

Health Reform Bulletin

Week of October 22, 2012

The back and forth on the health care reform law's impact on the future of Medicare continued last week as the Presidential candidates entered their second debate. President Obama reassured current and prospective Medicare recipients that Medicare providers, such as physicians and hospitals, will bear the cost of the law's \$700 billion reduction in projected spending. Governor Romney, as part of his push for the repeal of the president's signature health care legislation, repeated his commitment to cancelling the planned reduction in Medicare funding. Medicare, the Republican nominee asserts, need only be reformed for those in their 50s and younger.

States

ARIZONA: The Exchange Implementation Work Group met for the last time until after the presidential election, after which Governor Jan Brewer will decide on whether Arizona will proceed with a state-based exchange or some form of a federal exchange. Issues discussed but not resolved included participation and contribution requirements for the Small Business Health Options Program (SHOP); balancing narrow network products with network adequacy requirements and the offer and pricing of dental products. On the latter issue, health and dental carriers met prior to this meeting and were unable to reach a mutually acceptable resolution, which means the exchange

director will likely be the final arbiter. Finally, the Department of Insurance has requested that carriers submit a letter of intent by November 20 indicating whether they will participate in the exchange and the types and number of products they anticipate offering.

CONNECTICUT: The state continues to make progress with implementing a state-based health insurance exchange. Kevin Counihan, CEO of the exchange, reported at an October 18 board meeting that they have issued a Call Center RFP and expect to issue a SHOP services RFP in early November. Marketing staff of the exchange are close to finalizing their research on the name of the exchange as well as research that will be used to develop a marketing campaign in advance of open enrollment. Finally, the exchange's vendor previewed for the board a demonstration of the exchange's website portal. Board members urged the vendor to be especially attentive to all levels of literacy when finalizing their design. The Board will meet again on November 15.

MARYLAND: The Maryland Health Benefit Exchange and the Maryland Insurance Administration are hosting an exchange training seminar focused on plan management. The all-day session, scheduled for October 24 in Hanover, Md., will focus on several exchange topics including participation requirements with sample intent forms, benefit design requirements, rating rules information, sample business agreements, and



EMPLOYEE BENEFITS



an overview of the plan management module of the Maryland Health Connection web portal. Aetna plans to participate in the training. Additional details are available in an Insurance Administration [bulletin](#).

statutory requirements that prohibit carriers from offering generic-only prescription drug plans. The rule will be effective on November 8.

Courtesy of Aetna Health Reform Weekly

OKLAHOMA: The House Insurance Committee met recently to discuss an interim study specific to insurance coverage for college students. State Rep. Joe Dorman told the committee he would like to find out what insurance options could be made available for career technology students in Oklahoma. Eighteen institutions, including the state's largest universities, provide a health facility on campus while 12 institutions do not provide a facility. Insurance coverage is provided to all student athletes and some institutions make health care plans and information available to all students. Dorman said his intent is to work with Career Tech officials to create more opportunities for students. If no affordable policy can be worked out for a group rate, then options such as expanding coverage to Insure Oklahoma could be examined he said.

WASHINGTON: Staff recently issued a report on exchange sustainability to the Washington Health Benefit Exchange Operations Committee. The report included a recommendation to pursue legislation that would fund the exchange with a one-percent premium tax assessment for all fully insured business (both inside and outside the exchange) beginning in the second quarter of 2014. The exchange board is expected to consider the recommendation at its November 16 meeting.

On another issue, the Office of the Insurance Commissioner recently filed rules to incorporate

