

Where we are and where we're going...

- Developed options and recommendations informed by stakeholder input, review of national lessons and expert advice
- Provide an overview of options and recommendations for board and community input
- Comments invited both at this board meeting and in writing between now and May 31, 2012
- Staff will make revisions and prepare final recommendations for the Exchange Board
- Exchange Board decisions (likely for June 19th board meeting)
- Further research of outstanding issues and continued work to develop details

California Health Benefit Exchange Options for Potential Agent Payments

Option 1. Plans pay agents (commission based on market terms)

Option 2. Exchange pays agents (commission structure that parallels market)

Option 3. Exchange pays agents as Navigators

See Board Recommendation Brief for details.

Individual Market: Agents Payment Options

Board Recommendation Brief

From the perspective of the Exchange, the “certainty” reflected in the Board Recommendation Brief is that agents need to be part of assuring millions of Californians get the coverage and care they need. The Brief presents three options for payment to agents who facilitate enrollment of individuals in a plan offered through the Exchange and potentially for other program.

Options for Potential Agent Payment

Option 1: Plans Pay Agents

The Exchange allows plans and agents to determine mutually acceptable contracts and commissions, plans pay agents directly. Agents would need to be “certified” with the Exchange as Direct Benefit Assistants and meet terms (see Navigators and Assistants Recommendations, May 18, 2012).

Option 2: Exchange Pays Agents

The Exchange pays agents directly and sets the compensation rate for agents who enroll consumers in Qualified Health Plans, and potentially for assisting consumers in eligibility and enrollment processes for other programs

Option 3: Exchange Pays Agents as Navigators

The Exchange contracts directly with agents who enroll individuals in Exchange coverage and pays them the same as it pays Navigators.

Preliminary Recommendation: Allow for health plans in the Exchange to pay agents directly (Option 1)

Major Implementation Issues

Board Recommendation Brief

- Require Commission Parity Inside and Outside the Exchange
- Define Agent Role with Non-Exchange Eligibility and Enrollment
 - Option 1: Refer Medi-Cal or Health Families Candidates
 - Option 2: Assist Medi-Cal or Healthy Families Candidates
- Defining Scope of Agent Training/Certification
- Assuring Consumers' Access to Unbiased Information

Individual Market: Agents Payment Issues Needed Additional Development

Board Recommendation Brief

- Vesting or Grandfathering
- Navigator and Agent Payment Coordination
- Plan Contracts with Agents
- Role of Health Plans' Captive Agents
- Variation in Payment Amounts and Methods
- Establish Agent Participation Rules
- Transparency of Agent Payments
- Role of General Agencies
- Impact and Coordination with SHOP Operations
- Supplemental Product Sales
- Web-Based Agents

Next Steps

- Comments invited:
 - Written comments by May 31, 2012
 - Submit comments to info@hbex.ca.gov
 - Please use Comment Form available at Stakeholder Section of the Exchange Website
- Staff will make revisions and prepare final recommendations for the Exchange Board
- Exchange Board decisions (June 19th or July 19th board meeting)
- Further research of outstanding issues and continued work to develop details – an evolving process