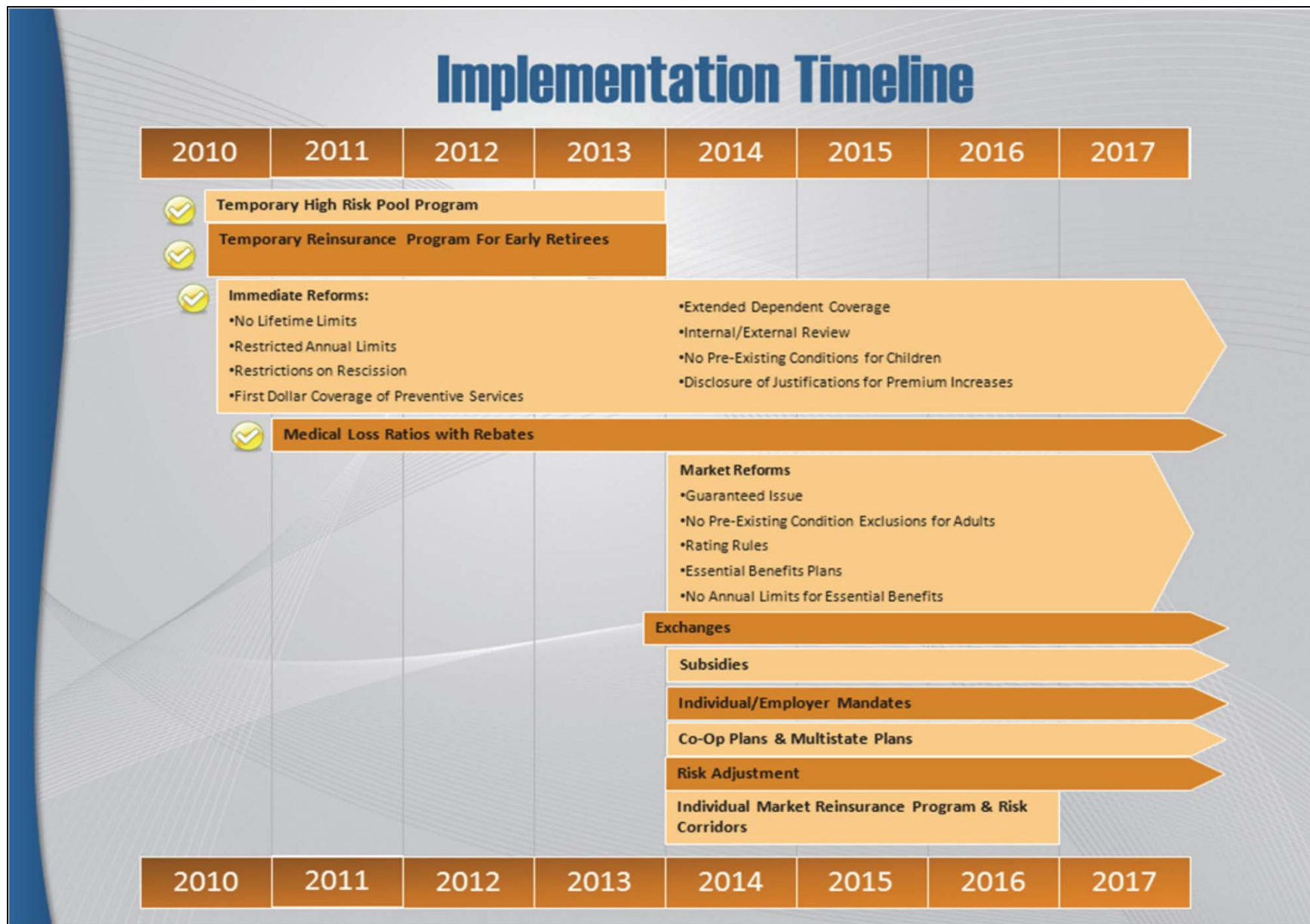


New Hampshire Insurance Department



March 2013

Health Reform Status – March 2013 (timeline slide courtesy of NAIC)



What is a Health Benefit Exchange?

- An Exchange, also known as a Health Benefit Marketplace, is an **online marketplace** where individuals will be able to purchase health insurance.
- People will be able to use the Exchange to enroll in health plans beginning **October 1, 2013**. The coverage will take effect beginning **January 1, 2014**.
- Depending on their income, individuals using the Exchange may also be able to **enroll in Medicaid** or to qualify for **tax credits** and **cost sharing subsidies** to offset health insurance costs.
- Small businesses will be able to use a separate marketplace called the **SHOP exchange** to provide health insurance to employees and to see if the business qualifies for a **small business tax credit**.
- The Exchange will be another option for purchasing health insurance - but if you get health insurance through your employer, or have purchased a policy through an insurance producer (agent or broker), you can continue to get coverage in this way.

NH Partnership Exchange

Federal Exchange Functions

The Exchange set up by the federal government will perform the following tasks:

- **Maintain a website** to provide plan information and options in a standardized format.
- Operate a **toll-free hotline**.
- Administer the **tax credit** and transfer to the Treasury and employers a list of eligible employees.
- Make available a **calculator** to determine actual cost of coverage after subsidies.
- Administer the individual responsibility **mandate**.
- Establish a **Navigator** program that provides grants to entities that assist consumers

The federal government will also set up the **SHOP** Exchange for small employers

Plan Management

- State role:
 - » Qualified Health Plan certification, including licensure and good standing, Essential Health Benefits, meaningful difference review
 - » Collection and analysis of plan rate and benefit package information
 - » Ongoing issuer oversight
 - » Plan monitoring, oversight, data collection and analysis for quality
 - » Assist consumers who have complaints about carriers or plans.

Consumer Assistance

- State role:
 - » Oversee conduct of Navigators
 - » Design and oversee supplemental in-person assistance program
 - » Conduct state-specific outreach and education
- Federal role:
 - » Call center operations
 - » Website management
 - » Written correspondence with consumers on eligibility/enrollment
 - » Selection of Navigators

The NH DHHS will continue to operate the state Medicaid program, including an interface with the Exchange.

What will Health Reform mean for me as of 1/1/14?

- Both inside and outside of the Exchange, **no insurance carrier will refuse to issue you a policy based on your health status**, or impose a preexisting condition exclusion.
- In the individual and small group markets, certain services called **Essential Health Benefits** will be included in all policies, both inside and outside of the Exchange.
- If your income is up to 400% of the federal poverty level (about \$92,000 for a family of four), **you may qualify for a tax credit and/or cost sharing subsidy**, which may make the Exchange a good option to explore. Health insurance tax credits and cost sharing subsidies are available only to individuals who enroll through the Exchange.
- Similarly, the **small business tax credit** will be available only to small businesses that use the SHOP exchange to provide health insurance to their employees.

Analyzing Health Costs

Annual Public Rate Review Hearings and Reports

- Costs are driven by three factors: unit cost, increases in utilization, and increases in the service mix or intensity
- In 2011, premiums were up 3.8%, with average buy down of 4.8%
- Medical claim trends down over the past three years, from 10.9% in 2009 to 3.0% in 2011
- 17.8% of premium going to administrative costs & profits

Questions?

- New Hampshire Insurance Department:
(603) 271-2261
<http://www.nh.gov/insurance/consumers/fedhealthref.htm>
- U.S. Department of Health and Human Services - Health Reform Website:
<http://www.healthcare.gov/index.html>