New Mexico Health Insurance Exchange Work Group Minutes

Work Group	Market Regulation	Date	October 30, 2012
Facilitator	Aaron Ezekiel	Time	11:00am
Location	Conference Call/In-Person	Scribe	Cicero Group

Agenda Item **Discussion Item** **Conclusion** **Action Item**

Attendees			
No.	**Name**	**No.**	**Name**
1.	Aaron Ezekiel	7.	Thom Turbett
2.	Milton Sanchez *(Human Services Department)*	8.	Jane Wishner
3.	Jonni *Pool (Human Services Department)*	9.	Jim Copeland
4.	Kathryn Toone *(Leavitt Partners)*	10.	Charlotte Roybal (*on behalf of Liz Stefanics*)
5.	Parker Larson (*Leavitt Partners*)	11.	Dr. J.R. Damron
6.	Daniel Case (*Cicero Group*)	12.	Carol Luna-Anderson

Agenda Item 1: Introduction and Review of Minutes

Name: Aaron Ezekiel

DISCUSSION ITEM 1 Amendments to Prior Meeting Minutes and Introduction

Mr. Sanchez began the meeting with a review of prior minutes. Ms. Wishner discussed the issue of state-wide coverage, and felt that in the minutes of the previous meeting it was not clearly specified that there was disagreement in the group on requiring this of Qualified Health Plans (QHPs). She recommended that the minutes remain the same, but that the split opinion on the matter be clearly communicated to the Advisory Task Force. Mr. Sanchez concurred.

Ms. Wishner also disagreed with a deadline attributed to Mr. Sanchez, on page 3, under "Clarification of Work Group Discussion Focus," where it was mentioned that the deadline for the Individual Exchange is July 2014, and stated that it is in fact January 2014, and only penalties may not be instituted until later that year.

Ms. Wishner also mentioned on Agenda Item 3, the independent actuarial study discussed there regarding the change of the Small Business definition from under 50 employees to under 100 employees and requested that this be clarified. It is important to note that this study was not commissioned by New Mexico, but by the state of Massachusetts, which has indicated its willingness to share the results of the study.

Mr. Ezekiel continued the meeting by referencing an email circulated by Ms. Wishner to the group, in which she had listed relevant topics for discussion. Mr. Ezekiel felt the common thread of these questions is that everyone has adequate health care, particularly in the rural areas, and that it is essential that more data be given to guide the group. The urgent need for this data and the

complexity of the issues was discussed. Mr. Ezekiel recommended that the group identify those topics they feel have been sufficiently discussed and areas where consensus has been achieved.

Agenda Item 2: Items for Discussion

Name: Aaron Ezekiel

DISCUSSION ITEM 1 State-Wide Coverage and Federal Multi-State Plan

Information on the Federal multi-state plan was requested from Ms. Toone, and she informed the group that while the regulations state that the multi-state plans should be "offered in all geographic regions," the draft application for these plans specifies that the plans may cover a geographical region as small as a single county. Mr. Larson clarified a possible exception in the draft application, which states that a carrier may provide coverage in a smaller area if this is deemed "necessary, non-discriminatory, and in best interest of the qualified individuals and small employers." It was also stated that while public comments on this draft application may address the size of geographic coverage of the plans, the comments have not yet been released.

Mr. Ezekiel referred to a conference call with CMS staff, in which they indicated they were waiting for the final review process to be completed on proposed regulations of multi-state plans, and until then they were reticent to discuss the topic but anxious to comply with these regulations once known.

DISCUSSION ITEM 2 Metallic Levels and Additional Tiers for QHPs

The Group discussed whether carriers should be required to offer more than the ACA-mandated two metallic levels of silver and gold, and more than one plan per tier. The consensus tended towards limited mandates and regulation, to encourage market participation. They did not feel that carriers should be mandated to provide more than one silver and one gold level plan, per ACA requirements. However, they acknowledged differences of opinion on the issue.

DISCUSSION ITEM 3 Network Adequacy

The distinction between adequacy of coverage and network adequacy was discussed. The peculiarities of the market in New Mexico and the desirability of attracting carriers was discussed. Ms. Wishner stressed the importance of remembering the consumer's best interest; and it was mentioned that this issue may be revisited to best serve the currently uninsured or under-insured residents. The various market forces, avenues of care, and the multifaceted nature of healthcare access in general were discussed.

These topics were revisited later in the meeting, and Ms. Wishner asked for guidance as to how the group may most effectively reach a useful consensus. She suggested that perhaps each topic requires its own Work Group. It was mentioned that a specialist may be invited to address these topics at the next meeting.

Ms. Toone clarified the federal guideline that "care should be accessible without unreasonable delay," and the large discrepancy in mileage traveled for rural vs. urban medical services was discussed. Many difficulties in defining and enforcing network adequacy, such as the rural nature of the state, high rates of underserved groups, and transportation issues, were discussed.

Federally Qualified Health Plans (FQHPs) and the guidelines they enforce for network adequacy were mentioned as a possible tool in making the Group's recommendations. It was decided to research these guidelines, as well as those used under Medicaid, and those used by private insurance. Dr. Damron also agreed to ask the New Mexico Medical Society for information regarding network adequacy.

DISCUSSION ITEM 4 Essential Health Benefits Criteria for Qualified Health Plans

Mr. Ezekiel mentioned that the Division of Insurance (DOI) criteria could be used for certification/decertification of QHPs. Ms. Toone clarified that regulatory authority may be delegated to the DOI, but members expressed that the Exchange should possibly oversee this area as well. Statutory revision, pending legislation and other issues were included in the discussion. Eventually the group reached consensus that certification/decertification of QHP status should be delegated to the DOI.

DISCUSSION ITEM 5 Timeframe for Carrier Participation

Mr. Ezekiel reminded the group that the prior preference in discussions had been to support a deadline for plan inclusion in the Exchange, to encourage a broad variety of plans available at the rollout. As chairman of the Adversarial Hearing committee, Mr. Ezekiel expressed concern regarding the lengthy process for plan approval, particularly in light of the large number of plans that will be submitted before the deadline.

Rate review laws and processes were discussed, and the necessity of having plans in place when the Exchange begins. The consensus was to set a deadline, but not discourage carriers from submitting afterwards, with the caveat that the carriers understand that plans that arrive late may not receive approval in time for the rollout. It is hoped that carriers will be motivated to submit their plans for consideration by the deadline in order to compete in a timely manner. Additional regulation was discouraged in this regard by the Work Group, as the issue was primarily determined to be administrative and not regulatory.

DISCUSSION ITEM 6 Criteria for Rating Plans in the Exchange

Mr. Ezekiel asked the Work Group to define the criteria by which plans should be rated, and how these criteria should be weighted. He indicated a reticence to default to the DOI on this. A member indicated that if criteria are not strictly and clearly defined and easy to understand, the risk presents itself that consumer-oriented rating systems (e.g., 3/5 stars) will emerge.

The fact that plans will all be offering identical EHBs was mentioned, and that only differing aspects among plans, such as non-essential benefit coverage and a 24-hour call center, should be compared.

The role of brokers in consumer assistance was discussed. Ms. Wishner stressed that it is important that the method of comparison be easily understood by consumers, and different consumer expectations were reviewed.

Cost and inclusion of preferred doctors were mentioned as primary consumer considerations when selecting a plan. The following were also mentioned as considerations that might be included in plan ratings.

1) Expansiveness of network
2) Behavioral health coverage
3) Neighborhood representatives
4) 24-hour call center/customer service
5) Claims accuracy
6) Well-designed website

CONCLUSIONS	

It was moved that minutes be approved as amended in Agenda Item 1. The motion was seconded and carried.

Additional information is to be sought for most discussion items, and no recommendations were formalized. However, consensus was reached on the following topics:

- Certification/decertification of QHP Status should be left to the DOI.
- There should be a confirmation of a deadline for submission of plans for inclusion in the Exchange.
- To encourage market participation, late plan submissions should also be accepted, so long as carriers understand that the review and acceptance process may not be completed in time for the Exchange rollout.

The meeting was adjourned.