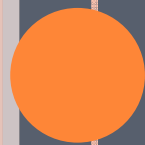
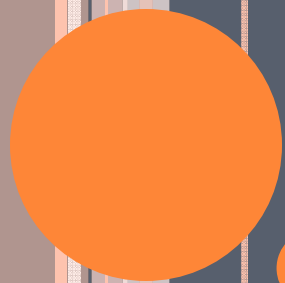




DEVELOPING AN INSURANCE EXCHANGE IN IDAHO

Director Bill Deal



UTAH'S INSURANCE EXCHANGE

BEGIN WITH A VISION

Develop a consumer driven health care and insurance market that provides:

- Greater Choice
- Expanded Access
- Individual Responsibility
- Higher Quality
- Improved Health



ENGAGE THE STAKEHOLDERS

2007 Formed Coalitions

- Executive Branch
- Legislative Branch
- Salt Lake Chamber of Commerce
- United Way of Salt Lake

2008 Formed Perspective-Oriented Work Groups

- Community Group
- Business Group
- Hospital Group
- Non-hospital Provider Group
- Insurance Group (carriers and producers)

2009 Formed Task-Oriented Work Groups

- Affordability and Access Group
- Transparency and Quality Group
- Oversight and Implementation Group



UTAH HEALTH EXCHANGE TIMELINE

March 2008 HB 133 establishes the Utah Health Exchange

- On-line mechanism that allows consumers to compare, shop for, and enroll in a health plan
- Will incorporate All Payer Database so patients may access info about providers
- Includes a multiple source premium aggregator

March 2009 HB 188 establishes the Utah Defined Contribution Market

- Employer offers a pre-determined level of funding, rather than a pre-determined benefit
- Utah Defined Contribution Risk Adjuster Board established
- Three carriers announce participation in the Exchange (Select Health, Regence BlueCross Blue Shield, Humana)

August 2009 Utah Health Exchange Limited Launch

- Exchange is open to limited number of small employers (2-50 employees)
- Purpose is to test dynamics of the new defined contribution market as well as the processes of the Exchange technology



UTAH HEALTH EXCHANGE TIMELINE

March 2010 HB294 includes provisions intended to correct and enhance the defined contribution market and the Exchange

- Pricing parity between traditional small group market and defined contribution market
- United Health Care joined (total of 4 carriers)

May 2010 Large Group Pilot Project Announced

- Full year earlier than anticipated, per requests from large employers (50 or more employees)
- Approximately 50,000 covered lives

September 2010 Full scale launch to all Utah small employers



LEVERAGE EXISTING RESOURCES

Technology

- Private-sector vendors
 - Enrollment and Plan Selection – bswift, Inc.
 - Financial/Banking Function – HealthEquity, Inc.

Marketing and Outreach

- Chambers of Commerce
- Professional and Trade Associations
- Earned Media

Education and Adoption

- Brokers and Consultants
- Human Resource Managers



ADVANTAGES OF THE UTAH HEALTH EXCHANGE

Employers

- Simplified Benefits Management
- Predictable Costs
- Expanded Coverage Choices
- Preserve Tax Benefits

Employees

- Individual Control and Choice
- Pay with Pre-tax Dollars
- Plan Portability
- Premium Aggregation





PLANNING FOR IDAHO'S HEALTH INSURANCE EXCHANGE

Implementation Date January 1, 2014

PHASE 1 – EXCHANGE DESIGN

- Governance
- Administration
- Product Development
- Public Outreach



PHASE 2

- Select and coordinate with carriers
- Develop administrative/enrollment processes



PHASE 3

- Initial implementation
- Actuarial evaluations: i.e. plan designs, products, risk, etc.
- Communicate pool structure and eligibility to public



PHASE 4

- Implementation completion
- Finalize web integration with carriers
- Transition plan to move high risk pool members to exchanges



EXCHANGE COMPLETION

- Target date → 4th Quarter 2013



OUTCOMES TO DATE

- Close working relationship between Department of Insurance and Department of Health and Welfare
- HHS Exchange Planning Grant
 - \$1,000,000 awarded September 23, 2010
- DOI is not submitting legislation for consideration during 2011 session

