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Utah re-names its online health exchange as Avenue H

Insurance • Officials rebrand insurance portal as pathway to custom coverage.

By kirsten stewart

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Don't call Utah's Health Exchange an exchange.

The state's two-year-old health insurance marketplace has a new name: Avenue H.

"For many people the word 'exchange' connotes government, and we want to remind Utah's small business owners and their employees that we are built on free-market ideals," Avenue H director Patty Conner said at a Thursday press conference to announce a new look and feel for the online shopping tool.

The state is spending \$190,000 of a \$1 million federal grant on the re-branding and outreach effort.

"We want every small business in the state to know about this program," said Conner. Avenue H says "easy" and "friendly," she said, and conveys a better road to custom-fit, custom-priced health coverage.

Utah was the second state in the country to start a health exchange, a virtual market where people can comparison shop for health coverage using a fixed amount of money from their employer. The "defined-contribution" design helps employers better predict their out-of-pocket costs and frees employees to pick the policy that best suits them.

"Shopping for the best plan to fit all employees is a huge burden for employers," said Lois Reid, owner of Upper Limit Aviation, a flight training school that joined the exchange in April.

Flight instructors are typically independent contractors required to pay their own taxes and buy their own worker's compensation, aviation and health insurance, said Reid. "We didn't think that was a credible way to show our staff we value them."

Upper Limit covers 100 percent of the health insurance premiums for its 40 salaried workers. On the exchange, employees with kids can use that money to subsidize coverage for their whole family. And they can pick a plan that lists their pediatrician as a preferred provider.

Young unmarried workers can spend their allotment on a discounted, high-deductible plan, putting any

leftover cash into a health savings account.

"It's security, peace of mind," said Ian Hoa, a 30-year-old mechanic whose family was uninsured for three months prior to Upper Limit joining the exchange.

He said his \$520 share of the monthly premium paid off last month when his wife, who has a bladder disease, was hospitalized to remove a kidney stone.

"Initially I was just hoping to cover my kids, but I was able to find a plan for all of us, and I'm glad I did," he said.

Utah isn't the only state in re-branding phase.

California is exploring labels for its exchange, ranging from "Healthifornia" to "Cal-Vida," or strangely, "Avocado." Maryland favors "Connector," following the example of the father of all exchanges in Massachusetts.

Whether these cosmetic upgrades will drum up business, or confuse consumers, remains to be seen.

Utah's exchange has been slow to catch on. Currently about 306 of Utah's 18,000 small businesses use it to buy health benefits. Of those, 32 percent previously offered no coverage.

"We can run but we can't hide from the disappointing results we've had so far," said Judi Hilman, executive director of the Utah Health Policy Project.

Hilman likes the "Main Street feel" of "Avenue H" but said, "We have to give small businesses what they've been looking for, real control on premium costs and the ability to pool risk. Changing the name is not going to change that."

Experts credit Massachusetts' success to a requirement that people have health insurance and to government subsidies that make coverage on the exchange affordable. State-run exchanges envisioned by federal health reform would function the same way.

Whether Utah will tweak Avenue H to fit the federal rules, Conner couldn't say. Gov. Gary Herbert and the Utah lawmakers have until Nov. 16 to decide.

But Conner said Avenue H has the capacity to serve thousands more small businesses than it does now.

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