

## Goals of the Oregon Health Fund Board Committees

### **Benefits Committee**

The Benefits Committee will develop recommendations to the Board for defining a set(s) of essential health services that would be available to all Oregonians under a comprehensive reform plan. This committee will also examine subsidy levels and cost-sharing strategies that could be combined with the resulting set(s) of essential health services to create various benefit packages.

### **Delivery System Committee**

The Delivery Committee will develop policy options and recommendations to the Board for strategies to create a high performance health system that provides timely, efficient, effective, high value, safe and quality health care for all Oregonians. The recommendations will address cost containment as well as improving health outcomes and the experience of care. The Committee will have one focused work group to develop a health care quality institute for the state.

### **Eligibility and Enrollment Committee**

The Eligibility and Enrollment Committee will develop recommendations regarding eligibility requirements and enrollment procedures for the Oregon Health Fund program. This committee will address issues related to affordability, enrollment and disenrollment procedures, outreach, as well as eligibility as it relates to public subsidies and employer-sponsored insurance.

### **Federal Laws Committee**

The Federal Laws Committee will provide recommendations to the Board regarding the impact of federal law requirements on achieving the goals of the Health Fund Board, focusing particularly on barriers to reducing the number of uninsured Oregonians.

### **Finance Committee**

The Finance Committee will develop recommendations to the Board for strategies to finance a proposed comprehensive plan to expand access to uninsured Oregonians and to modify the operation of Oregon's non-group (individual) market to provide access to affordable coverage for individuals complying with an individual mandate for coverage. This committee will have one work group devoted to Insurance Market Changes/Health Insurance Exchange.

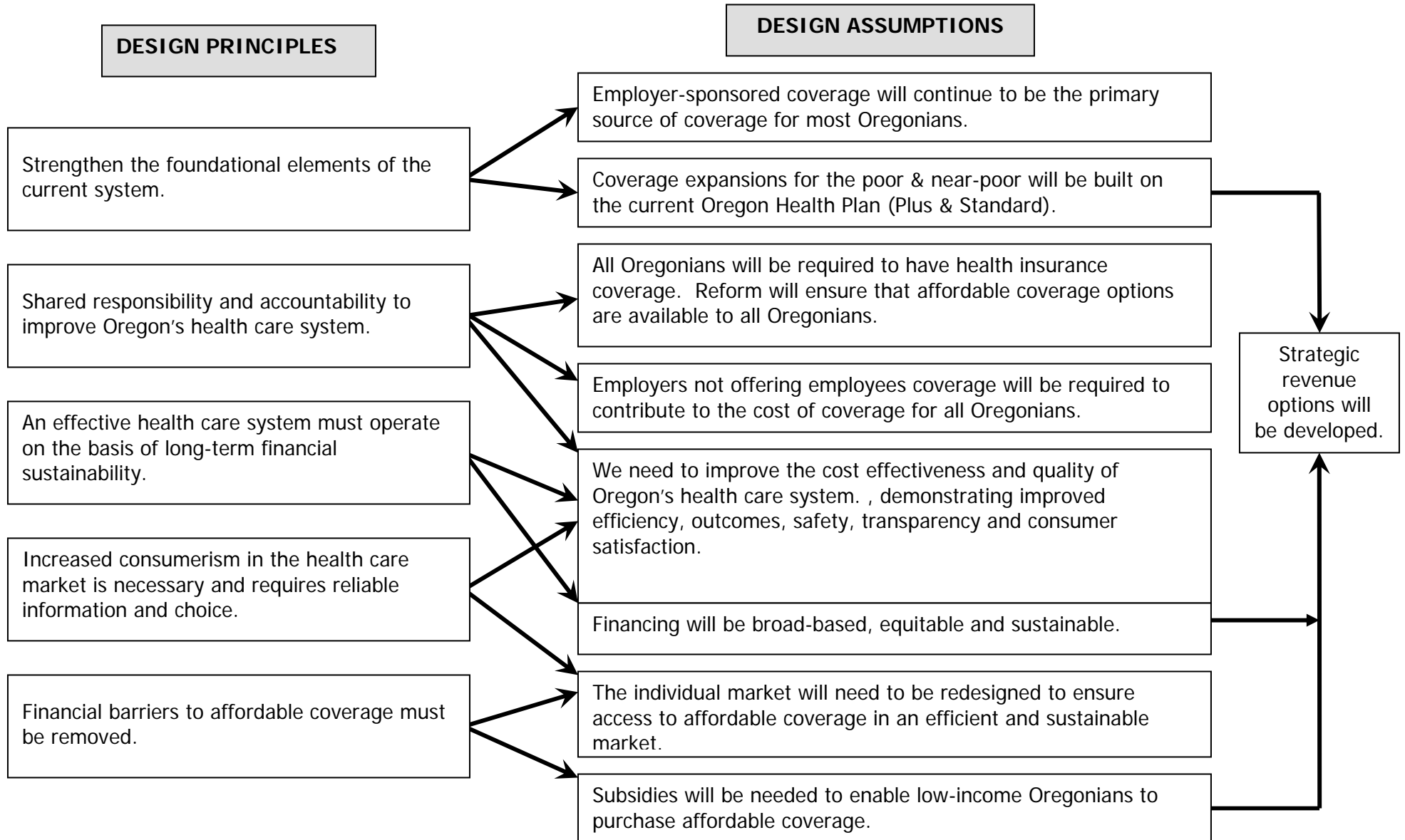
### **Health Equities Committee**

The Health Equities Committee will develop multicultural strategies for program eligibility and enrollment procedures and make policy recommendations to reduce health disparities through delivery system reform and benefit design of the Oregon Health Fund program.

# OREGON HEALTH FUND BOARD

## A Comprehensive Plan for Reform: Design Principles and Assumptions

11/28/07 DRAFT



**Market Reform & Health Insurance Exchange**  
**Initial “Issue Identification” List**  
**11/28/07**

**NOTE:** This list is not intended to be exhaustive. It is a starting place for the work of the Exchange Workgroup.

**A. Regulatory Changes to Insurance Market**

1. OHFB assumption: individual mandate
  - i. How is a mandate administered
  - ii. Exemptions
2. Will Oregon utilize guaranteed issue, maintain OMIP, or use a new process
3. What market changes will affect health plans

**B. Structure of an Exchange**

1. Type of entity (public/private/quasi-public, new agency/existing agency/state-sponsored private entity)
2. Governance
  - i. Administered by OHFB or some other entity
  - ii. If separate from OHFB, governing body (executive branch department, publicly appointed board of directors, CEO)
3. Funding
  - OHFB design assumption: Financing should be broad-based, equitable, and sustainable.
  - Health Policy Commission recommends sustainable, internally generated funding, could be supported by transaction fees, premiums, carrier membership fees, Medicaid administrative funds
4. Ensuring Viability – how to gain sufficient participation to be sustainable and influence quality and efficiency in the market

**C. Individual Participation (Under discussion by Eligibility & Enrollment Committee)**

1. Who will be allowed to use the Exchange (all individuals, subsidy-users, employees of small businesses, all Oregonians)
2. Which participants may enroll voluntarily
3. Will any participants be mandated to enroll, and if so which ones
4. Will enrollment periods be enforced, and if so for what period
5. Can an individual move from a Medicaid or subsidized plan into unsubsidized coverage and retain the same insurance without disruption
6. Effect on families with access to insurance for some but not all members

**D. Risk Adjustment**

1. Will the Exchange engage in risk adjustment for individuals enrolled through the Exchange

2. If so, how will this be accomplished (retrospective smoothing of costs among carriers/excess-loss claims subsidies to carriers/other)
3. Should the Exchange pool claims while keeping people in their own plans, with a percentage of ceded claims going to the primary insurer, the rest to a secondary insurer

#### **E. Employer Participation**

1. What employers will be able to participate in the Exchange
2. Incentives for employers to participate in the Exchange
3. Will employers be required to pay a minimum percentage of employee premiums to participate in the Exchange
4. Will the Exchange provide administrative functions for employer accessing health plans through the Exchange (such as customer service, enrollment, premium collection, billing, reconciliation, etc.)
5. Will the Exchange utilize a Third Party Administrator for some or all of these activities
6. What design elements influence employers continued willingness to offer employer-sponsored coverage
7. Will Exchange provide a premium aggregation function for individuals with multiple employers who may receive premium assistance from two or more employers. How would this work

#### **F. Health Plan Participation**

1. How to ensure inclusion of all affordable health plan options
2. Will all health insurers be allowed to participate, or will participation be limited
3. If participation is limited, how will plans be chosen
4. How to ensure meaningful variation in plan design
5. Requirements on participating plans (incentives for provider compensation, transparency, medical home, HER, etc)
6. Developing plans that manage care, quality, cost

#### **G. Section 125 Plans**

1. Will Exchange be involved with employers' use of 125 plans
2. Will some employers be required to offer 125 plans

#### **H. Brokers**

1. Role of brokers in reformed market
2. How can Exchange benefit brokers

#### **I. Tax Treatment**

1. Will individuals purchasing insurance be allowed to use pre-tax dollars to pay premiums

#### **J. Subsidy (Under discussion by Eligibility & Enrollment Committee)**

1. Who will be eligible for subsidy
2. Will subsidy be based solely on income
3. Will subsidies be available for any insurance purchase or only for insurance purchased through the Exchange

4. Are the same insurance products offered to subsidized and unsubsidized users of the Exchange
5. How will subsidies be funded (provider tax, payroll tax, other tax, general fund revenues)
  - i. If Federal funds are used, what restrictions apply
6. What is the interplay between the Exchange and the Family Health Insurance Assistance Program (FHIAP)

**K. Affordability Standard (Under discussion by Eligibility & Enrollment Committee)**

1. Definition of Affordability