



Maryland Health Connection Update

Small Business Forums
July, 2013

A service of Maryland Health Benefit Exchange

- ✦ Background on Maryland Health Benefit Exchange
- ✦ Maryland Health Connection
 - Individuals & Families
 - Small Business Health Options Program (SHOP)
- ✦ Authorized Insurance Companies
- ✦ Implementation – Where is Maryland Today?
- ✦ Ways to Get More Information

Background



- ✦ The *Patient Protection and Affordable Care Act* requires each state to establish a “**health insurance exchange**” by 2014
- ✦ A marketplace where individuals and small businesses explore, compare, and enroll in private health insurance and public assistance programs as well as access federal tax credits and cost-sharing subsidies
- ✦ States had a choice on how to establish their exchange marketplaces
 - State-based model
 - Federally-facilitated model
 - Partnership model
- ✦ **Maryland’s new marketplace is called Maryland Health Connection**

- ✦ **Expands access** to health insurance for 730,000 Marylanders (13% of Maryland) currently without health insurance
 - Medicaid expansion
 - Exchanges
- ✦ **Provides federal subsidies** for individuals up to 400% of FPL to pay for health insurance premiums
 - Infuses **\$600 million** in federal subsidies into the State of Maryland by 2015 → NEW funds in health care system
- ✦ Gives individuals access to primary care physicians, preventive services
- ✦ **Lowers uncompensated care** costs in the healthcare system

Maryland Health Benefit Exchange Act of 2011

- **GOVERNANCE MODEL & STUDY PROCESS**
 - Established the Maryland Health Benefit Exchange as a public corporation and independent unit of state government
 - Established Nine-member Board of Trustees
 - Created Executive Director position
 - Required the public study process

Maryland Health Benefit Exchange Act of 2012

- **POLICY & INFRASTRUCTURE**
 - Operating Model
 - Design of Small Business Health Options Program (SHOP)
 - Outreach and Consumer Assistance Program
 - Insurance carrier rules
 - Financing study process

Maryland Health Progress Act of 2013

- **IMPLEMENTATION**
 - Medicaid expansion
 - Dedicated funding stream for financing
 - Gradual transition of MHIP enrollees into Maryland Health Connection coverage
 - Flexibility for State reinsurance wrap-around program
 - SHOP rules for employer premium contributions
 - Continuity of care for Marylanders
 - Continued public engagement

Transparency

- ✦ Each year included a stakeholder amendment process to allow public discussion about proposed legislation before it was finalized.
- ✦ Maryland will continue to have an open, transparent process to create a marketplace that represents all Marylanders and meets the needs of all individuals and small businesses in the state.



**Maryland Health Connection –
a service of the Maryland Health Benefit Exchange**

Individuals & Families



- ✦ Individuals and families have access to **Medicaid and commercial plans**

- ✦ Offers **tax subsidies and cost sharing reductions** to individuals and families to make commercial plans affordable
 - Only place individuals can access subsidies
 - Federal government will pay a portion of costs for health insurance for people who earn up to 400% of FPL
 - Cost sharing reductions are available to individuals under 250% of FPL

- ✦ Individual Open Enrollment: October 1, 2013 - March 31, 2014
 - Coverage Effective: January 1, 2014
 - Annual open enrollment occurs starting in October of each year

Individual Enrollment Flow

Application
Eligibility
Determination

Consumer completes
online application for
insurance coverage

Tax Credit
Eligibility

If not eligible for
Medicaid,
Consumer is
evaluated for
eligibility for tax
credits

Plan
Shopping

Consumer is able to
select from available
plans based on
personal
preferences

Initial
Payment
Collection

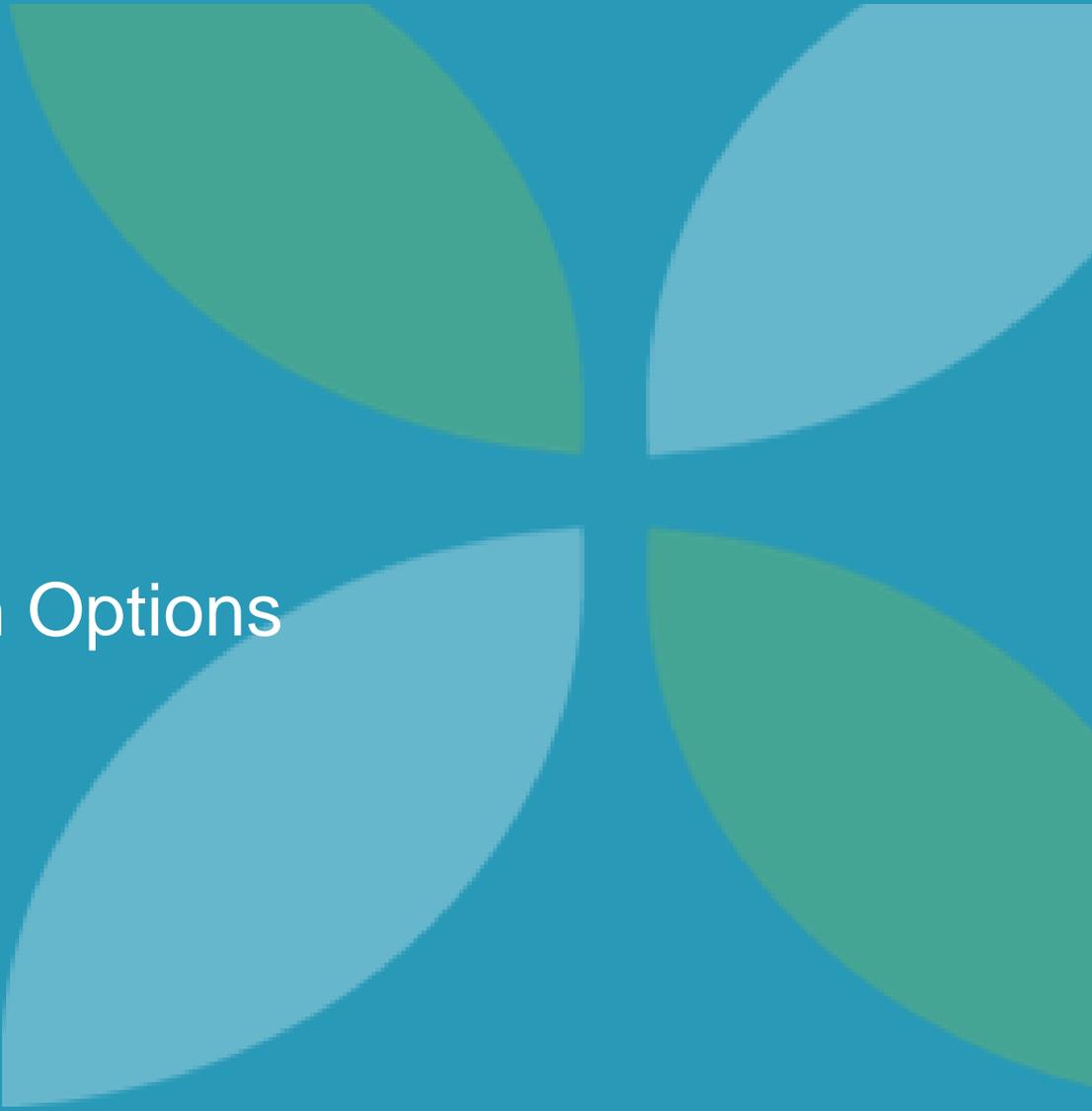
Consumer is able
to make the initial
premium payment
directly through
Maryland Health
Connection

Confirmed
Coverage

Maryland Health
Connection will
display a message
to the consumer
for coverage start
date

Notify
Carriers

Notify carriers of
enrollment
information and
of premiums
collected



Small Business Health Options Program (SHOP)

- ✦ **Maryland Health Connection** will have a Small Business Health Options Program (SHOP) dedicated portal for small businesses and their employees

- ✦ Small businesses (including non-profits) with up to 50 employees may participate
 - In 2016, the ACA modifies the definition of small group to 100 employees

- ✦ SHOP supplements the existing market...SHOP does not replace it
 - Small employers will still be able to purchase insurance outside of the SHOP

✦ Employer Benefits

- Simple, streamlined administration
 - Online Adds & Drops
 - Online Billing & Payment
 - Phone & Online Support
- Online tools available to help employers predict costs
- The ability to continue to work with brokers and TPAs
- Many small employers will qualify for tax credits

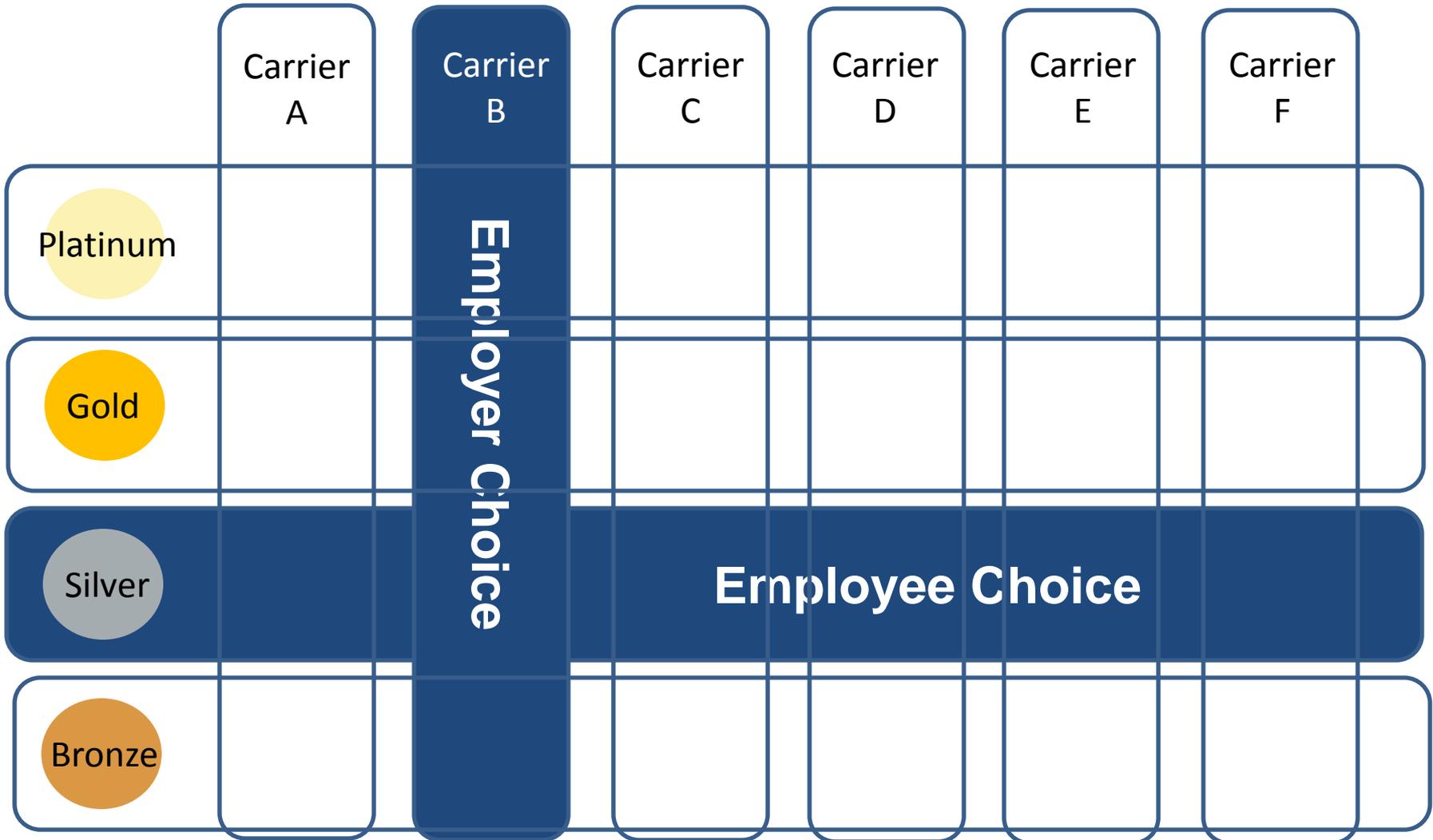
✦ Employee Benefits

- A wider range of plans to choose from
- Comparison tools to help select plans
- Online plan enrollment and account management

✦ **SHOP Open Enrollment: January 1, 2014**

- Coverage Effective: March 1, 2014
- Annual open enrollment is based on the renewal date of the small business

Two Options for Small Employers: Employer Choice vs. Employee Choice



SHOP Marketplace: Enrollment Flow

Eligibility Determination

Employer is evaluated for eligibility to purchase from SHOP based on demographic information.

Employer Plan Set-up

Employer selects a metal level (Employee Choice) or a carrier (Employer Choice) and sets defined contribution amount.

Estimated Quote

SHOP provides an estimated quote based on employer choices and employee census (age, income, etc.)

Employee Enrollment

Employees make plan selections with information on employer contribution and their expected cost

Validate Group

Validate that all requirements for the employer (e.g. minimum participation, creditable coverage for employees) have been met

Notify Carriers

Notify carriers to contract with employer and start coverage for employees

- ✦ Tax Credits for Health Insurance will only be available through MarylandHealthConnection.gov beginning January 1, 2014

- ✦ The SHOP will provide employers:
 - Innovative plan options that are easy to administer
 - Access to tax credits to cover employee premiums
 - Employee choice model

- ✦ Streamlined application, and customer service through statewide Call Center

- ✦ Ability to continue to work with brokers and third party administrators



Authorized Insurance Companies

Maryland has adopted a strategy for 2014-2015 that allows any willing carrier to offer qualified health plans on Maryland Health Connection as long as they meet federal and state requirements. This approach will foster competition in the marketplace and help to build stability for Maryland Health Connection.

Medical

- Aetna
- CareFirst
- Coventry
- Evergreen (CO-OP)
- Kaiser
- United HealthCare

Stand-Alone Dental

- Aetna Dental
- BEST Life
- CareFirst
- Coventry
- Delta Dental
- DentaQuest
- Dominion Dental
- Guardian
- Metropolitan Life
- United Concordia

- ✦ Plans offered on Maryland Health Connection will include:
 - Medical Only Plans
 - Medical Plans with Embedded Dental
 - Stand-Alone Dental Plans

- ✦ Insurance companies intend to offer PPO, HMO, EPO, POS products.

- ✦ Additionally, insurance companies will offer plans across all metal tiers for the Individual and SHOP marketplaces.

Essential Health Benefits

Ambulatory Services

Emergency Services

Hospitalization

Maternity and newborn care

Mental health and substance use disorder services

Prescription drugs

Rehabilitative and habilitative services and devices

Laboratory services

Preventive and wellness services and chronic disease management

Pediatric services including oral and vision care

Implementation Update

- ✦ Federal Certification: Maryland Received Conditional Certification on December 10, 2012
- ✦ Continued development of IT system
- ✦ Outreach & Education: Q3 2013
- ✦ Training: Starting August 2013
- ✦ Consolidated Services Center (Call Center): August 2013
- ✦ **Individual Open Enrollment: Begins October 1, 2013 - March 31, 2014**
- ✦ **SHOP Begins: January 1, 2014 for March 1, 2014 effective date**
 - Annual open enrollment is based on group renewal date



Ways to Get More Information!

MarylandHealthConnection.gov



- ✦ Sign Up for Email Updates
- ✦ Sign Up for Text Updates: Text “Connected” to 69302
- ✦ Get information on insurance resources available to help now
- ✦ Plans Available
 - ✦ Individuals – October 1, 2013
 - ✦ SHOP – January 1, 2014

MarylandHBE.com

- ✦ Meeting Information
- ✦ RFP Announcements
- ✦ Job Information



Thank you!

For questions on the information contained in this presentation,
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www.MarylandHealthConnection.gov