



PHPG



The Pacific Health Policy Group

SUMMARY OF PROMISING FUNCTIONAL OVERLAPS BETWEEN EXCHANGE AND NON- EXCHANGE COVERAGE PLANS

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Program Integration: Summary of Promising Functional Overlaps between Exchange and Non-Exchange Coverage Plans

Introduction

The Patient Protection and Affordable Care Act (ACA) requires each state (or the federal government acting on behalf of each state) to create a Health Insurance Exchange by 2014 that will provide state residents the means to compare information on Exchange-sanctioned private health benefit plans, enroll in one of these plans and receive tax credits if eligible. In addition, the Exchange will coordinate with public insurance agencies to enroll applicants found eligible for public insurance programs and identify individuals exempt from the federal insurance mandate. Although certain existing coverage groups in Vermont will not directly purchase private health insurance through the Exchange, there are several areas where the Exchange potentially could be leveraged to meet the needs of one or more of these coverage groups.

In February 2012, the Department of Vermont Health Access (DVHA) contracted with the Pacific Health Policy Group (PHPG) to identify potential areas of functional overlap between Vermont's Exchange and coverage plans that will not be offered on the Exchange as of 2014. PHPG is a national consulting firm specializing in the research, evaluation and reform of state Medicaid programs.

With assistance from DVHA, PHPG identified four broad categories of existing coverage groups who will not purchase their insurance through the Exchange. An overview of these groups is provided in the following table:

Non-Exchange Coverage Groups	Overview
<i>Public Insurance Programs</i>	<ul style="list-style-type: none"> • Programs include the Global Commitment to Health Demonstration, Choices for Care Demonstration, the Children's Health Insurance Program (CHIP) and individuals dually eligible for Medicaid and Medicare. • The Exchange is required to coordinate with public insurance agencies to enroll applicants found eligible for public insurance programs.
<i>Correctional Inmates</i>	<ul style="list-style-type: none"> • Inmates receive medical and mental health services while in the custody of the State. • Under the ACA, incarcerated individuals still would be ineligible to purchase insurance through the Exchange or obtain coverage through Medicaid and other federal health programs. However, given the ambiguity of the terms used in the ACA, individuals awaiting a disposition of charges may be eligible for participation in the Exchange.

Non-Exchange Coverage Groups	Overview
<i>Non-Exchange Private Insurance Plans</i>	<ul style="list-style-type: none"> Plans excluded from the Exchange include grandfathered plans, large group plans (defined in Vermont as over 50 employees) and self-insured plans. The State and PHPG chose to focus on the Vermont Education Health Initiative (VEHI) as an example of these types of plans. Many school district employees purchase health insurance coverage through VEHI, which is a self-funded, fully-insured purchasing trust that offers plans from BCBS-VT. Under the ACA, grandfathered plans like those of VEHI are exempt from certain requirements, provided coverage is maintained through a collective bargaining agreement ratified before enactment of the ACA. Once VEHI health plans no longer meet the legal requirements of grandfathered plans, school districts would purchase insurance in the appropriate market (i.e., small group plans on the Exchange, large group plans outside of the Exchange).
<i>State Employees</i>	<ul style="list-style-type: none"> Vermont State Government currently offers its employees a self-insured health plan with four options, which are administered by CIGNA Healthcare through an Administrative Services Only (ASO) contract. The plans are bargained with the union and defined during the collective bargaining agreement process.

Between February and May 2012, PHPG prepared two Program Integration Reports to assist the State of Vermont with planning for its Exchange. The first report presented an inventory of potential functional overlaps between Vermont’s Exchange and functions used by coverage plans that will not be offered on the Exchange as of 2014.

In April 2012, PHPG met with representatives from the Department of Corrections, the Department of Human Resources, the Vermont Education Health Initiative (VEHI), the Vermont School Boards Insurance Trust (VSBIT) and the Vermont-National Education Association (VT-NEA). Through these meetings, PHPG was able to refine the administrative functions that could potentially overlap with those in the Exchange. The second PHPG report developed a list of options for functional integration between these plans and the Exchange.

Overview of Promising Functional Integration Opportunities

In the two previous PHPG reports, all areas were explored to identify possible opportunities for integration and alignment between the Exchange and non-Exchange plans. This Summary Report builds upon these findings to focus on promising integration opportunities, the benefits and challenges associated with each of these opportunities and possible next steps. The following table provides an overview of the refined promising integration opportunities, and also notes the areas that are being examined by other contractors assisting the State.

Core Exchange Business Operations & Functions	Overview	Opportunity for Integration Identified by PHPG	
		Yes	Areas of Possible Integration
1. Certification, Recertification & Decertification of Qualified Health Plans (QHPs)	Process to certify, recertify and decertify QHPs. Certification includes, but is not limited to: licensure, accreditation, provision of essential health benefits, minimum benefit coverage level designs and same premium whether sold in or outside of Exchange.		<ul style="list-style-type: none"> Wakely is assisting the State with developing a process for certifying QHPs.
2. Call Center	Operation of a toll-free call center to address the needs of consumers requesting assistance.	✓	<ul style="list-style-type: none"> Wakely is assisting the State by performing an assessment of current call center operations. Vermont may integrate the call center functions for public insurance programs with the Exchange call center. Grandfathered plans, large group plans and self-insured plans (including the State Employees' Health Plan) may benefit from having call center staff be knowledgeable about their plan information.
3. Exchange Website	Maintain an up-to-date website that provides standardized comparative information.	✓	<ul style="list-style-type: none"> Vermont has chosen to include public insurance programs on the Exchange website. Grandfathered plans, large group plans and self-insured plans (including the State Employees' Health Plan) may benefit from having call center staff be knowledgeable about their plan information.
4. Premium Tax Credit & Cost-Sharing Reduction Calculator	Provide a calculator function on the Exchange website to allow consumers to determine their premium tax credit and cost-sharing reduction.		
5. QHP Quality Rating System	Provide quality ratings on the plans offered in each benefit level on the basis of relative quality and price.	✓	<ul style="list-style-type: none"> UMass is assisting the State with developing a quality rating system for QHPs. Grandfathered plans, large group plans and self-insured plans (including the State Employees' Health Plan) may benefit from using the quality rating system for their plans.

Core Exchange Business Operations & Functions	Overview	Opportunity for Integration Identified by PHPG	
		Yes	Areas of Possible Integration
<p>6. Outreach & Education/ Exchange Navigator Program</p>	<p>Develop an education and outreach program to inform consumers about the Exchange and new coverage options available.</p> <p>Navigators provide public education, provide fair and impartial enrollment information, make referrals to the Ombudsman and conduct activities to facilitate enrollment.</p>	✓	<ul style="list-style-type: none"> • GMMB is assisting the State with the development of an outreach campaign and defining the role of Navigators. • Vermont may integrate the outreach and education activities for public insurance programs and the Exchange. • It may be useful for grandfathered plans, large group plans and self-insured plans (including the State Employees’ Health Plan) to participate in the training for Navigators.
<p>7. Eligibility & Enrollment</p> <p>a. Eligibility Determinations for Exchange Plans</p> <p>b. Seamless Eligibility & Enrollment Process with Medicaid & Other State Health Subsidy Programs</p> <p>c. QHP Enrollment Process</p> <p>d. QHP Application Forms & Notices</p>	<p>Eligibility determinations are required for Exchange participation, advance payment of premium tax credits and cost-sharing reductions.</p> <p>Eligibility determinations are required for Medicaid, CHIP or other applicable State health subsidy program without need for further determination by another program.</p> <p>Facilitate plan selection for individuals eligible to enroll in a QHP.</p> <p>Have forms and notices to facilitate QHP application, eligibility determination process and enrollment, as well as facilitate program operations and communications.</p>	✓	<ul style="list-style-type: none"> • Wakely is assisting the State to recommend enrollment procedures for the Exchange and to identify where any existing State resources, systems and processes for enrollment can be repurposed for the Exchange. • Vermont intends to use the same information technology infrastructure for the eligibility and enrollment processes for public insurance programs and for the Exchange.

Core Exchange Business Operations & Functions	Overview	Opportunity for Integration Identified by PHPG	
		Yes	Areas of Possible Integration
8. Individual Responsibility Determinations & Notifications	Process to receive and adjudicate requests from individuals for exemptions from the individual responsibility requirements of the ACA, and to transmit information to HHS and IRS.		<ul style="list-style-type: none"> Wakely is assisting the State to develop a business process model for determining individual and employer responsibilities and notification of the determinations.
9. Administration of Premium Tax Credits & Cost-Sharing Reductions	Performance of administrative activities related to premium tax credits and cost-sharing reductions.		
10. Appeals of Individual Eligibility Determinations & of Employer Liability	<p>Process for implementing appeals of eligibility determinations.</p> <p>Process for implementing appeals of employer liability for employees who do not have access to minimum essential coverage through the employer.</p>	✓	<ul style="list-style-type: none"> PHPG is assisting the State with the identification of appeals processes for individuals and small employers. Findings will be issued in future reports. The appeals processes may be similar to those currently used for public insurance programs.
11. Information Reporting to IRS & Enrollees	Report to IRS and enrollees certain information regarding enrollee's coverage provided through the Exchange.		
12. Risk Adjustment & Transitional Reinsurance	Data collection process to support risk adjustment and transitional reinsurance.		<ul style="list-style-type: none"> Wakely is assisting the State to explore risk adjustment mechanisms.
13. SHOP Exchange-Specific Functions	Processes to facilitate purchase of coverage in QHPs for employers of small businesses that choose to purchase coverage via the Exchange.		<ul style="list-style-type: none"> Wakely is assisting the State to develop a model for the SHOP Exchange functions. Vermont has chosen to create one Exchange for QHP plans and employers of small businesses.

Discussion of Promising Opportunities for Functional Integration

PHPG has identified six over-arching functions of the Exchange that could be useful for non-Exchange coverage plans. These include the following:

- Exchange call center
- Exchange website
- Plan quality rating system
- Outreach and education/Navigator Program
- Eligibility and enrollment processes
- Appeals systems

Each of these opportunities is described in more detail below, along with the benefits and challenges of functional integration with the Exchange, and possible next steps.

Opportunities/findings are presented by coverage group, where applicable. PHPG elected to present its findings for the State Employees' Health Plan along with the category of grandfathered, large group and self-insured plans as the State Employees' Health Plan is a self-insured plan. Any nuances are noted. In general, functional integration would not be applicable for inmates under the custody of the Department of Corrections as correctional healthcare is governed by specific State and federal requirements.

Call Center

Overview of Exchange Functionality

The ACA mandates that the Exchange provide a toll-free telephone hotline to assist individuals and small employers in all aspects of the Exchange process, including plan selection. Call Center staff would be available to provide information about the quality health plans (QHPs) offered on the Exchange, such as the different types of plans and their associated premiums, benefits, cost-sharing and quality ratings. In addition, consumers will be able to obtain assistance regarding their qualification for any advance payments of premium tax credits and cost sharing reductions when they enroll in a QHP. Further, if desired, consumers will receive assistance with the application process for enrollment in coverage through the Exchange.

Call center staff also will have the ability to connect consumers with other State-based consumer assistance programs, including the Ombudsman or Navigators, to assist with appeals, complaints and grievances. The call center will accommodate the needs of consumers with hearing impairments and other disabilities, as well as individuals with limited English proficiency. The State may choose to operate the call center using its own staff or contract with a vendor for call center services.

Public Insurance Programs

Functional Integration Opportunity – Vermont has chosen to integrate the call center functions for public insurance programs with the Exchange call center. As such, the Exchange call center staff will be able to provide information about public insurance programs, including the following:

- Eligibility criteria for public insurance programs
- Benefits
- Costs
- Assist individuals with the application/enrollment process for these programs, if applicable

Benefits of Functional Integration

- *Consumers* – Potential to simplify the process for obtaining information about available coverage options/costs, eligibility criteria and the process for enrollment, especially for those who may be on the eligibility cusp between public insurance versus Exchange plans.
- *State Staffing and Resources* – Capability to leverage existing staff/vendor knowledge and planned information technology infrastructure, operations and funding.
- *Act 48 Health Reform* – Alignment of operational approaches could facilitate transition to the Green Mountain Care single State plan.

Challenges of Functional Integration

- *Expanded Role* – The existing call center does not make eligibility determinations for individual or small employer private insurance. However, the call center facilitates enrollment for Vermont’s public insurance programs and Catamount Health. For public insurance programs, the call center’s role is limited to answering calls regarding eligibility, accepting applications over the phone and entering data into ACCESS. Individuals found eligible for Catamount Health with Premium Assistance call the call center with their choice of plan (BCBS-VT or MVP). The call center then enters data into ACCESS which produces a nightly enrollment file for the carriers containing the information necessary for carriers to enroll individuals.
- *State Staffing and Resources* – Significant resources would be needed to augment the existing call center functionality to support the new Exchange functions in addition to existing functions.

Next Steps – DVHA currently has a contract with Maximus to operate a call center for all public health coverage programs, including Medicaid, CHIP, VHAP and premium assistance programs.

Maximus responds to calls regarding each program's benefits and policies, premiums and information updates, as well as enrollment status. The call center also places outbound calls to assist new enrollees in the selection of a primary care physician, as appropriate. Maximus receives calls regarding eligibility and has the capacity to take applications over the phone and enter the data into ACCESS. Eligibility screening is completed by the eligibility unit of the Department for Children and Families.

Wakely is assisting the State by performing an assessment of current call center operations and submitting a report that will include a recommendation to either modify the current call center contract or issue a request for proposals (RFP) to engage a contractor in developing a new call center. In addition, the report will include recommendations on the specific areas in need of modifications, either through staffing, process changes or technology enhancements, and a narrative of potential risks, issues or roadblocks that could prevent call center operations from being ready mid-2013, prior to open enrollment.

Grandfathered Plans, Large Group Plans and Self-Insured Plans

Functional Integration Opportunity – Grandfathered, large group and self-insured plans will not be offered on the Exchange in 2014. Each of these plans has their own unique call center operations. However, given the planned extensive Exchange outreach campaign, it is possible that individuals eligible for or enrolled in these plans will contact the Exchange call center to inquire about eligibility for Exchange plans or to inquire about their existing plans. As such, at a minimum, it would be helpful for Exchange call center staff to have referral contact information regarding some of the larger grandfathered or self-insured plans, such as VEHI and the State Employees' Health Plan.

It also may be beneficial for Exchange call center staff to know the basic eligibility criteria for these plans to ensure that individuals are enrolled in the correct plan. For example, State employees who are less than 0.5 FTE are not eligible for the State Employees' Health Plan, but State legislators are eligible even though they may not meet this FTE requirement. Similarly, the typical health plan eligibility threshold for VEHI is 17.5 hours/week, but each collective bargaining agreement varies in the minimum number of hours required to qualify for coverage of health insurance. Also, there are approximately 2,000 low income school employees who do not have access to VEHI-supported plans, but may be eligible for Exchange plans or for Medicaid or CHIP. Individuals and their dependents also may be eligible for Medicaid or CHIP.

There also is the potential that the Exchange call center could assume the current role of each non-Exchange plan's call center. However, such plans would most likely not consider this option until the Exchange is well established.

Benefits of Functional Integration

- *Consumers* – Would be responsive to consumers' needs, regardless of program eligibility and support consumers to be enrolled in the appropriate plan.

- *Insurance Carriers* – Would enable consumers to enroll in the appropriate plan. Utilizing the Exchange call center also may be economically efficient in the long-term.
- *Act 48 Health Reform* – Alignment of operational approaches would facilitate transition to the Green Mountain Care single State plan. In addition to the short-term benefit of facilitating good consumer triage, there is a long-term benefit of having the Exchange call center assume functionality for non-Exchange plans.

Challenges of Functional Integration

- *State Staffing and Resources* – Many of the non-Exchange plans have very specific eligibility criteria and plan benefit structures. As such, Exchange call center staff would need training on the eligibility criteria (in the short-run) and plan benefits (if complete functional integration is implemented).
- *Accuracy of Information* – Non-Exchange plans would need to ensure that the Exchange call center is informed of any changes in plan eligibility or benefits.

Next Steps – Once the Wakely assessment report is completed, and the State has developed the operational details for the Exchange call center function, it is recommended that the State meet with representatives from VEHI and the State Employees’ Health Plan to further discuss possible short-term and long-term integration strategies. At a minimum, the State and these plans should discuss what information is important for the Exchange call center staff to know about these non-Exchange plans.

Exchange Website

Overview of Exchange Functionality

The ACA requires that the Exchange have a website that allows consumers to compare the benefits and coverage of plans in order to facilitate a purchase decision, including:

- Premium and cost-sharing information
- Summary of benefits and coverage
- Level of plan coverage of QHPs
- Enrollee satisfaction survey results
- Quality ratings
- Medical loss ratio information reported to the US Department of Health and Human Services (HHS)
- Transparency of coverage measures
- Provider directory

Further, individuals must be able to use the Exchange website to apply for coverage and enroll online. The information provided to consumers must accommodate the needs of the hearing impaired and those with other disabilities and individuals with limited English proficiency. The website also must provide contact information for Navigators and other consumer assistance services, including the call center telephone number.

Public Insurance Programs

Functional Integration Opportunity – Vermont has chosen to include public insurance programs on the Exchange website, including functions for eligibility determinations and application.

Benefits of Functional Integration

- *Consumers* – Would simplify the process for obtaining information about available coverage options/costs, eligibility criteria and the process for enrollment, especially for those who may be on the eligibility cusp between public insurance versus Exchange plans.
- *State Staffing and Resources* – Would leverage planned information technology infrastructure, operations and funding.
- *Act 48 Health Reform* – Alignment of operational approaches would facilitate transition to the Green Mountain Care single State plan.

Challenges of Functional Integration

- *State Staffing and Resources/Implementation Timing* – The State would need to ensure that information sharing between the Exchange website and the State eligibility determination system is immediate and seamless. This may be especially challenging for those Medicaid programs that also require clinical eligibility determinations.

Next Steps – The development of the website is most likely to be done by a contractor. The scope of work should include creating a website that contains information, applications and enrollment processes for both private Exchange QHPs and for public insurance programs.

Grandfathered Plans, Large Group Plans and Self-Insured Plans

Functional Integration Opportunity – Individual carriers and large self-insured employers may have information about their specific plans on their own websites. For example, the Department of Human Resources website contains information about the State Employee Health Benefit Plans as well as links to the health plan third party administrator (TPA). VEHI's website provides a link to a comparison chart of plans available for active employees. In

addition, while BCBS-VT does not maintain a VEHI-specific website for VEHI members, BCBS-VT provides information about the Vermont Health Partnership Plan on its website because many employers, including VEHI-participating school districts, offer this plan.

Given the planned extensive Exchange outreach campaign, it is possible that individuals eligible for or enrolled in these plans will go to the Exchange website to find information about eligibility for Exchange plans, information about their existing plans or to compare their current plan to those offered on the Exchange. As such, at a minimum, it would be helpful for the Exchange website to contain a link to some of the larger grandfathered or self-insured plans, such as VEHI and the State Employees' Health Plan.

As discussed in the call center section above, it also may be beneficial for the Exchange website to have basic eligibility criteria for these plans to ensure that individuals are enrolled in the correct plan.

Both VEHI and the Department of Human Resources indicated that it might be helpful to have information about their plans on the Exchange website as it allows members to compare the employee health plans with other available Exchange plans.

Benefits of Functional Integration

- *Consumers* – Links or information on the Exchange website about some of the larger non-Exchange plans would support consumers to be enrolled in the appropriate plan. Standardized comparative benefits information about these non-Exchange plans also would enable consumers to see how their non-Exchange coverage compares to that offered on the Exchange.
- *Insurance Carriers* – Would enable consumers to enroll in the appropriate plan.
- *Act 48 Health Reform* – Alignment of operational approaches would facilitate transition to the Green Mountain Care single State plan. In addition to the short-term benefit of facilitating good consumer triage, there is a long-term benefit of having the Exchange call center assume functionality for non-Exchange plans.

Challenges of Functional Integration

- *Accuracy of Information* – Non-Exchange plans would need to ensure that the Exchange website is informed of any changes in plan eligibility or benefits.

Next Steps – The development of the website is most likely to be done by a contractor. It is recommended that the scope of work include developing the capacity to contain non-Exchange Plan links and basic information (e.g., eligibility criteria, benefit information), and that the State meet with representatives from VEHI and the State Employees' Health Plan to further discuss

the information they might find useful to have on the Exchange website. This offer also could be made to the insurance carriers in Vermont.

QHP Quality Rating System

Overview of Exchange Functionality

The Exchange must give consumers web-based comparative information on each QHP that includes:

- Quality ratings
- Enrollee satisfaction survey results
- Calculator to compute the cost of coverage

Further, the Exchange also has the option to provide plan performance information on specific quality metrics important to consumers, as well as provider-specific performance information.

All health plans are to report to the HHS and to enrollees on how their benefit designs, structures or provider reimbursement structures are improving health outcomes through:

- Quality reporting
- Effective case management
- Care coordination
- Chronic disease management and medication and care compliance initiatives
- Preventing hospital readmissions
- Improving patient safety and reducing medical errors
- Implementing wellness and health promotion activities

For certification, QHPs must be accredited, submit information on health plan performance, report pediatric quality reporting measures and implement a quality improvement strategy. Health plans also are to submit data including disenrollment information and denied claims.

Grandfathered Plans, Large Group Plans and Self-Insured Plans

Functional Integration Opportunity – Grandfathered plans, large group plans and self-insured plans (including the State Employees’ Health Plan) do not currently have quality ratings associated with their specific offerings. However, health plans provide quality ratings information as a part of the national accreditation process and Vermont Department of Financial Regulation Rule H-2009-03. The Department of Financial Regulation website also contains a health plan “report card” which reports on plans purchased by individual consumers.

Specific to VEHI, plan selection is determined by a union’s collective bargaining process; providing VEHI’s various plans’ quality ratings could enable employees to discuss plan benefit options with their unions. Similarly, providing the State Employees’ Health Plan quality ratings on the website may be helpful. However, both the Department of Human Resources and VEHI would like to obtain additional information (based on the certification criteria) to assist in determining whether this would be a useful tool for their members and organizations.

Benefits of Functional Integration

- *Consumers* – Awareness of how members’ plans compare to those offered on the Exchange may improve awareness of plan quality and transparency.
- *Act 48 Health Reform* – Providing quality ratings for non-Exchange plans would facilitate the work of the Green Mountain Care Board to develop a single benefit design and help transition to the Green Mountain Care single State plan.

Challenges of Functional Integration

- *Employer, Carrier and State Staffing and Resources* – Conducting quality ratings for non-Exchange plans would be additional work that is outside of the Exchange resources.

Next Steps – The University of Massachusetts is assisting the State with developing a quality rating system for QHPs. Once this system is developed, it is suggested that the State meet with representatives from VEHI and the State Employees’ Health Plan to further discuss whether conducting the quality rating system for their plans would be beneficial and affordable.

Outreach and Education/Exchange Navigator Program

Overview of Exchange Functionality

Healthcare consumers will need to be educated about the Exchange and coverage options available. They also will need information about the benefits of purchasing health insurance coverage through the Exchange, including access to health plans that meet State and federal certification standards and access to assistance with paying premiums and cost-sharing. Further, outreach campaigns must be designed to meet the needs of Exchange participants, including individuals with disabilities, individuals with limited English proficiency and others with potential barriers to enrollment. States have latitude with developing a unique strategy for conducting outreach and education activities.

In addition to an overall outreach and education campaign, as well as a long-term strategy, Exchanges are required to have a Navigator Program for both the individual market and SHOP. The role of the Navigators is to:

- Provide public education
- Provide fair and impartial enrollment information
- Facilitate enrollment
- Ombudsman referral
- Distribute information to providers to facilitate enrollment

Navigators have existing relationships or could readily establish relationships with employers and employees and consumers or self-employed individuals likely to be eligible to enroll in a QHP through the Exchange.

Public Insurance Programs

Functional Integration Opportunity – The State currently has limited outreach activities related to its public insurance programs. After passage of Acts 190 and 191 in 2006, which established Catamount Health, DVHA contracted with GMMB, a national marketing firm, to implement an outreach strategy for all public insurance products. In addition, since 2007, DVHA has funded one Outreach Coordinator position at Bi-State Primary Care Association to provide outreach and training to providers and agencies involved in enrollment and to conduct quarterly meetings as a forum for Outreach Assistors in order to share best outreach practices. Integrating the outreach and education activities for public insurance programs and the Exchange could assist consumers in understanding whether they are eligible for public assistance programs.

Benefits of Functional Integration

- *Consumers* – Would simplify the process for obtaining information about available coverage options/costs, eligibility criteria and the process for enrollment, especially for those who may be on the eligibility cusp between public insurance versus Exchange plans.
- *State Staffing and Resources* – Would leverage the Exchange’s outreach and education activities and Navigator knowledge and presence throughout the State.
- *Act 48 Health Reform* – Alignment of outreach approaches would facilitate transition to the Green Mountain Care single State plan.

Challenges of Functional Integration

- *Expanded Role* – The outreach campaign and Navigator Program would need to be expanded to include all public insurance programs.

Next Steps – The State has contracted with GMMB to assist with the development of an outreach campaign and defining the role of Navigators. Given GMMB’s previous role in the

2007 Vermont outreach campaign, they are well-positioned to also include public insurance programs in their Exchange outreach strategy and Navigator training curricula.

Grandfathered Plans, Large Group Plans and Self-Insured Plans

Functional Integration Opportunity – Grandfathered plans, large group plans and self-insured plans (including the State Employees’ Health Plan) typically conduct their own outreach internally to prospective and current members. For example, the Department of Human Resources provides information to State employees about their plan options and how to enroll. Similarly, VEHI, VT-NEA and VSBIT would continue to serve in a Navigator-like capacity for individuals who purchase insurance through VEHI plans. However, Navigators would be needed to serve non-unionized school employees.

In addition, as noted in previous sections, it may be important for Navigators to have referral contact information regarding some of the larger grandfathered or self-insured plans, such as VEHI and the State Employees’ Health Plan. It also may be beneficial for Navigators to know the basic eligibility criteria for these plans to ensure that individuals are enrolled in the correct plan, including Medicaid or CHIP.

VEHI indicated that members would benefit from outreach and education; however, VEHI would partner with Navigators to facilitate these efforts rather than rely solely on Navigators or other contractors to provide outreach and education. VEHI representatives indicated that more information and further discussions would be required to determine the role of Navigators and the possibility of a partnership between the Navigators and VEHI.

The Department of Human Resources indicated that State employees may benefit from having resources such as a Navigator, which could assist with providing information about the most beneficial plan for an employee, offer same information as the call center and assist employees in the safety-net program (which will be ending) to enroll in an appropriate plan. Again, more information about the specific role of Navigators was requested before any decision could be made about potential usefulness of this function for State employees.

Benefits of Functional Integration

- *Consumers* – Would be responsive to consumers’ needs, regardless of program eligibility. Would support consumers to be enrolled in the appropriate plan.
- *Insurance Carriers* – Would ensure that consumers are enrolled in the appropriate plan.
- *Act 48 Health Reform* – Alignment of outreach and education initiatives would facilitate transition to the Green Mountain Care single State plan.

Challenges of Functional Integration

- *State Staffing and Resources* – Many of the non-Exchange plans have very specific eligibility criteria and plan benefit structures. As such, Navigators would need training on the eligibility criteria (in the short-run) and plan benefits (if complete functional integration is implemented). Alternatively, Navigator-like staff of some large grandfathered plans, large group plans and self-insured plans would collaborate or partner with the Navigators to assist members.
- *Accuracy of Information* – Non-Exchange plans would need to ensure that the Navigators are informed of any changes in plan eligibility or benefits.

Next Steps – Once GMMB has completed its development of the outreach strategy and Navigator role, it is recommended that the State meet with representatives from VEHI and the State Employees' Health Plan to further discuss possible short-term and long-term integration strategies. At a minimum, the State and these plans should discuss what information is important for the Navigators to know about these non-Exchange plans so that consumers receive relevant information.

Correctional Inmate Healthcare

Functional Integration Opportunity – Inmates are automatically eligible to receive medical and mental health care while incarcerated. However, individuals who are in pre-disposition or are in the process of transitioning from incarceration may benefit from receiving education about enrollment through the Exchange and available public assistance programs. This could be achieved through the Department of Corrections staff training, inmate education or a specialized Navigator assigned to this population.

Benefits of Functional Integration

- *Consumers* – Individuals would have seamless health care coverage when leaving custody.
- *Act 48 Health Reform* – Alignment of outreach approaches would facilitate transition to the Green Mountain Care single State plan.

Challenges of Functional Integration

- *Information Technology* – Real-time systems would need to be implemented to indicate an individual's status with the State correctional system to ensure that individuals enrolled in Exchange plans who become incarcerated are disenrolled and those whom are close to discharge are enrolled in Exchange plans (if eligible) immediately upon discharge.

Next Steps – The State’s information technology system development for the Exchange should encompass the necessary information transfers regarding correctional status.

Eligibility and Enrollment

Overview of Exchange Functionality

The Exchange must develop a process to determine eligibility for premium tax credits under the Exchange as well as Medicaid, Dr. Dynasaur and other public programs. As part of the eligibility process, the Exchange must determine enrollee premiums and subsidies and inform individuals of the results. In addition, the Exchange must provide electronic calculators to allow individuals to determine the cost of coverage after the premium tax credit and cost sharing subsidies are applied. Further, under Act 48, the Vermont Exchange is charged with collecting premium payments from employers and individuals and ultimately enrolling eligible individuals into qualified health plans.

The Exchange would use a single streamlined application to determine eligibility and to collect information necessary for enrollment for QHPs and Medicaid, advance payments of the premium tax payment and cost-sharing reductions. Notices would be developed to ensure that applicants, qualified individuals and enrollees understand their eligibility and enrollment status. All applications, forms and notices must be written in a manner that meets the needs of diverse populations.

Public Insurance Programs

Functional Integration Opportunity – Vermont intends to use the same information technology infrastructure for the eligibility and enrollment processes for public insurance programs and for the Exchange to provide a single application form for these programs and to use streamlined formats for member notices.

DVHA and the Department of Financial Regulation have entered into initial MOUs delineating their respective responsibilities with the Exchange and coordination of Medicaid.

Benefits of Functional Integration

- *Consumers* – Individuals would have seamless health care coverage and the process would be more transparent.
- *Act 48 Health Reform* – Alignment of eligibility and enrollment would facilitate transition to the Green Mountain Care single State plan.

Challenges of Functional Integration

- *State Staffing and Resources* – The ACA alters many Medicaid eligibility standards and calculation methodologies, effective as of January 1, 2014. However, federal guidance about the specifics of these changes has not been issued. As such, developing the information technology infrastructure to support these within the existing public insurance environment would be challenging and including the additional information in the new Exchange technology would be even more complex.

Next Steps – Wakely is assisting the State to recommend enrollment procedures for the Exchange and to identify where any existing State resources, systems and processes for enrollment can be repurposed for the Exchange. Once Wakely has completed this work, new MOUs between departments would need to be drafted to establish roles and to allow for data sharing. PHPG will be assisting the State in drafting these MOUs during summer-fall 2012.

Appeals of Individual Eligibility Determinations and of Employer Liability

Overview of Exchange Functionality

Individuals will have the opportunity to contest the eligibility determinations made by the Exchange for premium subsidies and Exchange participation. As such, the Exchange would need to implement a process for processing these appeals by individuals, and the process must coordinate with Medicaid and CHIP.

Regarding employers, the Exchange would notify employers when one or more of their employees is determined to be eligible for advance payment of a premium tax credit because the employer does not offer minimum essential coverage, the coverage is not affordable or the coverage does not meet the minimum value requirement. Employers would have an opportunity to appeal the determination.

To accommodate the above requirements, the Exchange would need to provide information about consumer protections and identified grievance and appeals processes to all applicants, most likely in writing and on the Exchange website. It also would need to have the operational capacity to collect data on inquiries/problems and their resolution.

Public Insurance Programs

Functional Integration Opportunity – Given the interplay between eligibility for Exchange plans versus public insurance programs, especially for those with low incomes, the Exchange appeals process would need to be closely coordinated. The State has an existing appeals process regarding public insurance eligibility determinations. The State could use or adapt this process for appeals related to the Exchange determination of individual's eligibility to enroll in Exchange

plans or exemption from the individual mandate. Similarly, the State could use or adapt the existing Employer Healthcare Contribution appeals process for the Exchange appeals process regarding employer liability for employees who do not have access to minimum essential coverage through the employer.

Benefits of Functional Integration

- *Consumers* – Similar/identical appeals processes for Exchange plan and public insurance program eligibility determinations would be seamless for consumers.
- *State Staffing and Resources* – Similar/identical appeals processes for Exchange plan and public insurance program eligibility determinations could be more efficient and effective.
- *Act 48 Health Reform* – Alignment of appeal processes would facilitate transition to the Green Mountain Care single state plan.

Challenges of Functional Integration

- *State Staffing and Resources* – Development of similar/identical appeals processes for Exchange plans and public insurance program eligibility determinations could be difficult, given that the federal requirements for each could differ.

Next Steps – PHPG is assisting the State with the identification of appeals processes for individuals and small employers, including which aspects could benefit from automation on the Exchange. Findings will be issued in future reports.