of information about claims and utilization data. As part of its evaluation efforts for the Exchange, Vermont may wish to consider enhancing its data analysis through VHCURES. For example, VHCURES currently included an encrypted group name. The state may wish to consider collecting benefit information from payers at the group level and linking this information to the encrypted group name. VHCURES data will be helpful for understanding state trends in utilization (for example, avoidable emergency room visits or volume of preference-sensitive procedures), though it will likely not be possible to tease out the specific impact of the Exchange on these measures.

➤ **Provider survey**

Vermont has conducted periodic (every two year) surveys of providers as well as a one-time health care satisfaction survey assessing providers' satisfaction with insurers. The provider survey is mailed to providers at the time of license renewal, and tracks valuable information such as the supply of primary care and specialist providers, and whether primary care and specialist providers are accepting new patients. We suggest that the Exchange coordinate with the Department of Health to explore adding questions about provider satisfaction with health insurers and health reform to the existing survey.

Summary of Recommendations

- Coordinate with household survey
- Consider expanding DOL employer survey (one survey pre-2014 and one between 2014-2016)
- Collect and analyze enrollment data (quarterly and year-over-year)
- Implement optional survey questions at time of enrollment and disenrollment
- Explore coordination with Department of Health on provider survey
- Monitor service agreement indicators and web traffic, and track complaints
- Explore enhancements to VHCURES
- Consider member survey after 2014

Budget Considerations

To carry out Exchange evaluation, we recommend that Vermont consider the following staffing and budget needs.

Staffing

To set-up, maintain, and analyze enrollment files, we expect that Vermont will need the services of 1-2 data analysts, starting in 2013 and continuing through the operational phase. This analyst would generate monthly and quarterly enrollment reports, and could be a staff member or a contractor.

Within the Vermont level II grant, budget has been allocated for policy analyst positions either absorbed by internal staff or contracted out. The policy analyst would work under the direction of a policy director to prepare annual reports and to coordinate with other agencies that are conducting evaluation work. The analyst should also track premium and benefit information for plans sold through the Exchange. The policy analyst could be a staff member or contractor depending on budget and staff allocations.

To carry out the project management tasks described in the appendix, the state has considered allocating funds received under the level II grant for project management assistance. We expect that this would require a full-time project manager from 2012 through 2014.

Data collection

We assume that the statewide household survey, BRFSS, and provider surveys will continue to be conducted. Because we propose only minimal changes to those data collection strategies as part of Exchange evaluation, we do not anticipate any budgetary impact, beyond the staff time of the policy analyst to coordinate with and track those survey efforts.

We recommend that the state consider fielding and expanding the DOL employer survey prior to 2014 and one survey post-2014. Pricing for this survey will depend on survey mode (mail, telephone, in person, internet), sample characteristics (reliability and availability of contact information, response rate), and scope (target number of respondents, survey length and complexity). To provide a rough, first pass estimate for planning purposes, we obtained ranges of survey costs from several vendors. For an approximately 15 minute survey (combination of telephone and mail), with about 1,000 completed surveys, we estimate that the cost would be \$100,000 to \$200,000, assuming contractor assistance with survey design, survey fielding, and data cleaning and analysis.

To assess member satisfaction, the state could consider utilizing simple web-based survey tools. These survey tools are very low-cost, with nominal monthly fees around \$20-\$25 per month, and would require staff time to set up and analyze. These tools will not reach a representative sample of respondents, however, and their generalizability to the population as a whole is limited. However, they can be a useful adjunct and their low cost and ease of deployment make them attractive for periodic surveys of members. If the state wished to conduct a formal member survey or focus groups, it could consider contracting with a vendor to develop and field a survey approximately every two years. We expect that the pricing determinants of such a survey would be similar to that described for employer surveys above, though potentially with a smaller sample size which would reduce costs. We estimate that a 15 minute telephone survey with 500 respondents would cost between \$50-\$100,000.

Summary and Conclusions

Vermont's Exchange will be operating in a unique health reform context, and its evaluation will occur in the context of the on-going evaluation of health reform in the state. We recognize that it will be difficult, to isolate the impact of the Exchange from the impact of other health reforms. We propose for the state's consideration an evaluation plan that incorporates a number of Exchange-level indicators, as well as population-based measures, to ensure that Vermont's health reform efforts are achieving their strategic goals. We have suggested ways in which Vermont can utilize its

existing data collection efforts, to develop an efficient evaluation strategy that avoids duplication of efforts. We also provide suggestions for utilizing the enrollment and plan data it will collect in the course of day-to-day business operations.

Appendix I: Goals and Indicators related to Vermont's strategic plan for Health Reform

Goal 1: Reduce health care costs and cost growth	Data source
Rate of growth in Vermont health care expenditures	GMCB: expenditure analysis
Rate of growth in per capita expenditures relative to economic growth	GMCB: expenditure analysis
Savings relative to predicted spending	AOA/DFR/GMCB: forecast/expenditure model
Goal 2: Assure that all Vermonters have access to and coverage for high quality health care	
Percentage of Vermonters covered/insured (full year and point-in-time)	DFR: 2012 Household Survey
Percentage of Vermonters who are underinsured	DFR: 2012 Household Survey
Percentage of Vermonters with a medical home	DVHA: Blueprint data
Provider supply relative to benchmarks of adequate supply	VT AHEC and DOH surveys
Goal 3: Support improvements in the health of Vermont's population	
Blueprint enrollment	DVHA: Blueprint data
Blueprint outcomes measures	DVHA: Blueprint data
Number of communities with community health assessments	DOH
Goal 4: Assure greater fairness and equity in how we pay for health care	
Percentage of income spent on health care and out of pocket costs by Vermonters on average, range of variation	DFR: 2008 Household survey
Rate of increase in costs by payer type	GMCB: expenditure analysis
Magnitude of cost shifting	GMCB: cost shift analysis
Passage of legislation authorizing more equitable financing	Dir. Health Care Reform
Receipt of a waiver from the federal government authorizing more equitable financing	Dir. Health Care Reform