Planning and Developing Washington State’s Health Benefit Exchange

Joint Legislative Select Committee on Health Reform Implementation

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Exchange Establishment Grant

HCA received a one-year $22.9 million grant in May 2011 to design and develop the exchange, including:

- Developing options and recommendations on policy decisions;
- Holding JSC/stakeholder meetings statewide;
- Building a detailed and comprehensive operational plan to create a structured entity capable of meeting business functions of the exchange; and
- Developing IT systems that build new features and leverage existing state systems.
Exchange Board

- October 1: Nominations submitted to Governor

- December 15: Governor appoints Board from Legislative recommendations, also appoints Chair as her own appointment


- March 15, 2012: Board takes over governing authority of exchange
Major Policy Questions to be Addressed

• Will the state implement a federal Basic Health program allowed in ACA? (process started)

• How will the exchange integrate with Medicaid? (started June)

• Will the exchange be an open marketplace or a selective contractor? (starting end of July/beginning of August)

• How can the state ensure there is a competitive market both inside and outside the exchange, as well as among plans within the exchange? (starting August)

• Which administrative functions of the SHOP will be included to entice small business participation? (starting in August)
Major Policy Questions to be Addressed (continued)

• What happens to WSHIP in 2014? What role could it play in the exchange/as part of the market? (starting in August)

• Will the state choose to pay for benefits beyond what the federal government decides should be in the “essential health benefit package”? (starting in September)

• How will the exchange be financed after 2014? (starting in September)

• How do we educate consumers about what the exchange is and how it might benefit them? (starting in September)
Feedback on Policy Issues

• JSC meetings

• HCA technical advisory committee (TAC)

• Tribal consultation

• Public comment period

• Continued conversations leading up to legislation for the 2012 session
HCA Technical Advisory Committee

• Consisting of: carriers, brokers, small employers, consumer advocates, physician, hospital, and Tribal representative

• TAC will work through policy options:
  • Policy framing – what options and considerations are being evaluated?
  • Policy issues – what is the best option and why?

• Help to inform Board when members are appointed in December 2011
Making the Exchange Operational

• Beginning structural plan to make exchange operational and function like an organization/business

• Prepare for transition to its own entity in March 2012

• Completed IT gap analysis of current system landscape

• Assessing other states’ system and necessary functions of the system

• Next IT step: Forming a solution
Federal Basic Health Option for 2014: Options Being Considered

• Standalone Basic Health Program

• Rebranded low-income program combining Medicaid and Basic Health

• No Basic Health program
Basic Health: Considerations for Each Option

• Coordination with Medicaid and the Exchange

• Cost comparisons

• Administrative issues

• Private market effects
Next Steps

• Continue to solicit feedback from stakeholders on policy options

• Present options and recommendations to the Governor and JSC as they are completed

• Prepare for 2012 legislative session

• Adapt design to federal guidance

• Transition to independent exchange entity next March

• Public outreach and education
Information on the Washington State Health Benefits Exchange Grant Project

- Policy options
- Legislation
- Grant applications
- Notice of public meetings
- HCA reports and publications
- Guidance from HHS

http://www.hca.wa.gov/hcr/exchange.html