



Silver State Health Insurance Exchange

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AGENDA ITEM

For Possible Action

Information Only

Date: March 10, 2016
Item Number: IV
Title: Executive Director’s Report

PURPOSE

The purpose of this report is to provide information to the Board and public regarding the status of the Exchange’s implementation of a state based health insurance exchange and other operational matters of the Exchange.

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GENERAL COMMENTS

When we last met, I shared with the Board that much of our time over the upcoming months would be dictated by the final Notice of Benefit and Payment Parameters when issued by CMS.

The rule was issued on February 29th, and – as expected - sets user fees for state-based marketplaces which utilize the federal eligibility and enrollment infrastructure at 3% of the pre-subsidized premium generated by QHPs and standalone dental plans sold through the Exchange. The rule also sets a 1.5% fee for 2017 as a transitional year, and indicates that CMS intends to annually review the fee charged and adjust it as deemed appropriate.

Even at 1.5% of premium, the anticipated cost of remaining on the federal infrastructure in 2017 exceeds \$4,000,000. That figure represents over 47% of the annual revenues of the Exchange for that year and will require a significant reduction in the historical level of spending on consumer education and outreach, our navigator program, and marketing.

Staff believes that there are commercially available, proven, less expensive alternatives to the federal technology platform and call center which would serve to both lower our technology costs and provide us with ad hoc, real time reporting that would allow us to better target our marketing and messaging. We would also have the ability to provide better customer service and a less bureaucratic appeals process, reducing decision time and making sure our consumers are treated fairly.

We continue to collect information on these alternatives and anticipate providing more detail to the Board at our April meeting. Our hope is that we will be prepared to recommend to the Board whether we believe it in the best interest of Nevada's consumers to remain associated with healthcare.gov for the 2017 Plan Year, and propose a process for choosing an alternate technology platform and managing a transition in the event the Board determines a move to be the best path forward.

As I have said before, 'technology' and 'exchange' are not synonymous terms. Technology is one of the tools used to accomplish our mission, but it is not the only tool. In my opinion, we cannot afford to spend lavishly on technology and cut back on those functions and activities that have proven successful in driving enrollment to record levels each of the past two years. My sense is that the Board agrees.

Additionally, the Exchange is in the process of revising its brand standards and associated policies. The original branding standards, while appropriate when conceived and implemented, have proven to need adjustment as the number of brand partners has expanded and our name and logo have become more widely recognized.

In order to minimize issues arising out of this policy revision, we chose to wait until conclusion of the Open Enrollment period before beginning the transition process. However, with the enrollment period for Plan Year 2016 having come to an end, the time has come to begin implementing the new standards. To that end:

1. Any and all consent previously provided for the use of the Nevada Health Link name and logo has been withdrawn. While brand standards are in the process of revision, and pending the provision of additional information, a policy has been developed to govern approval of requests to use the Nevada Health Link name, mark, and logo going forward.
2. All persons and entities wishing to use or continue to use the Nevada Health Link name or logo must submit a formal written request for such use, providing detail as to the name and logo are proposed to be used.
3. Our name and/or logo may not be placed in or used as part of a third-party press release, web site, social media, product flier, or promotional literature without our review of the design of the release, web site, flier or literature and our express written consent.

4. Our name and logo may not be used by any entity or person not certified by the Silver State Health Insurance Exchange to sell health insurance plans through the Exchange, and
5. We have expressly reserved the right to prohibit any use of our name and logo if we believe that any usage is misleading or could discredit the Nevada Health Link or tarnish its reputation and goodwill.

This revision of our brand standard and the associated policies marks the further evolution of the Exchange as an ongoing entity. Over the last two years, our brand – our identity – has been relentlessly communicated. It has defined our approach to marketing, operations, and more. Our brand is reflected in our website, signage, social media messaging and face-to-face conversations. It has become an asset and we must guard it against misuse or imitation.

The next few months will be a busy time for the Exchange, with several important decisions looming on the horizon. I am confident that the Board will base those decisions on protecting the interests of our consumers and stakeholders, and assuring the Exchange will be able to continue to provide access to quality, affordable health plans to Nevadans throughout the state.