

UTAH HEALTH POLICY PROJECT

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Utah Health Exchange Advisory Board Meeting Summary Wednesday, May 25, 2011

SPECIAL ANNOUNCEMENT:

The Exchange Advisory Board is looking for a small business employer who gets insurance through the Exchange to serve on the board. Please contact Korey Capozza if you are interested: KCapozza@healthinsight.org

Utah Health Exchange (UHE) enrollment as of June 1, 2011

114 employer groups (2985 individual lives)

To date, 25% of small businesses enrolled did not previously provide health insurance benefits to their employees, 94% use an insurance broker (the broker fee is included in Exchange operations; groups who do not use a broker do not pay less).

UHE will be hosting an "open house" event in May, 26 states so far are planning on attending.

Operations Report:

OCHS (Exchange staff) have made a decision about which company to contract with to do the employer/ee application function and underwriting. Patty Connor was not yet a liberty to announce who, as negotiations are not final.

The board discussed getting more information and **tracking "prior coverage"** of Exchange small group enrollees in order to improve the Exchange. Everyone was agreed that knowing/tracking prior coverage (or lack thereof), and what plans new groups pick and how that changes year 2 on the Exchange will yield useful information.

Exchange staff expect to have **1000 groups in the Exchange Jan 1** and are undertaking a marketing strategy to reach that goal (the goal is based on trends). There is some doubt that the Exchange will reach that number because, while new groups tend to come in to the market in January, bottom line, small businesses come in to the market when they can afford it. One concern with a jump in numbers is that there may be many brokers new to the Exchange, and they require a lot of assistance until they are familiar with it.

Aggressive **summer marketing campaign** will include: more broker training ("totally new content") including a new session on Utah Premium Partnership co-facilitated by Dept of Workforce Service); outreach to employers (requested by brokers); outreach by insurers; and marketing targeted to communities, chambers, and associations. The group requested that Patty Connor show the board their marketing materials at the next meeting.

There was a discussion about **tax credits for small businesses** and how complicated the process is, plus they will fade out over time. SelectHealth has a tax credit tool on their website (note: UHPP also has a [tax credit calculator](#)).

Defined contributions (see figure below): the board commented that these "look like about 50% of the average premium" which would be consistent with the external market. However, the ability to support this with data is complicated because these are by family tier and not age band, which is an important consideration in pricing.

Coverage Tier	Average ER DC
Employee	\$282.70
Employee + Child(ren)	\$343.90
Employee + Spouse	\$428.89
Employee + Family	\$579.33
Average All Tiers	\$406.46

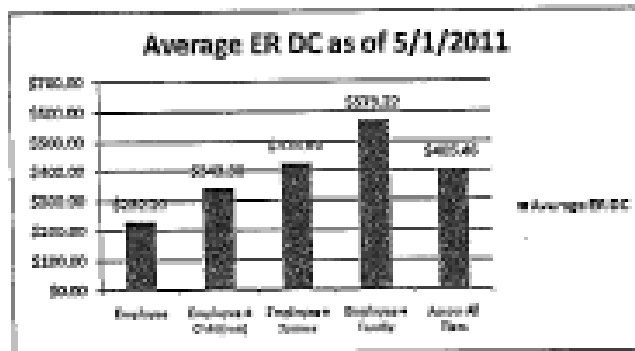


Figure 1: Average Employer Defined Contribution (source: OCHS)

Plan Choice: the board continued the discussion of last month about whether consumers are really shopping on the Exchange, considering the array of choices (most will have a choice of 70-120 plans). Ninety-two of the 146 plans offered on the Exchange have been selected by at least one enrollee on the Exchange. As evident in figure 2, low deductible/rich benefit plans are the most popular (mimics the external market). The upshot is, there is a plan for everyone, but the question is: are consumers shopping or are they just sticking with what's familiar. It will be interesting to see if/how this changes as plans renew for year 2.

Ind. Deductible	# of EE's
\$500	235
\$1,000	198
\$1,500	103
\$2,500	78
\$2,000	59
\$1,300	52
\$5,950	42
\$5,700	27
\$250	20
\$1,200	19
\$750	17
\$3,000	5

Figure 2: number of employees enrolled in plans by deductible. (source: OCHS)

The **call tree for customer support** will go live July 1, 2011, with the expectation of 90-95% first call resolution. This is an interim solution and will be reviewed in Jan 2012. Callers will get a recorded list of options that will direct them to the "right place": application + enrollment; inquiry and opt-out groups; carriers; and brokers (see figure 3).

Utah Health Exchange - Customer Service

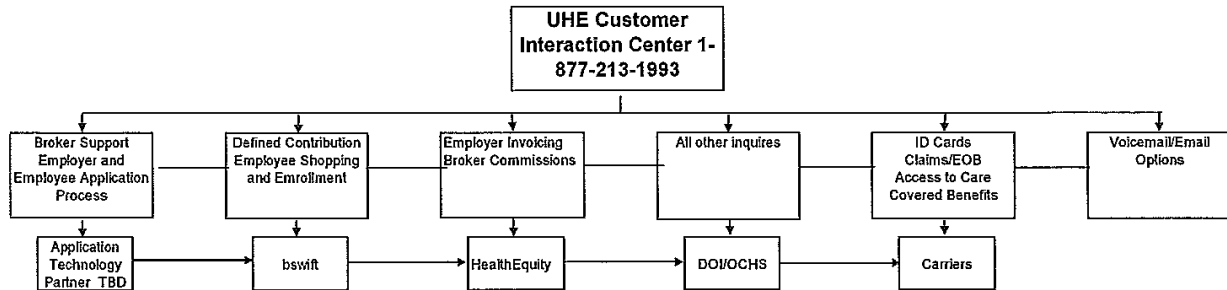


Figure 3: UHE Call Tree for Customer Service (source: OCHS)

The **problem with the “Best Fit” advisor** (a tool to help consumers sort through plans on the Exchange) identified last month is that it is using national, not local data. This will be resolved.

Consumer tools for comparison of value, cost, safety:

Tanji Northrup from the Dept of Insurance reported on the progress of building a data base to capture and display comparative information for consumers. It will be ready for a test run in September. This project is in collaboration with the Dept of Health Office of Health Care Statistics, the Governor’s Office of Economic Development, and HealthInsight.

Affordability and UPP (Utah Premium Partnership) integration:

Integration of UPP into the Exchange application is a priority for the Exchange staff this year. Issues include time lines for the Exchange enrollment and the need to have UPP in place before enrollment into a health insurance plan. Discussion ensued as to whether it would be possible to flag plans on the Exchange that are UPP qualified, and how to shuttle information back and forth between the Exchange and UPP.

Efficient utilization of premium subsidies should really help increase enrollment on the Exchange.

Consumer Feedback:

The Exchange is administering surveys to brokers, employers, and employees. The broker and employer surveys have already been sent out. There was discussion about what to include in the employee survey and concern about “how brokers would feel about employees being contacted” i.e., would they feel like “the State is checking up on you?” It was suggested that as long as the brokers were given a heads up about the survey there would be no problem.

The meeting closed with Korey Capozza, chair, commending the Exchange staff on doing data-based quality improvement.

Next Meeting:

June 22, 2011
10:00-11:30