

Nonprofit State-Based Health Insurance Exchange Option

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Nonprofit State-based exchange

- Private market solution
- Preserves State control of health insurance exchange
 - Governance
 - Operation
 - Financing

What's needed for nonprofit option?

1. State forms Idaho nonprofit
2. State designates nonprofit as Idaho's State-based exchange
3. State oversees nonprofit

How can nonprofit option be implemented?

- Insurance Director incorporates nonprofit
 - Formed under Idaho Nonprofit Corporation Act
 - Meets federal standards for State-based exchange
- Governor designates nonprofit to DHHS as Idaho's State-based exchange

Precedent for implementation?

Idaho Health Data Exchange, Inc.

- Dep't Health & Welfare Director Armstrong incorporated IHDE as nonprofit under Idaho Nonprofit Corporation Act
- Governor Otter designated IHDE to DHHS as meeting federal standards for healthcare initiative to encourage
 - use of health information technology, and
 - development of nationwide interoperable technology infrastructure for health information exchange
- IHDE eligible for (and received) federal grants for initiative

Idaho's choices for State-based exchange include:

- Board composition
- Operation
- Financing
- Oversight
- Contracting
- Reinsurance administration
- Risk adjustment administration

Minimum governance standards

1. Board majority experienced in health care
2. Board majority not health insurance industry controlled
3. Board includes consumer representation

Minimum transparency standards

1. Regular Board meetings open to public
2. Bylaws available to public
3. Ethics, conflict of interest and accountability policies available to public

Minimum operational standards

1. Capability to perform exchange functions
2. Capability to report information regarding premium tax credits
3. Serve entire State