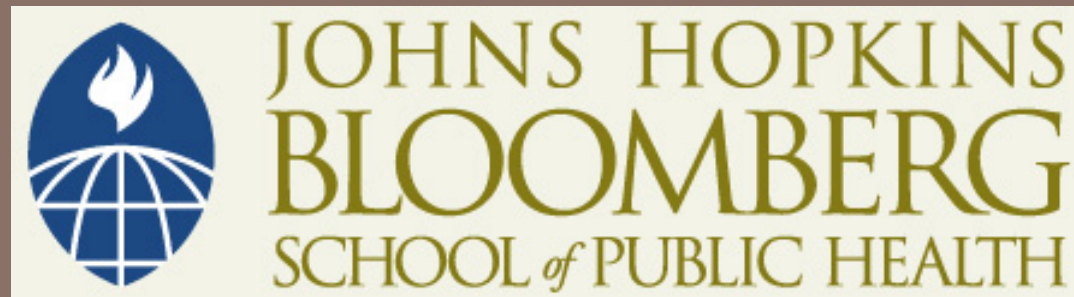


This work is licensed under a [Creative Commons Attribution-NonCommercial-ShareAlike License](https://creativecommons.org/licenses/by-nc-sa/4.0/). Your use of this material constitutes acceptance of that license and the conditions of use of materials on this site.



Copyright 2011, The Johns Hopkins University and Charles Greenberg. All rights reserved. Use of these materials permitted only in accordance with license rights granted. Materials provided "AS IS"; no representations or warranties provided. User assumes all responsibility for use, and all liability related thereto, and must independently review all materials for accuracy and efficacy. May contain materials owned by others. User is responsible for obtaining permissions for use from third parties as needed.

AN ANALYSIS OF STATE-
BASED HEALTH INSURANCE
EXCHANGE PROPOSALS
AFTER THE PASSAGE OF THE
AFFORDABLE CARE ACT

Charles Greenberg, JD, MPH Candidate

Presentation Outline



1. Overview of the Affordable Care Act and Health Insurance Exchanges
2. Methods
3. Results:
 - a. Legislative Activity in the States
 - b. Governance
 - c. Exchange/Insurance Design Parameters
 - d. Abortion

What Are Health Insurance Exchanges?



- Exchanges are virtual marketplaces for health insurance
- Functions:
 - ▣ Organize markets
 - ▣ Facilitate competition
 - ▣ Provide standardized information
 - ▣ Varying degrees of oversight with regard to health plan practices (i.e., benefit design, marketing, quality)

Why Are States Creating Health Insurance Exchanges?

- Individual Mandate

- Everyone must have some form of health care coverage
- What if you cannot afford insurance and do not qualify for government health care programs?

- ACA provides for health insurance subsidies:

- Individuals in between 133-400% FPL
- Small businesses (25 or fewer employees)

Why Are States Creating Health Insurance Exchanges?, ctd.

- Exchanges are the vehicle through which these subsidies are provided:
 - ▣ Affordable Care Act mandates that exchanges exist in every state
- January 1, 2013 is key date
 - ▣ Electing states must show:
 - State will have Exchange operational by Jan. 1, 2014, or
 - State has “taken the actions the Secretary determines necessary to implement”

HIEs: State Flexibility



1. Elect whether or not to operate an HIE
2. Government Agency vs. Non-profit Entity
3. Regulatory Authority
4. Insurance Carrier Representation
5. Max/Min Health Plans
6. Misc. Cost and Coverage Provisions
7. Abortion Opt-Out

Methods



- Lexis/Nexis State Capital
- Google News Alert
- National Council of State Legislatures
- Individual State Legislative Websites

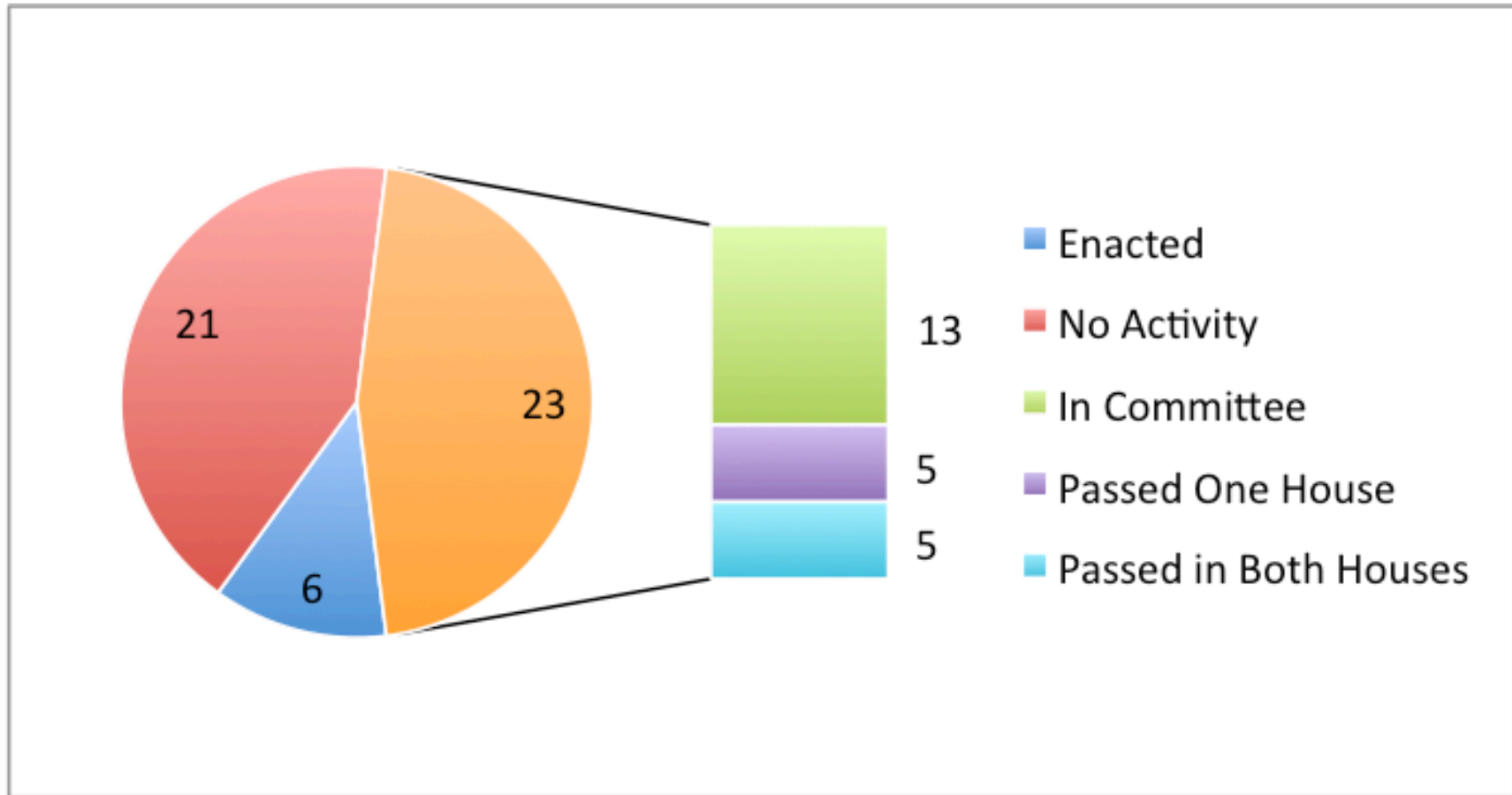
- Search Terms:
 - “health insurance exchange”
 - “insurance exchange”
 - “exchange”
 - “connector”
 - “abortion”

HIEs: States' Elections



- 4 states have enacted exchanges post-ACA:
 - California
 - West Virginia
 - Maryland
 - Virginia
- 23 states have active legislation, including 4 that have legislation passed by both houses
- 21 states are inactive
 - 7 states were active but legislation failed

HIEs: States' Elections, ctd.



HIEs: Form of Exchange



- 53 active proposals across 29 states
- States may choose the legal form of the exchange
 - Government: 15
 - Quasi-public: 13
 - Non-profit: 10
 - Not Specified: 15

HIEs: Regulatory Authority and Insurance Representation

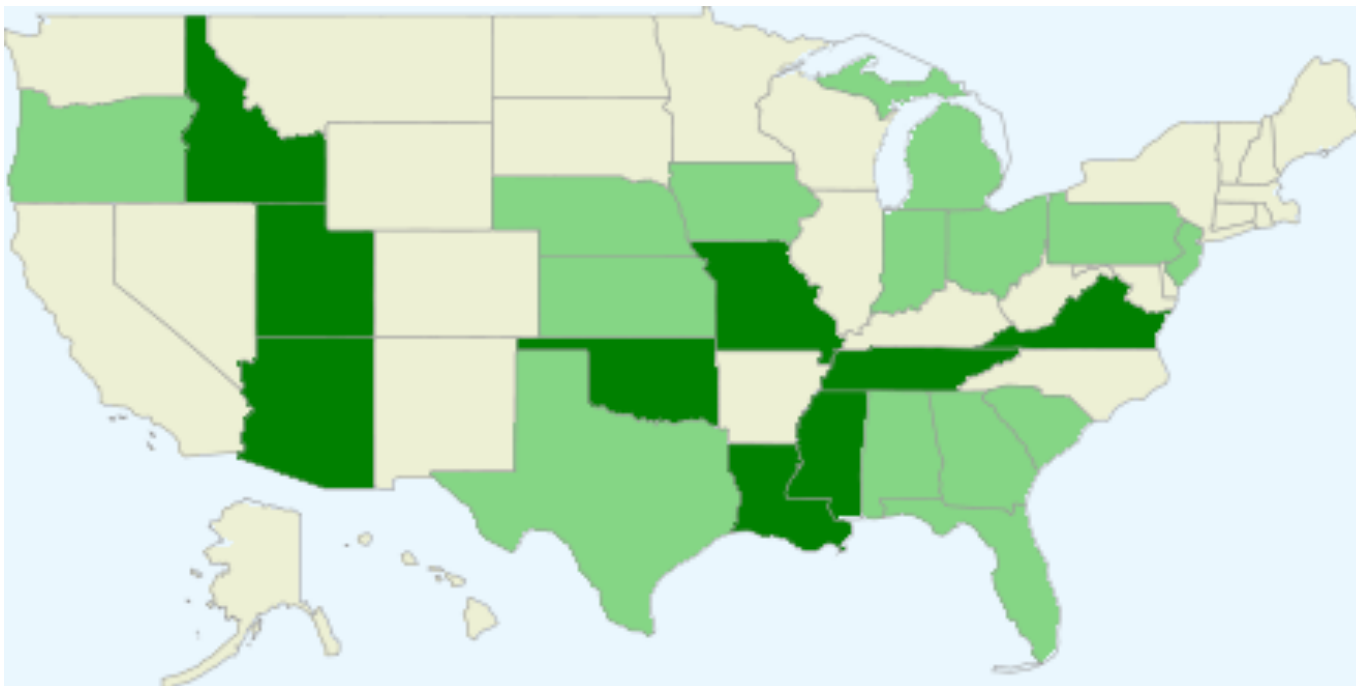
- Regulatory Authority
 - ▣ All but 3 active proposals grant the exchange rulemaking authority
 - Colorado SB11-200
 - North Carolina HB 115
 - Texas SB 1510
- Insurance Representation
 - ▣ Require Representation: 9
 - ▣ Forbid Representation: 23
 - ▣ Neither require nor forbid: 19

HIEs: Restrictions on Insurers

- Maximum or Minimum Plans Allowed
 - 8 proposals (5 states)
 - 3 proposals require at least one plan in each of the five levels of coverage (bronze, etc.)
 - 5 proposals allow for or require a limit on the number of plans an insurer may offer in each level
- Ability to Exceed Minimum Benefits
 - Texas HB 636
 - Iowa SF 291, HF 559

HIEs: Abortion Opt-Out

- ACA Compromise: states can elect to prohibit health plans from covering abortion
- 31 proposals (23 states), 9 enacted



HIEs: Future Analyses



- Continue to track activity in the states
 - Multiple states will adjourn by the end of June
- Look for correlation between activity level and party in power