# Project Charter
## *State-Based Marketplace*

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| **Title** | **State-Based Marketplace (SBM)** |
| **Sponsor(s)** | Chiqui Flowers, Director of the Oregon Health Insurance Marketplace |
| **Affected Business Unit** | Agency: Oregon Health Authority (OHA)<br>Program Areas:  Oregon Health Insurance Marketplace, ONE<br>External Partners: Insurance Carriers |
| **Project Management** | Project Manager:  Dorocida Martushev |
| **Estimated Cost** | Total Planning & Implementation Cost  - $14.58 Million (50%+/-)<br>• SBM Procurement Planning RFP/Vendor Selection - $1.2 Million<br>• SBM + Customer Assistance Center (CAC)  Implementation - $13.68 Million<br><br>5-Year SBM O&M Cost: $64.5 Million ($12.9 Million Per Year) (50%+/-) |
| **Funding Source** | 100% Other Funds (POP 416 to support SBM Procurement Planning RFP/Vendor Selection) |
| **Estimated End Date** | Go Live: November 1, 2026<br>Close Project: February 28, 2027 (4 months to complete closing activities). |
| **Project Description** | Procure and implement a state-based enrollment technology solution and consumer assistance center to replace the existing HealthCare.gov system that enrolls individual health insurance plans sold through the Oregon Health Insurance Marketplace. |

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| **Problem Statement or Business Objective** | Oregon and other states using the federal platform as State-Based Marketplace – Federal Platform (SBM-FP) began doing so because of a lack of alternative options available to them at the time. When the SBM-FP exchange classification was created, the federal government made the Federal Facilitated Marketplace (FFM) and its call center services available without charge. Oregon health insurance companies selling plans through the Marketplace pay a fee for using federal technology. The fee has fluctuated over the years from zero percent to three percent of total premiums paid by Oregonians who purchase Qualified Health Plans (QHPs) through the Marketplace. This is just one of the many disadvantages of using the federal platform, which include the following:<br><br>• **Inflexibility of the FFM technology** - Because HealthCare.gov is a one-size-fits-all solution, it is designed for use by many states. It cannot be customized according to Oregon's needs, preferences, or requirements.<br>• **Lack of control over operations, customer service, and service levels** - Oregonians can face long wait and hold times. When finally able to speak with a customer service representative, there is no guarantee that the information provided will be accurate.<br>• **Unpredictable and opaque charges** - The fee for using the FFM is paid directly to CMS by Oregon insurance companies and is passed on to consumers in the form of increased insurance premiums.<br>• **No ownership of data stifled innovation** - Oregon does not have direct access to the data of any of its residents enrolled through HealthCare.gov. While CMS provides some data periodically, it frequently requires the Marketplace to keep these data confidential. This has proven inadequate for the targeted outreach and education the Marketplace must engage in to be most effective.<br>• **Barriers to health equity** - Use of the FFM prohibits the state's ability to use the input received from its various and diverse communities and partners.<br><br>The projected results of the SBM replacement are:<br>• Improved outcomes and customer service for Oregonians<br>• Better alignment with the written statutory purpose of the Marketplace<br>• Ownership of and accountability for Oregon Marketplace enrollment and related metrics data<br>• Lower overall costs to Oregonians and Marketplace stakeholders |

| Scope | The scope of the project includes the activities listed below: |
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- Acquisition and implementation of an Oregon-controlled Affordable Care Act (ACA) exchange technology platform, including interfaces with the ONE system and Provider Directory. Changes to the ONE system are needed for electronic data interchange (EDI) links between systems. This technology platform would replace the existing Marketplace [HealthCare.gov](HealthCare.gov) system.
- Oregon Data Migration from old SBM to new SBM system
- Establish an Oregon-controlled consumer assistance center (contracted, state-staffed, or combination)  for in-person or over-the-phone support for enrollees
- New business processes will need to be created, including:
  - Call center scripts, structure, guidelines
  - Escalated cases, application appeals
  - Records reconciliation with Medicaid (ONE/ OHP) and insurance carriers
  - Change request submissions
  - Generation of reports from the system

The scope of the project does *not* include:

- No full ONE integration with SBM. Continue to support the existing ONE interface daily file ingestion process.

The following scope areas are uncertain or have yet to be fully defined.

- Requirements added to the initial implementation to facilitate OHA programs (Basic Health Program (BHP), Oregon Health Plan (OHP)) other than the Marketplace. Anticipating some requests related to capturing data fields and reporting.

**Major Project Risks**

The risk factors identified for this project include:

- System availability and ongoing function dependent on vendor solvency and ongoing operations
- Contract exit strategy requirements and contingencies must be planned and included in the contract to avoid disruption or service interruption if the vendor changes after the end of the contract period
- Changes to federal laws and rules or a change in presidential administration may negatively impact or change the state requirements for becoming an SBM or restrict the authority of an SBM in a way that could impact solution implementation or project viability.

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| **Assumptions** | The project assumptions identified for this project would include the following: |

- Multiple vendors will be able to provide solutions of the necessary quality within budget parameters (based on Oregon's RFI and other states' RFPs).
- Experiences from other states accurately portray what Oregon can expect from pursuing the same options.
- Solution requirements will not require vendors to develop new product functionality before implementation unless mandated by authorizing partners (legislature, governor).
- OHA and the Marketplace either have or will procure the appropriate staff to manage the project.
- Insurance carriers will accept the fee structure changes necessary for implementation (stop paying the federal technology fee, and pay a single fee to the Marketplace for all Marketplace-related operations).
- State partner and oversight agencies (Enterprise Information Services (EIS), Data Center Services (DCS), Cyber Security Services (CSS), Department of Justice (DOJ), Oregon Health Authority (OHA), and Department of Administrative Services (DAS) Procurement) will have sufficient bandwidth and resources to execute within the desired timelines.
- Vendors can execute a transition with zero or minimal impact on OHA operations regarding Oregon Health Plan/Integrated Eligibility (ONE) system.
- The Oregon Legislature will approve the plan's goals and viability, support the necessary budget proposal, and grant OHA authority to move forward.
- External partners affected by changes to EDI connections (OHA, insurance carriers) will be willing and able to make the necessary complementary changes within the required timelines, with mutual benefit as an incentive.

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| **Constraints** | The project constraints identified for this project would include the following: |

- Project and solution are intended to be funded by Other Funds via Marketplace assessment fees. Any excess revenue is designed to be rebated back to Marketplace carriers. Use of the excess revenue for this business case's purposes will need approval from the legislature.
- Solution cannot require significant changes that would disrupt Oregon Health Plan (OHP) processes or ONE system operations.
- Solution cannot require or include direct integration with Medicaid/ OHP enrollment and eligibility functions or processes (back-end data reconciliation with exchanged enrollment files is assumed).
- Ongoing combined cost of the solution and Oregon Health Insurance Marketplace (OHIM) operations cannot exceed 5% of the premiums of plans sold through the Marketplace.

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| **Success Criteria and Metrics** | • The ability to track churn (stopping and starting OHP/Marketplace coverage) issues.<br>• Retain the overall coverage percentage of marketplace-eligible Oregonians.<br>• Increase the shopping and customer service experience for Oregonians using Marketplace when experiencing any enrollment issues.<br>• Increase visibility for the Agency to oversee Oregonians' enrollment data, which will better inform ongoing efforts to provide improved services to underserved populations in Oregon.<br>• Improve targeted enrollment, outreach, and messaging by including demographic data. This provides more accurate and comprehensive data to inform Oregon's efforts to contain costs and improve outcomes for all Oregonians, as envisioned by SB 770 (2019).<br>• Increase SBM flexibility to support special enrollments to accommodate Oregon-specific circumstances.<br>• By the end of the project, establish control over operations, customer service, and service levels. |
| **Sponsor Approval Signature** | _____      ____August 29, 2023_____<br>Chiqui Flowers, Oregon Health Insurance Marketplace Director                         Date |