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## AGENDA ITEM

For Possible Action

Information Only

**Date:** October 13, 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

The Exchange has had a busy and fruitful off-season where we were able to leverage existing grant funds to develop a successful off-season marketing and outreach campaign with the theme of “Get to Know the Benefits of Health Insurance.” As you will hear from Penna Powers, this campaign has been successful in developing connections with our existing consumers while allowing the Exchange to make impressions and collect data on our uninsured and underserved populations.

Over the past several months the Exchange has partnered with the UNLV School of Medicine and the Nevada Division of Public and Behavioral Health to integrate Certified Application Counselor training into their Community Health Worker curriculum. Between the two organizations there will be 16 newly trained Community Health Workers who are also Certified Application Counselors who will be able to assist consumers with enrollment in time for November 1<sup>st</sup>, Open Enrollment.

The Exchange is well positioned as we head into our fourth Open Enrollment. We will be able to build on the successes of our off-season campaign to communicate the Open Enrollment "It's Time to Get Connected," message to drive enrollment. Penna Powers' presentation will offer more details on our marketing and outreach campaign designed to educate Nevadans on how to enroll for coverage.

The Exchange has seen a decline in the number of brokers and agents who will be enrolling consumers in on-exchange qualified health plans for plan year 2017. This decline is a result of carriers reducing commissions to brokers and agents for both on and off exchange plans. In order for the Exchange to ensure that there are adequate resources for consumers wishing to have assistance with their enrollment applications we will be utilizing our Navigators, In-Person Assisters (IPA), and Certified Application Counselors (CAC) across the state to augment our enrollment force. We are working to provide additional training and support to ensure that Navigators, IPAs, and CACs are prepared to enroll consumers. Our marketing and outreach messaging will remain the same, encouraging consumers to visit our website to find licensed in-person assistance.

The Exchange values our partnerships with brokers and agents and recognizes the difficult decisions that they are making; we continue to work collaboratively with their associations. We have developed messaging for brokers and agents who will no longer be assisting with enrollments to ensure that they direct consumers to the NevadaHealthLink.com In-Person Assister Tool to find accurate resources for enrollment assistance.

Finally, the Exchange has submitted comments in response to the Centers for Medicare and Medicaid Services (CMS) annual Proposed 2018 Notice of Benefits and Payment Parameters (NBPP). In summary, the Exchange commented on the portions of the proposed rule which sets user fees for both federally facilitated marketplaces and state-based marketplaces utilizing the federal eligibility and enrollment infrastructure.

The Exchange commented on the Federal Facilitated Exchange (FFE) user fee, noting that the proposed rule indicates that the 3.5 percent fee is not sufficient to offset the full costs of states utilizing all of the services provided by the federal exchange. The distortion of this fee is unfair to a state-based marketplace which uses the federal application and enrollment platform and associated call center. By artificially depressing the FFE fee while requiring state-based marketplaces to pay the full cost of accessing its technology and call center, CMS does not equally and fairly apply a single standard to operational cost recovery. This disparity inappropriately benefits issuers and consumers in states serviced by the FFE, and penalizes issuers and consumers in State-Based Marketplaces utilizing the Federal Platform (SBM-FP) jurisdictions.

The Exchange also commented on the proposed rule's request for comments related to allowing SBM-FP states to pay 1.5 percent of premiums fee for access to the HealthCare.gov technology and call center for plan year 2018 rather than the 3 percent fee which was established in the 2017 NBPP. Given the late timing of the finalized 2018 fee, the Exchange was not given adequate and necessary time to adjust fees and operational budgets to reflect the costs of accessing the federal

eligibility and enrollment system. A one year extension of the 1.5 percent would remedy this issue and allow the Exchange to budget and plan accordingly.

The Exchange continues to believe that SBM-FPs should be assessed a significantly lower fee than that charged by CMS to issuers in FFE states as SBM-FPs provide a high level of value and reduce CMS costs and workload in core program areas. Nevada's state-based marketplace provides a level of service to our citizens that CMS, understandably, could never offer. The Exchange is prepared to fairly compensate CMS for the true market value of the services provided, while still assuring the Exchange is able to properly perform all required and baseline obligations.

We must be able to retain sufficient revenues to permit us to meet statutory duties of a state-based marketplace: plan management and coordination with state insurance departments; funding and overseeing the Navigator program; developing and implementing outreach, education and marketing activities; financial management and oversight; annual financial and performance audits; revenue collection and reconciliation; and general administration and management of the marketplace. The Exchange believes that establishing an on-going fee of 1.5 percent is a more equitable assessment which is more in line with fair market value.