

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
- December 15, 2011-March 15, 2012: Orientation for the Board
- 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

Washington State Health Care Authority Exchange Web Page

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>