

Meeting Minutes
Oregon Health Insurance Marketplace Advisory Committee
Thursday, June 7, 2018 - 11 a.m. to 3 p.m.
Labor and Industries Building, Room 260
350 Winter St. NE, Salem, 97301

Committee members present: Kraig Anderson, Shonna Butler, Stephanie Castano, Cindy Condon, Dan Field, Jim Houser, Sean McAnulty, Jesse O'Brien, Ken Provencher, Shanon Saldivar, Cameron Smith (ex-officio), Jeremy Vandehey (ex-officio), Jenn Welander

Members excused:, Joe Enlet,

DCBS staff present

Marketplace:

Chiqui Flowers, Administrator; Elizabeth Cronen, Legislative and Communications Manager; Katie Button, Plan Management Analyst; Cable Hogue, Implementation Analyst and Federal Liaison; Victor Garcia, Operations Development Specialist

Division of Financial Regulation (DFR):

Andrew Stolfi, Oregon Insurance Commissioner; Michael Schopf, Policy Analyst

Agenda item and time stamp*

Discussion

Welcome and introductions, committee housekeeping

0:0:00

0:03:30

Representative Andrea Salinas and Oliver Droppers, analyst with Oregon's Legislative Policy and Research Office (LPRO), gave an overview of the [Universal Access to Care Workgroup](#)

- The group has been meeting since January to discuss long- and short-term policy options to provide access to affordable health care for all Oregonians
 - The workgroup is in the early phases of defining what this would look like, and what the parameters for the work would be and how it would make sense to measure success
 - Part of the work is identifying what measures might be available short of a full single-payer system to build to universal coverage
 - A public option and Medicaid buy-in are strategies being considered.
 - The committee asked about the commitment to the current paid-insurance health care model, and the progress of Medicaid buy-in. While the workgroup is definitely interested in thinking beyond current models, it is only in the early stages of determining the work to be done for something like a Medicaid buy-in and other intermediate steps to a universal health care model.
 - The committee will remain in contact regarding the progress of the workgroup since the committee's discussion of technology options will likely tie in to the workgroup's conversations.
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DFR Updates

0:23:30

Mr. Stolfi and Mr. Schopf discussed the 2019 rate filing

- The overall financial health of the individual market and insurance carriers has improved steadily since 2015
- Carrier participation remains healthy with each county for 2019 having at least 2 different carriers to choose from, up to 7.
- Initial rates for 2019 came in at between a 9.6% decrease to 16.3% increase, with approved rates to follow the rate review process. 32:15
- Other states have been losing carriers, and Oregon will continue to remain vigilant, as premiums continue to rise despite a good level of competition, and carriers making year-over-year financial gains as opposed to the losses of recent years.
- The committee asked about the difference in rates between similar individuals in the small group vs. individual market – small group rates will generally tend to be better due to the better spread of experience and risk in the small group pool. The follow-up question was whether it seemed that people had been pushed out of the small group market due to changes to how employers offer health insurance. The numbers do not appear to bear that out, but also does not account for churn between the two markets.
- The rates will go through actuarial review, and issue a preliminary decision at the end of June
- Public hearings will follow to present on filings and discuss the preliminary decision
- “Final” rates are issued at the end of July, but the carriers can still request reconsideration within 15 days.
- If there are no reconsiderations, all rates should be final by August 15.
- Oregon’s rate review process is generally regarded as one of the most robust and transparent in the country. Rate filings and programs are posted to oregonhealthrates.org.
- The committee asked if there were any plain-language resources for the layperson to translate the filings
- The committee also asked if there were resources to indicate changes to the provider networks of the carriers and their plans – this ends up causing confusion for consumers trying to select a plan while keeping their same provider
- The complex nature of the filings is difficult to distill for easy consumption
- [OSPIRG](#) has performed some independent rate review in the past, but the grants for that are no longer available, and OSPIRG’s ability to find that independently is limited.
- DFR can return during the September meeting to discuss the final rate decisions and impacts.

Federal health policy movement

0:55:00

Stephanie Kennan with McGuire Woods Consulting gave the committee an update from Washington, D.C. by phone:

- Silver loading will continue to be allowed by the administration for now, but some action to limit effectiveness may be forthcoming
 - The DOJ may become involved in a Texas lawsuit that argues that the individual mandate is no longer constitutional since congress zeroed out the penalties for not complying with the mandate.
 - There is some planning regarding the reorganization of government agencies, which may impact HHS/CMS, and combine welfare programs under one umbrella
 - Market stabilization efforts continue to stall, as the opioid epidemic mitigation seem to have take center stage.
 - The impact and implementation of changes to short-term and association health plans are yet to be determined, since the final rules have not been released yet.
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- Removal of the individual mandate provision would not have a practical effect on consumers, since the penalty is zero. However, it would make it more difficult to make future repairs to the provisions of the ACA that have been weakened, since that provision would no longer be available.

Materials:

**MAC focus area:
Indicators of market
stability for the
consumer**

1:13:30

Discussion leads Mr. Anderson and Ms. Welander, supported by Mr. Hogue, began the discussion of the indicators of market stability generally.

- The analysis will approach this from the viewpoint of the consumer
- For purposes of the discussion, the identified primary indicators will be affordability, choice, and accessibility
- Premium increase would likely be the most notable indicator from a consumers point of view
- Carrier movement affects both affordability and accessibility, but will be discussed as part of accessibility
- Discussed the sub-concepts of the choice pillar and sub-concepts of the accessibility pillar
- There is the desire to have a method to track these indicators, whether they move in a positive or negative direction
- It would be desirable to be able to track the churn of individuals between plans, and metal tiers, currently we can only see changes in plan selections and enrollments by overall percentage enrolled
- Deeper dive into the affordability pillar
 - Make sure that is consistent, if we cannot lower or improve premiums
 - Could the marketplace become a place that only serves the tax credit population?
 - People are very price sensitive in this market, many choices are based solely on the premium a consumer sees when they are shopping
 - Can we do a weighted projection based on proposed 2019 rates?
 - Are there any studies or analysis from monetary professionals that indicate what percentage of your income should be spent on health care? Similar to those numbers they put out for what you should spend on a home
 - Transparency, knowing the negotiated price for a procedure before a person purchases a plan would be a great benefit to the consumer
 - How does a person strengthen their health care dollar
 - Market size, how is the total individual market performing
 - Should this be its own pillar?
 - The committee consensus was that this would be included in affordability, but acknowledged a consumer likely would not think about market size when pondering affordability
 - There are thousands of Oregonians who are eligible for tax credits that are either not enrolled at all, or enrolled outside the market, or not requesting financial assistance and are leaving those dollars on the table
 - How do we address the “family glitch” when it comes to affordability? Are we talking to employers about how they offer coverage to their employees and dependents?

- The Marketplace does work with small business owners to help make them aware of what options are available for their employees and dependents
 - We cannot address the large group coverages
- How do we grow, and what does it cost to grow? What is the cost to have a positive impact on the premiums?
- How many healthy individuals need to enroll to impact premiums enough that we see a decrease?
- Creating stability will help the rates stay more consistent
- Uncertainty regarding the stability of the market generally is a key factor on carriers' ability to rate right now
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**MAC focus area:
Eligibility and
enrollment platform
cost-benefit
analysis and
helping lower costs
for consumers**

2:15:00

Materials: pdf of E&E platform summary Power Point presentation

Mr. O'Brien and Ms. Castano, supported by Mr. Garcia, introduced the topic of a discussion of the marketplace eligibility and enrollment technology platform.

- The committee began discussions on the cost-benefit of changing the individual health insurance enrollment and eligibility from the FFM to other alternatives.
- A presentation covered a condensed history of the past three to four years and the present state, and the conversation began during the presentation and continued after.

The committee expressed concerns about the value of what Oregon consumers receive for the fee paid for the FFM:

- The agents and community partner representatives on the committee questioned the value of the services received for our fee. They expressed frustration with the lack of Oregon-specific knowledge of call center staff members, and the additional time spent with consumers to correct errors while sifting through the incorrect information received from the call center. While some improvements have been made, resolving issues can often be complicated for consumers, and lead to very long timelines for those resolutions.
- With one or two exceptions, there was general dissatisfaction expressed with Oregon's complete lack of control over the quality of the consumer's enrollment experience - when and how consumers can enroll, and accommodations in the platform for Oregon-specific programs and initiatives.
- The committee expressed an interest of increasing a Oregon's ability to have a "no wrong door" approach to health coverage, and an Oregon-specific platform would be able to collaborate and have more effective knowledge base to route consumers to the correct entity for QHP, Medicaid (OHP), or Medicare coverage.

- As the committee had discussed in several meetings, the fee for using the FFM is assessed as a percentage of premium, currently 3 percent. This means that the fee will rise at the same rate as insurance premiums, and adds uncertainty to the future costs of the system.

The committee also discussed the idea that it should not assume that changing platforms is the best option:

- Without detailed data, it is unclear how many consumers fall outside of “normal enrollments.” Assistors and agents spend a great deal of time on individual, more complicated cases, but it is unclear what percentage of total enrollments are made up of these more complicated cases or special enrollments that require that extra help. That makes it more difficult to try to assign a monetary value to the ability to address these more efficiently.
- The platform does currently work for enrolling Oregonians, and any shift would add the risk of a newly implemented system functioning only partially or not at all.
- Any assessment of moving away from the FFM to an Oregon technology would need to also include an assessment of the opposite – What if Oregon was a pure FFM state without its own marketplace, instead of an SBE-FP? Would the elimination of those administrative costs save Oregon money in both the short and long term, and would the savings outweigh the value of having any type of Oregon-specific marketplace entity?

Going forward, there were some key takeaways to keep in mind as the committee continues the conversation:

- While there was some disparity in opinions on the committee as to the degree, there seemed to be a consensus that this is still a sensitive topic for Oregonians, especially for the legislature and other parties that were close to the center of the issues during the Cover Oregon period. The committee should bear this sensitivity in mind as it assesses impacts, reception of ideas, and realistic timelines.
- The committee should work towards a set of principles for this assessment that could be used to create criteria for making a shift from the current platform setup, bearing in mind issues such as customer service levels, impact and savings to stakeholders, fiscal responsibility, true costs (including secondary impacts) of any changes that might be made, politics, and risks to the taxpayers and the state.
- The assessment would not necessarily be an all-or-nothing proposition; there may be a number of ways to implement different combinations of systems to achieve a greater value to Oregonians.
- The committee should be prepared for a long runway, whatever the outcome of the analysis. The most likely result would be a recommendation to the legislature to initiate a study, which would give the committee some specific

directives for a more formal assessment later.

- The committee would like to see a landscape of experiences from other states – costs, effectiveness, and different styles of implementation.
- The Marketplace should not stop trying to get maximum value and requested changes from the existing federal system.

Closing

3:16:00

These minutes include timestamps from the meeting audio in an hours : minutes : seconds format. The meeting audio can be found on the advisory committee web page (link below) under 2018 Meetings, June 7

** Meeting materials are found on the Oregon Health Insurance Marketplace Advisory Committee website:
<http://healthcare.oregon.gov/marketplace/gov/Pages/him-committee.aspx>