



# Silver State Health Insurance Exchange

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## AGENDA ITEM

For Possible Action

Information Only

**Date:** October 8, 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

The Silver State Health Insurance Exchange (Exchange) spent the summer months of 2020 settling in to the new normal while preparing for our second Open Enrollment Period as a fully autonomous State Based Exchange. This preparation work includes: developing new partnerships with qualified health plan (QHP) carriers; the creation and development of a new marketing campaign strategy; eligibility platform changes and testing; agency biennial budget development; state agency partnerships; and tracking and monitoring federal policy and rule changes. Exchange staff has learned an enormous amount over this past year and remains confident that the eighth open enrollment period for Nevada Health Link will be one of the best.

#### **Overview of Plan Year 2021**

Window shopping for plan year (PY) 2021 went live October 1, 2020. The Exchange is proud to announce the participation of two (2) additional QHP carriers, for a total of five (5) QHP carriers, for PY21. Nevada consumers will be

able to choose from a combined total of 50 health plans from returning carriers: Anthem, Health Plan of Nevada (HPN), and SilverSummit, and new carriers Friday Health Plans and SelectHealth. Six returning dental carriers have submitted a total of 21 standalone dental plans. Nevadans living in Clark and Nye County will be able to select health plans from all five carriers; Washoe county residents will be able to select health plans from Anthem, HPN, Friday Health Plans, and SilverSummit. The 14 remaining counties will be able to select health plans from Anthem, Friday Health Plans and SilverSummit.

The average rate increase in PY 21 is 4.2% for on-exchange plans. The Exchange continues to remind consumers that when rates increase, subsidies also increase to offset the change. Consumers who received subsidies will see little to no impact resulting from rate increases.

### **Open Enrollment Marketing and Outreach Campaign**

Every facet of the Exchange has quickly adapted to the COVID landscape, none more so than the Exchange's marketing and outreach efforts. As a small standalone agency, the Exchange has always been nimble. That ability has proven extraordinarily useful throughout the pandemic, and especially as the agency heads into the Open Enrollment advertising season. The Exchange, in partnership with Penna Powers, has developed a comprehensive advertising campaign that speaks to the reasons for getting coverage and highlights people living within the realities of COVID. The campaign targets newly unemployed Nevadans, gig employees, culturally diverse populations, parents, and others. This year's campaign strategy takes from last season's successes and builds a robust digital and social campaign that all Nevadans are bound to encounter throughout their daily lives.

The Exchange and outreach partners throughout the state have been forced to think creatively when it comes to meaningful outreach and engagement. Early in the pandemic in-person events and conferences were canceled and online conferences and events do not easily lend themselves to meaningful engagement with potential consumers. In response, Exchange staff delivered promotional and educational material to schools, churches, health centers, and other entities who are directly interacting with Nevadans throughout the pandemic.

To accommodate social distancing requirements to prevent transmission of COVID, Exchange Navigators are providing virtual assistance to consumers via ZOOM meetings and FaceTime. Navigators use these technologies to provide face-to-face advice and walk consumers through the application process while they remain safely at home. While this has proven to be a preferred method of assistance, Navigators are scheduling in-office appointments if requested, but do limit the number of consumers and staff in Navigator offices. In-office appointments follow all Centers for Disease Control and Prevention (CDC) and state COVID safety recommendations and requirements.

In addition to new processes for individual assistance, new procedures for outreach events have been developed. Navigators are the primary event staff representing Nevada Health Link at community events. While public gatherings have drastically been reduced since March of this year, some do still occur. To ensure the safety of both navigators and consumers, navigators comply with and employ all CDC and state transmission safety measures, including the use of PPE, social distancing guidelines, gathering limits, and table/booth disinfecting.

### **Brokers and Navigators**

In July, the Exchange announced the licensed Brokers/Agents, Navigators and In-Person Assisters selected as part of its plan year 2021 grant program. The program is designed to help close the uninsured gap in Nevada by helping those on the frontline to more effectively market to uninsured and underinsured populations.

In May, licensed Brokers/Agents, Navigators and In-Person Assisters, applied for the program. Applicants provided detailed outlines on how they would use funding for marketing, outreach and operational costs with the goal of increasing enrollees. In light of COVID-19, this year's applicants were also required to outline how they would implement social distancing and community mitigation strategies, to reduce transmission of Coronavirus through the duration of the performance period, July 1, 2020 to June 30, 2021. Below are the 2020-2021 awardees:

#### Brokers/Agents:

- Brian Douglas, Protect Health
- Brent Leavitt, Battle Born
- Chris Carothers, Carothers Insurance Agency
- Albert Ochoa, Smart Buy Insurance Agency
- Gina Aguerre, NV Silver Life & Health

#### Eight In-Person Assister and Navigator grantees:

- Asian Community Development Council
- Asian Community Resource Center
- Access to Healthcare Network
- Community Health Alliance
- Nevada Health Centers
- Nevada Outreach Training Organization
- Office of Consumer Health Assistance
- St. Rose Dominican Hospital Dignity Health

These grantees will receive funds to help them with marketing, outreach and enrollment efforts during the Exchange's upcoming Open Enrollment Period (OEP) for plan year 2021 which starts November 1, 2020.

The Brokers/Agents are health insurance professionals and entities that are instrumental in reaching uninsured Nevadans. They provide education and assistance to those seeking to purchase affordable QHPs, many of which are subsidized to help cover consumers' premiums. Since the Exchange introduced its Broker/Agent grant program in 2018, approximately \$170,000 has been provided to nearly ten Brokers, enabling them to better reach and serve consumers statewide. For PY 2021, the awarded brokers were given grants of \$12,000 each, an increase of \$2,000 over the previous years' awards of \$10,000.

The navigator landscape for Plan Year 2021 (PY 21) versus Plan Year 2020 (PY 20) includes differences from number of full-time navigators, re-vamped funding structures, new coverage in northern Nevada, and decreases in-person outreach opportunities. The Exchange is funding 26 Navigators over 8 agencies for PY 2021. Navigators and In-Person Assisters (IPAs) consist of public entities and private entities that communicate, educate, and enroll eligible individuals in Affordable Care Act certified Qualified Health Plans (QHPs) and publicly funded health care through the multiple enrollment methods provided by the Exchange. The Exchange currently awards funds to eight (8) Navigator entities with 26 FTE IPAs.

In SFY 20, Navigator entities were awarded a maximum of \$3,500 a month per awarded FTE IPA, reimbursable on a billable hour basis. If a Navigator entity had a reduction in billable hours they would have a subsequent reduction in reimbursements. Throughout the year, billable hours from IPAs would fluctuate depending on demand and consumer need. For instance, there were much higher billable hour reimbursements during the Open Enrollment Period, and lower billable hour reimbursements during the Special Enrollment Period. This reimbursement methodology made it difficult for funded Navigator entities to develop accurate cost projections and budgets. The COVID-19 pandemic requiring the closure of non-essential businesses and shelter-in-place orders beginning in March, 2020, had a detrimental impact on Navigator entities and billable hours were significantly reduced.

In an effort to stabilize funding for the Exchange's navigator entity partners, and to provide a more consistent and stable statewide pool of IPAs, in SFY 21, the Exchange realigned the reimbursement methodology to be consistent with grant management best practices and reimbursement guidelines as directed by the Office of Grants Procurement, Coordination and Management. This realignment includes the development and implementation of mutually agreed upon goals and objectives, detailed work plans, and evidence based evaluation methods used to gauge the performance of Navigator

entity partners. Reimbursement is based on the maintenance of FTE IPAs and progress towards the achievement of program goals. This provides Navigator entities the ability to focus on broader, longer term goals to identify and assist eligible Nevada consumers with enrollment into QHPs.

### **Exchange Platform and Call Center**

The Exchange and our technology vendor, GetInsured, have spent much of the past year developing processes and policies by which the Maintenance and Operations portion of our contract has been operationalized. These processes and policies outline how the Exchange and GetInsured coordinate the maintenance and enhancement of both platform improvements and call center functions. In September, a significant portion of Exchange staff resources went into testing enhancements and defect resolutions in the eligibility platform. While most of the enhancements were designed to simplify and provide more ease of use behind the scenes, consumers can expect a more streamlined application experience with simplified questions.

In early October, Exchange staff began building enhancement requests for PY22 open enrollment. The Exchange provides these requests to GetInsured, who then provides the Exchange with an estimate which outlines the requirements and costs associated with each change. Once the estimates are received, the Exchange will determine if they will move forward with the changes depending on level of effort and availability of funding. Included in the PY22 wish list is a brokerage portal, which would allow broker agencies to manage all of their licensed brokers through a single page, improvements to reconciliation tools, and enhanced reporting capabilities. The Exchange will keep the Board of Directors apprised of enhancements in future board meetings.

In March of 2020, the consumer assistance call center began working remotely. As a result, call monitoring increased to ensure service levels were maintained through the transition to the remote work model. This includes live call monitoring and 27 scorecard categories to evaluate phone calls for each individual call center representative. The goal of meeting 85% of service levels has been met, but opportunities to improve the hold time experience and building rapport with the consumer have been identified. Exchange staff and call center leadership have collaborated to make the consumer and broker/enrollment assister Interactive Voice Response (IVR) experience better, faster, and more efficient as an initial interaction with the Exchange and call center.

Transitioning the call center to working remotely has allowed our vendor to recruit and hire 16 Nevada residents for the upcoming Open Enrollment period to work in the call center. The call center will be staffed with 50 full time customer service representatives, and will field calls seven days a week from 9:00am-5:00pm PST, excluding observed holidays.

### **State Fiscal Year 2022-2023 Budget**

The Exchange submitted the Agency Request budget to the Governor's Finance Office (GFO) on September 4, 2020 and presented the requested budget to the GFO and Legislative Counsel Bureau on September 23, 2020. Building a biennial budget in such a distinct time of uncertainty has been complex. Once again, the Affordable Care Act is under scrutiny, and determining how many newly unemployed Nevadans will be Exchange eligible vs. Medicaid eligible, compounded by a worldwide pandemic and the urgency for Nevadans to have access to comprehensive health insurance, have all impacted the budget building process. The Exchange includes as many "known" and "unknown" factors into budget development and projects as conservatively as possible to ensure adequate resources to meet Nevada's needs.

The Exchange requested \$18.8 million dollars for state fiscal year (SFY) 2022 and \$17.2 million dollars budget for SFY 2023. As has always been the case, the Exchange is self-funded, and operates solely from carrier premium fees and reserves.

The agency requested four additional full time employees to assist in the management of the duties absorbed as a result of our transition away from HealthCare.gov. A Health Resource Analyst, to act as a lead librarian for all of the reports and data management and analysis; a second Business Process Analyst 1 in the Reconciliation Unit, who is currently operating at a deficit and will require another employee in order to manage the increase in carriers; a Health Program Specialist, to

coordinate the Exchange's outreach efforts, thus bringing this functionality in-house (preference for an individual who is bilingual); and finally an additional Program Officer in the Consumer Assistance Unit to assist with complex consumer cases by coordinating resolution with Exchange carriers. In addition to the new positions, the Exchange has requested the reclassification of several executive positions to commensurate the additional duties absorbed as a result of the transition, and to align with comparable positions in similar state agencies.

The Governor's recommended budget will be announced after his State of the State address in January and the Legislature will make changes to that budget during the legislative session which begins in February 2021.

## **State Updates**

The Exchange is committed to working closely with statewide organizations, state agencies, and stakeholders to not only communicate about the importance of comprehensive health insurance, but to also educate, improve, and streamline the existing systems and programs throughout the state.

The Exchange's efforts to ensure cross agency partnership and collaboration have grown throughout the pandemic and in response to the significant increase in unemployment and Medicaid enrollment. The Exchange has partnered with the Department of Employment Training and Rehabilitation (DETR) to extend outreach of Nevada Health Link services to the hundreds of thousands of Nevadans filing claims with the Department. DETR will be sharing the Exchange's open enrollment content on their social media and web pages and the Exchange and DETR are working to insert Nevada Health Link material into each piece of mail sent out to unemployed Nevadans from the Department. The Exchange has also worked with the communications team with the Department of Health and Human Services to cross promote important information via social media, web pages, and email communications.

The Division of Welfare and Supportive Services (DWSS) is the state agency that determines Medicaid eligibility and a close partner with the Exchange. The two agencies share critical eligibility functionality through connections to the federal data services hub along with important consumer information as mandated by federal law, to ensure that Nevada consumers are routed to the appropriate program for health insurance coverage. DWSS has processed tens of thousands of Medicaid enrollments throughout the pandemic. The Exchange has partnered with DWSS to include Nevada Health Link informational inserts in the redetermination notices they sent out in October. This insert notices Nevadans about open enrollment and the affordable options available through the Exchange. It is intended to reach Nevadans who will no longer be eligible for Medicaid as a result of their income putting them over Medicaid asset thresholds.

In March of this year, the Exchange began meeting with staff at the DWSS to explore a partnership between the Exchange's Navigator program and the state's Medicaid program to provide outreach and education services to Medicaid and Nevada Check Up (NCU) recipients. According to historical program records, roughly 25% of a Navigator entity's time is spent assisting Medicaid and NCU recipients with post-eligibility activities as part of the normal activities that occur under the Navigator program. As such, the Exchange may be able to obtain a 50% federal match from CMS to provide these services to Medicaid recipients. A proposal was drafted and submitted as part of Medicaid's Eligibility and Enrollment Implementation Advanced Planning Document (IAPD) in July 2020. If the proposal is accepted, the Exchange could receive up to \$633,644 over the course of two years to fund and expand the outreach and education services provided to some of Nevada's most vulnerable populations. The Exchange expects an update in the near future and will keep the Board apprised of the outcome.

The Executive Director of the Silver State Health Insurance Exchange is also an ex-officio member of the Patient Protection Commission. The commission met several times over the past several months and submitted requests for two of the three allocated bill draft requests – the first would expand telehealth services and the second would establish a state medical claims database. The requests are with the Legislative Counsel Bureau for drafting and the commission will vote on finalized language before the Nevada Legislature considers them in the 2021 legislative session.

The Executive Director of the Silver State Health Insurance Exchange is also appointed to the Advisory Committee on Medicaid Innovation. This committee focuses on the creation or expansion of public and/or private prescription



purchasing coalitions, encourages coordination of private and public health care coverage, and explores waiver opportunities related to the U.S. Department of Health and Human Services.

Finally, the Exchange's Executive Director has provided information and guidance to Mannat Health and Wakely Consulting, two private organizations responsible for producing the report outlined in [Senate Concurrent Resolution No. 10](#), a bill passed in the 2019 legislative session. SCR10 directs the Legislative Commission on Health Care to study the feasibility, viability, and design of a public health care insurance plan that may be offered to residents of Nevada. The Exchange will monitor any bills that result from this study and keep the board apprised.

## **Federal Updates**

The following information is intended to provide a brief overview of recent significant changes in the federal policy landscape.

### **1. Affordable Care Act (ACA) Court Case**

Summary: The constitutionality of the individual mandate is being challenged and moving forward in the Supreme Court. The mandate was previously determined to be constitutional in 2012; in *National Federation of Independent Business (NFIB) v. Sebelius*, the individual mandate was found constitutional under the taxation authority of Congress. The Tax Cuts and Jobs Act of 2017, subsequently reduced the amount of the individual mandate to \$0, effective January of 2019. The complainants essentially allege that the individual mandate is a compulsory requirement that they purchase health insurance, but no longer a tax, since it raises no revenue.

Dates: Oral arguments in *California v. Texas* (previously identified as *Texas v. U.S.* in lower courts) are currently scheduled for Tuesday, November 10, 2020. Subsequent the oral arguments, a decision would likely follow in the summer of 2021.

Elements: The Supreme Court will first decide whether the plaintiffs have standing to bring the case forward. The current question of standing relates to whether or how claimants are harmed if the penalty for not purchasing insurance is \$0. If the complainants have standing, the Court will have to determine whether the individual mandate is constitutional. If it is found to be unconstitutional a determination will have to be made regarding whether any portion deemed unconstitutional can be removed from the law, leaving other parts intact, or whether the whole law would need to be struck down, if the mandate were not able to be separated.

State of the Court: As currently highlighted in the news, there is a nomination for a new Supreme Court Justice underway, due to the passing Justice Ruth Bader Ginsberg. A new Justice may or may not be appointed before the oral arguments in November.

### **2. HEROES Act Failed to Pass Congress**

Congress did not reach agreement on another federal COVID relief package. The bill, if passed, likely would have included an extension to Pandemic Unemployment Assistance (PUA), a Federal Exceptional Circumstance SEP, and an exception of PUA from being counted in Exchange determinations, bringing Exchange treatment in line with Medicaid and CHIP treatment of the income.

### **3. Lost Wages Assistance**

In early August the President signed an executive order known as the "Memorandum on Authorizing the Other Needs Assistance Program for Major Disaster Declarations related to Coronavirus Disease 2019." The order provided a means to extend \$300 worth of weekly additional federal unemployment income through a "Lost Wages Assistance" program to unemployed workers due to the coronavirus. The program requires states to enter into an agreement with the federal government as well as a \$100 a week contribution from the state in order for the \$300 in funds to be dispersed. Nevada is currently working on implementation. As was the case with the CARES Act PUA money, this income will be counted for Exchange determinations, but not counted for Medicaid/CHIP determinations. SSHIX has provided consumers with resources to assist in understanding this program.

#### **4. Premium Rebate Credits**

Due to a reduction in non-emergency medical care during the COVID pandemic, many insurers nationally are seeing a lower number of claims, leading to higher than expected profits. Since health insurance carriers have Medical Loss Ratio (MLR) limits which regulate their allowed administrative costs versus claim payments, they must provide MLR rebates to consumers after the plan year conclusion.

CMS released guidance in June authorizing insurers to provide MLR rebates for 2020, prior to the conclusion of the plan year. In August CMS released further guidance on permitting premium rebates for the current plan year, effects on premium tax credits, and State-Based Exchanges' ability to exercise approval authority over the rebates.

Multiple Nevada carriers issued rebates in an attempt to mitigate MLR exposure prior to clarity regarding state approval. Those rebates will affect the subsidy levels provided to carriers from the federal government, which will subsequently affect the tax liabilities of consumers and the role of Exchanges in reporting APTC amounts to consumers for reconciliation purposes. The technological changes to enrollment platform architecture required to accommodate the late guidance and unanticipated COVID adaptation, will create significant cost burdens for all Exchanges.

#### **Conclusion**

The Exchange enters into the PY21 open enrollment period with a continued commitment to the best consumer, carrier, and enrollment professional experience. Every action the Exchange takes – whether it be through technology, marketing, or outreach is focused on ensuring Nevadans are getting the most comprehensive health insurance the state has to offer. This year is not free from adversity, however the Exchange staff remains steadfast in the organization's mission and vision, and will rise to each challenge with the best interest of Nevadans in mind.