Changes under ACA for consumers

- Individual mandate
- Covers pre-existing conditions
- No annual or lifetime coverage limits
- Coverage for children to age 26
- Requires coverage of certain preventive care services at no additional cost to the insured
- Requires insurers to provide an easy-to-understand summary of benefits and coverage
- Requires package of essential health benefits be offered in all plans in the exchange
- Medicaid expansion
Changes under ACA for business

- Changes for small businesses (Less than 50 full-time)
  - Health insurance exchange
  - Tax credit
  - Essential Health Benefits

- Changes for large businesses (50 or more full-time)
  - New health insurance requirements: access, affordability and quality
  - Penalties if requirements not met
  - One year delay in enforcement
  - In Hawaii, Prepaid Act should satisfy these requirements
10 Essential Health Benefits (EHBs)

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance use disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral and vision care
New incentives for medical services

- Medicaid expansion
- Medicare bonuses
- Build workforce (primary care, nursing)
- Community Health Centers
- Rural healthcare providers
- Accountable Care Organizations (ACO)
- Fraud enforcement
## MEDICAID CHANGES

### MAGI

<table>
<thead>
<tr>
<th>Category</th>
<th>Current Income Limit (after disregards)</th>
<th>October 1, 2013 Income Limit (MAGI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children</td>
<td>300% FPL</td>
<td>308% FPL</td>
</tr>
<tr>
<td>Pregnant Women</td>
<td>185% FPL</td>
<td>196% FPL</td>
</tr>
<tr>
<td>Adults in Families</td>
<td>100% FPL</td>
<td>100% FPL</td>
</tr>
<tr>
<td>Other Non-ABD Adults</td>
<td>133% FPL</td>
<td>138% FPL</td>
</tr>
</tbody>
</table>
Medicaid Enrollment Increase
June 2008 through June 2013
Medicaid Enrollment Increase
Projected ACA Impact
State-based marketplaces
Required services:

• Build and operate an online health insurance marketplace for individuals and small businesses

• Public outreach and education; assistance with enrollment

• Be self-sustaining in 2015
Online health insurance marketplace:
Current status (1)

- Open Enrollment for individuals ends March 31, 2014
- Submit a completed application by March 31
- Next Open Enrollment for individuals: November 15, 2014 to February 15, 2015
- Small business enrollments are ongoing
Online health insurance marketplace: Current status (2)

- Online system is operating and still under construction
- Individuals and small businesses can apply, get tax credits, compare plans, and enroll
- Real time eligibility determinations
- Working to improve system functionality and ease of use
- Public access: online, in-person, telephone
Online health insurance marketplace: Current status (3)

- Uninsured Hawai‘i residents are getting coverage, many for the first time
- People with pre-existing conditions are getting coverage and medical care
- Many people are qualifying for tax subsidies to reduce out-of-pocket premium costs
# Hawaii Health Connector Metrics

(October 1, 2013 through March 8, 2014)

<table>
<thead>
<tr>
<th>METRIC</th>
<th>DECEMBER 7, 2013</th>
<th>MARCH 8, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual/Family Applications Completed</td>
<td>4,306</td>
<td>21,317</td>
</tr>
<tr>
<td>Individual QHP Enrollments Sent to Issuers</td>
<td>683</td>
<td>4,969</td>
</tr>
<tr>
<td>SHOP Employer Applications</td>
<td>220</td>
<td>476</td>
</tr>
<tr>
<td>Contact Center Volume</td>
<td>29,610</td>
<td>80,187</td>
</tr>
</tbody>
</table>
Online health insurance marketplace: Current challenges

• Individual Marketplace: Financial Assistance processing backlogs
• SHOP Marketplace: working but difficult to use; improvements in final release
• Online consumer experience: some parts of the process are not user-friendly yet
• Many applicants need assistance to apply and enroll
• Changing rules cause confusion for consumers and create operational challenges
Individual Subsidized

1. Anonymous Browse
   1.01 Landing Page
   1.02 Login Page

DHS

Non Subsidized

Small Group

Individual Subsidized

1.01 Landing Page

2.01 Intake Financial Management
2.02 Determination (Eligibility)
2.03 Individual Medicaid Eligible (Yes)
2.04 Enrollment in One Medicaid Plan (Auto-select or Choice)
2.05 Case Management
2.06 End

2.03 Individual Medicaid Eligible (No)
2.02 Determination (Eligibility)
2.01 Intake Financial Management

3.01 Receive Medicaid Denial
3.02 Determine Subsidy (APTC and CSR)
3.03 Plan Presentation
3.04 Plan Selection
3.05 Enrollment
3.06 Account Management
3.07 End

3.01 Receive Medicaid Denial
3.02 Determine Subsidy (APTC and CSR)
3.03 Plan Presentation
3.04 Plan Selection
3.05 Enrollment
3.06 Account Management
3.07 End

4.01 Individual Intake
4.02 Employer and Employee Review and Select Plans
4.03 Plan Selection
4.04 Enroll
4.05 Financial Management
4.06 Account Management
4.07 End

5.01 Individual Intake
5.02 Review and Select Plan (QHP)
5.03 Enroll
5.04 Manage Account
5.05 End

5.11 State Data Hub
5.12 Federal Data Services Hub

6.01 SHOP Intake
6.02 Employer and Employee Review and Select Plans
6.03 Plan Selection
6.04 Enroll
6.05 Financial Management
6.06 Account Management
6.07 End

6.11 State Data Hub
6.12 Federal Data Services Hub

7 Marketplace Assistor

Notes: 1) Application generally will be complete. This update will only be an exceptional process.
Online health insurance marketplace: Current challenges

- Individual Marketplace: Financial Assistance processing backlogs
- SHOP Marketplace: working but difficult to use; improvements in final release
- Online consumer experience: some parts of the process are not user-friendly yet
- Many applicants need assistance to apply and enroll
- Changing rules cause confusion for consumers and create operational challenges
Public outreach and education/assistance with enrollment: Current status

Hiʻi Ola Program
- 31 Community Partners statewide
- 121 Certified Kōkua or In-Person Assisters
- 36 Certified Kōkua or Certified Application Counselors (CACs)
- Recent sub-grant to the Sovereign Councils of the Hawaiian Homelands Assembly (SCHHA)
Public outreach and education/assistance with enrollment:
Current status

Contact Center
• Temporary surge for Open Enrollment: over 80 workers

Grassroots enrollment campaign
• Over 300 events on all islands since February 1st
• “Set an appointment” with our Kōkua
Self-sustaining by 2015: Current status

- Board of Directors sustainability planning ongoing; coordinating with state agencies
- Outline of plan and budget in 2-3 weeks
- Federal grant extension request only partially approved
- “Grandmothered plans” policy extension through 2016 will reduce enrollment
- ACA innovation waiver not available until 2017
Be self-sustaining by 2015:

Keys to achieving a good sustainability plan:

• Reduce operating costs and unnecessary services
• Protect Prepaid Health Care Act
• Continue to enroll the uninsured
• Continue providing ACA tax subsidies only available through the Individual Marketplace
• Coordinate with the State, Consumers, Insurers, Brokers and Agents, and Healthcare Providers
• Leverage remaining federal funds to improve Hawai‘i’s systems for universal coverage
Be self-sustaining by 2015:

Possible solutions under consideration:

• Unify Medicaid and Connector application and eligibility systems into a single system

• After the applicant selects a health plan, the Insurers complete the enrollment process (“Kayak” model)

• Or - Connector maintains enrollment functions as a service and expands enrollment base to large employers when allowed by the ACA in 2017
Be self-sustaining by 2015:

Analysis needed:

• What is allowed under the ACA?
• What is technically feasible?
• What are the cost savings for each model, and what are the trade-offs?
• How can remaining federal grant development funds be leveraged within the grant timeline?
• What are short-term solutions until the Innovation Waiver becomes available?
• What are long-term solutions that we want to implement before the Innovation Waiver?
mahalo