

---

# Oregon Health Insurance Marketplace Advisory Committee

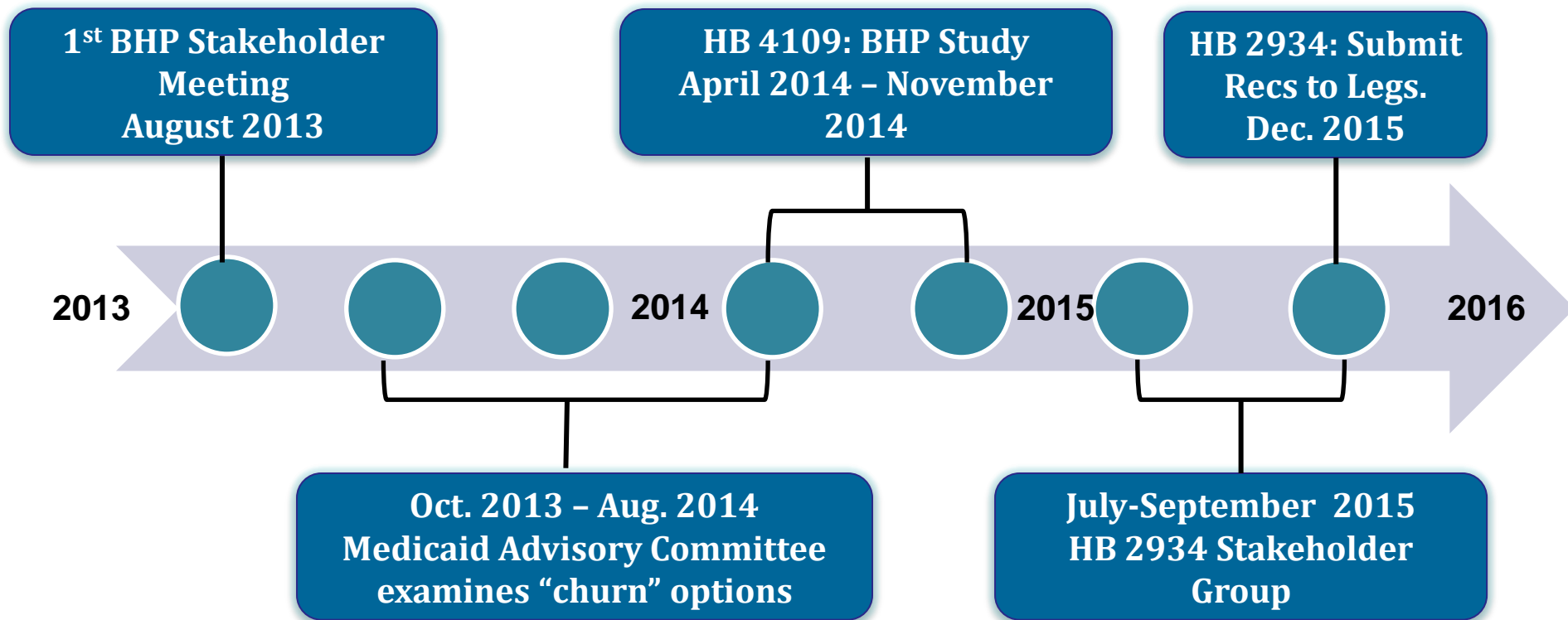
**Oliver Droppers**

**April 7th**

**Oregon**  
**Health**  
**Authority**

---

# Timeline of BHP Stakeholder Engagement in Oregon

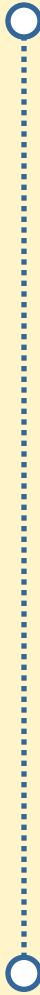


## HB 2934 Stakeholder Process (2015)

Stakeholder group: six meetings

- **July 2<sup>nd</sup>** — initial convening of stakeholder group; outlined key findings from 2014 BHP study.
- **July 29<sup>th</sup>** — federal guidance related to the BHP; consumer affordability, premium and cost-sharing options for BHP, and benefit coverage.
- **Aug. 13<sup>th</sup>** — delivery systems, contracting and provider networks, and provider reimbursement.
- **Sept. 16<sup>th</sup>** — operational and financing considerations; initial design preferences.
- **Oct 8<sup>th</sup>** — straw models, developed draft recommendations.
- **Nov. 5<sup>th</sup>** — reviewed and finalized report.

# Oregon BHP Design Principles

- 
- Increase access to coverage for uninsured, including those ineligible for Medicaid and Oregon's COFA population
  - Increase affordability of coverage for low-income Oregonians
  - Reduce churn by minimizing and mitigating the frequency of and impact from coverage transitions, including the benefit cliff, among ACA insurance affordability programs (IAPs)
  - Sponsor an accountable care model using a measurement framework to incentivize quality and population health improvements

# Oregon BHP Design Principles (cont.)



- Promote a sustainable and predictable rate of growth
- Maintain a healthy and vital Marketplace and spread the Coordinated Care Model (CCM)
- Exercise stewardship of State resources by maximizing federal resources available through the ACA

## BHP Design Framework: Hybrid-Marketplace

<b>Delivery System</b>	CCOs and commercial QHPs compete for BHP enrollees using principles of Oregon's coordinated care model (CCM)
<b>Benefit Coverage</b>	Full Medicaid benefit level without adult dental
<b>Provider Reimbursement</b>	Average of Medicaid and Commercial (~81% of Oregon's commercial reimbursement rate)
<b>Premiums &amp; Cost-sharing</b>	<138% FPL, \$0; 138-200% FPL graduated cost-sharing through premiums; no deductibles or copays for services
<b>Eligibility &amp; Enrollment</b>	Marketplace standards; FFM eligibility system (federal hub)
<b>Consumer Choice</b>	Standard Health Plan (SHP) offerings via Marketplace
<b>Administrative Functions</b>	Marketplace and carriers (client services, grievances, premium billing)
<b>Annual Growth Rate</b>	Annualized sustainable rate of growth (e.g. 3.4% OHP, PEBB, OEEB); rate to be determined by Legislature

# BHP: Advantages and Disadvantages

## ○ Potential Advantages

- Affordability, more low-income individuals able to afford coverage by reducing premiums and cost sharing for low-income individuals;
- Expand coverage to remaining uninsured 0-200% FPL and increase access to care for remaining uninsured;
- Reduce churn below 200% by smoothing transitions as incomes fluctuate at 138% FPL, potentially reduce rate of pregnancy related churn between Medicaid and the Marketplace;
- Offer additional benefit coverage and encourage appropriate use of primary and preventive care (e.g. removing additional copays);
- Opportunity to expand Oregon's coordinated care model through Oregon's Marketplace; and
- Sustainable rate of growth, creating potential long-term savings by controlling annual costs.

# BHP: Advantages and Disadvantages (cont.)

## Potential Disadvantages

- Federal funding may not cover cost of plans leading to financial exposure for the State, and
- State funding for start-up and ongoing administrative costs.

## Uncertainty

- BHP could help stabilize Oregon's individual market, or destabilize by creating multiple risk pools and low carrier participation
- 