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## AGENDA ITEM

For Possible Action

Information Only

**Date:** August 13, 2015  
**Item Number:** VI  
**Title:** Exchange Sustainability Update

### PURPOSE

The purpose of this report is to provide the Board and the public with information regarding conversations with CMS on exchange sustainability for 2017 and beyond.

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### BACKGROUND

On November 15, 2014, the Exchange successfully transitioned from the Xerox web portal to the Healthcare.gov technology platform for application, eligibility, and enrollment in Nevada certified Qualified Health Plans for Plan Year 2015. The Centers for Medicare and Medicaid Services (CMS) who operate Healthcare.gov informed the Exchange that there would be costs requiring Exchange payment for the use of the technology in the future. In regularly scheduled meetings in the first quarter of 2015, the Exchange was informed that a process to lease Healthcare.gov would be forthcoming in the next few months that would necessitate payment to CMS starting in Plan Year 2017. This process would be outlined in standard federal rulemaking.

### COLLABORATING WITH CMS

In an effort to help develop the process for leasing Healthcare.gov that would work well for Nevadans, the Exchange traveled to Bethesda, MD and met with CMS Leadership on April 8,

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2015. From the Exchange, this meeting included the Executive Director, Chief Operating Officer, Project Management Officer, Finance Officer, and the Exchange's Board Vice-Chair. The Exchange met with the Chief Executive Officer of the Centers for Consumer Information and Insurance Oversight (CCIIO), their Deputy Director, and a cadre of financial, consumer services, and outreach federal staff.

Initial conversations surrounded the lease process that Nevada, as well as any other Supported State Based Marketplace (SSBM) who exists today or will exist in the future would need to follow. CMS shared concepts but could not provide actual dollar figures or a cost methodology yet as they are still defining the inputs and outputs their technology platform and associated support would entail. It was anticipated that official guidance would come out by July 30 (the date of their established Sustainability Conference this year in McLean, VA).

The CMS Sustainability Conference took place July 30<sup>th</sup> and 31<sup>st</sup>. All attendees were advised that information provided at the conference was confidential and proprietary, and not to be released publicly unless authorized by law. Accordingly, the information to be provided today is necessarily general in nature and will not provide significant detail.

### **THE CONFERENCE**

The CMS conference addressed every area of state-based marketplace sustainability including the use of data to better understand the market, encouraging efficiencies through inter-agency collaborations and cost allocations, the potential for shared services, and other opportunities for cost savings. One of the CEO Closed Door Roundtables did center upon state use of the federal IT platform.

No proposed rule has been released which sets out the recommended access fee for continued state use of healthcare.gov. Latest available information suggests that the rule may be released in November for comment and possible revision.

### **NEXT STEPS**

The Exchange is unable to develop a plan to absorb any healthcare.gov fees until the proposed rule is released in November. We have discussed our concerns with CMS leadership regarding both the timing of the release of the proposed rule and the need for a fee methodology which compensates CMS fairly without impairing the Exchange's ability to defray necessary and required operating costs.

We will continue our discussions as the proposed rule is developed, and will be able to provide greater insight once we can review the rule and the suggested fee amount.