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AGENDA ITEM

☐ **For Possible Action**

☒ **Information Only**

Date: January 22, 2020

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

In September 2019, the Silver State Health Insurance Exchange (Exchange) officially transitioned technology and call center functionality off of HealthCare.gov and began operations as a fully autonomous State Based Exchange (SBE) in time for plan year 2020 open enrollment. Nevada Health Link's first official open enrollment as an SBE began November 1, 2019 and ended December 15, 2019, with an extension to December 20, 2019 for Nevadans who began their application by the Dec. 15 deadline. A total of 77,410 consumers enrolled for plan year 2020 which included 20,111 new and 25,587 returning consumers who actively shopped on NevadaHealthLink.com.

For the first time in its history, the Exchange has access to real-time data; this information provides details about plan selections along with the demographic makeup of consumers. Plan year 2020 enrollment is the new baseline from which the Exchange will work to continue to increase the number of insured Nevadans.

The transition project was multi-faceted and complex, requiring coordination with the Centers for Medicare and Medicaid Services (CMS), Internal Revenue Services (IRS), GetInsured (GI) technology and call center teams, the Division of Welfare and Supportive Services (DWSS), Nevada Division of Insurance (DOI), Nevada Exchange insurance carriers, Nevada licensed brokers, certified Navigators, community partners, and consumers. As a result of the collective focus to ensure a successful transition, the Exchange was able to produce an on-time, under-budget technology project - no small feat for a state agency.

As the Exchange moves into the Maintenance and Operations phase of the transition project, the focus will be on establishing best practices for contract monitoring for both the technology and call center vendor with a focus on defect resolution, while also seeking opportunities to improve and enhance the Exchange's configuration for efficiency and effectiveness. The Exchange will also continue to build and refine policy in-line with federal and state laws and in sync with national best practices and ensure security privacy standards remain in compliance. The Exchange will continue to coordinate with insurance carriers to align reconciliation efforts while also monitoring consumer specific data to ensure effective outreach and marketing tactics.

While the transition project can be counted as a success, there remains a significant opportunity for improvement. The Exchange is working to survey and engage stakeholders in an effort to identify and prioritize opportunities for advancement both in the Special Enrollment Period and for the plan year 2021 Open Enrollment Period.

Open Enrollment Plan Year 2020

As part of transition to a SBE, the Exchange migrated a total of 65,563 Nevada consumers from HealthCare.gov onto the SBE platform at NevadaHealthLink.com. As a result of the successful transition off of the federal enrollment platform, the Exchange has established a new and accurate baseline for reporting enrollment figures, highlighted below. This highlight focuses on active enrollees that took action to interact with the enrollment and eligibility system.

Total Enrollees = 77,410
Average Net Premium Amount = $281
Eligible for APTC = 61,920 or 80% of all enrollees

New Enrollees Since 11/1/19 = 20,111
Active Re-Enrollees Since 11/1/19 = 25,587
Total Active Enrollees (New +Active Re-Enrollees) Since 11/1/19 = 45,698

Active Enrollees Since 11/1/19 by Metal Tier
Gold = 1,650
Silver = 26,064
Bronze = 1,150
Expanded Bronze = 16,533
Catastrophic = 301

Active Enrollees Since 11/1/19 by Submitter Type
Broker Designated Enrollees – 26,110
Self Service Enrollees – 19,590

Marketing and Outreach

The Exchange developed a comprehensive strategy for marketing, outreach, and communication for plan year 2020. The multi-phased plan included the Exchange's most diverse approach in its history and was developed nearly a year in advance of the SBE launch. Communication with stakeholders began in early 2019 and focused on developing buy-in by engaging these groups in the project's progress through transparent and regular communications. The Exchange's marketing vendor, Penna Powers, developed creative advertisements and used consumer data to refine outreach and marketing to target audiences within specific geographic regions. The Exchange will provide a wide-ranging overview of our marketing and outreach efforts later in the meeting.

Broker/Agent Engagement

During the last six months of calendar year 2019, the Exchange embarked on a new process for training and certifying brokers to sell qualified health and dental plans on the Exchange. The first step in this process was to create an online training and certification program. The Exchange, through its Project Management Office (PMO), designed a course curriculum and online instructional program utilizing a training platform called Mindflash. The interactive training program, based on the Center for Medicare and Medicaid Services (CMS) annual training, offered returning brokers an abbreviated training and new brokers, a longer more robust training. Whether a broker takes the abbreviated or longer training, each course taught brokers Affordable Care Act Basics, Privacy Security and Fraud Prevention Standards, and Marketplace Assister Essentials. In addition to providing instruction, each course offered frequent "knowledge checks" to ensure content was being absorbed, as well as a final exam. Additionally, incorporated into this training and certification process were attestations ensuring compliance with the Nevada Health Link Privacy Policy, Acceptable Use Policy, Code of Conduct Agreement, and Marketplace Privacy and Security Agreement. As of January 2020, the Exchange has 779 resident and non-resident brokers trained and certified on its platform. Of this number, 271 have opted into availability in the telephonic Broker Connect referral system, which is an automated telephony system that will search the phone number of a broker within a specified mile radius of a caller's location (zip code) and call multiple agents until a connection is made or a message is left on the desired broker's phone.

The Exchange's broker liaison continues to travel to various areas of the state meeting with licensed brokers and agents individually to promote the benefits of selling plans on the Exchange, new features regarding the enrollment and eligibility on the GI system, and features of the Broker Portal and Broker Book of Business features. Furthermore, the broker liaison is continually discussing with the broker community how changes to Short-Term Limited Duration (STLD) plans and Association Health Plans (AHPs) will impact the individual market, and taking time to educate and review important ACA requirements. A substantial amount of time this open enrollment was spent by the broker liaison and the broker/Exchange Enrollment Facilitator (EEF) Quality Assurance Specialist on fielding broker enrollment and eligibility questions, system questions, and policy questions. These two Exchange staff members also coordinated broker questions with the GI call center to ensure consistent policy application and broker/consumer messaging. Since the Exchange is now able to provide a dedicated broker/EEF support line, the Exchange was able to increase call center coverage hours for the broker (and EEF) community throughout open enrollment. The broker liaison is steadfast in actively engaging and promoting marketplace participation in both northern and southern Nevada broker groups such as

the Northern Nevada Association of Health Underwriters (NNAHU), the Clark County Association of Health Underwrites (CCAHU), and chamber of commerce events.

Following up on a successful Request for Application (RFA) grant released in May of 2018 which solicited applications for a maximum of six Broker/Agent Storefront programs for plan year 2019, the Exchange awarded five grantees for plan year 2020. The Exchange released a RFA on May 8, 2019; and five grants of $10,000 each were awarded on July 1, 2019 to licensed insurance Brokers/Agents to assist with marketing, outreach, and operational costs related to enrolling consumers in qualified health plans (QHPs). The goal of the RFA is to increase the number of enrollees in QHPs by brokers servicing Nevadans in-person at storefront locations. The Exchange recognizes the value of brokers having a public facing physical location to service consumers' questions and concerns, comparatively shop plans, as well as directly assist with the enrollment process during the open enrollment period. Due to the Exchange's success with the program, the Exchange is enthusiastically planning to continue the grant program for plan year 20 and is looking for geographical diversity across the state as to its grantees.

Based off of end of open enrollment data from the Exchange's new state-based system, 33 percent of active applications were assisted by brokers, which is a nine percent increase compared to plan year 2019 enrollment data from CMS. These grants have had a direct impact in providing over 2,500 consumers with assistance in convenient locations throughout southern Nevada (i.e. malls, shopping centers and broker offices.) The grants have allowed brokers to hire additional employees, offer a more robust outreach and marketing program, and improve operation efficiencies.

Navigators and In Person Assisters

To be compliant with federal regulations, the Exchange must have consumer assistance resources and functions, including a Navigator program; and must refer consumers to appropriate state resources when available. The Exchange has allocated a $1.5 million dollar budget for the year round work performed by Navigators and In Person Assisters' (IPAs) and continues to operate with two awarded entities to serve as statewide Navigators and six IPA entities. Navigator and IPA organizations are responsible for outreach, education, and enrollment for Nevada's uninsured and underinsured populations. Certified Application Counselors (CACs) are comprised of private entities that are licensed by the Division of Insurance (DOI) and have been trained by Nevada Health Link and work closely with the Exchange to educate consumers on the resources available in the health insurance marketplace. Exchange Navigators and IPAs have attended over 580 events between July and December 2019 and remain the primary event staff when attending statewide community outreach events which continue to be a vital part of Nevada Health Link's marketing and outreach initiatives. Navigators and IPAs attend community outreach events to promote the upcoming open enrollment period while providing consumers with education of the health insurance marketplace. Navigators and IPAs have also continued to educate consumers on Special Enrollment Periods (SEP) for any consumer who may experience a qualifying life event throughout the year along with promoting the next open enrollment cycle which begins on November 1 of each year.

Get Insured Contract Management

The Exchange's transition project is nearing completion of the Design, Development, and Implementation (DDI) phase and entering the Maintenance and Operations (M&O) phase of the contract. GetInsured (GI) will work to resolve legacy defects related to the DDI phase while moving into M&O. The Exchange has developed a Scope of Work (SOW) designed to augment contractual obligations which outlines tasks, schedules, and expected outcomes for M&O.

The GI contract for the DDI phase outlined milestones and deliverables and correlated payments accordingly. As is expected with a contract of this size and complexity, many milestones and deliverable dates were adjusted through formal Change Requests and signed by all parties. The Exchange required satisfactory delivery of all associated deliverables prior to payment.

The Exchange has outlined M&O expectations in the SOW that covers both the technology and call center functions. The Exchange's Chief Operations Officer and Executive Director will oversee the Exchange's efforts to monitor GI for compliance with the contractual obligations and the SOW. If deficiencies are found, the Exchange will communicate the deficiency, the expectation for correction, and the timeline for compliance in writing to the GI Account Manager and Chief Executive Officer for rectification.

Nevada Health Link Call Center

Nevada Health Link's call center began operations on September 4, 2019 in time for the Exchange to invite migrated consumers to claim their accounts. This "soft-launch" offered stakeholders and consumers an opportunity to work directly with Nevada Health Link and set the tone for open enrollment.

The call center supported two phone numbers dedicated to specific audiences; one line (800-547-2927) is dedicated to consumers, and the other line (800-547-8156) is dedicated to enrollment professionals (Brokers and Navigators). While the call center is open typical office hours during the off season or SEP of 9:00am to 5:00pm PST, the Exchange was able to extend call center hours throughout the day during Open Enrollment from 7:30 am to 7:00pm PST Monday through Friday, and also provided extended hours on Saturdays and Sundays.

Service provided during these hours was available in both English and Spanish; and when needed, in other languages serviced with the support of Language Line Solutions phone interpretation services. The overall strategy was for GI consumer support representatives (CSRs) to provide technical support, answer basic questions, and direct consumers to brokers and other enrollment professionals. Furthermore, CSRs reviewed and processed data matching issue (DMI) and SEP Verification Issue (SVI) documents. To achieve this strategy, GI established a permanent and seasonal peak staffing plan to hire level 1 CSRs, level 2 escalation and broker support CSRs, supervisors, Quality Assurance personnel, a manager, a director, a trainer and IT support personnel. Hiring began in June of 2019, with a staffing plan to peak at 55 employees during Open Enrollment (inclusive of supervisors). The CSRs were provided foundational training on ACA and health insurance basics, exceptional circumstances, privacy, security and HIPAA, positive customer experience, level 1 service, level 2 service, consumer assistance portal (CAP) usage, support for brokers, CSR roles and responsibilities, key performance indicator (KPI) training, refresher training, and DMI/SVI training.

Supporting the GI call center locally for the Exchange was a team of one supervisor and three program officers comprising the Quality Assurance team. This four person team—reporting to the Chief Operations Officer—acted as a level 3 support team addressing complex issues or issues requiring in-depth research. For reference, preliminary workload statistics of the Quality Assurance team included: approximately 800 emails responded to and close to 600 CAP tickets actively serviced. The Quality Assurance unit's partnership with the GI call center included support of escalated issues resulting from some of the 42,700 calls since call center's operational start for the broker support line on July 26, 2019, and the Consumer Assistance support line start on September 4, 2019. Coordination of workload was managed by daily check-in calls with the call center during Open Enrollment, and twice a week check-in calls during SEP. Since their opening day, the call center has maintained a 90% or greater customer satisfaction rate.

State Based Exchange Operations

The Exchange's biannual budget included an additional nine (9) classified full time employees to assist with the operationalization of SBE functionality. Between the months of August and December, the Exchange coordinated with the Division of Human Resource Management to recruit, interview, and hire all nine employees. The hiring process was an enormous task that took place in the middle of a complicated technology transition project. The Exchange immediately employed new team members with developing processes, policies, and work flows for their respective positions. While the Exchange understood what functionality would be necessary to operationalize the SBE, the exact flow remains to be completely known.

Quality Assurance/Consumer Assistance

A newly established Quality Assurance (QA) unit was assembled starting in September of 2019. In building the unit, the Exchange hired three (3) Program Officer positions as Quality Assurance Analysts. These positions report directly to the Quality Assurance Manager and are overseen by the Chief Operations Officer. Each of the positions are cross-trained to ensure daily coverage and to assist with increased workloads requiring additional assistance.

The Quality Assurance Analyst Carrier Support Specialist is a subject matter expert working directly with Health and Dental Insurance Carriers (Carriers) who offer products through the Exchange. Under the direction of the Quality Assurance Officer, this position is the single point-of-contact to Carriers on Exchange policies, practices, and systems. Since starting, this position has been responsible for researching and confirming complex payment transaction processes, enrollment and eligibility verifications with carriers, and system interactions amongst consumers and carriers. This position is responsible for identifying trends and defects and reporting them as appropriate.

The Quality Assurance Analyst Enrollment Partner Support Specialist is the liaison and subject matter expert supporting Navigators, Enrollment Counselors, Certified Application Counselors and licensed agents and brokers (Enrollment Partners) for the Exchange. Under the direction of the QA Officer, this position is responsible for program development and implementation, general operations support, case management, policy research and analysis, reporting and analytics, consumer assistance program coordination, consumer support services, and related functions. Since starting, this position has been instrumental in resolving all types of enrollment professional process, eligibility, enrollment, system behavior, and payment questions in support and coordination of the Broker Liaison based in the Exchange's Henderson office. This position is responsible for identifying trends and defects and reporting them as appropriate.

The Quality Assurance Analyst Consumer Support Specialist is a subject matter expert working directly with Exchange consumers and performs quality assurance analyst responsibilities in support of the Exchange's operational goal of consumer experience maximization and operational excellence. Under the direction of the Quality Assurance Officer, this position receives, researches, and responds directly to consumer communications regarding concerns and complaints. Additionally, this position acts as a Tier 3 receiver of complex issues that cannot be handled by Tier 1 or 2 call center agents at the GI call center, or cases requiring extended research. Since starting, this position has coordinated consumer issue resolution both independently and in coordination with the GI call center to provide exceptional support to consumers as they formulate solutions to support operational goals of the Exchange and consumer assistance center. This position is responsible for identifying trends and defects and reporting them as appropriate.

For reference, preliminary workload statistics of the QA unit include: response to approximately 800 emails and resolution efforts for nearly 600 CAP tickets. The Quality Assurance team has also supported and worked closely with the GI call center team, which has independently fielded over 42,700 calls since their operational start for the broker support line on July 26, 2019, and the Consumer Assistance support line on September 4, 2019. Since their opening day, the call center has maintained a 90% or greater customer satisfaction rate.

Policy and Compliance

The Policy and Compliance unit consists of one (1) Management Analyst III (MAIII), the Policy and Compliance Manager, and one (1) Management Analyst I (MAI), the Policy and Compliance Coordinator. The MAIII had a hire date of August 26, 2019, and the MAI had a hire date of November 12, 2019. The policy unit is considered to be content experts in released guidance and policy manuals to internal staff, external stakeholders, and to the public. The policy unit also oversees the librarianship of all documents to ensure documents are being updated appropriately and schedules reviews of documents.

The MAIII is required to oversee and ensure that the Exchange's vendor system is in compliance with all applicable state *Nevada Revised Statues* (NRS), *Nevada Administrative Code* (NAC), and federal law and rule changes. This position serves as the Program Manager over the policy team, and the appeals staff. The MAIII oversees the development, implementation, and training of internal and external vendor staff related to the system and eligibility. The MAIII also assists and engages with compliance related to User Acceptance Testing (UAT) and is required to report potential defects or issues to vendor staff accordingly. Measurable metrics which the MAIII, Policy and Compliance Manager are still being defined, but will be reportable no later than one (1) year after service. Analysis of metrics will be related to the assistance and testing of implementation of rule and law changes applicable to system eligibility, reporting operational impacts based on rule and law changes, engaging with various stakeholder groups for future policy discussions, in addition to creating content for discussion of future policy within each applicable group.

The MAI conducts research on policy related matters that impact operations and works collaboratively with the MAIII to counsel management and staff on policy impacts to business operations. The MAI is required to assist in the creation and revision of guidance and policy manuals for internal and external use. The MAI assists in UAT with the MAIII, and is learning eligibility related policy changes that require to be implemented. The MAI assists in librarianship and document control related to all policy manuals, and guides on the use of the platform. Measurable metrics which the MAI, Policy and Compliance Coordinator, are still being defined as the position has only been filled for two (2) months at this point in time. Metrics will be reportable no later than one (1) year after service in which will assist in workload and revision of duties as necessary. Analysis of workload related to document control, revision history, and training internal staff, and external stakeholders will be taken into consideration when reviewing workloads related to the Policy and Compliance Coordinator position.

Security and Reconciliation

The two (2) new full time employees hired in the newly developed Security and Reconciliation Unit were the last of the nine (9) to be hired because the Reconciliation functions could not begin their work until after Open Enrollment was complete. This unit is directed by the Exchange's Information Systems Manager and oversees the coordination, transfer, and analysis of information systems and insurance plan data between the Exchange and insurance carrier's databases. The positions plan, develop, and administer automated reconciliation programs and correlate policies affecting the Exchange's reconciliation efforts. The Exchange staff worked with carriers in late December to develop timelines and processes for reconciliation which is set to begin on January 17, 2020. **Federal Updates**

The Exchange continues to monitor and track federal rule changes, court cases, and proposed legislation that may impact the way that Nevada Health Link does business.

Public Charge

January 8, 2020 the federal appeals court blocked an executive order from October 2019 which was to prohibit lawful entry into the United States for individuals who could not supply proof of insurance within 30 days of entry that did not include the use of exchange subsidies.

Program Integrity Rule

In December of 2019, CMS enhanced a published a final rule related to program integrity. The rule requires any SBE to begin bi-annual periodic data matching (PDM) in plan year 2021. This allows for the Exchange to identify compliance with correct eligibility and potential enrollment issues as often as the PDM is ran. This rule was enacted to protect consumers who may be receiving the wrong eligibility which would minimize the opportunity for a consumer to potentially receive subsidy eligibly they otherwise would not be eligible for. The additional requirements will come at a cost for the Exchange as they will require updates to our new technology platform that have not been budgeted for. The Exchange is working closely with CMS and other states who use the GI platform to determine the necessary timeline and the potential for shared costs.

The Program Integrity Rule also poses requirements on Nevada insurance carriers to separately bill consumers for non-Hyde abortion services. Carriers are required to bill a minimum of $1 per enrollee per month even if the enrollee's premium is less than $1 a month due to the allocation of premium tax credits. There are currently no Nevada insurance carriers that cover non-Hyde abortion services.

Annual Notice of Benefit and Payment Parameters (NBPP)

The CMS has not released the annual NBPP. This notice provides various parameters around rules that a SBE would need to ensure compliance with for the next plan year. The Exchange will continue to monitor the release of this notice and report any changes to compliance that may impact Exchange business and operations.

Individual Health Reimbursement Account (ICHRA) Rule

In June of 2019 the Internal Revenue Service (IRS), Department of the Treasury; Employee Benefits Security Administration, Department of Labor; CMS, and Department of Health and Human Services issued a final rule to be put in effect August 2019 that allow individuals who receive a Health Reimbursement Account (HRA) from their employer to potentially utilize those benefits to purchase a subsidize individual health plan, or opt out of the option of the HRA and purchase a subsidize individual health plan. Individuals would need to meet all other eligibility standards to receive subsides to use benefits offered through the Exchange. Due to the time this rule was released, many states—including Nevada and the federal government, CMS—was unable to create the technology in the current platform build to accommodate this rule. Moving forward, the Exchange is working with GI to incorporate this feature into the eligibility flow for future plan years.

Quality Star Rating Transparency

In August of 2019, CMS released a rule requiring all SBEs to incorporate quality star ratings on plans sold on Exchange when consumers are shopping. This rule was established to help provide consumers transparent ratings on the plans they are choosing to enroll in. Due to the timeframe in which this rule was released, with permission from CMS, Nevada did not have necessary time to publish star ratings while shopping for plan year

2020, however ratings were posted on the Exchange's website. The Exchange is working with GI to incorporate this feature into the platform.

Fifth Circuit Court Of Appeals ACA Individual Mandate Decision

On December 18, 2019 the Fifth Circuit Court of Appeals issued a decision that indicates the individual mandate associated with the ACA is unconstitutional and pushed the rest of the decision back to lower courts. Several state attorney generals have requested the Supreme Court to hear the case in the current term, but there is uncertainty of the Supreme Court to hear the case in the midst of the next presidential election.

Spending Bill

On December 20, 2019 the President signed a $1.4 trillion dollar spending bill. The spending bill has provisions that allow the continuation of "silver-loading" the plans sold on Exchange. Silver-loading was introduced in the fall of 2017 when the Trump administration chose to stop payments to insurance carriers for cost-sharing reductions (CSRs) for the 2018 plan year. Silver-loading allows insurance carriers to load the cost of the unpaid CSRs into the premium of silver plans which allows insurance carriers to receive a higher tax credit from the government. It also has a positive impact for consumers by loading the silver plan premium to allow for a higher tax credit to be granted to consumers who qualify for subsidies.

The spending bill also includes a provision to continue to allow annual auto renewals. Auto renewals occur on an annual basis wherein a consumer can elect to allow the Exchange to auto-renew them into the same plan, if available, from one year to the next. In the event the consumer's elected plan is discontinued the auto renewal follows a hierarchy process referred to as "cross-walking," whereby a consumer is enrolled into a plan that is similarly based on metal level, product, and issuer. The provision prohibits the administration from discontinuing the auto renewal process.