

# California Health Benefit Exchange

## Vision and Mission

The vision of the California Health Benefit Exchange is to improve the health of all Californians by assuring their access to affordable, high quality care.

The mission of the California Health Benefit Exchange is to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.

## Consumer-focused

At the center of the Exchange's efforts are the people it serves, including patients and their families, and small business owners and their employees. The Exchange will offer a consumer-friendly experience that is accessible to all Californians, recognizing the diverse cultural, language, economic, educational and health status needs of those we serve.

## Affordability

The Exchange will provide affordable health insurance while assuring quality and access.

## Catalyst

The Exchange will be a catalyst for change in California's health care system, using its market role to stimulate new strategies for providing high-quality, affordable health care, promoting prevention and wellness, and reducing health disparities.

## Integrity

The Exchange will earn the public's trust through its commitment to accountability, responsiveness, transparency, speed, agility, reliability, and cooperation.

## Partnership

The Exchange welcomes partnerships, and its efforts will be guided by working with consumers, providers, health plans, employers and other purchasers, government partners, and other stakeholders.

## Results

The impact of the Exchange will be measured by its contributions to expanding coverage and access, improving health care quality, promoting better health and health equity, and lowering costs for all Californians.

# The Exchange's Process for “Evidence-Based Policy Making”

## **1. Legal Scope**

- Regulatory requirements
- Prohibited approaches
- Allowable alternatives

## **2. “Just the Facts”**

- Current California activities
- California and National relevant data

## **3. Stakeholder Perspectives**

## **4. Options and Recommendations**

## **5. Inform Exchange Blueprint and Request for Federal Support**

# Exchange Model Options

As part of Exchange Blueprint submission, States will indicate their chosen Exchange Model Option and complete the Blueprint accordingly

## State-based Exchange

State operates all Exchange activities; however, State may use Federal government services for the following activities:

- Premium tax credit and cost sharing reduction determination
- Exemptions
- Risk adjustment program
- Reinsurance program

Complete All Sections of Blueprint

## State Partnership Exchange

State operates activities for:

- Plan Management
- Consumer Assistance
- Both

State may elect to perform or can use Federal government services for the following activities:

- Reinsurance program
- Medicaid and CHIP eligibility: assessment or determination\*

Complete Only Blueprint Sections Applicable to Model

## Federally-facilitated Exchange

HHS operates; however, State may elect to perform or can use Federal government services for the following activities:

- Reinsurance program
- Medicaid and CHIP eligibility: assessment or determination\*

Completion of Blueprint Not Required

\*Coordinate with Medicaid and CHIP Services (CMCS) on decisions and protocols

As presented at HHS Exchange Grantees Conference 5/21/2012

# Exchange Application Structure

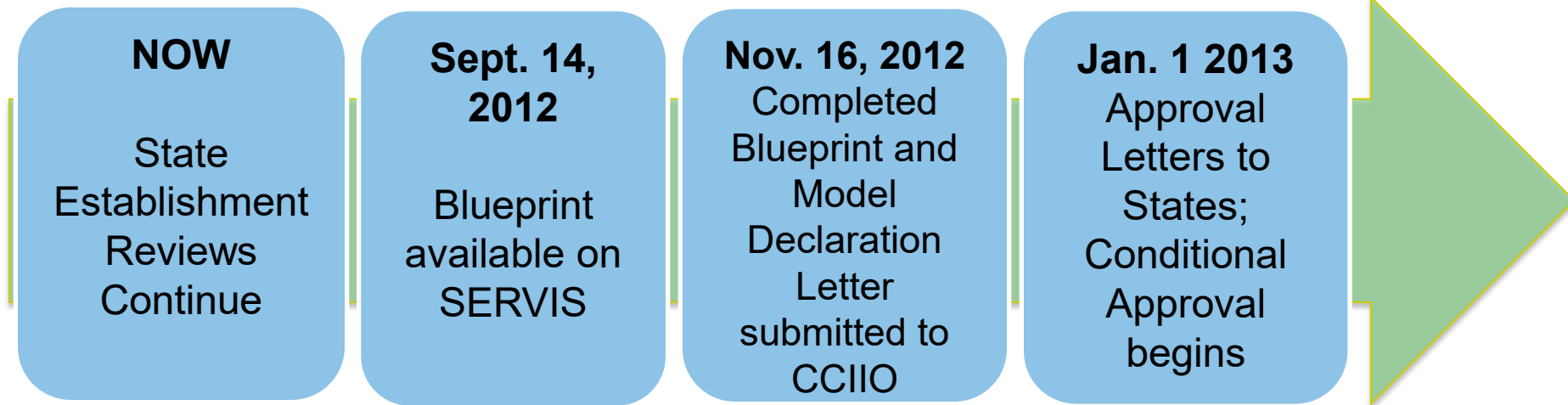
The Exchange Blueprint is structured around the **Exchange Activities** that a State must be able to perform in order to be approved as a State-based Exchange (SBE) or a State Partnership within a Federally Facilitated Exchange (FFE), consistent with the Affordable Care Act and associated regulations

Exchange Activities include:

1. Legal Authority & Governance
2. Consumer & Stakeholder Engagement & Support
3. Eligibility & Enrollment
4. Plan Management
5. Financial Management, Risk Adjustment & Reinsurance
6. SHOP
7. Organization & Human Resources
8. Finance & Accounting
9. Technology
10. Privacy & Security
11. Oversight, Monitoring, & Reporting
12. Contracting, Outsourcing, & Agreements
13. State Partnership Exchange Activities

As presented at HHS Exchange Grantees Conference 5/21/2012

# Exchange Blueprint Submission/Approval Timeline



As presented at HHS Exchange Grantees Conference 5/21/2012

# Federal Establishment Grant Application Timelines

## Recommended Path for California

Planned Quarterly Application Dates (Level 1 and Level 2)		
2012	2013	2014
<ul style="list-style-type: none"> <li>• August</li> <li>• November</li> </ul>	<ul style="list-style-type: none"> <li>• February</li> <li>• May</li> <li>• August</li> <li>• November</li> </ul>	<ul style="list-style-type: none"> <li>• February</li> <li>• May</li> <li>• August</li> <li>• November</li> </ul>

Current Level 2 Grant Application due: June 29, 2012  
 Final guidance on new application schedule anticipated soon.  
 Preliminary guidance is that funding can be used in three years following award.

**Staff Recommendation:**

- Prepare new Level 1 request for June 29, 2012; update February 2013
- Prepare Exchange Blueprint and Declaration for November 16, 2012

# Exchange Core Areas of Work

- Governance, legislative and regulatory activities
- Consumer assistance and outreach
- Eligibility and enrollment
- Qualified health plans and benefits
- SHOP
- IT infrastructure
- Operations
  
- Addressed in all Exchange core areas:
  - Background research
  - Stakeholder consultation
  - Program integration

**Note: Exchange core areas of work will be aligned to establishment grant core areas in California's application**



# Developing the Qualified Health Plan Strategy

## *The California Path to Achieving Effective health Plan Design & Selection and Catalyzing Delivery System Reform Stakeholder: Input on Key Strategies*

- Optimal Number of Plans to Offer
- Health Plan Selection
- Provider Networks
- Benefits and Cost Sharing
- Dental and Vision Coverage Options
- Delivery System Reform

Report posted on website [www.hbex.ca.gov](http://www.hbex.ca.gov) with full presentation to the Board in June 2012.

# California Health Benefit Exchange

## 2012 Working Discussion and Decision Calendar

May 22	June 12	June 19
<p><b>Information and Discussion:</b></p> <ol style="list-style-type: none"> <li>1.Scope/options for outreach and communications</li> <li>2.Options for assisters</li> <li>3.Options for Payment to Agents</li> <li>4.Options for SHOP</li> </ol>	<p><b>Information and Discussion:</b></p> <ol style="list-style-type: none"> <li>1.Consumer Outreach Focus Group Findings</li> <li>2.Service Center Options</li> <li>3.Consumer Assistance/Ombudsman Options</li> <li>4.Draft of Level 1 grant</li> </ol> <p><b>Potential Decision:</b></p> <ol style="list-style-type: none"> <li>1.Phase 1: Outreach and communications plan scope/nature</li> <li>2.Phase 1: Assisters and broker scope, policies and budget</li> </ol>	<p><b>Information and Discussion:</b></p> <ol style="list-style-type: none"> <li>1.QHP Stakeholder Report</li> <li>2.Cost Sharing Focus Group findings</li> </ol> <p><b>Potential Decision:</b></p> <ol style="list-style-type: none"> <li>1.SHOP operations and budget</li> <li>2.Final draft Level 1 grant</li> </ol>

**Working Timeline:** the Exchange Board may adjust meeting schedules and content.

# California Health Benefit Exchange

## 2012 Working Discussion and Decision Calendar

July 19	August 23	September 18
<p><b>Information and Discussion:</b></p> <ol style="list-style-type: none"> <li>1. QHP and benefit design policies</li> <li>2. Assister / navigator training and oversight solicitation</li> </ol> <p><b>Potential Decision:</b></p> <ol style="list-style-type: none"> <li>1. Consumer Assistance &amp; Ombudsman Programs</li> <li>2. Assister / navigator training and oversight solicitation</li> <li>3. Service Center</li> </ol>	<p><b>Potential Decision:</b></p> <ol style="list-style-type: none"> <li>1. QHP and benefit design policies</li> <li>2. Assister / navigator training and oversight solicitation</li> <li>3. Stakeholder Engagement Process</li> </ol>	<p><b>Potential Decision:</b></p> <ol style="list-style-type: none"> <li>1. Health plan solicitation document and model health plan contract</li> </ol>

**Working Timeline:** the Exchange Board may adjust meeting schedules and content.

# **Exchange Background Appendices:**

## **Federal Guidance on Exchange Blueprint and Establishment Grant Requirements**

# Recent Federal Guidance Released

- Exchange Blueprint application
  - Released May 16
  - Blueprint has two components:
    - Declaration Letter: allows a state to declare what type of Exchange it is interested in and what choices it will make within the Exchange
    - Blueprint Application: a compilation of attestations of completion or expected progress, submission of supporting documents and testing files. State can begin filling out the application online in September
- General guidance on federally-facilitated exchanges
  - Released on May 16
  - Outlines the Department of Health and Human Services' (HHS) approach to implementing a Federally-facilitated Exchange (FFE) in any State where a State-based Exchange is not operating

# Establishment Grant Application Components

Level 1 and Level 2 grant applications require the following components:

- Letters of support
  - Governor
  - Medicaid director
  - Insurance commission
  - Others as appropriate
- Project narrative
  - Demonstration of past progress
  - Proposal to meet program requirements
  - Summary of IT Gap analysis
  - Evaluation Plan
- Work plan with milestones over the entire project period
- Budget request for each 12 months of the project period
- IT systems including IT GAP analysis

## Additional Level 2 Application Components

Level 2 grant applications require the following additional components:

- Legal authority to operate an Exchange
- Governance structure
- Complete budget through 2014
- Financial sustainability plan
- Fraud, waste and abuse prevention plan
- Plan for assistance to individuals and small businesses

**For More Information:**

Visit our website at  
<http://www.hbex.ca.gov>  
And join our listserv