



Washington State  
Health Care Authority

# Planning Washington State's **Health Benefit Exchange**

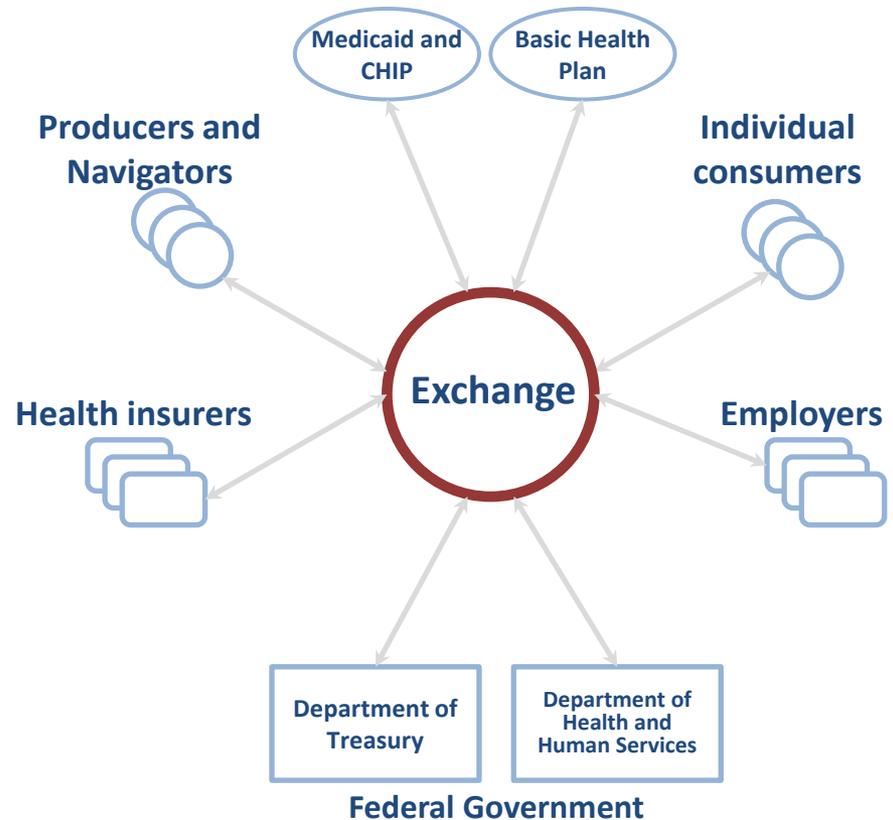
Joint Legislative Select Committee  
On Health Reform Implementation  
*November 30, 2010*

# Agenda

- 1. Exchange Functions**
- 2. Proposed 2011 Legislation**
- 3. Key Issues**

# 1. Exchange Functions

- **Connect** consumers to available coverage
- **Certify** exempt individuals
- **Determine** eligibility
- **Compare** plans, providers, and insurers
- **Provide** high-quality information to consumers
- **Enroll** individuals and employers
- **Certify** plans
- **Integrate** with other State plans
- **Facilitate** flow of premium payments, tax credits, and subsidies
- **Consult** with stakeholders





## 2. Proposed 2011 Legislation

### Provisions for Consideration and Discussion

#### A. Exchange Development Board

- Seven members appointed by Governor, by June 30, 2011
- Expertise in health care system
- Chaired by the HCA Administrator

#### B. Tasks

- Apply for federal planning and establishment grants
- Develop a business plan that analyzes key issues, provides recommendations, and gives an implementation timeline
- Obtain feedback from stakeholders
- Due date: January 1, 2012

#### C. Funding and Authority

- Authorized to distribute funds as needed to accomplish the Board's tasks
- Primary funding source: federal grants

# 3. Key Issues

## Market Impact Analysis

- Options to analyze:
  1. Merge Individual and Small group risk pools, or keep separate
  2. Establish a federal Basic Health plan, or not
  
- Impact on premium levels and enrollment for:
  1. the Exchange
  2. the federal Basic Health plan
  3. the private health insurance market outside the Exchange for Individual and Small group plans
  4. Association health plans
  
- Action plan:
  1. Draft report released **December 13**
  2. Final report released **December 27**

## 3. Key Issues

Issue brief	Draft release date	Written comments due
1. Goals and value of a Health Benefit Exchange	<b>November 10</b>	<b>November 22</b>
2. Exchange governance and organizational structure	<b>November 10</b>	<b>November 22</b>
3. Functions and responsibilities	<b>November 24</b>	<b>December 6</b>
4. Administration	<b>November 24</b>	<b>December 6</b>
5. Sustainability	<b>November 24</b>	<b>December 6</b>
6. Health care cost containment and quality	<b>November 24</b>	<b>December 6</b>
7. Insurance risk management	<b>November 24</b>	<b>December 6</b>

We will release **final** issue briefs on **December 15**.

Before then, send us your **comments** to [michael.arnis@hca.wa.gov](mailto:michael.arnis@hca.wa.gov).

# PPACA Exchange and HIP

	Exchange	HIP
<b>Eligibility</b>	<b>Individuals and small employers (1-50 or 1-100)</b>	<b>Low-wage small employers (1-50)</b>
<b>Plans</b>	<b>Qualified and standardized plans</b>	<b>From existing small group market</b>
<b>Subsidies</b>	<b>133% - 400% FPL</b>	<b>0% - 200% FPL</b>
<b>Coordination</b>	<b>All private and public health benefit plans</b>	<b>Insurers of designated health plans</b>
<b>Timing</b>	<b>Awaiting regulations</b>	<b>Already implemented</b>