

## **Idaho SBE Blueprint**

### **Section 1.1**

The State of Idaho will have the necessary legal authority to establish an Affordable Insurance Exchange in the State, including a Small Business Health Options Program (SHOP). The State expects it will establish this legal authority through legislative action during Idaho's 2013 legislative session (to convene January 7, 2013, and run approximately through March 31<sup>st</sup>).

## **Idaho SBE Blueprint**

### **Section 1.2**

The State of Idaho is planning to establish an exchange as either a quasi-governmental or a non-profit entity.

Pursuant to legislative authorization and designation, a quasi-governmental entity or a nonprofit entity will be authorized in which either the statute itself or the statute in conjunction with a plan of operation or charter of such entity will allow the Exchange to: 1) carry out the required functions of an Exchange; 2) meet the information reporting requirements associated with premium tax credits; 3) serve the entire geographic area of the State; and 4) meet the standards for a State-based health insurance exchange set by the U.S. Department of Health and Human Services (HHS) exchange regulations as outlined in ACA 1311(d) and 45 CFR 155.110.

It is expected that the State of Idaho will have established an exchange entity no later than March 2013. The governing structure will be given authority to carry out all necessary functions of the exchange, including generating and collecting revenue.

## Idaho SBE Blueprint

### Section 1.2a

As part of its incorporation, an exchange board will be established in compliance with ACA 1311(d) and 45 CFR 155.110. As such, characteristics of the board will include, but may not be limited to:

- Having a majority of the voting members with relevant experience in health benefits administration, health care finance, health plan purchasing, health care delivery system administration, public health, or health policy issues related to the small group and individual markets and the uninsured;
- Not having a majority of voting representatives with a conflict of interest (i.e., representatives of health insurance issuers, agents or brokers, or any other individual licensed to sell health insurance);
- Including at least one voting member who represents consumer interests;
- Having formal, publicly adopted operating charter or bylaws;
- Having, and making publicly available, guiding principles that include ethics, conflict of interest standards, accountability and transparency standards, and disclosure of financial interest (including procedures for disclosure of board members' financial interests); and
- Hold regular public governing board meetings that are likely consistent with the State's Open Meeting (Idaho Code §§ 67-2340 through 67-2347) and Public Record Laws (Idaho Code §§ 9-337 through 9-350).

It is expected that members shall be appointed to the board by, and serve at the pleasure of, the Governor. The board members appointed by the Governor will likely serve specified terms such as four (4) years or until their successors are appointed. It is expected that a board member may be appointed by the Governor to serve subsequent terms.

Legislation proposals discussed last year, which will likely serve as a basis for legislation for the upcoming legislative session, included board members representing:

- different health carriers;
- producers;
- individual consumer interests;
- small employer business interests with particular members representing employer business interests employing different numbers of employees and perhaps a member representing large employers; and
- medical providers.

The Director of the Department of Insurance, or his designated representative, and the Director of the State Department of Health and Welfare, or his designated representative, will likely each serve as ex officio non-voting members of the board.

The board will elect a chairman and vice chairman from among the voting members. The board will meet at the times and places as determined appropriate by the chair (or vice chair in the absence or inability of the chair to serve). Notice to board members of meetings shall be given according to procedures established by the board.

Any board member or employee who acts on behalf of the Exchange shall ensure that the Exchange is operated in the interests of eligible individuals and eligible employers, and their eligible employees participating in health benefit plans offered through the Exchange, and for the purpose of facilitating the determination of eligibility for and enrollment in health benefit plans and other health coverage as may be provided by other applicable law.

It is expected that the State of Idaho will authorize the state-based exchange to contract with eligible entities to carry out various exchange functions. These entities include the Idaho Department of Insurance, the Idaho Department of Health and Welfare, other Idaho governmental agencies, and any private entity that has the demonstrated experience to carry out the necessary functions.

As likely either a nonprofit organization or quasi-governmental entity, it is expected that the board and the Exchange shall not be subject to the purchasing statutes and rules of the State of Idaho.

It is anticipated that the State of Idaho will have selected and finalized board member participation by April 2013.

# Idaho SBE Blueprint

## Section 2.1

Following the Supreme Court's decision to uphold the ACA, Governor Otter created a Health Insurance Exchange Working Group, led by the Director of the Idaho Department of Insurance. This working group consisted of key stakeholder representatives appointed by the Governor, including insurers, physicians, brokers, business owners, advocacy groups, researchers, and a trade association. On October 26, 2012 this working group voted in favor of the Governor pursuing a state-based exchange.

In 2011, the Idaho Department of Insurance and the Department of Health and Welfare created the Idaho Health Insurance Exchange Project. The Exchange Project had established work groups as well as stakeholder meetings with business owners, medical providers, insurers, Idaho Tribes, consumer advocates, and the general public.

The Idaho Health Insurance Exchange Project conducted several stakeholder meetings during 2011 as part of the task to plan and design a state-based Health Insurance Exchange for Idaho. The first round of stakeholder involvement meetings were conducted in the spring of 2011. During the months of March and April 2011, six public stakeholder meetings and focus groups were conducted to gain public input on a proposed Health Insurance Exchange in Idaho. Ninety-two (92) different organizations were represented three locations of Idaho (Boise, Caldwell and Coeur d'Alene).

In December 2011, ten public meetings (known as Round 2) were conducted in order to provide information to the public regarding the progress of the project, as well as to obtain comments and opinions from stakeholders in regards to the proposed Idaho Health Insurance Exchange. Stakeholder feedback will be used to help determine the requirements of a Health Insurance Exchange designed for Idahoans' needs. The Round 2 meetings were attended by representatives from 129 organizations, totaling 262 attendees. Of the 262 attendees, 65 provided written responses to a questionnaire provided. Verbal comments captured by a Health Insurance Exchange note taker were also recorded and used for this report.

The Round 2 stakeholder meetings resulted in valuable information on the voice of the external stakeholders, which will be used to further develop a plan tailored to the needs of Idaho. Although some opinions greatly varied, concerns regarding cost, uncertainty, and role were evident messages at each meeting location.

Analysis of stakeholder comments uncovered the following evident conclusions:

- For the stakeholders present, cost (of either health care or premiums) is the number one obstacle to obtaining health insurance today;
- There is great uncertainty as to whether an exchange would alleviate costs or increase them;
- Stakeholders are unsure how a health insurance exchange would impact them and their communities;
- Stakeholders are uncertain how they will play a role in an exchange;
- Stakeholders are concerned about how their current role will be affected;
- There is uncertainty regarding how an exchange may change current business practices (which is viewed as both positive and negative change);
- Web-based communication and face to face meetings are the most recommended forms of sharing information and distributing educational materials to participating stakeholders; and
- While feedback was mixed, more support for an exchange/state-based exchange was expressed than opposition to any exchange (federal or state).

As it moves forward with exchange planning and implementation, the State of Idaho will develop a formal stakeholder consultation plan, leveraging the work, plans, and Web site information previously developed by the Exchange Working Group and the Exchange Project. The State will ensure that key stakeholders continue to be included in this process, including consumers, small businesses, State Medicaid and CHIP agencies, agents/brokers, employer organizations, and other relevant stakeholders.

Key components of the stakeholder engagement plan will include:

- Presentations to educate and inform individuals, small businesses, plan issuers, brokers, and professionals in local and state agencies about the individual and small business exchanges;
- The continuation and formation of workgroups, comprised of internal and external stakeholders, to address operational and technical issues;
- The development and formation of advisory committees to support the exchange board and aid in its duties.

Through the authority expected to be given to an Idaho Exchange Board to designate advisory committees at its discretion (see for example proposed section 41-6106 of draft legislation Idaho proposed in 2012), it is envisioned that the board would appoint an advisory committee consisting of medical providers to aid the board in its duties, which could include the following types of health care providers:

- Community health centers
- Dentists
- Hospitals
- Pharmacists
- Physicians
- Any other category of health care provider the board believes would be helpful to include on the committee

It is also envisioned that the Exchange Board may appoint an advisory group of insurance experts to assist an Idaho Exchange in examining issues related to QHP certification, other plan management issues, and other issues as specific needs arise.

## Idaho SBE Blueprint

### Section 2.2

There are six Federally-recognized Tribes in the State of Idaho:

- Coeur d'Alene Tribe
- Kootenai Tribe of Idaho
- Nez Perce Tribe
- Northwestern Band of the Shoshone Nation
- Shoshone-Bannock Tribes
- Shoshone-Paiute Tribes

The Idaho Department of Health and Welfare engages in regular communication with Designated Tribal Agents from each of these Tribes. Throughout 2011, the Exchange Project also hosted stakeholder meetings and focus groups with Idaho Tribes. A special tribal session was also held in May 2011.

The purpose of these meetings and sessions were to inform stakeholders on what is currently known about a Health Insurance Exchange for Idaho and to solicit their feedback in specific areas of an exchange, including:

- Access
- Consultation
- Cost
- Ease of use
- Education and Outreach
- Eligibility
- Enrollment
- Funding
- Health Care
- Involvement
- Legislative
- Operation
- Other States
- Plans
- Process
- Sovereignty
- Impact on Medical Provider

More information can be found in the in the State's Tribal Stakeholder Engagement report.

Moving forward, an Idaho Exchange will leverage this communication in the development and implementation of a formal Tribal consultation process. This process may include establishing a work group consisting of Native American representatives and focusing on Native American issues and/or ensuring that tribal representation exists in other work groups and advisory committees. Issues that may be considered through this process include:

- The identification, application, and enrollment process of federally-recognized Native Americans;
- Group purchasing and sponsoring of Tribal Members by Tribes;

- The inclusion of Native American health providers in exchange plans;
- Native American marketing, outreach, and health plan enrollment.

It is also envisioned that an Idaho Exchange will designate a person to serve as the Exchange's Tribal Liaison, who will engage in continuous communication with the Exchange Board and have the responsibility of maintaining subject matter expertise on Exchange/Tribal issues.

It is expected that a formal Tribal consultation process will commence in May 2013 and continue as needed.

# Idaho SBE Blueprint

## Section 2.3

Idaho plans to develop a comprehensive outreach and education plan, leveraging the work already completed by the Exchange Project and the Exchange Working Group. The established outreach plan will guide all activities intended to reach Idaho residents and educate them about the Exchange. Idaho understands that instituting a comprehensive outreach plan ahead of the Exchange's launch and throughout its operations will directly influence its success.

Idaho's envisioned outreach plan will require a coordinated effort among State agencies, community organizations, insurance carriers, corporate partners, providers, and other stakeholders, including but not limited to:

- Educated health care consumers who are enrollees in QHPs
- Individuals and entities with experience in facilitating enrollment in health coverage
- Advocates for enrolling hard to reach populations, which include individuals with disabilities as well as mental health or substance abuse disorders
- Small businesses and self-employed individuals
- State Medicaid and CHIP agencies
- Federally-recognized Tribes, as defined in the Federally Recognized Indian Tribe List Act of 1994, 25 U.S.C. 479a, and that are located within the exchange's geographic area
- Public health experts
- Health care providers
- Large employers
- Health insurance issuers
- Agents and brokers (producers)

The goal of the outreach plan is to reach a defined set of target audiences, including all populations identified in 45 CFR 155.130, and to provide these audiences with culturally and linguistically appropriate outreach and educational materials regarding eligibility and enrollment options, program information, benefits, and services available through the Exchange, SHOP, and other Insurance Affordability Programs. This information will be made available in alternate formats for persons with disabilities, including providing auxiliary aids and services.

It is expected that many of the stakeholders participating in the State's outreach plan will be engaged in workgroups and/or advisory committees. These groups will provide the State and the Exchange Board with information and "best practices" for reaching the target audiences.

Once these "best practices" are defined, specific workgroups will be developed to explore a variety of tactics for reaching these populations with the goal of engaging them and driving them to the Exchange Web site or the Navigator Program where they can learn more about the Exchange and receive assistance enrolling in plans. These tactics may include the following components:

- Materials development
- Earned media
- Paid media (advertising)
- Social media
- Stakeholder engagement
- Partnerships and grassroots engagement
- State employee communications

An outreach and education plan is expected to be finalized and commenced by approximately July 2013.

An Idaho Exchange would plan to develop a comprehensive and integrated public relations and marketing campaign to educate and inform individuals and small businesses statewide about the state-based exchange. It is anticipated that the initial campaign will include the following points to be developed by and distributed through public relations and advertising campaigns:

Individuals & the General Public:

- Benefits of having coverage
- Increased access, increased choice
- Who can participate, how it will work
- Advanced Premium Tax Credits & Cost Sharing Reductions
- Navigator & Agent/Broker application assistance
- Premium calculator awareness

Small employers:

- Increased Access, increased choice
- Who can participate, how it will work
- Small Business Tax Credits
- Comparison tools awareness

Navigators, Agents, and Brokers:

- How can they help get their clients covered
- Who can participate, how it will work
- How they will get compensated

Proposed general public marketing channels (in English, Spanish, and other linguistically and culturally appropriate languages that comply with Idaho standards) include:

- Print, radio, TV, social media, websites, health fairs, and other health events;
- Coordination and engagement with Chambers of Commerce, Nonprofits (United Way, etc.), FQHCs, rural clinics, hospitals & emergency rooms, schools, churches, shopping malls, SBA offices, and Medicaid offices; and
- Coordination and engagement with existing statewide distributions offices (Tax, DOT, Social Security)

To accelerate the development the comprehensive and integrated public relations and marketing campaign, it is expected that an Idaho Exchange will contract for qualified vendor services to develop a comprehensive outreach and education plan and to create culturally and linguistically appropriate outreach and education materials to comply with 45 CFR 155.205(c).

This public relations and marketing campaign is expected to commence by August 2013.

## **Idaho SBE Blueprint**

### **Section 2.4**

To accelerate the development and operation of a toll-free telephone call center to respond to requests for assistance from the public, including individuals, employers, and employees, the Idaho Exchange could choose to contract with a qualified vendor for call center services. If available, the Exchange is also considering leveraging other state's call centers.

Should the Exchange contract with a TPA for call center services, an Idaho Exchange will ensure that any selected vendor is able to provide for the operation of a toll-free telephone hotline which: 1) acts as a central line to handle seamless application support; 2) coordinates with other Insurance Affordability Program(s) and State and Federal agencies; and 3) responds to requests for assistance from the public, including individuals, employers, and employees, at no cost to the caller.

Call center representatives will include specialists trained in enrollments, eligibility, and SHOP issues. Calls will be routed to specialists using interactive voice response (IVR) to increase efficiency and optimize customer service. Any vendor providing call-center services to the Exchange will be responsible for providing its employees with adequate training and resources.

Any vendor will also be required to provide translation and oral interpretation services as well as auxiliary aids and services based on the needs of the caller.

Any vendor providing call-center services to the Exchange will be expected to develop, in accordance with direction from the Idaho Exchange, operating plans and procedures. It is expected that a number of Service Level Agreement (SLA) metrics will be written into the contract for managing performance. This may include a six-month baseline period to adequately gauge call volume, calibrate the forecasting model, and establish 30, 60 and 90-day call volume forecasts and staffing.

It is expected that a vendor will be selected by May 2013. Once the vendor is selected, the Idaho Exchange and the vendor will develop a detailed description of the call center's strategy for managing call volume, its plan for providing translation services, and a toll-free number.

## **Idaho SBE Blueprint**

### **Section 2.5**

The Idaho Exchange plans to procure the services of a third-party vendor for the development of the Exchange's IT system. This will include development and maintenance of the Exchange's Internet Web site(s).

The Exchange will ensure that any selected vendor will:

- Maintain an up-to-date Internet Web site that provides timely and accessible information on QHPs available through the Exchange, Insurance Affordability Program(s), and the SHOP (in accordance with 45 CFR 155.205(b));
- Provide information on premium subsidies and cost-sharing, QHP comparison, metallic levels of QHP coverage, transparency of coverage measures, and a provider directory;
- Provide information in a manner that is accessible to individuals with disabilities and individuals with limited English proficiency (in accordance with 45 CFR 155.205(b) and (c)).

In the interim, the Idaho Exchange will leverage the Exchange Project's past work to provide outreach and educational information on the Exchange via the internet.

## Idaho SBE

### Section 2.6

An Idaho Exchange will establish a process to operate a Navigator program consistent with 45 CFR 155.210, that will develop training, conflict of interest, and privacy and security standards consistent with 45 CFR 155.210 and 45 CFR 155.260.

It is expected that an Idaho Exchange will procure Navigator services from qualified public or private vendors through subcontracts, paid for with exchange grants (these subcontracts will stipulate that in order to receive the grants, the grantees must agree to conduct the five duties outlined in 45 CFR 155.210(e)).

The Navigator program will be structured through a set of standards to be developed by the Idaho Exchange, with assistance from the DOI, to prevent, minimize, and mitigate any kind of conflicts of interest that may exist and to ensure that all participating entities and individuals have appropriate integrity.

While under the PPACA, Navigators could be licensed agents or brokers, Navigators may not receive compensation for soliciting or selling health insurance and so could not be acting as an agent or broker. The Idaho Exchange will also mandate that Navigators comply with the privacy and security standards for the Exchange set forth in 45 CFR 155.260, as well as any further privacy and security measures adopted by the Idaho Exchange Board.

Duties: An Exchange will mandate the following duties for all entities or individuals acting as a Navigator:

- Maintain expertise in eligibility, enrollment, and program specifications and conduct public education activities to raise awareness about the Exchange;
- Ensure that there are no conflicts of interest, and, where possible, remove the appearance of conflicts of interest;
- Ensure security and confidentiality of personal information;
- Be trusted sources of health care coverage information in the community;
- Receive no financial consideration directly or indirectly from an insurance company or QHP;
- Demonstrate that there is no conflict of interest in providing the full range of services;
- Provide information and services in a fair, accurate, and impartial manner, including the acknowledgement of other health programs;
- Facilitate selection of QHPs;
- Provide referrals to any applicable office of health insurance consumer assistance or health insurance ombudsman, or any other appropriate state agency or agencies, for any enrollee with a grievance, complaint, or question regarding their health plan, coverage, or a determination under such plan or coverage; and
- Provide information in a manner that is culturally and linguistically appropriate to the needs of the population using the Exchange (including individuals with limited English proficiency) and ensure accessibility and usability of Navigator tools and functions for individuals with disabilities in accordance with the Americans with Disabilities Act and section 504 of the Rehabilitation Act.

Eligibility Standards: To receive a Navigator grant from the exchange, the exchange will require an entity or individual seeking to serve as a Navigator to:

- Be capable of carrying out the duties set forth above;
- Demonstrate existing relationships, or readily available relationships, with employers and employees, consumers (including uninsured and underinsured consumers), or self-employed individuals likely to be eligible for enrollment in a QHP;
- Meet any applicable licensing, certification or other standards prescribed by the State or Exchange;
- Not have a conflict of interest during the term as a Navigator;
- Comply with the conflict of interest standards developed by the State; and
- Comply with all privacy and security standards set forth in 45 CFR 155.260 and as may otherwise be adopted by the Exchange.

Conflict of Interest Standards: The Exchange will exercise authority over Navigators to ensure compliance with the program and to prohibit Navigators from:

- Being a health insurance issuer or a subsidiary thereof;
- Being an association that includes members of, or lobbies on behalf of, the insurance industry; or
- Receiving any consideration directly or indirectly from any health insurance issuer in connection with the enrollment of any individuals or employees in a QHP or a non-QHP; or
- Having any private or personal interest sufficient to influence or appear to influence the objective exercise of the individual's official or professional responsibilities.

Professionally Accepted Ethical Standards: An Exchange would also consider implementing Professionally Accepted Ethical Standards for participants in the Navigator program. These could include:

- The Navigator will not knowingly misrepresent applicant eligibility information;
- The Navigator will not knowingly misrepresent his or her capability to act as a Navigator, nor fail to comply with certification standards;
- The Navigator may **not** advise a consumer to enroll in a specific QHP or program. The Navigator must discuss the options available and provide impartial information about the distinctions among plans. Only a consumer may decide in which plan or program to enroll.
- The Navigator will protect the client's right to privacy and confidentiality;
- The Navigator will protect the integrity, safety, and security of any client records in compliance with all state and federal laws;
- The Navigator will provide services without discrimination or preference based on protected factors;
- The Navigator will respect individuals and groups and their cultures and beliefs; and,

- The Navigator will act with integrity, honesty, genuineness, and objectivity.

Training and Certification: As currently envisioned, all entities and individuals participating in the Navigator program will be trained and certified in the following areas:

- The needs of underserved and vulnerable populations, including Idaho-specific hard-to-reach populations;
- The mission of the state-based exchange and how it operates;
- State and Federal regulations governing the Exchange;
- The application process (both online and in-person);
- Eligibility and enrollment rules and procedures within the Exchange;
- The range of QHP options and insurance affordability programs;
- State coverage programs such as Medicaid and CHIP;
- Consumer privacy and confidentiality;
- Premium subsidy tax credits and other cost reductions available to consumers;
- The conflict of interest and professionally accepted ethical standards developed by the State; and
- The privacy and security standards set forth in 45 CFR 155.260 and any other standards that may otherwise be adopted by the Exchange.

The Idaho Exchange will work with workgroups and advisory committees to develop Navigator program conflict of interest and training standards. It may also procure the services of a vendor to assist the State in developing the training curricula and certification processes for the Navigator program and conducting the actual training sessions.

Navigator Participants: It is currently envisioned that an Idaho Exchange will select one (1) consumer-focused non-profit group and at least one (1) of the following categories to serve as Navigators:

- Community and consumer-focused nonprofit groups
- Trade, industry, and professional associations
- Idaho specific industries (yet to be determined)
- Chambers of Commerce
- Unions
- Resource partners of the Small Business Administration
- Other eligible public or private entities or individuals, including without limitation, Indian tribes, tribal organizations, urban Indian organizations, and State or local human service agencies.

It is expected that the state will use federal grants to develop Navigator programs, standards, and training curricula and courses; however it is yet to be determined how the Idaho Exchange will fund the grants provided to Navigators.

The Idaho Exchange will consider a variety of questions related to the financing of the Navigator Program, including:

- Will navigators be paid in lump sum grants or on a per-head basis?
- Will payments be made to individuals or entities?
- Will payments be consistent across markets and/or products?
- Will accountability standards in any way be tied to payments?
- Will exchange users be charged a navigator fee?

A plan for making the Navigator program fully operational will be submitted to HHS by August 2013.

## **Idaho SBE**

### **Section 2.7**

In addition to the Navigator Program, an Idaho Exchange would consider contracting with regional enrollment specialists or other in person assisters. These specialists could provide outreach/education regarding the Exchange and open enrollment and will be stationed in each of the State's Health Department regions.

## Idaho SBE Blueprint

### Section 2.8

An Idaho Exchange will permit agents and brokers (producers licensed under Title 41, Chapter 10, Idaho Code) to interact with the state-based exchange, pursuant to 45 CFR 155.220(a).

Role of Brokers: It is currently envisioned that Idaho agents and brokers will assist qualified individuals, employers, and employees with enrollment in QHPs in the same manner as is done in the traditional market (providing individuals and employers with information regarding health insurance, assisting in health plan enrollment, etc.). As such, the Idaho Exchange envisions agents and brokers assisting consumers, including individuals and small employers, access appropriate coverage through the Idaho Exchange, enroll in health plans, and apply for premium tax credits. While Idaho agents and brokers will be urged to provide consumers with information that can also be found on the Exchange Web site, agents and brokers will be permitted to provide information based on their experience with a QHP (in much the same manner as is done in the current market). Agents and brokers who enroll individuals in the Idaho Exchange will also need to understand the basics of the premium tax credits, QHPs, and where to send individuals who require social services such as Medicaid.

Licensing, Certification, and Training of Brokers. Idaho's Department of Insurance (DOI) has statutory responsibility for licensing and overseeing agents and brokers / producers. See Title 41, Chapter 10, Idaho Code.

Leveraging current State licensing and certification standards, the Idaho Exchange will coordinate with the DOI to create licensure and training requirements to ensure that agents and brokers selling on the Exchange are in compliance with State law and the ACA, including licensure requirements consistent with 45 CFR 155.220(e).

As currently envisioned, agents and brokers selling on the Idaho Exchange will be required to be licensed by the State (as is the case for selling insurance currently), register with the Exchange, receive training on QHP options and other publicly subsidized insurance programs, and comply with the Exchange's privacy and security standards, set by both the State and as specified in 45 CFR 155.220(d) and 45 CFR 155.260.

Training for Agents/Brokers, Idaho agents and brokers wishing to assist consumers in Exchange enrollment and QHP selection must be officially registered with the Idaho Exchange. This registration could include a minimum (e.g. 24 hour training requirement) and a written exam at the end of the training to determine certification.

Coursework taken as part of the training requirement would likely include:

- Assisting underserved and vulnerable populations
- Eligibility and enrollment rules and procedures
- The range of QHP options and insurance affordability programs
- Privacy and security standard
- Digital literacy and website navigation
- Financial assistance
- Conflicts of interest

Training on conflict of interest issues and privacy and security standards will be will be key components of any process required for certification. As with the Navigator Program, the Idaho Exchange may also procure the services of a vendor to assist the State in developing the training curricula for agents and brokers and conducting the training sessions.

Broker Compensation: Agents and brokers play an important and influential role in the distribution of health insurance in Idaho. Both individual consumers and businesses rely on brokers to sort through health insurance options, provide health plan recommendations, and serve as their agents throughout the year in dealing with insurance companies. In the current market, the value provided by a broker is measured by the commissions paid to brokers by insurance carriers.

In order to avoid agents and brokers driving business away from plans offered in the Exchange, the Idaho Exchange may consider providing Idaho agents and brokers with the same compensation from carriers for enrollment in health plans offered on the Exchange as they do for enrollment in similar plans offered off the Exchange (the amount determined in accordance with the brokers' contracts with insurance carriers).

However, the Exchange may also consider compensating agents and brokers with one set rate for enrolling individuals in any plan offered through the Exchange. This amount could be set to equal the average amount of broker compensation provided in the traditional market.

It is expected that the enrollment system will accept an agent or broker ID and transmit that data to the carrier in order for the broker to receive the commission. The Idaho Exchange will work with its selected IT vendor to develop this, or similar capabilities.

# Idaho SBE Blueprint

## Section 2.9

At this time, the State of Idaho anticipates allowing web brokers to perform online marketplace functions to enable the Idaho Exchange reach a broader group of individuals and small businesses who need insurance.

As with agents and brokers, web brokers must be licensed by the State, register with the Exchange, receive training on QHP options and other publicly subsidized insurance programs, and comply with the Exchange's privacy and security standards set by both the state and as specified in 45 CFR 155.220(d) and 45 CFR 155.260.

Licensing, Certification, and Training of Web Brokers. The State's Department of Insurance (DOI) has statutory responsibility for licensing and overseeing web brokers as producers under Title 41, Chapter 10, Idaho Code.

Leveraging current State licensing and certification standards, the DOI will coordinate with the Exchange to create licensure, certification, and training requirements to ensure that web brokers selling on the Exchange are in compliance with State law and the ACA, including licensure requirements consistent with State laws as well as 45 CFR 155.220(c)-(e).

Training and Certification for Web Brokers: It is expected that web brokers will undergo a similar training process for that of agents as brokers (as described in section 2.8).

In addition, web brokers must complete a certification process that will ensure compliance with existing State laws as well as 45 CFR 155.220(c)(3),(d) and (e). It is expected this certification process may include the following requirements:

**Business Agreement** – web brokers must agree to the Idaho Exchange's legal and financial terms, operational metrics, and service level agreements.

**Registration** – web brokers must register and be certified with the Idaho Exchange, utilizing a process similar to that for other agents and brokers (described in Section 2.8).

**Training** – web brokers must complete training for the Idaho Exchange, utilizing a process similar to that for other agents and brokers (described in Section 2.8).

**Demonstration of Capabilities** – web brokers must be able to demonstrate the ability to meet the requirements set by the Idaho Exchange including:

- Functional capabilities (e.g., plan presentment)
- Technical requirements (e.g., data exchanges, reporting, interfaces)
- Privacy & security standards

The Idaho Exchange will plan to procure the services of a vendor for the development the Exchange's IT systems. The Idaho Exchange will seek to select a vendor that is able to develop capabilities that will allow the Exchange's Internet Web site to interface with web brokers' websites.

It is expected that the selected vendor will provide HHS with a brief description of how the Exchange's Internet Web site will interface with web brokers' websites by July 2013.

## **Idaho SBE Blueprint**

### **Section 3.1**

At this time, the Idaho Exchange plans to use the HHS-developed application to determine eligibility and collect information that is necessary for enrollment in a QHP for the individual market and for Insurance Affordability Programs as specified in 45 CFR 155.405. However, it will continue to evaluate the possible benefits and disadvantages of its use as more information on the streamlined application is provided by HHS.

At this time, the Idaho Exchange also plans to use the HHS-developed single, streamlined application for SHOP employers and employees as specified in 45 CFR 155.730. However, it will continue to evaluate the possible benefits and disadvantages of its use as more information on the streamlined application is provided by HHS.

# Idaho SBE Blueprint

## Section 3.2

Details of this section will need to be vetted by DHW and may change based on their needs or established procedures and guidelines.

### Idaho Exchange Administrating Agencies

The Idaho Exchange recognizes the Department of Insurance (DOI) and the Department of Health and Welfare (DHW) as key project stakeholders and will regularly engage them as participants in project plan review meetings and discussions to identify project dependencies during the Idaho Exchange initiative and the Medicaid eligibility modernization project that is currently underway.

The Idaho Exchange will likely have to sign memorandums of understanding (MOUs) with the DHW and DOI.

Specifically, the MOUs will cover the terms and conditions for the following:

- Establishing appropriate data sharing agreements and strategy, criteria, and protocols for global audits
- Specifying business operations between the agencies and the Exchange to formalize operational roles and responsibilities
- Transferring grant money under the current purview of the DHW for the use of the Idaho Exchange
- Identifying a system solution that will meet key business requirements of the Exchange

Additionally, Idaho's DOI will be coordinating with CCIIO Technical Assistance for processes that will leverage federal services.

It is anticipated that insurance issuers, navigators, third party administrators, plan and insurance providers, Centers for Medicare and Medicaid Services (CMS), and the DOI will interact with the Exchange web portal and/or through data exchanges wherever possible to avoid manual transactions and re-keying information.

### Idaho Exchange Standard Operating Procedures

The following description of the eligibility and enrollment process provides a view of the consumer experience based on the principles and involvement of the entities described in the overview above. In this coordinated approach, a consumer seeking health insurance coverage through the Idaho Exchange will be able to access information and assistance, verify eligibility for Insurance Affordability Programs, and apply for health coverage.

### Idaho Exchange Eligibility Flow Narrative

Idaho intends to establish a seamless, "no wrong door" application process for health coverage in Idaho, including an effective application and enrollment process for Medicaid eligible applicants – to accurately determine eligibility for Idaho Medicaid and SCHIP programs. This includes an assurance that when an enrollee is found to be ineligible during the application process, the applicant would seamlessly move to the Exchange and be able to select a government approved health insurance plan and be considered for a subsidy to help pay for that insurance plan.

Upon entry into the Idaho Exchange, all enrollees will be asked if they wish to complete an insurance affordability determination for Medicaid, SCHIP programs and advanced premium tax credits and cost sharing reductions

(APTC/CSRs). If an enrollee decides not to complete a determination they will be asked to provide the necessary information so they can compare non-subsidized QHPs for possible enrollment. (This process flow is still being vetted by DHW and may change based on their suggestions.)

For enrollees that wish to complete a determination, the Idaho Exchange will collect the required data (Name, age, income, blind and disabled status, etc.) from enrollees and family members. The Idaho Exchange will interface with the state's Benefit Eligibility System (IBES) (Department of Health and Welfare) to complete and provide a real-time eligibility decision for Medicaid and SCHIP programs.

The Idaho Exchange will send a web services query to the Federal Data Services HUB for the enrollees MAGI. The Idaho exchange will use the MAGI data provided by the Federal Data Service HUB as well as the enrollee's age, blind and disabled status to determine the enrollee's eligibility for Medicaid and SCHIP. If the enrollee is determined to be eligible for Medicaid and or SCHIP, the enrollee will then be seamlessly referred to Idaho's Department of Health Welfare to complete the remaining Medicaid / SCHIP enrollment process.

If there is a discrepancy between the enrollee's income and the MAGI provided by the Federal Data Service HUB, the Idaho Exchange will either use state available MAGI data or verifiable self-attestation to make an accurate eligibility determination for Medicaid and SCHIP programs. While IBES is conducting a full Medicaid and SCHIP eligibility determination, the Idaho Exchange will simultaneously perform an eligibility determination for APTC/CSRs as described below.

If the IBES determines that an enrollee is not eligible for Medicaid and SCHIP, the enrollee will then complete an eligibility determination for APTC/CSRs. Additionally, enrollees that go directly to the Idaho Department of Health and Welfare (not referred by the Idaho Exchange) and are not eligible for Medicaid or SCHIP will be seamlessly referred to the Idaho Exchange for an eligibility determination for APTC/CSRs.

The Idaho Exchange will be utilizing the Federal service to determine eligibility for APTC/CSRs. The Idaho Exchange will collect the required data (Name, Income, SS#, etc.) from enrollees and family members to accurately perform an APTC/CSRs eligibility determination using the APTC/CSRs Federal Service. The Idaho Exchange will then send the necessary data via web services using the Federal Data Services HUB and send a web services request to the APTC/CSRs federal service to perform the APTC/CSRs eligibility determination.

The Idaho Exchange will via web services use the results of the APTC/CSRs determination and provide the enrollee with the results in real-time electronically and will also provide the enrollee with the calculated subsidy they have been found eligible for. If there is a discrepancy between the enrollee's income and the MAGI provided by the Federal Data Service HUB, the Idaho Exchange will begin the appeals process in an effort to make a redetermination of the enrollees' APTC/CSRs eligibility. During the plan comparison process, the Idaho Exchange will provide an actual out-of-pocket calculator to provide the enrollee with the premium cost of each plan, the advance premium credit or cost sharing reduction they qualify for, and the actual out-of-pocket costs to the enrollee based on premium APTC/CSRs.

## **Idaho SBE Blueprint**

### **Section 3.3**

Ease of access to the Idaho Exchange will be a fundamental necessity to ensure its long-term success and viability. To that end, the Idaho Exchange will be supporting various access channels for consumers to gain access to health Insurance Affordability Programs and shop for commercial insurance coverage. The following summarizes the various alternatives that will be available to consumers for initial eligibility and enrollment, as well as annual redeterminations. Detailed business process flows for each of these access channels will be developed pending the procurement of contracts with an IT solutions vendor and a Call Center operator.

To ensure a seamless consumer experience, Services Level Agreements (SLAs) will be defined in the Idaho Exchange business requirements, as well as the solution vendor contract, which will also include performance metrics for monitoring operational effectiveness.

## **Idaho SBE Blueprint**

### **Section 3.3a**

#### In-Person

The Idaho Exchange will sponsor a Navigator Program (further described in Section 2.6 of Consumer Assistance) designed to provide in-person application assistance for consumers. In this way, when consumers present at a regional kiosk or centrally-located office, there will be enrollment navigators there to assist the consumer in the application and enrollment process. The Exchange plans to create a specialized portal expressly for brokers and navigators to support their roles in guiding consumers through the plan comparison and selection process.

## **Idaho SBE Blueprint**

### **Section 3.3b**

#### Online

Consumers will have access to the Exchange web portal (specifically mentioned in Section 2.5). This portal is expected to be launched on or before October 1, 2013, and will provide Idaho residents with a shop and compare transactional platform to purchase commercial health insurance.

Current project activities are focused on building an ACA-compliant exchange that supports an online single-streamlined application process that will provide consumers with access to Insurance Affordability Programs and an online tool to shop and enroll in commercial insurance. The online web portal will be designed to accommodate the needs of applicants with disabilities and limited English proficiency through a variety of translation services and customer support tools.

## **Idaho SBE Blueprint**

### **Section 3.3c**

#### Mail

The IT systems vendor, or another vendor, that the Idaho Exchange contracts with will provide a toll free Customer Service Call Center to assist consumers with plan comparison, selection and enrollment. The Customer Service Call Center shall also support a mail room function in the event that a consumer prefers to complete a paper application. The mail room will be responsible for mailing the applications to individuals as well as employees who request a paper application to enroll in a small employer and/or individual benefit plan. The mail room will also receive completed applications.

## **Idaho SBE Blueprint**

### **Section 3.3d**

#### Phone

As mentioned above, the Customer Service Center procured by the solutions vendor will offer Exchange consumers the option to speak with live customer support representatives over the telephone via a toll-free line. Call center staff will be trained to support eligibility determinations, plan comparison, and application enrollment, as well as provide technical support for online users.

To ensure quality customer service, the call center will support voice and screen recording of all calls, remote call monitoring, and warm transfer capabilities.

## Idaho SBE Blueprint

### Section 3.3e

#### Capacity to Support Disabilities or Multiple Languages

The access channels described in 3.3a – 3.3d will have the capacity to assist consumers with disabilities or with limited English proficiency and comply with applicable federal policies and laws, such as through the following features:

- User friendly, plain English, web portal with mouse-over help feature (at this time Idaho is considering using UX2014 or something comparable)
- 508-compliant web portal for the visually impaired
- Text Telephone (TTY) services for the hearing impaired
- Online Live Chat service, including possible bilingual services
- Third-party language translation services for individuals with limited English proficiency
- Applications and supporting materials, notices, and correspondence in multiple languages upon request.

## Idaho SBE Blueprint

### Section 3.4

The Idaho Exchange will develop business requirements for retrieving, processing, and using matched data to re-determine eligibility. These requirements will be included in the Exchange IT systems solutions to be procured through a vendor. Technical and functional requirements will also be developed to support the Idaho Exchange.

#### General Approach to Notices

Details of this section will need to be vetted by DHW and may change based shared common strategies.

The Idaho Exchange will produce a variety of correspondence to support the fundamental business functions within the Exchange portal: Eligibility, Enrollment, Plan Management, Financial Management, SHOP, as well as other general web portal and anonymous shopping capabilities. There are several methods of notifications that the Exchange will use, including: online/real-time notifications, email, and mail. In identifying a vendor solution, Idaho will look to contract with a system that is able to generate and send correspondence in electronic formats, print correspondence onto standardized paper, and provide services for sending notices, which includes folding, postage, and delivering correspondence. However, a variety of conditions must be considered:

#### *Secure vs. Non-Secure correspondence:*

The Exchange will support both secure and non-secure correspondence. All Publications / Notice of Action correspondence will be considered secure communication and will require special mailing and emailing handling rules. For example, secure correspondence may need to be mailed in special envelopes and will never be sent to a client through an email server, but instead will be held in the client's Exchange account and an email will be sent to the client to notify them that the correspondence is available in their online Exchange account. Non-secure correspondence may be sent in standard envelopes and sent directly through email without the need of the client to login to the Exchange account portal to view the message.

#### *Language Standards:*

The current vision is that the Exchange system will maintain all of the languages that Medicaid currently supports for all out-going correspondence. Future guidance on language standards is expected from CMS.

#### Data Matching

Details of this section will need to be vetted by DHW and may change based on their needs or established procedures and guidelines.

The Exchange will conduct eligibility determinations and redeterminations for MAGI related Medicaid programs, CHIP, Advanced Premium Tax Credits and those enrolled in non-subsidized qualified health plans. It is assumed that DHW will maintain all redeterminations relating to Medicaid/Chip. For the determination of all MAGI-based program eligibility, it is anticipated that the DHW will help to establish a rules engine that will return a synchronous response upon request by the Exchange. The technical vision of the Exchange also includes the use of the Federally-managed service for coordinating APTC/CSR determinations solely for the determination of tax credit and cost sharing reduction amount. There will also be needs for data matching to be explored for individuals enrolling in non-subsidized QHPs and the Individual Responsibility Requirements and Payment Exemptions.

### Annual Redeterminations

The Exchange will conduct annual redeterminations for MAGI related Medicaid programs, CHIP, Advanced Premium Tax Credits and those enrolled in non-subsidized qualified health plans. Redeterminations will be supported only during open enrollment periods.

### Response Processing

Details of this section will need to be vetted by DHW and may change based on their needs or established procedures and guidelines.

The Exchange expects that all determinations and data matching routines will be “real-time”. The Exchange is being built to support “real-time” interaction via the user interface to inform the users of results, outcomes and next steps.

## **Idaho SBE Blueprint**

### **Section 3.5**

Details of this section will need to be vetted by DHW and may change based on its needs or established procedures and guidelines.

The Idaho Exchange will identify a range of data sources the State will require connectivity with for data verification, along with the types of information that will be verified through these sources.

The business vision for verifications is to create a streamlined customer experience through the use of automated data verification sources and client attestation where appropriate. To verify citizenship / lawful presence, residency, and incarceration the Exchange will utilize the Federal services for SSN validation and citizenship / lawful presence. For the verification of income and household size, for insurance affordability programs, the Exchange will rely on verifications conducted through the Federal Data Services HUB.

If the Federal Data Services Hub is not prepared to be used for the verifications listed above, the Idaho Exchange will work with CCIIO to identify other appropriate data verification sources that comply with State and Federal standards.

With regard to requests for verification for data from the Federal Hub, individual request will be made as appropriate during the sequence of application events. For example, a request via the Federal Identify Proofing service will likely be sequenced with account creation. Similarly, the income verification service will likely only be requested when an individual has indicated a desire to apply for a health insurance Affordability Program. To facilitate a streamlined eligibility determination experience, Idaho is assuming that near real-time responses during the initial application process will be available. However, for the purposes of redeterminations and program integrity, Idaho will evaluate the need for a near real-time response from automated verification sources.

Idaho does not have an automated system in-state to verify Indian status and is exploring a variety of other options. The state will be working with CCIIO and the Federal HUB to finalize the definition and business processes for verifying American Indian status by Mid-2013.

## Idaho SBE Blueprint

### Section 3.6

Details of this section will need to be vetted by DHW and may change based on their needs or established procedures and guidelines.

#### Standard operating procedures for accepting and processing user-uploaded documents and paper documents:

The State will develop a vendor selection approach and process to identify a solutions vendor with the necessary depth of experience in Health and Human Services (HHS) and with the design, development, and implementation (DDI) of an integrated systems solution.

It is the state's expectation, that the selected solutions vendor will propose a DDI approach that is integrated with the work underway for the Health Services Enterprise (HSE) Service Oriented Architecture (SOA) and Insurance Exchange and demonstrates the ability to meet the State's milestones for HIX and SHOP functionality. As part of the scope of work, all relevant analysis and design deliverables and artifacts will be developed to define the eligibility processing and system integrations necessary to support future-state ACA mandated and existing State Health program requirements.

#### Description of privacy protections and general approach for documenting acceptance and processing:

The Idaho Exchange is planning to procure the services of a solutions vendor to assist in the acceptance and processing of exchange-related documents. In this way, the Idaho Exchange will work with the selected vendor to develop Privacy and Security standards including:

- The creation, collection, use, and disclosure of personally identifiable information
- The application of this data to non-exchange entities
- Workforce compliance
- Written policies and procedures
- Compliance with Section 6103 of the Code (relating to return information)
- Improper use and disclosure of information

Proper safeguards will be defined and developed in conjunction with the Exchange IT system development and build. These safeguards will, at a minimum:

- Ensure the critical outcomes in 45 CFR 155.260(a) (4), including authentication and identity proofing functionality;
- Incorporate HHS IT requirements as applicable; and
- Protect the confidentiality of all federal information received through the Data Services Hub, including but not limited to federal tax information.

Details on these safeguards will be outlined in the Privacy and Security plan (discussed in further detail in Section 10) developed in coordination with the IT Systems vendor.

## **Idaho SBE Blueprint**

### **Section 3.7**

Details of this section will need to be vetted by DHW and may change based on their needs or established procedures and guidelines.

Idaho intends to establish a seamless, “no wrong door” application process for health coverage, including an effective eligibility determination process for applicants who may be eligible for Insurance Affordability Programs to accurately determine their eligibility for Idaho Medicaid and SCHIP programs.

#### Approach for determining eligibility for Medicaid/SCHIP

For consumers who elect to apply for Insurance Affordability Programs such as Medicaid/CHIP, the Idaho exchange will collect the required data (Name, age, income, blind and disabled status, etc.) from enrollees and family members. The Idaho exchange will interface with the state’s Benefit Eligibility System (IBES) (Department of Health and Welfare) to complete and provide a real-time eligibility decision for Medicaid and CHIP programs.

#### Approach for determining eligibility for APTC/CSR

Idaho Exchange will be utilizing the Federal service to determine eligibility for advanced premium tax credits and cost sharing reductions (APTC/CSR). Idaho will begin building the necessary web service interfaces and will start testing this service as soon as HHS releases the technical specifications and testing requirements.

## Idaho SBE Blueprint

### Section 3.8

#### Eligibility and Determination of APTC/CSR

The Idaho Exchange will be utilizing the Federal service to determine eligibility for advanced premium tax credits and cost sharing reductions (APTC/CSR). Idaho has thoroughly reviewed the “IAP Eligibility Determination: Medicaid/CHIP Straw model” and intends to comply with the final requirements as soon as they become available. The Idaho Exchange will begin building the necessary web service interfaces and will start testing this service as soon as HHS releases the technical specifications and testing requirements. Idaho will build the necessary technology and protocols to interface with the (APTC/CSR) federal web services to facilitate the (APTC/CSR) eligibility process. Idaho will also perform IV&V to ensure that the (APTC/CSR) eligibility process is providing accurate eligibility determinations. Idaho anticipates that it will require three months to build the interface with the (APTC/CSR) federal service. Idaho anticipates that it will need two months to perform (APTC/CSR) eligibility tests and IV&V. Based on testing results, Idaho anticipates that it will take two months to make any necessary technical modifications in order to be production ready.

#### End-to-End Process

The Idaho Exchange will collect the required data (Name, Income, SS#, etc.) from enrollees and family members to accurately perform an (APTC/CSR) eligibility determination using the (APTC/CSR) Federal Service. The Exchange will then send the necessary data via web services using the Federal Data Services HUB and send a web services request to the (APTC/CSR) federal service to perform the (APTC/CSR) eligibility determination. The Exchange will, via web services, use the results of the (APTC/CSR) determination and provide the enrollee with the results in real-time and will also provide the enrollee with the calculated subsidy they have been found eligible for. If there is a discrepancy between the enrollee’s income and the MAGI provided by the Federal Data Services HUB, the Exchange will begin the appeals process in an effort to make a redetermination of the enrollee’s (APTC/CSR) eligibility. During the plan comparison process, the Idaho Exchange will provide an actual out-of-pocket calculator to provide the enrollee with the premium cost of each plan, the advance premium credit or cost sharing reduction they qualify for and the actual out-of-pocket costs to the enrollee (Premium - APTC/CSR).

## **Idaho SBE Blueprint**

### **Section 3.9**

Details of this section will need to be vetted by DHW and may change based on their needs or established procedures and guidelines.

Business requirements for generating and sending notices to applicants and employers will be included in the Exchange IT solutions to be procured through a vendor. Technical and functional requirements will be developed to support the Idaho Exchange.

## Idaho SBE Blueprint

### Section 3.10

#### Individual Responsibility Requirement and Payment Exemptions

The Idaho Exchange intends to utilize the Federal Service to determine eligibility for Individual Responsibility Requirement and Payment Exemption Determinations (IRR&PED). Once HHS releases the final rules and specification regarding the IRR&PED service, Idaho will thoroughly review the requirements and specifications, and intends to comply with the final requirements. The Idaho Exchange will begin building the necessary web service interfaces to initiate testing against this service as soon as HHS releases the technical specifications and testing requirements. Idaho will also build the necessary technology and protocols to interface with the IRR&PED federal web services to facilitate the IRR&PED process. Idaho plans to perform IV&V functions to ensure the IRR&PED process is providing accurate exemption determinations. The Idaho Exchange anticipates that it will need three months to build the interface with the IRR&PED federal service. Idaho also anticipates that it will take two months to perform IRR&PED tests and IV&V. Based on testing results, Idaho anticipates that it will need approximately two months to make any necessary technical modifications in order to be production ready.

#### End-to-End Process

The Idaho Exchange will collect the required data (Name, Income, SS#, reason for exemption, etc.) from enrollees and family members to accurately perform an IRR&PED using the IRR&PED Federal Service. The Exchange will then send the necessary data via web services using the Federal Data Services HUB and send a web services request to the IRR&PED federal service to perform the IRR&PED. The Exchange will, via web services, use the results of the IRR&PED and provide the enrollee with the results electronically in real-time. Regardless of the IRR&PED the enrollees will still be given the option of purchasing either subsidized or unsubsidized QHPs via the Idaho exchange. If there is a discrepancy between the enrollee's exemption status and the IRR&PED provided by the Federal Data Service HUB, the Exchange will begin the appeals process in an effort to make a redetermination of the enrollees IRR&PED eligibility.

## Idaho SBE Blueprint

### Section 3.11

#### Capacity to support the eligibility appeals

It will be very important for the Idaho Exchange to develop smooth and efficient processes to clarify and verify self-reported information provided by consumers. The Exchange will utilize a technology infrastructure built to pull data from trusted sources and verify whether or not the information reported by an individual matches the data available. However, there will be times when the automated verification process does not return accurate information about a person or a person will disagree with an eligibility decision. In these cases, the Idaho Exchange has the obligation to provide a fair and objective path for consumers to provide additional documentation for the Exchange to use to verify the eligibility results as well as an appeals process if the verification does not provide the expected results.

Details of this section will need to be vetted by DHW and may change based on their needs or established procedures and guidelines.

Together, the Exchange, Department of Health and Welfare (DHW), and Department of Insurance (DOI), will establish an appeals process to manage all consumers' affairs in an objective and equitable manner. For all appeals related to Medicaid/CHIP eligibility determinations, it is expected that these cases will be handled by the Idaho Department of Health and Welfare, while all of the other eligibility appeals (APTC/CSR, exemption, etc.) will be handled by the Exchange or the Consumer Services Bureau (CSB) of the DOI.

Currently, the Consumer Services Bureau (CSB) of the DOI is responsible for addressing consumer inquiries, comments, and complaints; collecting data; reporting data to the NAIC; and communicating issues or other information to additional DOI departments. The Idaho plan oversight system is largely complaint or referral-based and driven by reports from the CSB. It is anticipated that complaints and issues related to QHPs will be managed through a system similar to the existing business process.

## Idaho SBE Blueprint

### Section 3.12

Details of this section will need to be vetted by DHW and may change based on its needs or established procedures and guidelines.

#### QHP Selection/Termination

Idaho plans to build an Exchange in which an eligible enrollee will make a QHP selection and upon acceptance, the issuer will be notified of the selected QHP and information will be transmitted to enable the enrollment in the selected QHP. Eligibility and enrollment information including APTC/advance CSR information will be promptly sent to QHP issuers. The systems will be designed to acknowledge the receipt and accurate processing of enrollment, plan selection, APTC and advance CSR information. In the event that data is not processed accurately and there is systematic fall-out, the Exchange system will create workflow and supporting activities to drive follow-up and reconciliation.

Coverage terminations shall occur under the following circumstances: the individual terminates coverage (e.g., enrollee obtains other coverage), enrollee is no longer eligible, non-payment of premiums and three month grace period is exhausted, the QHP terminates, or the enrollee changes to another QHP during annual or special enrollment periods. Termination information will be promptly sent to the issuer and DHW's Medicaid Eligibility System through a similar set of interfaces and channels as developed for new enrollments. However, before terminating disabled individuals as defined by the ADA, issuers must make reasonable accommodations.

## **Idaho SBE Blueprint**

### **Section 3.13**

The Idaho Exchange will continue working with key stakeholders to establish the business requirements necessary for electronically reporting results of eligibility and exemption assessments to the HHS, IRS, and other agencies administering Insurance Affordability Programs, as applicable. The business requirements for generating and sending these reports to state and federal agencies will be included in any RFP to be released for an Exchange IT solution to be procured through a vendor.

## **Idaho SBE Blueprint**

### **Section 3.14**

#### Transitioning the Pre-existing Condition Insurance Program

Since July 1, 2010, the U.S. Department of Health and Human Services has been operating the Pre-existing Condition Insurance Program (PCIP) for the state of Idaho. However, on January 1, 2014 funding for the PCIP will be halted and all states have a legal obligation to assist enrollees in transitioning into the Exchange.

Pending the release of additional federal guidance on this issue, a timeline and strategy for transitioning individuals enrolled in the PCIP into the Exchange will be developed. A formal transition plan will also be developed, in consultation with the CCIIO PCIP Programs Group, to address communication details and information about the end date of coverage, enrollee rights, and sources of assistance for questions, as well as information about Exchange QHPs and other options. Idaho will work to ensure that all required coverage transition/ care coordination requirements are met, along with any other applicable provisions of state insurance law.

## **Idaho SBE Blueprint**

### **Section 4.1**

The Idaho Department of Insurance (DOI) has the authority to review and regulate Qualified Health Plans (QHPs) and QHP issuers, i.e. insurance policies and insurers, as generally provided for in Title 41, Idaho Code. The DOI is a creature of statute as set forth in Idaho Code § 41-201, which reads as follows:

*There is hereby created the department of insurance of the state of Idaho. The department shall, for the purposes of section 20, article IV, of the Constitution of the state of Idaho, be an executive department of the state government. The department of insurance shall be composed of such divisions and units as authorized by the provisions of section 41-206, Idaho Code.*

The department receives and reviews form filings from insurers pursuant to Idaho Code § 41-1812 et al.

Similar to what was provided for in draft proposals a year ago, the DOI plans to propose additional language setting forth specific authority relating to its role in regulating the insurance industry to be included as part of legislation authorizing an exchange.

## Idaho SBE Blueprint

### Section 4.2

The Idaho Department of Insurance (DOI) is the responsible entity for all Qualified Health Plan (QHP) certifications and plan management functions in a state-based exchange. Pending the release of final federal rules and contingent upon SERFF's operational readiness, the DOI anticipates that it will initiate the QHP certification application process with the health insurance carrier electronically utilizing the System for Electronic Rate and Form Filing (SERFF), email, or the U.S. Postal Service. The DOI will electronically submit to authorized health insurers an invitation, "Request to Participate," that will accompany the application and outline the QHP certification requirements. Each interested health insurer will return the initial application supplemented with any necessary documentation and/or attestations to the DOI. Once the application and documentation are reviewed and approved by DOI, the request for proposal process commences. DOI will collect from the health insurance carriers information relative to the certification process, validate the information for accuracy, negotiate to finalize the QHP certification process, as appropriate, and establish a health insurance carrier account in the current DOI plan management system (SIRCON).

While we do not expect this to be the case, if SERFF is not operationally ready to meet implementation deadlines, the State will expect to work with CCIIO to provide methods for conducting plan management functions.

The review and QHP approval process will be complete in advance of the initial open enrollment period commencing on October 1, 2013 and ending on March 31, 2014. DOI anticipates the QHP certification process will take approximately six months from the initial notification through the approval process. The estimated process is intended to begin in March or April of 2013. Although these timeframes are estimates, it is necessary to allot sufficient time for carriers to plan for and develop their QHP offerings for an effective date of January 1, 2014 as well as meet the open enrollment deadline of October 1, 2013. It is expected the DOI will begin accepting certification applications as early as March 2013.

DOI will evaluate the QHP certification applications and notify the health plans of the QHP acceptance or rejection. If the QHP application is declined, DOI will assist the carrier in resolving any outstanding matters as appropriate.

# Idaho SBE Blueprint

## Section 4.2a

### Qualified Health Plans Certification Process

The five sections of the DOI's process for certification of Qualified Health Plans are as follows:

1. Notice of Intent, Receipt of Proposals, and Issuance of Agreement
2. Rate, Benefit, Actuarial Value, Essential Health Benefit, and Market Reform Rules Compliance Analysis
3. Provider Network Data Collection and Network Adequacy Review
4. Quality Data Collection and Transparency Data Collection
5. Certification

As mentioned above, the DOI will be responsible for plan management functions of the state-based exchange. DOI will utilize the National Association of Insurance Commissioners' (NAICs) System for Electronic Rate and Form Filing (SERFF) system to support a majority of the plan management functions.

### **1. Notice of Intent, Receipt of Proposals and Issuance of Agreement**

#### Initiate QHP Application

DOI will issue/send an announcement requesting participation for both SHOP and the Individual Exchange in early 2013. This invitation will outline the QHP Certification Requirements and the Certification Process and will be non-binding. The purpose of the invitation is to assess health plan issuer level of interest regarding participation generally as well as across metal levels, types and number of products, and in the Individual and/or SHOP Exchange.

The announcement will include:

- A general announcement about the DOI, the Exchange application process, and instructions for submission.
- Deadlines for filing issuer and QHP applications. The DOI will require QHP applications to be submitted by the end of April (tentative) to ensure there is sufficient time to resolve issues of compliance or discrepancies in applications.
- Accreditation requirements and timelines (discussed in more detail below).

Applications will be accepted via the SERFF system. Idaho is working with the NAIC related to the functional role the SERFF system will provide in facilitating the QHP application process. Idaho understands that SERFF will support the collection and evaluation of data related to QHP certification standards e.g. Network Adequacy, Quality Accreditation, service areas, etc.

The State of Idaho also reserves the right to operate additional systems outside the scope of SERFF in order to maintain current application intake and review processes.

#### *Review Issuer Application:*

In March and April 2013, the DOI will begin to accept proposals for QHP certification via SERFF. Within thirty days, the DOI Company Activities Bureau will validate that the health plan carrier is licensed and in good financial standing with the Company Activities Bureau (CAB). It will notify the respective health plan carrier within 30 days

of any issue with respect to licensure and solvency, and if applicable, provide the plan with any required notice of QHP appeal rights.

In order to participate in the Exchange, the DOI is proposing that health plans will need to meet the following *minimum participation standards*:

- Agree to participate in either the individual market, SHOP or both
- Agree to provide Exchange coverage in the plan's entire rate region unless granted an exception from this requirement by the Exchange or DOI
- Adhere to network adequacy requirements, including the inclusion of essential community providers
- Adhere to employer minimum participation requirements for SHOP
- Adhere to the enrollment timeline and processes established for SHOP
- Offer a catastrophic plan in the Individual Exchange market if required by the Exchange or DOI

In the initial year, DOI will work with health plans to ensure that all participation requirements are met and there is adequate participation in both the individual and SHOP markets. As the Exchange evolves and matures, the certification process and participation requirements will be reassessed and modified as needed.

Upon receipt of proposals for QHP Certification, DOI will provide health carriers with an acceptance to participate in the Exchange. This Agreement will require health plans to comply with and agree to the following;

- All applicable Exchange participation rules and requirements, including minimum standards established by the federal government, network adequacy requirements and quality requirements
- All applicable marketing and communication standards, including minimum standards established by the federal government
- All applicable reporting requirements, including prescription drug distribution and cost reporting and other minimum standards established by the federal government
- All applicable transparency requirements, including standards established by the federal government
- All applicable requirements regarding the tracing of culturally competent data
- Any applicable producer compensation requirements
- Agree to the sharing of and acknowledge that the DOI will share carrier information with the Exchange and other agencies as appropriate

*Application Reviewing Process:*

1. A first step in the review of QHP applications will be to determine if the issuer filing the application is a licensed state carrier. If this is not the case, the carrier will be required to complete the Idaho carrier licensing process.
2. CAB is responsible for company licensing using the Uniform Certificate of Authority Application (UCAA), which is designed to allow insurers to file copies of the same application for admission in numerous states. Each state that accepts the UCAA is designated as a uniform state. Idaho fully participates and is designated as a uniform state. All uniform states share a standard goal of processing applications within 90 days of receipt.
3. As part of this process, CAB performs a financial solvency review, which includes a comprehensive and detailed operational and financial review of the applicant's business plan. In the QHP application process, Idaho will continue to leverage the traditional role of CAB in licensing carriers and assuring that they are financially solvent, and therefore capable of providing stability to the consumers who will eventually enroll in their

exchange plans. CAB will continue to conduct ongoing solvency reviews for licensed carriers to assure market stability.

4. For plans already licensed, DOI will forward a copy of the issuer application to the CAB. CAB's Technical Records Specialist 2 will review and advise the Exchange if the company is financially solvent and in good standing. CAB's Technical Records Specialist 2 will keep the Deputy Chief Examiner updated on the status of the review during this process.
5. CAB will verify that carriers are in "good standing," and, therefore, eligible to make new filings. DOI will additionally request relevant complaint and compliance information from the Consumer Services Bureau in order to complete this "good standing" review.
6. Separate from DOI's licensing process, the Exchange issuer approval elements will include ACA requirements. One such new process will be verification of accreditation status. In year one, URAC and NCQA accreditation will be verified and accepted. Should accreditation requirements change in subsequent years, DOI will work with the federally approved accreditation companies to ensure that the review includes all elements from both a federal and state perspective. The accrediting companies will be required to share any auditing data upon request, all findings and a certificate of compliance. The companies must also agree to promptly share any change of condition or status as soon as it is known to the accrediting company.
7. For QHP issuers that are not already accredited, per federal regulation, Idaho will expect them to schedule accreditation within their first year of being on the Exchange. Their procedures and policies related to adequacy and quality must be accredited by year two. By the fourth year, all carriers wanting to participate in the Exchange must be accredited to apply for QHP status.

## **2. Rate, Benefit, Actuarial Value, Essential Health Benefit, and Market Reform Rules Compliance Analysis**

Beginning approximately April 1, 2013, health plans will submit rate and benefit information through SERFF. DOI currently has the statutory responsibility of reviewing rates, benefits and subscriber forms through its filing process, and utilizes SERFF to effectuate this process. Rating areas will be a consideration in the QHP review process. The DOI Actuary will assist the state in defining rating areas and determining compliance with HHS regulation that is expected to be promulgated in the future.

### *Plan-Specific Information:*

The small group and individual QHP plan review will build off the DOI process currently in place for rate and form filings with the inclusion of the ACA requirements specific to QHPs that are not currently required as part of carrier form and rate filings. The process utilized by DOI provides a solid foundation as well as previously demonstrated success in form and rate reviews necessary to perform the ongoing QHP application review function.

Specific components of the QHP application process will include review of the following elements:

1. Review benefits to ensure the Essential Health Benefits (EHB) and Discriminatory Benefits Design:
  - CAB will review plan filings for compliance with EHB and discriminatory benefit design guidelines. It is expected that future HHS rulemaking will set forth requirements or guidelines regarding *unfair discrimination in the sale*

of QHPs and requires form filings certification: *All new or revised filings submitted must contain a certification that the submission meets the provisions of such a rule as well as all applicable requirements of the DOI.*

- CAB performs reviews as part of ongoing rate and form filings. To the extent that these plans will have additional requirements from previous filings, DOI Actuary will assist in creating training guides and checklists to be used in the QHP review process.
2. Ensure the cost-sharing limitations are in place for each plan:
- Certification by carrier, collection, analysis, and if required, submission to federal government for review of QHPs' plan variations for cost-sharing reductions, advance payment estimates for such reductions, and any supporting documentation needed to ensure compliance with applicable regulations and accuracy of the cost-sharing reduction advance payments.
3. Review the service areas for each plan:
- Issuer plan data submissions must specify service areas which will be reviewed according to guidelines in 45 CFR § 155.1055(a): *1) The QHP service area must cover a minimum geographical area that is at least an entire county or group of counties, unless the Exchange determines that serving a smaller geographic area is necessary, nondiscriminatory, and in the best interest of the qualified individuals and employers; and 2) The QHP service area must be established without regard to racial, ethnic, language, health-status related factors, or other factors that exclude specific high utilizing, high cost, or medically-underserved populations. § 155.1055(b).*
  - This information will be submitted by the carrier through SERFF. DOI will review the area selected to evaluate whether there is an appearance of including or excluding specific areas for discriminatory purposes. If it appears that the selection of service areas is due to a discriminatory design, DOI will address this question with the issuer to determine the cause for the selection. If it is found that the selection was made for a discriminatory purpose, the issuer will be given the opportunity to correct the selection before the filing is rejected for non-compliance.
4. Ensure actuarial value/metal level requirements are met for each plan:
- Carriers will certify the applicable metal level and actuarial value +/- 2 % in accordance with the AV Calculator released in late November 2012 and applicable HHS regulation. DOI Actuary will verify cost-sharing and appropriate actuarial value and metal level or catastrophic plan. SERFF will be used to maintain information.
5. Review the plans
- DOI Rates and Forms Section will review QHPs for compliance with applicable standards for QHPs including requisite Essential Health Benefits (EHB). The QHPs will be filed via SERFF, and the review will be documented in SERFF as well.
6. Ensure QHP compliance with market reform rules in accordance with all applicable regulations and guidance.
- DOI Rates and Forms Section will review QHPs for compliance in consultation with DOI Actuary also utilizing SERFF.

## 7. Rate review

- Rating areas will be a consideration in the QHP review process. Company Activities Bureau may work with the DOI Actuary to assist the state in establishing options for QHP rating areas in accordance with any applicable HHS regulation.
- Rate information will be submitted in SERFF as part of binder including forms. Rates are reviewed by the actuary and any concerns or violations are communicated to the carriers to either resolve or disapprove if appropriate.
- Rate increases are analyzed based on earned premium, incurred claims and loss ratio. All data for the application will come from SERFF. The rate review process is separate from the application / plan review in form filings. It is an iterative process facilitated by SERFF. There will be a 14 day response time providing for revisions.

## 8. CO-OP Plans:

- DOI will conduct reviews of any CO-OP plans on the same basis and in the same manner that it reviews all plans. DOI will provide recommendations to CMS on whether a CO-OP plan meets State-based Exchange standards for a QHP to assist CMS in its decision to deem a CO-OP as certified to participate in SBE according to 45 CFR Section 156.520 (e)

### **3. Provider Network Data Collection and Network Adequacy Review**

DOI will be responsible for plan review including QHP service areas. Issuer plan data submissions must specify service areas which will be reviewed according to guidelines in PPACA and 45 CFR § 155.1055(a):

*The QHP service area will cover a minimum geographical area that is at least an entire county or group of counties, unless the Exchange or DOI determines that serving a smaller geographic area is necessary, nondiscriminatory, and in the best interest of the qualified individuals and employers.*

*The QHP service area will be established without regard to racial, ethnic, language, health-status related factors, or other factors that exclude specific high utilizing, high cost, or medically-underserved populations. § 155.1055(b).*

Managed care organizations (MCOs analogous to HMOs) currently submit information regarding provider networks through form filings made through SERFF when requested.

Issuers must specify relevant network adequacy upon plan submission to SERFF. SERFF will support the collection of network adequacy data and will additionally have the ability to confirm that an issuer has an adequate network or has attested to an adequate network. DOI will ensure that the QHP has made its provider directory available for online publication (or has provided the source of online publication) and has indicated providers who are no longer accepting new patients according to 45 CFR § 156.230(b). The SERFF network adequacy tool will be used to assess additional requirements included in 45 CFR § 155 and § 156 such as the inclusion of essential community providers and the availability of sufficient numbers and types of providers.

### **4. Quality Data Collection and Transparency Data Collection**

This process includes receipt of consumer complaints and corresponding responses, the ongoing management of issuer administrative data, and updating the QHP enrollment period availability. DOI Consumer Services Bureau

will be responsible for the management of the consumer complaint process for QHPs and will coordinate among internal units as needed to resolve consumer complaints or identify potential compliance issues. SERFF will be used to record all QHP administrative data.

As part of the certification process, DOI is evaluating how the following data should be transmitted by the health plans:

1. Claims payment and policy:

- TBD

2. Financial disclosures:

- DOI conducts licensure assessments based on financial history, background, financial exams, holding company structure, and other relevant issuer financials.
- Currently health plans provide financial information to DOI through SERFF. Additionally, licensed domiciled companies provide quarterly and annual financial statements and the DOI access to NAIC financial filings of non-domiciled companies.
- CAB will work with the Exchange to determine whether this is sufficient to meet the needs of the Exchange.

3. Information on enrollee rights:

- CAB will determine what additional information will be needed to ensure information on enrollee rights is adequately available
- Currently Idaho has numerous enrollee protections including provisions as expressed in the policy; an insurance code provision that provides that policy language must conform to those code provisions (Idaho Code section 41); a Consumer Affairs Section within the Consumer Services Bureau of the DOI to address inquiries and complaints; an external review law providing appeal rights to an independent review organization.

4. Data on enrollment/disenrollment:

- This data will be collected by the Exchange, and the DOI will analyze methods of leveraging this collection effort.

5. Data on number of claims denied

- This data will be collected by the DOI, and methods of leveraging this collection effort will be analyzed.

6. Data on rating practices

- CAB will determine what additional information will be needed to ensure transparency with respect to health plans rating practices

7. Data regarding cost-sharing and cost-sharing with respect to a specific service

- CAB will review submitted information regarding treatment cost calculators and their availability to current members and prospective members.
- Copies of the carriers' Summary Benefits of Coverage will be part of the qualified health plan certification process

## 8. Marketing

- CAB currently reviews issuer marketing materials on a 'per request' basis as part of its market conduct examinations that are authorized under Idaho state law or if a particular complaint or issue is raised.
- CAB will be responsible for review of marketing materials. Materials are reviewed to ensure they are equitable and objective. Companies are given the opportunity to correct any noted violations before a filing is rejected.

## 5. Certification

After all of the above has been evaluated and reviewed, and the agreement is signed, CAB will certify the health plans. URAC and NCQA accreditation will be verified and accepted pursuant to a phase-in plan to be determined since Idaho does not currently require accreditation of carriers.

CAB proposes that the final certification will entail a checklist of issues being completed and notification of certification will be sent to the exchange. CAB will notify the health plan carriers of QHP certification through SERFF as well as potentially via an email or letter addressed to the health plan. DOI anticipated certification of all health plans to occur no later than July 31, 2013.

Quality Improvement and quality measures will be part of accreditation. Complaint and compliance information on issuers is currently available but is not a standard part of the plan review process. Complaints and appeals information will be used in accreditation according to 45 CFR 156.275. For QHP issuers that are not already accredited, DOI will establish a uniform period following certification of a QHP within which the issuer must become accredited.

Network adequacy will be assessed during the application process by DOI. Recognizing that there is a phase-in process for issuers and plans not already accredited. An issuer will be required to show that it has achieved conditional or full accreditation that includes an evaluation of the issuer's network or that accreditation has been applied for with a statement detailing the issuer's ability to meet network adequacy standards including the requirements related to essential community providers and federal health care centers.

CAB will be responsible for collecting and reviewing the company global requirements through coordination with other DOI staff.

### Entities Responsible For QHP Certification

DOI currently has processes and procedures in place to regulate the standards related to QHPs as discussed more fully in 4.2B, below. The following are entities responsible for QHP certification:

- CAB manages licensure, solvency, and will provide related information as needed to establish QHP credentials.
- CAB manages the plan review process and will be responsible for verifying QHP alignment with federal and Idaho requirements as well as benefit review.
- CAB will be responsible for review of plan rates.

- DOI Actuary or Contract Actuary may be used to assist in the analysis of rates and rate increase requests.
- CSB manages the receipt, tracking, and resolution of complaints and issues
- CAB will be responsible for appeals processes and ensuring that policies are aligned to state insurance codes and regulations.

**Language on SERFF functionality provided by NAIC:**

The State will use SERFF to collect insurer Exchange applications. The standards currently supported by existing or future SERFF functionality include: Network Adequacy, Marketing Standards, Accreditation and Quality, Notice of Intent/QHP Agreements, and Reporting Requirements. While processes supporting Licensure and Solvency will not exist in SERFF, the ability to ensure an issuer is licensed and solvent in relation to QHP certification will be.

States may integrate the Exchange system with SERFF's Plan Management functionality. To achieve this, SERFF will provide a Web service that will send data from SERFF to the State's Exchange and vice versa.

## **Idaho SBE Blueprint**

### **Section 4.2b**

#### Ensure Compliance

The Idaho Plan Management solution will leverage existing business processes within DOI to conduct exchange activities. CAB is familiar with and currently uses SERFF to process new form filings and will be able to conduct QHP reviews through a similar process. The Rates and Forms Section of CAB is primarily responsible for conducting reviews and issuing certifications but will work with other sections as necessary, including DOI Actuary, Consumer Services Bureau and others to conduct exchange activities.

The Exchange will thus have the capacity to ensure compliance with QHP Certification Standards contained in 45 CFR 156.200, including but not limited to standards relating to licensure, solvency, service area, network adequacy, essential community providers, marketing and discriminatory benefit design, accreditation, and consideration of rate increases.

## **Idaho SBE Blueprint**

### **Section 4.2c**

#### Cost-Sharing Reductions

Idaho will seek and review any CCIIO guidance or regulation related to the process for collection, analysis, and if required, submission to federal government for review of QHPs' plan variations for cost-sharing reductions and any advance payment estimates for such reductions. Specifically, the question addresses whether responsibility would fall to the state or federal government as the reviewing entity of plan variations. Once Idaho receives additional guidance, the DOI will work with CCIIO to design and/or implement procedures to complete this activity.

## **Idaho SBE Blueprint**

### **Section 4.2d**

#### Actuarial Value

The Company Activities Bureau (CAB) will continue to evaluate rate filing information and will utilize the DOI actuary and/or consulting actuary to verify rates as needed. However, NAIC has indicated its goal of providing Idaho with tools necessary such that actuarial value can be determined as plan filings are submitted to SERFF. Additionally, CCIIO released its actuarial value calculator tool in late November 2012.

## **Idaho SBE Blueprint**

### **Section 4.2e**

#### Compliance with Market Reform Rules

The Idaho Exchange, working in coordination with DOI and applicable SERFF functions, will ensure that QHPs are in compliance with market reform rules in accordance with applicable regulations and guidance.

## Idaho SBE Blueprint

### Section 4.3

#### Anticipated number of health plans expected to participate

There are eleven major health insurance issuers that have indicated that they would likely participate in the Idaho Exchange in either the individual or SHOP market. It is anticipated that there will be at least eleven health plan carriers participating.

#### Data collection method and applicable systems that will be used to support the business operations of Plan Management

DOI will use the NAIC SERFF system to support most business operations in plan management. According to NAIC, “enhancements to SERFF that are currently under way will enable the states to use SERFF not only for form and rate review but also to review QHP applications, certify QHPs to participate in Exchanges and carry out related oversight functions, such as renewing, monitoring, recertifying and decertifying QHPs. It is envisioned that an issuer that wants to base a QHP on an insurance product it already offers in a particular state will have the ability to ‘build’ a QHP in SERFF using forms and rates that the state has already accepted, depending on the state’s existing requirements.

SERFF will be used to:

- Initiate the QHP issuer application, receive QHP applications from issuers and manage application revisions, and maintain the final QHP application submission and attestation
- Validate that licensure has been established in the QHP review process
- Manage QHP submission windows
- Facilitate the evaluation of the QHP issuer application and maintain information about evaluation results, including determinations of non-certification
- CAB will access complaint information as part of QHP evaluation through the HIOS system. In case of non-certification, CAB uses an appeals tracking system to maintain a low volume of QHP appeals data. The appeals tracking system would also be used in the decertification process as the result of a review or compliance issue.
- Receive QHP rate and benefit data and information / timeframes and revisions) as well as maintain plan rate and benefit updates
- Maintain certification acceptance agreements submitted by issuers as well as non-acceptance.
- Monitor ongoing compliance including accessing plan information such as network data and rate and benefit information as a result of an adverse event or periodic review

Recent information from CCIIO indicates that CCIIO and NAIC staff are discussing whether SERFF can be used for compliance tracking and monitoring. If this system is not put into place, DOI will continue to utilize current processes where complaints (that may be indicative of compliance issues) are tracked in SIRCON. The DOI’s current system for tracking all complaints, SIRCON, is used for all insurance licensing and would be adequate if SERFF cannot provide this service.

# Idaho SBE Blueprint

## Section 4.4

### General approach to ensuring QHP compliance and monitoring QHP performance

DOI intends to monitor QHP compliance by leveraging existing oversight functions within the Department. CAB is familiar with and currently uses SERFF to process new form filings and will be able to conduct QHP reviews through a similar process. Together the DOI and the exchange will have the capacity to ensure compliance with QHP Certification Standards contained in 45 CFR 156.

### Issues and Complaints Reported to DOI

The DOI Consumer Services Bureau (CSB) will be responsible for addressing consumer inquiries, comments, and complaints; collecting data; reporting data to the federal government; and communicating issues or other information to DOI departments. The plan oversight system is largely complaint or referral-based and driven by reports from the CSB. Complaints and issues related to QHPs will be managed within the existing business process. CSB sends quarterly compliance uploads to HIOS and bi-monthly reports to NAIC. CSB uses a distributed complaint/issue tracking system.

### Licensure, Financial Solvency, and Market Conduct

Idaho will have processes to assure QHP compliance. The CAB is responsible for oversight of the licensure and solvency of issuers who submit QHPs to the exchange. Additionally, CAB conducts financial oversight of issuers including renewal of certification, review of financial statements and requests, quarterly write-ups assessing risk profiles, and other audits or reviews as needed for domestic licensing. Market conduct and financial exams are conducted on domestic licensed entities at least every 5 years. CAB may conduct examinations on foreign companies, but this is typically handled by the state of domicile. Compliance issues are addressed during these examinations and as needed in the interim periods. Financial exams and/or market conduct exams may be performed more frequently. During the course of complaint resolution by CAB, the CAB may conduct an independent examination due to notification of market conduct issues. Liquidation would only be involved in the case of insolvency.

If CAB determines that the severity of solvency issues merits decertification, it can recommend decertification of the plan or issuer to the exchange. However, interim actions may be taken such as:

- Corrective action plans
- Suspension of certificate of authority
- Additional reporting requirements
- Plan limits
- Other compliance plans

It is the recommendation of CAB that plans not requiring immediate decertification be allowed to proceed through the current confidential interim action plans.

Actions or violations that may result in decertification include but are not limited to:

- Unapproved rate increases
- Violation of discriminatory practices
- Discriminatory marketing
- Non-adherence to corrective action plans
- Failure to meet QHP criteria
- Loss of accreditation
- Solvency and licensing issues
- Noncompliance with network adequacy requirements, including maintaining a list of active network providers on the issuer webpage
- Violations of trade practices provisions (Title 41, Chapter 13, Idaho Code)

Additionally, in the case of insolvency, the Exchange would work with the DOI to ensure that any consumers are notified of their rights and responsibilities in order to access guaranty fund coverage. Because insolvencies do not typically occur without some advance warning, it is unlikely that the plan carrier would still be certified within the Exchange at the time of insolvency (and thus have consumers still in that plan). However, communication support would still be important in case the period for non-payment of claims reached back to a time period where consumers were still covered by the plan.

#### Integration between the appropriate state entity and other state entities with respect to QHP issuer oversight and resolution of enrollee complaints

In general, Idaho will build off of the coordinated process already managed across sections of the DOI, inclusive of the new Plan Management and Consumer Assistance functions in planning processes.

Any inquiries related to Medicaid will be referred to the Department of Health and Welfare. Calls that are transmitted from the Idaho Exchange to CAB and CSB will be tracked and processed in the same way as complaints that are received directly.

Otherwise, QHP issuer compliance monitoring and consumer complaint resolution processes will be coordinated among DOI sections.

#### **Language on SERFF functionality provided by NAIC:**

SERFF will provide communication functionality that will allow the issuer and state to correspond regarding application and QHP status. Additionally, reporting features currently in production will allow the state to ensure certification requirement compliance.

## **Idaho SBE Blueprint**

### **Section 4.5**

QHP Issuers must have access to a designated exchange account manager that will serve as a point of contact to help issuers navigate business processes that may stretch across DOI sections or may involve questions of exchange application and participation. The account manager or managers will be located in the CAB.

The CAB provides plan submission support to health insurance carriers in the plan filing process, largely facilitated through SERFF. QHP submissions will follow a similar process but may require more support and issue resolution specifically related to new QHP form fields or documentation necessary to submit QHP applications. CAB will support the issuers in the filing process but an account manager and Information Technology Section. If issuers contact other sections of DOI, they will be routed to the appropriate section unless they are able to resolve the issue. CAB will be responsible for maintaining any updates in the issuer QHP account, if applicable.

DOI intends to periodically meet with QHP issuer contacts to proactively address application and operational issues and ongoing planning. Idaho carriers have been involved in exchange development planning processes. Once final regulations and planning requirements have been determined, CAB plans to issue a bulletin to the issuers describing these requirements and pertinent contacts. An additional continuously updated question and answer resource may be created depending upon the needs and desires of the Idaho-licensed and interested issuers.

## Idaho SBE Blueprint

### Section 4.6

#### Decertification / Appeals / Withdrawal

QHPs may be decertified or withdrawn in the course of ongoing or periodic monitoring or as the result of an adverse event reported to the DOI or Idaho Exchange. The business process for complaint and issue resolution is found in the Plan Management Process Model. The specific steps identified are PM-07.70 through PM-07.94 and primarily involve notification functions to the issuer, affected members and the Exchange as well as the components of the appeals process.

Decertification differs from non-certification in that it involves a change in status of a plan that has been certified. The entire process will involve multiple sections of DOI. When an issuer fails to continue to meet exchange requirements in a way that adversely impacts its certification status, the interest of consumers is at risk because an unexpected change in carriers has the potential to create continuity of healthcare issues. This is why DOI is prepared to focus on particular needs of consumers throughout the steps of this process.

Should compliance monitoring raise a concern with a carrier regarding either an issuer-specific or plan-specific requirement that is not resolved, a process for plan decertification may be commenced. Decertification involves two major components: sending notice of the issue for failed requirement, which may be in the form of notification of decertification, and administering a process under which a carrier may appeal the allegation and / or decertification.

Carriers, affected consumers and the Exchange must all be notified. When the CAB changes the status of a QHP to decertified, CAB will update the QHP account information. The CAB will notify the carrier and the Exchange, and, together will coordinate the process of sending notification to affected consumers to facilitate their enrollment into a different health plan.

The appeals process will be coordinated by the CAB. Idaho has a formal hearing process through Idaho Code sections 41-231 *et seq.* The Director hears the matter, or in most cases an appointee serves as a hearing officer in lieu of the Director. Issuers can appeal QHP decertification decisions made by DOI. Following a final order of the director at the administrative level, an issuer may seek judicial review.

If the adjudication of the appeal results in the carrier's status being changed back to certified, the CAB will provide notification to the carrier, consumers and the FFE, consistent with role that each of those sections played in completing decertification notification.

Idaho will likely draft a QHP bulletin that will address certification/recertification/decertification procedures. Also, as required by current DOI requirements in Idaho Code § 41-1330, issuers must maintain complaint information. Idaho may consider including a requirement within potential QHP rulemaking for issuers to submit to the DOI on a regular basis the complaint log required of the companies. The DOI already has general inquiry authority pursuant to Idaho Code section 41-241 under which it could seek this information as appropriate in the director's discretion.

If there is a voluntary company/issuer withdrawal from the State or Exchange, the company must give the State 180 days' notice. For individual plan withdrawal, the company must give the State 90 days' notice.

### Recertification

QHPs will need to complete an annual recertification process starting with year 2 of exchange operations. The Exchange will need to complete the review of the QHPs' recertification submissions by approximately June of each year in time to facilitate October open enrollment. Recertification will assure that issuers continue to meet all qualified health plan requirements including any additional requirements that the state might add to QHP certification standards during the year.

If issuers or QHPs have been decertified, they can be recertified according to 42 CFR §155.1075. The recertification process aligns with the initial issuer or QHP application process. The plans must comply with all QHP certification criteria to be recertified.

### **Language on SERFF functionality provided by NAIC:**

SERFF will provide functionality related to periodic recertification of insurers, yearly renewal of QHPs, revocation of an issuer or QHP certification, and assessing and implementing revisions to QHPs already available on the Exchange. SERFF will not provide functionality related to decertification, but will have the ability to track the occurrences as needed.

## Idaho SBE Blueprint

### Section 4.7

#### Timeline by which QHP issuers must be accredited in accordance with 45 CFR 155.1080

For QHP issuers that are not already accredited, Idaho will require them to schedule accreditation within their first year of being on the Exchange. Their procedures and policies related to adequacy and quality must be accredited by year two. By the fourth year, all carriers wanting to participate in the Exchange must be accredited to apply for QHP status.

#### Systems and procedures in place to ensure QHP issuers meet accreditation requirements per 45 CFR 156.275 as part of QHP certification

NAIC indicated that the SERFF team is working with the accreditation entities (NCQA and URAC) and with CMS to automate the collection and display of accreditation data. NAIC is planning to provide tools so that states have all the necessary information to verify these requirements without having to collect the data directly from the insurers. Otherwise, issuers will be required to submit NCQA and URAC accreditation information (and CAB will do a secondary request from NCQA and URAC to ensure accreditation). There will be an exception process to allow the insurer to provide documentation outside the normal avenue, such as when an insurer has not applied for accreditation and is within a grace period. Such exception will be submitted through SERFF.

#### **Language on SERFF functionality provided by NAIC:**

SERFF will work with the authorized accreditation entities to make accreditation details available directly in SERFF. Additional requirements, such as the collection of CAHPS (Consumer Assessment of Healthcare Providers and Systems) data, can be met by uploading relevant documents during the filing process.

## **Idaho SBE Blueprint**

### **Section 4.8**

#### Type of data that will be used for certification, monitoring and display

DOI is seeking clarification on the format and type of data that will be required for the purposes of submitting quality reporting data and relevant information to the Exchange and HHS. The DOI understands that HHS will likely be issuing additional regulations on quality rating.

The Idaho DOI currently anticipates that accreditation confirmation will be accommodated via SERFF for the 2014 plan year. Thus, an exchange would use quality data provided to SERFF for accreditation. Additionally, an Idaho Exchange would intend to collect consumer satisfaction data post-2014 and inclusion of accreditation related quality data will be considered at a future date.

## **Idaho SBE Blueprint**

### **Section 5.1**

At this time it is anticipated that the Idaho Exchange will use the federally managed service for the Risk Adjustment Program. The Idaho Exchange plans to use this program for at least the first few years of operation and will continue to evaluate its effectiveness and appropriateness for the State as more details are released from HHS.

## **Idaho SBE Blueprint**

### **Section 5.2**

Prior to the November 30, 2012, Notice of Benefit and Payment Parameters for 2014 proposed regulation, Idaho anticipated possibly declaring its intent to operate its own reinsurance program through its Idaho High Risk Reinsurance Pool (HRRP) or perhaps another entity subject to the HRRP's oversight consistent with the recommendation to Governor Otter from the Health Insurance Exchange Working Group. However, based on the proposed regulation offering less flexibility to states, Idaho does not intend to operate its own reinsurance program at this time.

## **Idaho SBE Blueprint**

### **Section 6.1**

Idaho intends to implement and operate a state-based Small Business Health Options Program (SHOP) Exchange per the requirements of the ACA and in compliance of 45CFR § 155 Subpart H.

Idaho currently defines its small group market as employers with 2 to 50 employees (Idaho Code § 41-4703(28)). Idaho's Department of Insurance (DOI) plans to leave the maximum number of employees for the small group market at 50 and plans to evaluate the projected implications of expanding the definition up to 100 employees in 2016.

## **Idaho SBE Blueprint**

### **Section 6.1a**

Idaho's intent in establishing a SHOP exchange is to encourage greater consumer choice while providing both cost and administrative relief to small businesses. Moreover, an Idaho Exchange will seek to operate an open market model, with the least restrictive QHP certification requirements, and to offer a flexible and straight forward plan selection process for both employers and employees.

As such, it is viewed as essential that the SHOP have the capacity to allow a qualified employer to select a level of coverage as described in the ACA § 1302(d)(1), in which all QHPs within that level are made available to the qualified employees of the employer.

An Idaho Exchange would plan to contract with a SHOP IT Systems vendor to develop the necessary technical and functional requirements to support this activity.

## **Idaho SBE Blueprint**

### **Section 6.1b**

In Idaho, the rates for a group insurance policy are typically fixed for a period of 12 months. As defined under the ACA, regulations require that the rate for a given employer not change for the employer's plan year (§156.285). As such, employers will be allowed to enroll in coverage through the SHOP at any point in the calendar year; however, their rates will remain constant for that period.

An Exchange, in coordination with the DOI and applicable SERFF functions, may require that all QHP issuers make rate changes at a uniform time as well as prohibit QHP issuers from varying rates during the employer's plan year.

The Idaho Exchange will coordinate with the DOI to ensure that Exchange's IT Systems are able to support this activity from a technical and functional standpoint.

## **Idaho SBE Blueprint**

### **Section 6.1c**

As mentioned above, the vision of an Idaho Exchange is to operate an open market model, with the least restrictive QHP certification requirements such that the greatest amount of competition will exist in the new exchange marketplace.

With that in mind, it is the expectation of the Idaho Exchange that only plans that have been reviewed and not disapproved by DOI and certified as QHPs for the Exchange will be offered to employers through the Idaho SHOP Exchange.

An Idaho Exchange plans to contract with a SHOP IT Systems vendor to develop the necessary technical and functional requirements to support this activity in addition to leveraging any applicable existing capabilities within SERFF.

## **Idaho SBE Blueprint**

### **Section 6.1d**

It is currently not planned that the Idaho Exchange will implement minimum participation requirements for the SHOP Exchange, other than meeting the State's definition for qualifying as a small group.

An Idaho Exchange will coordinate with the DOI and the SHOP IT Systems vendor to develop any necessary technical and functional capabilities to support this verification.

## **Idaho SBE Blueprint**

### **Section 6.1e**

One of the criteria that will be used to select the IT vendor to build the SHOP exchange will be its ability to develop and operate a premium calculator (as described in 45 CFR 155.205(b) (6)) to facilitate the comparison of available QHPs after the application of any applicable employer contribution in lieu of any advance payment of the premium tax credit and any cost-sharing reductions.

To meet the premium calculator requirement, it is anticipated that the Idaho SHOP will leverage a shop and compare functionality developed by an IT systems vendor that will allow employees to filter and evaluate their QHP options. Only plans that meet the criteria set by the employer will appear on the shopping page screen. The screen will show the employer contribution amount deducted from the premium price (through the use of a premium calculator) to indicate the employee's true cost (adjusted for age, region, quality, dependents covered etc.).

Moreover, an Idaho Exchange will evaluate other consumer support tools to both educate and assist consumers in selecting insurance products that match both their financial needs and their level of risk tolerance. It may procure the services of SHOP experts to assist in identifying and developing these support tools.

## **Idaho SBE Blueprint**

### **Section 6.2**

An Idaho Exchange plans to include this functionality in its IT RFP and will only consider those IT vendors, or group of vendors, that can support premium aggregation in accordance with 45 CFR 155.705. As it is anticipated that the SHOP exchange will allow for defined contribution, premium aggregation is a critical component for the core functioning of the Exchange.

An Idaho Exchange's SHOP premium aggregation process will be developed in coordination with the SHOP IT Systems vendor and will be submitted to HHS for review by June 2013.

## **Idaho SBE Blueprint**

### **Section 6.2a**

An Idaho Exchange will seek IT vendors who already possess the capability and have demonstrated experience in performing back office functions such as billing employers, receiving employer and employee contributions toward premiums, and making aggregated premium payments to issuers. An Idaho Exchange intends to leverage the experience of its contractors to implement industry best practices in the SHOP Exchange regarding these activities.

## **Idaho SBE Blueprint**

### **Section 6.2b**

An Idaho Exchange will develop these processes in concert with any IT vendor it selects to build the SHOP Exchange. It is expected that the Exchange's technical system will include an automated system for identifying non-payment or late premiums, submitting notices to employers, and notifying the Idaho Exchange of nonpayment. An Idaho Exchange will plan to work with SHOP experts to determine appropriate courses of disciplinary action for repeated nonpayment of premiums.

It is anticipated that work on these types of processes could begin as early as the second quarter of 2013, once an IT vendor has been selected and work has commenced on the building of the SHOP Exchange.

## **Idaho SBE Blueprint**

### **Section 6.3**

The ability to electronically report information to carriers, CMS, IRS, and other relevant stakeholders as well as generate accurate and timely reporting for exchange oversight and operations is critical to the operation and management of the Idaho Exchange. An Idaho Exchange will look to select an IT vendor solution with a robust electronic reporting infrastructure.

It is expected that this infrastructure will include:

- A set of pre-configured reports that satisfy the State's and CMS requirements for periodic reporting of enrollments, payments, tax credits, and cost sharing reductions;
- The ability to schedule and automate delivery of reports;
- The capacity to electronically and securely report relevant tax information to the IRS on a timely basis;
- The capacity to electronically and securely report other information, such as eligibility assessments and determinations, to relevant parties on a timely basis;
- The availability of online statements and query tools that enable searching and filtering of member and enrollment data; and
- An ad hoc reporting tool that gives Idaho Exchange management the ability to easily generate specialized reports on an as-needed basis.

## Idaho SBE Blueprint

### Section 7.1

An Idaho Exchange organizational structure model will follow either a quasi-governmental entity or a nonprofit entity; however, the final structure will be contingent on the legal authority that is granted to the Exchange by the Idaho Legislature. As either a quasi-governmental or nonprofit entity, the Idaho Exchange should have a great deal of flexibility in terms of staffing up or down to meet the needs of the exchange and that flexibility is reflected in the general outline of the organizational structure provided below.

Generally speaking, the organizational structure would consist of personnel with different levels of expertise: The first level would likely be senior management that is responsible for overseeing all core areas of exchange functionality and may include positions such as an Executive Director, Director of Finance, Director of Operations, Director of Technology, Director of Marketing and Outreach, etc. It is expected that these positions would be full time salaried staff, would be hired as needed throughout the building of the Exchange, and would be maintained throughout the life of the Exchange.

The second level may be highly trained individuals with specific technical expertise required by the Exchange throughout the startup and ongoing phases of exchange operation. These positions may include: Information Technology (IT) Analysts, IT Project Leads, Communications Managers, Project Managers, Grants Managers, Business Analysts, Policy Analysts, Human Resource Managers, etc. These positions would begin as consultancies and transition to full-time staff as the workload and demand becomes more apparent over time.

The third level may consist of consultants who have specific expertise that is needed during different stages of exchange development, implementation, and maintenance, but whose expertise is not needed throughout the entire project life cycle. These positions would be paid at current market rates and the contracts would be structured such that both the exchange and consultants were clearly aware of what is expected in terms of project milestones and goals as well as the duration of the engagement.

The fourth level may consist of support functions that are essential for the efficient day-to-day operation of the exchange. These positions may be full or part time as warranted and would likely require staff to acquire varied skills throughout the project lifecycle. These positions may include: Administrative Assistants, HR Assistants, Grants/Budget Specialists, IT support, Program Assistants, Assistant Managers, etc.

Through the effective use of consultants and contractors in the early stages, an Idaho Exchange would aim to have sufficient capacity to meet the initial demand for services during the startup phase of the Exchange. Once ongoing demand for services is better known, the Exchange will then be in a position to transition necessary consultants and contractors to full time positions to support the Exchange long term.

The Idaho Exchange views properly sizing of Exchange operations as critical for both providing the high quality of service that is required, as well as maintaining the cost competitiveness of the Exchange relative to products being sold off-exchange.

The Idaho Exchange would plan to submit an organizational chart to HHS by June 2013. This will include a timeline for when the Exchange plans to hire remaining staff and the roles, responsibilities, and competencies for key exchange activities.

## **Idaho SBE Blueprint**

### **Section 8.1**

With the assistance of a qualified vendor, an Idaho Exchange will plan to conduct a feasibility study to explore all known means of revenue generation and cost control.

In terms of controlling costs, an Idaho Exchange will explore several models for initializing exchange operations, including the use of consultants and contract workers where possible and then transitioning them to salaried workers if and when the demand for capabilities are considered to be needed long term. This will best allow the Idaho Exchange to retain the flexibility to provide the quality services it is committed to delivering without overcommitting to staffing that may or may not be warranted in the medium to long term.

The anticipated completion date of the feasibility study is May 2013. At that time the Idaho Exchange will submit a formal plan to HHS identifying the methods it will use to generate revenue and address any financial deficits.

In addition, the Idaho Exchange plans on developing contingency plans for addressing several key areas of potential budgetary concern that are identified in the feasibility analysis and may result in financial deficits. Examples of possible areas of concern include:

- Lower than expected utilization of the Exchange, leading to revenue shortfalls;
- IT cost overruns both during the startup and ongoing phases of Exchange development; and
- Competitive disadvantages vis-à-vis the off exchange market affecting adoption or renewal rates.

It is expected that these contingency plans will be submitted to the Idaho Exchange Board by May 2013.

Using the feasibility study and contingency plan results, the Idaho Exchange plans to finalize and submit a model budget, detailing expected operating costs, revenues, and expenditures, to HHS for review by June 2013.

## **Idaho SBE Blueprint**

### **Section 8.1a**

The Idaho Exchange's long-term operational budget will be based off of the results of the feasibility study outlined in Section 8.1. The management plan will incorporate generally accepted best practices for similar entity management and will focus on ensuring the best possible synchronization between staffing and demand for human services to avoid cost overruns. The management plan will also include policies and procedures for how the Exchange plans to monitor its finances and track its costs and revenue.

The Idaho Exchange will work towards having a completed long-term operational budget and financial management plan by July 2013. The long term operational budget will outline:

- Categories of Exchange expenses (variable and fixed) and expected associated costs;
- Costs for which the Exchange is directly responsible;
- Descriptions of revenue methods and expected revenue generated from each category;
- Net gain or net loss;
- Plans for monitoring and tracking finances.

## **Idaho SBE Blueprint**

### **Section 8.1b**

Based on the results of the feasibility study, Idaho will pursue methods for generating revenue that will enable the Exchange to bring in the most revenues without jeopardizing its competitive position relative to similar products being offered in the traditional market. As mentioned in Section 8.1, imposing assessments on all health plans operating in the State along with user fees (PMPM) currently appear to be the two most likely options for generating sustainable revenues.

The Idaho Exchange will be granted appropriate legal authority to generate revenue through legislation to be passed establishing the Idaho Exchange (the legal authority process is described in Section 1).

After legal authority is established, the Idaho Exchange can move forward in all material aspects, including completing a feasibility study, defining methods for generating revenue, and developing a long-term operational budget and management plan.

## Idaho SBE Blueprint

### Section 9.1

The Idaho Exchange will plan to review all publicly available exchange technology and system RFPs issued by other states pursuing state-based exchanges. In addition, the Idaho Exchange would plan on contacting a representative sample of the states that have already selected an IT vendor and are in the process of, or have completed, developing their exchange's IT systems to learn what processes and modifications the states would recommend.

The Idaho Exchange will select an IT systems vendor that can develop technology and system functionality that complies with HHS guidance, including:

- Supporting a high quality customer experience;
- Providing seamless coordination with health plans and applicable State agencies;
- Generating data in support of performance management, transparency, program evaluation, etc.;
- Connecting with the federal data services hub;
- Complying with HIPAA transaction standards and other transaction standards outlined in the ACA;
- Supporting State and Federal Security and Privacy Standards; and
- Complying with other relevant guidance provided in the Guidance for Exchange and Medicaid Information Technology (IT) Systems Version 2.0 as well as other federal rules.

An Idaho Exchange will also evaluate its needs from a program integration standpoint and would work towards developing the framework for an IT RFP, which is consistent with HHS IT guidance and meets all functionality requirements. It is planned that this RFP will be issued soon after the Exchange's legal authority is finalized.

Furthermore, for items relevant to SERFF Plan Management, the NAIC is working with CMS to ensure the SERFF application complies with all technology standards.

An Idaho Exchange would not anticipate any areas of significant variation between what it is considering and the HHS IT guidance it has received thus far.

Once system design and development is finalized by the selected IT systems vendor, the Idaho Exchange will make HHS aware of any significant variation that may exist.

#### Plan Management Activities (DOI)

The Department of Insurance (DOI) utilizes the NAIC SERFF application to receive insurance carriers' insurance products for acceptance within the state. The Quality Health Plan Management component intends to leverage this existing application to support the initial submission from the Insurance Carriers. The SERFF application is a well-established, web-based application. NAIC is currently evaluating requests from many states to expand the capabilities of the SERFF application to better support the needs of an exchange.

The QHP system will be used routinely by both the insurance carriers to submit and manage their health plan submissions and DOI staff to manage the process of evaluation, qualification and rating of the health plan submitted.

The system will support the QHP certification processes, maintain and update information on the exchange and capture information for use by stakeholders and users of the exchange. The system will be developed to supplement functionality available in SERFF.

Until the capabilities of SERFF are fully understood, the goals for DOI's system are unclear. In general terms, it must complement SERFF in the activities of evaluating and certifying health plans (carriers) who apply to be part of the Exchange. It must also assure routine communication between DOI and the Exchange about the qualified health plans.

The overall scope of the QHP component is intended to support the process from the point of capture of submitted Health Plans from the insurance carrier through the evaluation process and eventual posting of the approved Qualified Health Plans. The process would include supporting the evaluation of the submitted Health Plans by the designated State of Idaho representatives.

## **Idaho SBE Blueprint**

### **Section 9.2**

An Idaho Exchange will plan to procure the services of an IT vendor for the development of the exchange's IT system. In the selection process, the Idaho Exchange will intend to engage the services of qualified IT experts to ensure that the selected vendor has the proven capability to deliver the exchange functionality required in a reasonable timeframe. The experts will also help an Idaho Exchange ensure that the selected vendor can produce a system that will have the adequate technology infrastructure and bandwidth required to support all exchange activities.

As the IT systems vendor finalizes design and development of the Exchange's technical processes, the Idaho Exchange plans to provide HHS with architectural and technical diagrams, wireframes, business process models, and other system design documents to demonstrate that the Exchange has the adequate technology infrastructure and bandwidth required to support all state-based exchange activities.

Similarly, SERFF has taken steps to ensure the application has the capacity to support the volume of activity that will come with the SERFF Plan Management functionality.

An Idaho Exchange will also consider using the services of qualified IT experts to perform project management responsibilities over the build out of the exchange to ensure a timely and fully functional product per HHS guidelines.

## Idaho SBE Blueprint

### Section 9.3

An Idaho Exchange plans to build on much of the IV&V work other states have done in the development of their state-based exchanges. To the extent possible, necessary quality management and testing procedures for exchange development will be incorporated into the IT systems RFP and will play an important role in the IT vendor selection process.

The Idaho Exchange will also contract with a vendor that has developed processes for IV&V, external quality management, and test procedures for exchange-development activities.

The vendor selected by the Idaho Exchange must demonstrate an ability to complete the following, or similar functions:

- Manage the IV&V Services
- Review all HIX/IES Project Deliverables
- Validate automated code review results
- Validate continuous integration test results
- Coordinate and conduct User Acceptance Testing (“UAT”)
- Verify implementation readiness
- Verify component reusability
- Perform a system audit
- Perform financial reviews
- Complete other necessary external quality management and test procedures
- Comply with IV&V regulatory requirements detailed in 45 CFR 95.626

It is expected that an Idaho Exchange will provide HHS with a description of the Exchange’s front-end system engineering work including IT, quality assurance processes, and IV&V services used to validate requirements, business processes, and development of the Exchange by August 2013.

#### **Language on SERFF functionality provided by NAIC:**

In collaboration with CCIIO, SERFF has used a common set of quality assurance tools including (but not limited to) load testing and beta testing to ensure the SERFF Plan Management functionality meets the business needs of the state.

## **Idaho SBE Blueprint**

### **Section 10.1**

An Idaho Exchange will plan to procure the services of an IT vendor for the development of the Exchange's IT system. The Idaho Exchange will work with the selected IT vendor to develop Privacy and Security standards in accordance with the guidance set forth in 45 CFR 155.260 (a) – (g), including:

- The creation, collection, use, and disclosure of personally identifiable information
- The application of this data to non-exchange entities
- Workforce compliance
- Written policies and procedures
- Compliance with Section 6103 of the Code (relating to return information)
- Improper use and disclosure of information

Proper safeguards will be defined and developed in conjunction with the Exchange IT system's development and build. These safeguards will, at a minimum:

- Ensure the critical outcomes in 45 CFR 155.260(a) (4), including authentication and identity proofing functionality;
- Incorporate HHS IT requirements as applicable; and
- Protect the confidentiality of all federal information received through the Data Services Hub, including but not limited to federal tax information.

Details on these safeguards will be outlined in the Privacy and Security plan developed in coordination with the IT systems vendor.

It is anticipated that a Privacy and Security plan will be provided to HHS by June 2013.

For items relevant to SERFF Plan Management, the NAIC is working with CMS to ensure the SERFF application complies with all privacy and security standards (this is contingent upon SERFF's operational readiness).

## Idaho SBE Blueprint

### Section 11.1

The Idaho Exchange Board will manage oversight and monitoring (O&M) of most exchange activities, including all technical processes and related system activities.

O&M will be conducted with the goal of continually evaluating areas for improvement, opportunities for strategic decisions, and demonstrating exchange successes to exchange partners, public officials, and other stakeholders.

Some points of exchange performance that the Idaho Exchange plans to assess include:

- **Exchange implementation**, including the extent to which the exchange: 1) provides consumers with useful information about comparing and enrolling in plans and financial assistance; 2) enables consumers to easily enroll in plans and receive assistance; and 3) provides excellent customer service; and
- **Exchange outcomes**, including the number of Idaho residents who receive coverage through the exchange, the availability of continuous coverage, the quality of medical care available to Idahoans who enroll through the exchange, and the reduction or containment of healthcare costs.

#### Plan Management Activities (DOI)

The Idaho Department of Insurance (DOI) will be responsible for activities related to routine oversight and monitoring of Idaho Exchange plan management activities. The oversight of these activities will comply with ACA section 1313, including the following:

- Maintaining an accurate accounting of all activities, receipts, and expenditures; and
- Assisting and coordinating with the exchange in providing annual reports in relation to such accountings to HHS as required.

Further, DOI will accept complaint information from the Consumer Services Bureau regarding QHPs and will follow up accordingly.

## Idaho SBE Blueprint

### Section 11.1a

Idaho Exchange plans to develop business operations and monitoring policies and procedures in concert with its IT vendor as the exchange platform is designed and built. Emphasis will be placed on being able to effectively monitor all critical elements of exchange functionality on a timely basis. The Idaho Exchange's senior management along with the board will determine the most relevant metrics for evaluating exchange activities on an ongoing basis.

Steps for developing policies and procedures for performing routine oversight and monitoring of exchange activities include, but are not limited to:

- Planning for and developing exchange-specific program integrity policies and procedures as part of the Idaho Exchange's ongoing improvement plan
- Defining and establishing quality control measures
- Developing privacy and security policies and procedures
- Developing and/or formalizing financial or accounting standards
- Establishing reporting requirements and reporting processes for exchange performance metrics
- Determining frequency of data-collection and reporting
- Executing appropriate agreements and MOUs between the Idaho Exchange, state agencies, insurers, and other stakeholders to assure proper oversight and monitoring of all exchange activities
- Establishing procedures for external audit by allowing a qualified auditing entity to perform an independent external financial audit of the exchange

Policies and procedures will be submitted to HHS for review by August 2013.

#### Plan Management Activities (DOI)

DOI will develop policies and procedures for use by all appropriate sections of DOI. These should be completed by February 28, 2013, and will identify sections within the DOI accountable for completion of each plan management business requirement and further identify staff area assignments and responsibilities to ensure proper supervisory oversight.

## Idaho SBE Blueprint

### Section 11.1b

The Idaho Exchange plans to develop and implement detailed business processes and performance monitoring functions during the second quarter of 2013, in advance of the October 2013 go live date. The business processes will be designed to capture all operational information necessary to evaluate quality control. These business processes will also be designed to ensure that exchange functionality sufficiently meets all federal guidelines and is consistent with the exchange's goals of sustainably and increasing access to health insurance for all of Idaho's residents.

The Idaho Exchange intends to: 1) collect and regularly review the following measures; 2) establish targets; 3) incorporate results vs. targets into the balanced score card and internal accountabilities; and 4) pursue improvements in business processes via techniques similar to Lean or 6-Sigma.

Examples of possible quality control measures to be used by the Idaho Exchange include:

- Work flow (usage and volume) by class (anonymous, etc.) and customer type/profile
- Work steps (main and alternate paths; exceptions & errors)
- Work production (Level of effort (LOE) and output)
- Success rates: Enrollments vs. applications
- Fall outs: Shoppers who didn't apply (when did they drop out?)
- Failures: Uncorrected incompletes, rejections, failures to pay, etc.
- Verifications and exceptions vs. self-attestation
- Assistance requests (call center and walk in) by medium (phone, walk-in, chat, email, mail, etc.)
- Appeals and complaints
- Customer, agent, and employee surveys
- Financials: Amounts, ratios, and rates (units/dollar, dollar/unit)
- Other metrics as dictated by process development, operations, feedback, or senior management's direction

#### Plan Management Activities (DOI)

DOI will perform quality oversight and monitoring of Idaho Exchange plan management activities to assure coordination among the bureaus. Further, all Idaho Exchange plan management activities are subject to the supervision of lead administrators and the Director of DOI. As an executive branch agency of state government, DOI's performance is subject to the review of the Governor's Office and Legislature. DOI's plan management duties will also be subject to adherence to a memorandum of understanding to be executed with exchange.

## Idaho SBE Blueprint

### Section 11.2

It is currently planned that the Exchange will have catalogued and defined data collection and reporting requirements for all functional areas of operation, including state and ACA reporting requirements, statutory reporting requirements, and business reporting requirements. For example, utilizing a monthly or bi-weekly dashboard, the exchange plans to work with its selected IT systems vendor to develop a management tool that can be used to prioritize, aggregate, and report on several performance metrics driving the exchange's performance.

The Idaho Exchange will also work with the IT vendor to develop capabilities that will allow the data and reports to be presented in a manner that is consistent with CCIIO-specific reporting formats and timelines.

On the basis of key indicators of success, performance metrics that the exchange intends to track for internal purposes as part of its ongoing quality control and improvement plan will be developed for performance monitoring purposes.

Possible exchange activity-related performance metrics to be tracked by the Idaho Exchange include:

#### Mission & Business Results

- Enrollment volume by month and by demographic characteristics (income, age, gender, geography, carrier distribution, distribution by plan tier, etc.)
- Applications per month, by type
- Cancellations per month, by reason
- Premium costs and trends over time, relative to similar products sold outside of the exchange
- Carrier participation, # of carriers offering product on the exchange, and # of QHPs available on the exchange at each metallic level by carrier
- Outreach to Idaho's diverse communities (# that enroll from these areas)

#### Accessibility

- Reduction in the overall uninsured population
- Change in # of uninsured (by race, ethnicity, geography)
- # of previously uninsured individuals enrolled
- # of brokers operating within the exchange
- # of individuals / small businesses enrolled in exchange via brokers and # enrolled without assistance

#### Quality / Consumer Satisfaction

- Wait times for the call center
- Ease of use of consumer interface for eligibility and enrollment as measured by the enrollment ratio (# who start an application vs. # that enroll)

- # of positive consumer satisfaction survey responses measuring the quality of consumer portal interaction
- # of complaints on exchange operations and functionality by exchange consumers
- # of complaints from consumers issued against navigators

#### Affordability / Productivity

- Ratio of support staff to number of consumer portal inquiries
- Enrollments via navigator per dollar spent on program
- # of people receiving premium and cost-sharing subsidies in the exchange
- Average premium and cost-sharing subsidy received in the exchange
- Ratio of employer to employee contribution for single and family coverage in the SHOP

#### Technology

- System response time requirements relative to portal queries; and time relative to finalizing insurance coverage
- Time elapsed from initial consumer portal inquiry to confirmation of health insurance coverage
- Consumer portal availability and downtime statistics
- Consumer satisfaction survey measuring user perception of Exchange operation

#### Utilization

- # of individuals / navigators / brokers utilizing the web portal
- # of individuals enrolled via the web portal
- # of individuals enrolled via the web portal with the assistance of a navigator vs. broker

The Idaho Exchange will work in coordination with the selected IT systems vendor to design and develop the exchange's data-collection and reporting processes. The Idaho Exchange plans to provide HHS with a description of these processes and exchange activity-related performance metrics by July 2013.

#### Plan Management Activities (DOI)

DOI will maintain relevant data on Idaho Exchange plan management activity for reporting and oversight purposes, including the following:

- # and types of plans on the Idaho Exchange
- # and nature of issues and complaints from consumers, providers, producers/brokers, staff and resources required to operate the plan management components of the exchange

CCIIO has indicated that future guidance will be released indicating the metrics the Idaho Exchange will be required to report. Additionally, Idaho understands that the format, timing and other requirements will also be included within that guidance. Idaho is prepared to work with CCIIO in timely implementation of these requirements once additional guidance is released.

## **Idaho SBE Blueprint**

### **Section 11.3**

The Idaho Exchange will institute policies and procedures that promote compliance with the financial integrity provisions of ACA 1313, including the requirements related to accounting, reporting, auditing, cooperation with investigations, and application of the False Claims Act. These policies will govern the exchange's accounting, reporting, and auditing functions, as well as address internal controls processes. The policies will outline the exchange's process for monitoring financial activities as well as any necessary accountability and segregation of duties.

It is anticipated that the Idaho Exchange would follow Generally Accepted Accounting Principles (GAAP) for its reporting of all financial information, including, but not limited to assets, liabilities, revenues, expenses, and capital expenditures.

In addition, the Idaho Exchange will adhere to all Federal regulations as outlined in ACA 1313, such as the HHS Grants Policy Statement, OMB Circular A-123, 45 CFR Parts 74 and 92, and FFATA of 2006. The Idaho Exchange will also adhere to any Idaho-specific monitoring and financial requirements issued by the state or developed by the Idaho Exchange Board.

The Idaho Exchange plans to provide HHS with its financial and accounting standards once the entity is established, but no later than June 2013.

## **Idaho SBE Blueprint**

### **Section 12.1**

#### Current Contracts, MOU's, etc.:

The table below provides a list of all current contracts and agreements previously or currently in use by the Idaho Department of Insurance utilizing both the CCIIO Planning Grant as well as the Department of Insurance funds.

#### Future Contracts, MOU's, etc.:

The second table provides a listing and description of potential contracts or agreements that may be executed by the Idaho Exchange and the Idaho Department of Insurance, contingent upon the use of Idaho's Level One grant that has been extended and the future submittal and approval of other grant applications.

Federally Funded Contracts				
Type	Service	Contractor	Contract Agreement Executed	Grant Source
Professional Services Agreement	Project Management	TEK Systems (Amy Dowd)	January 21, 2011	Planning Grant
Professional Services Agreement	Community Meetings	Bracke and Associates	April 27, 2011	Planning Grant
Professional Services Agreement	Planning	Elwood J. Kleaver Jr.	August 2, 2011	DOI funding
Professional Services Agreement	Project Management	The Schwiebert Group (Penelope Schwiebert)	December 28, 2011, October 15, 2012	DOI funding
Professional Services Agreement	Marketplace Research	Deft Research	November 8, 2011	DOI funding
Professional Services Agreement	Marketplace Research	KPMG	September 5, 2012	DOI funding
Professional Services Agreement	Business Analyst	Business Analytics	August 9, 2012	DOI funding

Planned New Contracts/Agreements & Contract/Agreement			
Contract or Inter-Agency Agreement	Anticipated Contract Dates	Grant Source	Cost
<b>Contract for Targeted Outreach/Education Public Relations and Marketing Campaign -</b> <i>To launch and implement a robust, organized, systematic, state-wide outreach campaign to reach uninsured Idahoans with meaningful, understandable and helpful information regarding the Idaho Exchange through media saturation. This may include video conferencing and Web Live Streaming. The contractor will also be responsible for developing culturally and linguistically appropriate outreach and education materials to comply with 45 CFR 155.205(c).</i>	TBD	Level One or Level Two	TBD

<p><b>Contract for Call Center Services –</b>  <i>To develop and operate a toll-free telephone call center to: 1) respond to requests for assistance from the public, including individuals, employers, and employees; 2) handle seamless application support by coordinating with other Insurance Affordability Program(s) and with other State and Federal agencies; 3) hire and train specialists in enrollments, eligibility, and SHOP issues; and 4) provide translation and oral interpretation services and auxiliary aids and services.</i></p>	TBD	Level One or Level Two	TBD
<p><b>Contract for Training of Navigators -</b>  <i>Assist the Idaho Exchange in developing the training curricula for agents and brokers that will lead to Exchange certification. Conduct training sessions and manage certification completion.</i></p>	TBD	Level One or Level Two	TBD
<p><b>Contract for Regional Enrollment Specialists -</b>  <i>Contract for individuals in each of the State’s Health Department regions to provide outreach/education regarding Exchange and Open Enrollment</i></p>	TBD	Level One or Level Two	TBD
<p><b>Contract for Training of Agents/Brokers -</b>  <i>Assist the DOI in developing the training curricula for agents and brokers that will lead to Exchange certification. Conduct training sessions and manage certification completion.</i></p>	TBD	Level One or Level Two	TBD
<p><b>Reinsurance Analysis -</b>  <i>To perform an initial assessments of the impact of the ACA on the various markets, including the impact of previously uninsured entering the market.</i></p>	TBD	Level One or Level Two	TBD
<p><b>Reinsurance Simulation Analysis -</b>  <i>Analyze options, make decisions, and simulate the impact of various methodologies for reinsurance. Within this simulation and analysis, the key decision Idaho and issuers will make is whether to use a distributed or a centralized approach for an IT vendor.</i></p>	TBD	Level One or Level Two	TBD
<p><b>Feasibility Study -</b>  <i>To conduct an extensive feasibility study to explore all known means of revenue generation and cost control for the Idaho Exchange. Also to develop contingency plans for addressing several key areas of potential budgetary concern that may result in financial deficits. Assist in developing a model budget, entailing expected operating costs, revenues, and expenditures.</i></p>	TBD	Level One or Level Two	TBD

<p><b>IT Systems Developer –</b>  <i>To design, develop, and implement the Exchange’s IT system. This will include, but is not limited to: 1) developing and maintaining the Exchange’s Internet Web site; 2) developing capabilities that will allow the Exchange’s Internet Web site to interface with web brokers’ websites; 3) ensuring the system has the adequate technology infrastructure and bandwidth required to support all of the Exchange’s activities; 4) assisting the Idaho Exchange in implementing policies and procedures regarding the Privacy and Security standards set forth in 45 CFR 155.260(a) – (g); and 5) developing and maintaining the SHOP Exchange and related technical and functional capabilities.</i></p>	TBD	Level One or Level Two	TBD
<p><b>Contract for Exchange System IV&amp;V -</b>  <i>To complete necessary processes for IV&amp;V, external quality management, and test procedures for exchange-development activities.</i></p>	TBD	Level One or Level Two	TBD
<p><b>Other Specialized Consultants –</b>  <i>To provide expertise and perform exchange-related duties as needed by the Idaho Exchange during different stages of Exchange development, implementation, and maintenance, but whose expertise is not needed throughout the entire project life cycle. This may include contracts for procurement development, consumer assistance, SHOP exchange expertise, planning coordination and integration, operations development, overall project management, and quality assurance consultation. It may also include procuring the services of qualified IT experts to evaluate RFPs and vendors and/or perform IT project management responsibilities over the build out of the Exchange to ensure a timely and fully functional product per HHS guidelines.</i></p>	TBD	Level One or Level Two	TBD