

Anthem Blue Cross and Blue Shield
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May 27, 2014

Roger Sevigny, Commissioner
New Hampshire Insurance Department
21 South Fruit Street, Ste 14
Concord, NH 03301

Re: Comment on Employee Choice Functionality for SHOP in 2015

Dear Commissioner Sevigny,

Pursuant to the Department's recent Notice of Public Comment Period relative to inclusion of employee choice functionality in New Hampshire's federally-operated Small Business Health Options Program (SHOP) for 2015, Anthem Blue Cross and Blue Shield in New Hampshire ("Anthem") confirms its position on this matter, first voiced during preliminary discussion of the topic at the May 9, 2014, NH Exchange Advisory Board Meeting. Anthem has not changed its posture on this matter and continues to believe, and respectfully suggests, that it would be prudent for the Commissioner to recommend delaying the employee choice functionality for New Hampshire until 2016.

The most recent guidance from CMS outlining the one year transition policy for a delay of employee choice functionality focuses rather specifically upon two preferred bases for granting a delay: inadequate carrier participation to make employee choice meaningful and/or a significant risk of adverse selection. While Anthem does not presently have adequate information to address the first item of interest, we do have concern regarding a potential for adverse selection and, perhaps more importantly, its implication for how carriers will address the uncertainties inherent in an employee choice environment.

That being said, Anthem is pleased that the Insurance Department's Notice encourages more specific and more pertinent comment on the operational challenges and timing uncertainty of launching the employee choice functionality for 2015. At the previously referenced meeting of the NH Exchange Advisory board, a board with membership of diverse stakeholders, a number of members raised concern with a premature launch, appearing to favor a one year delay rather than a launch that could precipitate a new range of challenges for 2015 small business enrollees.

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Building a SHOP exchange with employee choice functionality is an extremely complex and challenging endeavor, particularly with respect to a defined contribution and premium aggregation functions. Extensive testing will be necessary to guarantee the processes work for consumers and for the carriers that must interface with the SHOP functionality. Quite concerning is the fact that it remains unclear exactly when the promised “employee choice” functionality will be available in the FFE. Ideally, it would be available now and issuers would be able to test its functionality well before it was fully embedded and operational.

Based on the foregoing, Anthem respectfully suggests that a one year delay of the employee choice functionality would be the appropriate choice for the New Hampshire Marketplace. Thank you for the opportunity to comment on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Paula Rogers".

Paula Rogers
Director, Government Relations

PR/pcs
cc: Jennifer Patterson