



# Silver State Health Insurance Exchange

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## AGENDA ITEM

For Possible Action

Information Only

**Date:** June 29, 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.

### CONTENTS

PURPOSE .....	1
CONTENTS .....	1
GENERAL COMMENTS .....	1

### GENERAL COMMENTS

On January 1, 2020 the Silver State Health Insurance Exchange (Exchange) officially began Plan Year 2020 servicing Nevada consumers as a fully autonomous State Based Exchange (SBE) after transitioning off of HealthCare.gov. The impact of this change to consumers, insurance carriers, and Exchange stakeholders is that now all functions of a SBE are solely hosted by the Exchange, including: enrollment, eligibility, plan selection, call center functions, quality assurance, special enrollment periods, marketing and outreach, navigator and broker relations, policy and compliance, and administrative duties of running an exchange. Nevada Health Link, the Exchange’s online marketplace and brand, began the first official open enrollment period as a SBE on November 1, 2019 and ended December 15, 2019, with a shopping extension to December 20, 2019 for Nevadans who began their application by the December 15<sup>th</sup> deadline. A total of 77,410 consumers enrolled for plan year 2020 which included 20,111 new enrollees and 25,587 returning consumers who actively shopped on NevadaHealthLink.com.

In addition to offering consumers a new enrollment and eligibility platform, the Exchange is also now servicing consumers and enrollment professionals with two separate and dedicated phone numbers with a scalable call center. The call center is meeting all expected service levels, and boasts a current 7-day average customer service satisfaction survey score of 100%. While offering technical enrollment support, call center staff do not provide enrollment or plan selection advice. If a consumer needs assistance enrolling and advice in selecting a plan, call center staff will refer that consumer to a licensed and trained broker or navigator.

As mentioned in the Fiscal and Operational report, for the first time in its history the Exchange has real time access to enrollment and plan selection data. Plan Year 2020 enrollment data is the new baseline from which the Exchange will work to continue to increase the number of insured Nevadans. Publication of the Exchange's newly accessible data may be found in the recently produced comprehensive public use file data report, provided to the Centers for Medicare and Medicaid Services (CMS) and found at:

<https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/2020-Marketplace-Open-Enrollment-Period-Public-Use-Files>.

Since completing its first Open Enrollment Period (OEP) as an SBE the partnerships with CMS, the Internal Revenue Services (IRS), GetInsured's (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, and community partners, prove to be more valuable than ever. The Exchange is proud to report that it has successfully tested these relationships and associated dependencies through a live OEP on an independent SBE platform. While the planning and preparation of the past two years came to fruition with a successful inaugural OEP, opportunities to find even greater efficiencies with the state's valued stakeholders were revealed. As the Exchange begins planning the second Plan Year as a SBE, the Exchange continues to work with partners on enhancements such as: more streamlined account transfers with DWSS (Nevada Medicaid), improved reconciliation processes with insurance carriers, 1095A production with GI and the IRS, promoting increased plan options with the DOI, and growing the broker and navigator grantee program with an emphasis on virtual outreach and enrollment assistance in response to COVID-19.

Currently, the Exchange is in the Maintenance and Operations phase of the transition project, and is focusing on establishing best practices for contract monitoring for both the technology and call center functions with an attention on defect resolution and system improvements for efficiency and effectiveness. The Exchange will be making its first update to the policy manual this summer since restarting as a SBE. The revised policy document will include any major updates or changes as a result of the final 2021 Notice of Benefit and Payment Parameters (NBPP) which was released in May 2020, as well as technical enrollment and eligibility policy updates.

While in the Maintenance and Operations phase of the PY 2020, the COVID-19 virus pandemic hit the state of Nevada in the middle of March. The pandemic forced entire industry closures, namely gaming, hospitality and service industries. In response to Governor Sisolak's March 12 [Emergency Declaration](#), the Exchange was able to quickly coordinate a limited-time Exceptional Circumstance Special Enrollment Period (ECSEP) with GI to offer Nevadans who did not enroll in health insurance during the November 1 to December 15, 2019 OEP the opportunity to purchase insurance between March 17 and May 15, 2020. Nevadans who lost their jobs due to COVID-19 (or other circumstances) or experience a Qualifying Life Event (QLE) could enroll in a new qualified health plan. Call center resources for both consumers and brokers/navigators were extended throughout weekends during this ECSEP.

The Exchange has since transitioned out of the ECSEP into the regular Special Enrollment Period (SEP). While the project can still be considered a success through OEP, ECSEP, now in the standard SEP, there still remains opportunity for improvements which will be made in three quarterly releases in June, September, and December

of 2020. The Exchange is continually 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 PY 2021 Open Enrollment Period.

### **CURRENT AND EXCEPTIONAL CIRCUMSTANCE SPECIAL ENROLLMENT PERIOD ENROLLMENT NUMBERS**

The Exchange is currently in its off-season Special Enrollment Period that typically runs from December 16 to October 31 of any given Plan Year. The Exchange is showing strong enrollment numbers halfway through the year. The Exchange ended OE with 77,410 consumers, and as June 23, 2020, the Exchange has 75,917 consumers. This equates to a decrease of just 1.9%, whereas in past years the Exchange might expect a reduction in enrollment of anywhere between 10%-15%. A unique explanation in calendar year 2020 supporting this minimal drop off of enrollment is the Exceptional Circumstance Special Enrollment Period the Exchange had running from March 17, 2020 through May 15, 2020 to assist Nevadans in gaining coverage in response to Governor's Sisolak's March 12th Emergency Declaration regarding COVID-19.

The number of ECSEP applications received for the period of March 17, 2020 through May 15, 2020, was 3,999; the number of applications that turned into enrollments was 3,252, and the total number of individual enrollees for the period was just over 5,500. The full report, complete with graphs, may be found at:

[https://d1q4hslcl8rmbx.cloudfront.net/assets/uploads/2020/06/SEP\\_Report\\_V6.pdf](https://d1q4hslcl8rmbx.cloudfront.net/assets/uploads/2020/06/SEP_Report_V6.pdf)

### **MARKETING AND OUTREACH**

Marketing and Outreach at the Exchange, as will be detailed in Janel and Patty's presentations, is a constant year-round endeavor. Nevada Health Link does not stop its work in reducing the number of uninsured and underinsured Nevadans in the off cycle of the open enrollment period because of our tireless focus on special enrollment periods and consumer's year round Qualifying Life Events (QLE) such as getting married or divorced, moving, change in income or job change, birth or adoption, loss of health coverage, or turning 26.

Of particular note, the strategy and planning for this year's off season campaign shifted due to the impact of the COVID-19 and the ECSEP. Janel will expand upon how Nevada Health Link and marketing partner, Penna Powers, initiated a strategic ECSEP marketing campaign to inform Nevadans of the special enrollment period and inspire them to enroll at NevadaHealthLink.com. Campaign messaging encouraged the uninsured and underinsured to shop and explore qualified health plans sold through Nevada Health Link and to consider Nevada Health Link as an alternative to COBRA plans due to a job layoff, or as an interim health insurance alternative while furloughed.

### **BROKER/AGENT ENGAGEMENT**

In 2019, the Exchange embarked on a new process for training and certifying brokers and agents to sell qualified health and dental plans on the Exchange. The process was successful and the Exchange is currently refreshing the program for PY 2021. The interactive training program will still offer returning brokers and agents an abbreviated training; and new brokers, a longer more robust training. No matter if a broker takes the abbreviated or longer training each course will teach brokers Affordable Care Act (ACA) Basics, Privacy Security, and Fraud Prevention Standards. In addition to providing instruction, each course will offer frequent "knowledge checks" to ensure content is being absorbed as well as a final exam. Additionally, the Exchange incorporated certification process attestations into the training to ensure compliance with the Nevada Health Link Privacy Policy, Acceptable Use Policy, Code of Conduct Agreement and Marketplace Privacy and Security Agreement.

As of May 2020, the Exchange has 791 resident and non-resident licensed brokers and agents who have been trained and certified on the Nevada Health Link platform. Brokers and agents continue to appreciate 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 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 stay in contact with licensed brokers and agents in various areas of the entire state 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. Following up on a successful Request for Application (RFA) grant released in May of 2019 for PY 2020, the Exchange has released the RFA for PY 2021 and will award a maximum of six (6) grants of \$10,000 each. These grants will be awarded July 1, 2020 to insurance professionals to assist with marketing, outreach, and operational costs related to enrolling consumers in qualified health plans (QHPs). While this grant is for storefront locations, the Exchange is encouraging appropriate social distancing protections per state guidelines and virtual service as much as possible as the state continues to operate and mitigate the threats of COVID-19.

### **NAVIGATORS, IN-PERSON ASSISTERS, AND CERTIFIED APPLICATION COUNSELORS**

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 approximately \$1.2 million dollar budget for the year round work performed by Navigators and In Person Assistors' (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.

While the COVID-19 pandemic is still among us, our Navigators and IPA's have switched their assistance strategy from in-person outreach and education to engaging Nevada consumers through online formats such as Zoom or webinars for assistance regarding consumer enrollments or simply to answer their questions. The Exchange has put a hold on our in-person outreach events for the time being due to social distancing mandates. Navigators and IPAs continue to educate consumers on SEPs, including the March 17 to May 15 ECSEP due to COVID-19. This education is to assist any consumer who may experience a qualifying life event throughout the year along with promoting the next open enrollment cycle which begins November 1, 2020. The Exchange released a Request for Application (RFA) in May of 2020 to provide an opportunity for current entities and new organizations to apply for a Navigator and IPA grant. The grants are in the process of being awarded and grantees will begin their contracts on July 1, 2020.

### **GETINSURED CONTRACT MANAGEMENT**

On January 1, 2020 the contract with GI transitioned from Phase Two into the Maintenance and Operations (M&O) function. For the last 6 months of State Fiscal Year (SFY) 2020, the Exchange's expected M&O costs are approximately \$1 million dollars, with reoccurring annual costs in SFY 2021 of approximately \$2 million dollars.

In SFY 20, the Exchange incurred \$227,835 in costs associated with the ECSEP, which was instituted in response to the COVID-19 pandemic. These costs included programmer hours to modify the technology platform to accommodate ECSEP enrollment functionality and increased call center support and hours to ensure consumers and brokers did not experience service delays during the ECSEP enrollment period.

Inclusive of the costs for the ECSEP in SFY 20, the Exchange expects to achieve a cost savings of approximately 23% versus the federal fees associated with operation as a hybrid State Based Exchange using the Federal Platform (SBE-FP). Beginning in SFY 21, the Exchange expects to realize an annual recurring cost savings of approximately 22%, with total cost savings through SFY24 projected to exceed \$23 million.

### **CALL CENTER OPERATIONS**

The Quality Assurance team supports and works closely with the GI call center team, which has independently fielded over 79,000 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 going live, the highest call volume at the call center was on December 13, 2019 with 4,500 calls offered. The call center has maintained a 90% or greater customer satisfaction rate; and the most recent seven-day average is at 100% satisfaction.

### **SBE OPERATIONS**

The expansive sections below detail every aspect of the operations of the Exchange. It is important to note the Exchange's biannual budget included an additional nine (9) classified full time employees to assist with the operationalization of State Based Exchange functionality. As the Exchange is still within its first year of operation as an SBE and has yet to experience every phase of its new design and responsibilities, there are operational bridges still to cross. But thus far, the new SBE teams and staff have risen to every challenge to ensure Nevada has a SBE that is fiscally and technically sound, all the while providing exceptional service to consumer, brokers/navigators, and partner entities alike.

#### **Policy & 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. New staff for the Exchange's Policy and Compliance team have been spending time since January of this year, researching, verifying, and advising internal staff, brokers/navigators, consumers, and GI on the finer details of enrollment policy related to eligibility and plan selection.

The past few months have been tremendously busy for the Policy and Compliance Manager. As the Exchange's policy expert, the Policy and Compliance Manager has advised all teams on the Exchange on a daily basis regarding the nuances of eligibility and enrollment policy to educate and help consumers, brokers/navigators, the Quality Assurance team, the Exchange call center staff, GI, and internal staff to arrive at the correct technical answers on questions that vary from simple to complex in nature. In order to provide this guidance, the Policy and Compliance Manager will have to suggest small technical changes to the functionality of the GI platform and then test those changes to ensure the operation of the system is in line with Exchange policy. A prime example is that the Policy and Compliance Manager was instrumental in quickly establishing policy and ensuring system functionality in standing up the ECSEP in response the COVID-19 emergency. Additionally, the Policy and Compliance Manager has been analyzing federal policy from the IRS and CMS, namely the 2021 Notice of Benefit and Payment Parameters (NBPP) released on May 7, 2020, to create technical guides and communication materials.

In support of the Policy and Compliance Manager, the MAI has focused some of his time recently on receiving and coordinating with the Exchange's Broker Liaison responses to complaints received from consumers regarding questionable broker business practices. Additionally, the MAI has assisted the Policy and Compliance Manager with analysis of federal and state policy research, along with writing of technical guidance, namely the



federal CARES Act, the 2021 NBPP, Health Reimbursement Accounts (HRAs), and overall marketplace stabilization strategies especially in light of COVID-19.

### Appeals

Since becoming a SBE the Exchange has assumed the duties of consumer appeals as they relate to PY 2020 and ongoing. The Exchange oversees first level appeals, and if applicable sends hearing requests to the Division of Welfare and Supportive Services (DWSS) for adjudication. The table below highlights appeal metrics received during 2019 for PY 2020. The information includes the number of appeals the Exchange has received by month, the resolution rate by the end of each month, and the average number of days appeals were open during the given month.

Month	Number of Appeals Received	Resolution Rate At the End of the Month	Average Number of Days Open
November 2019	20	100%	12.4
December 2019	33	87.8%	8
January 2020	33	81.8%	8.3
February 2020	34	85.3%	2.9
March 2020	62	83.8%	5.4
April 2020	36	83.3%	5.4
May 2020	38	86.8%	10.5

### Security & Reconciliation

The Reconciliation Team consists of two positions: the Reconciliation Specialist, a Business Process Analyst I (BPA I), and the Reconciliation Lead, a Business Process Analyst II (BPA II). The activities of the Reconciliation Team are overseen by Information Systems Manager, who is also the Exchange’s Information Security Officer (ISO). Together these three (3) positions comprise the Exchange’s Security & Reconciliation unit, which is collectively responsible for the monthly reconciliation of enrollment data with the Exchange’s Insurance Carriers; analysis and troubleshooting of Electronic Data Interchange (EDI) with external systems, including Insurance Carriers and the Division of Welfare and Supportive Services (DWSS); User Acceptance Testing and coordinated release management for the Nevada Health Link Exchange Platform (in collaboration with our technology vendor, GI); annual testing of electronic data interfaces between the Exchange and its Insurance Carriers; compilation and analysis of enrollment data to support the Exchange’s messaging and reporting requirements; ad-hoc casework investigation in collaboration with the Exchange’s Quality Assurance team; and development and maintenance support for the Exchange’s “Carrier Connector” casework and reconciliation system, which is used by the Quality Assurance and Reconciliation teams in collaboration with Insurance Carrier personnel.

Due to Exchange’s recent transition, the Security and Reconciliation unit has been faced with the added task of establishing regular technical meetings with the Exchange’s nine (9) different Insurance Carriers, and also with addressing the numerous technical issues that complicate the establishment of a new Health Insurance Exchange. To date the unit has investigated, logged, and confirmed the successful resolution of over one dozen production issues impacting the Nevada Health Link Exchange Platform, and it has identified, investigated, and tracked over three dozen production issues impacting the external systems hosted by the Exchange’s Insurance Carriers. During this time the Exchange has seen a substantial reduction in the number of monthly data discrepancies.

The Exchange’s new Reconciliation team members have been able to spend the first six months of PY 2020 triangulating the most efficient business processes between the Exchange, carriers, and GI to reconcile and

resolve Electronic Data Interchange (EDI) discrepancies regarding member and policy-level data. These new Reconciliation Specialist Lead and Analyst positions have also started to provide testing support for new eligibility, enrollment, and reconciliation system updates deployed by GI. During this same time period the Security and Reconciliation team has helped to coordinate the testing and approval of two major software releases for the Exchange Platform, and as this report is being prepared they are beginning work on a third major release—the largest to date for our Exchange—which is scheduled for deployment in late June.

### **Consumer, Carrier, Broker, and Enrollment Professional Assistance**

The Quality Assurance (QA) unit was assembled in September of 2019 and consists of 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 consumer, broker, carrier, and enrollment professional workloads requiring escalated assistance beyond the abilities of the Exchange’s contracted call center. After onboarding and getting through their first OE working for a SBE, the Exchange’s QA team have found their stride during the first six months of PY 2020 resulting in the resolution of consumer and broker/navigator questions and technical issues by fostering close and deep relationships within health insurance carriers to partner with subject matter experts who can assist to resolve issues from basic to complex in nature.

In January 2020, the QA team began using a Salesforce casework product which is referred to as the “Carrier Connector.” The QA team uses this platform to collaborate with the three (3) qualified health plan carriers and six (6) qualified dental carriers. The numbers below reflect the number of cases that have been resolved (closed) and were actively being worked on as of May 28, 2020, this team has worked on over 1,900 tickets, with a timely resolution percentage of over 93%!

### **FEDERAL UPDATES**

The Exchange monitors and tracks federal rule changes, court cases, and proposed legislation that may impact the way that Nevada Health Link operates.

### **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 subsidized individual health plan. Individuals would need to meet all other eligibility standards to receive subsidies to use an on-Exchange plan. Due to the timeframe this HRA rule was released, many states including Nevada, the federal government and CMS was unable to create the technology in the current platform build to accommodate this rule. The Exchange will continue to work with state and federal partners to incorporate this feature in future system builds.

### **Quality Star Rating Transparency**

In August of 2019, the Centers for Medicaid & Medicare Services (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 choose to enroll in. Due to the timeframe in which this rule was released, and with permission from CMS, Nevada did not have an appropriate amount of time to publish star ratings while shopping for PY 2020, however ratings were posted on the Exchange’s [website](#).

On April 18, 2020, in response to the COVID-19 public health emergency CMS allowed for flexibility for QHP issuers to not submit data that would require the Exchange to publically post the QRS ratings. For PY 2021, the Exchange will not require the collection or posting of this data.

### **Program Integrity Rule**

In December of 2019, CMS enhanced a published a final rule related to program integrity. The rule was made final February 25, 2020 which requires a SBE to begin bi-annual periodic data matching (PDM) in time for PY 2021. The additional requirements may have a financial impact for the Exchange as they will require updates to our technology platform and an additional administrative burden that were not previously budgeted for. The Exchange is working closely with CMS and other state exchanges using the GI platform to determine the necessary timeline and the potential for shared costs.

### **CARES Act**

In response to the COVID-19/Coronavirus pandemic, Congress approved an economic recovery package and the president signed the "Coronavirus Aid, Relief, and Economic Security (CARES) Act", on March 27, 2020. The CARES Act includes a Recovery Rebate Tax Credit for all citizens meeting tax and income criteria as well as Federal Pandemic Unemployment Compensation, which is additional federal Unemployment Income (UI) for qualifying individuals approved for state-based Unemployment Income.

The Federal Pandemic Unemployment Compensation (FPUC) includes an additional \$600 weekly UI payments for claimants. This proved to be challenging to incorporate within the Exchange eligibility platform to provide consumers the best option for them. The additional funds are required to report to the Exchange for eligibility in subsidies, however, not required for the calculation for Medicaid benefits. The Exchange provided messaging to consumers and enrollment professionals in response to the CARES Act for informational purposes.

### **HEROS Act**

On May 15, 2020 the HEROS Act passed the House and is currently sitting with the Senate for a vote scheduled later in June. The HEROS Act would exempt the calculation of the FPUC additional \$600 weekly in annual household income calculated to determine subsidy eligibility on the Exchange. In addition, the HEROS Act is requesting an eight week Special Enrollment Period (SEP) for the Federally Facilitated Marketplaces (FFM) and the State Based Exchanges using the Federal Platform (SBE-FP). Lastly, the HEROS Act requires Affordable Care Act (ACA) plans to cover treatment and mitigation of COVID-19 for those who are diagnosed and those who are presumed positive. Specifications related to required coverage would be provided from the Department of Health and Human Services (DHHS). The Exchange continues to monitor information related to the HEROS Act and is prepared to work with federal stakeholders should the Act pass.

### **Notice of Benefit and Payment Parameters (NBPP)**

The 2021 NBPP was finalized on May 14, 2020 and did not have any significant business process changes that directly impact the Exchange. The NBPP allows state flexibility with revisions to existing rules related to Special Enrollment Periods (SEPs). The NBPP is allowing states to adopt a new SEP to allow current Exchange enrollees and their dependents who are enrolled in silver plans and become newly ineligible for cost-sharing reductions (CSRs) to change to a QHP one metal level higher or lower if they choose. In addition, the NBPP proposed to allow states to adopt a shortened time between the date a consumer enrolls in a plan through certain SEPs and the effective date outlined in [45 CFR 155.420](#). The Exchange is currently exploring these flexibilities with other states that utilized the GI platform to potentially share costs associated with the changes.



The NBPP also alleviates the Exchange from requirements under 45 CFR 155.320 regarding random sampling for Employer-sponsored coverage verification for plan years 2020 and 2021. The Exchange is working to adopt processes for plan years 2022 and beyond and working with CMS to understand processes they intend to adopt.

The NBPP has approved a 4.9% increase in the Maximum Annual Limitation on Cost Sharing annually beginning plan year 2021. The 2021 Maximum Annual Limitation on Cost Sharing are approved at \$8,550 for self-only coverage and \$17,100 for other than self-only coverage. The 2020 plan year Maximum Annual Limitation on Cost Sharing is \$8,150 for self-only coverage and \$16,300 for other than self-only coverage.