

Health Law and Policy Update:

April 13, 2012

This week's updates

- [Health Insurance Exchange update: new opportunities for stakeholder involvement](#)
- [Board decision item: premium aggregation](#)
- [Opportunity for health advocates](#)
- [Colorado House of Representatives passes budget](#)
- [More about health reform](#)
- [Medicaid Adults without Dependent Children program launch](#)
- [Colorado selected to participate in Comprehensive Primary Care Initiative](#)
- [Dual Eligible Demonstration Contract stakeholder meeting next week](#)
- [CCLP's Advocacy Guide](#)

Headlines of the week

Health Insurance Exchange update: new opportunities for stakeholder involvement

The Colorado Health Benefit Exchange (COHBE) Board met on Monday. Much of their time was focused on hearing from a panel representing various Colorado health plans. The Board also discussed the formation of advisory groups, and took up a policy decision regarding premium aggregation.

During the first hour and forty five minutes of the meeting the Board posed broad questions to approximately ten representatives of Colorado health insurance carriers soliciting their thoughts and concerns about the formation of the exchange. The insurance carriers' views differed on some issues, but there was consensus on a number of concerns. Generally the plans were concerned that the timeline for establishing the exchange is short and they cannot move forward with the design of health benefit products until the state and federal government release further rules and regulations.

Health plan representatives did not agree, however, on the amount of flexibility that insurers should have when designing plans to offer in the exchange. Larger insurers, such as Anthem and United Healthcare, maintained that insurers should have the "utmost flexibility" to design plans free of "micromanagement" from the exchange or Division of Insurance. Smaller plans, by market share, argued that limiting the flexibility of insurers would level the playing field between insurance carriers, which could help to stabilize the insurance market. CCLP's position is that excessive benefit design flexibility could serve as a vehicle for health plans to shift costs or limit options for enrollees with high-cost or specialized health needs. For example, carriers could increase their use of "internal plan limits," such as restrictions on the number of visits for a particular service, in order to reduce their costs.

The second topic that the COHBE Board discussed was the formation of advisory groups to assist the board in its ongoing policy decision-making process. The bulk of this discussion addressed a COHBE staff [memorandum](#) that outlined guidelines and the process for forming advisory groups. This memorandum recommended forming three advisory groups beginning in May 2012, noting that additional advisory groups will likely be established in the future. CCLP submitted a [letter](#) to the COHBE Board in response to this memorandum recommending that the composition of the advisory groups and the scope of their work should be clearly defined and outlining a process to support meaningful stakeholder engagement on Board decision items.

COHBE advisory groups will provide important opportunities to involve technical experts, stakeholders, COHBE Board and staff members, and members of the public. We will continue to provide updates about opportunities for public and stakeholder engagement, and encourage your involvement.

Board decision item: premium aggregation

Finally, the COHBE board took up the only decision item on the agenda, which was whether the exchange should aggregate premiums in the individual exchange. Premium aggregation, which is required in the small group (SHOP) exchange, is the process by which the exchange collects premium payments from individual enrollees and then makes bundled payments to the insurance carriers. The law requires that individuals be permitted to pay premiums directly to health plans participating in the Exchange, but the question before the Board was whether COHBE should offer individuals the option of sending premium payments to COHBE and having COHBE make payment to the appropriate carrier. CCLP believes consumers should have a choice on this issue, and that it is likely to be more convenient for families whose members are not all insured by the same carrier to be able to send one payment to the Exchange. We submitted a [letter](#) to the COHBE board supporting premium aggregation.

Two of the three COHBE board members who represent insurance carriers, Steve Erkenbrack, CEO of Rocky Mountain Health Plans and Beth Soberg, CEO UnitedHealthcare, declared a conflict of interest and recused themselves from voting on the issue of premium aggregation. Board member Robert Ruiz-Moss, with Anthem, Blue Cross and Blue Shield, did not recuse himself, but said he wished to consult with counsel following the vote to determine whether a conflict existed. The conflict issue raised, we believe, is one of marketing, branding and customer loyalty: whether individuals see their primary insurance relationship as being with COHBE or their health plan. The potential problem for health plans is whether having people send their payments to COHBE undermines their customer relationships.

In the end, the Board elected to delay the vote on this issue until the next COHBE meeting, scheduled on Monday, April 23rd. As the COHBE Board continues to make policy decisions that raise potential conflicts of interest concerns, it will be crucial that board members adhere to a process for assessing potential conflicts in advance of a vote to the extent possible, and recuse themselves when necessary.

Please note that COHBE is hosting a conference call on Tuesday, April 17, 2012, 3 pm to 4 pm, to receive public input about the advisory group establishment process. Call in information is: 1-888-330-9939 pin 632148#.

More information is available at the [COHBE website](#). The agenda will be posted at the [COHBE website](#) prior to the meeting.

Opportunity for health advocates

CCLP, Colorado Public Interest Research Group (CoPIRG) and the Colorado Consumer Health Initiative will provide a briefing for health advocates on their joint report: 'Exchange Implementation in Colorado: Engaging the Consumer Perspective' next week.

When: April 19, 2012 from 2:00 pm - 3:30 pm

Location: First Baptist Church - 1373 Grant St - Denver, CO.

What: 700+ Coloradans participated in statewide focus groups and community forums about what they wanted from the Colorado Health Benefits Exchange.

Why: Come and learn about the findings and policy recommendations from the report and ways to raise your voice around health care reform.

Decisions about the Colorado Health Benefits Exchange won't work if it doesn't work for everyone. Together, we can ensure competition, transparency, accountability and consumer protections in Colorado's Exchange.

To register click [here](#).

Colorado House of Representatives passes budget

This week, the Colorado House of Representatives passed the 2012-13 state budget, already approved by the General Assembly's budget-writing panel, the Joint Budget Committee. The budget bill will be discussed in the Senate next week.

CCLP released an [issue brief](#) this week, highlighting the shortfalls that remain in the budget.

CCLP also released an [issue brief](#) last week on the Accountable Care Collaborative Program, a key piece of the Department of Health Care Policy and Financing's budget, which is designed to decrease costs and increase the quality of care offered in the Medicaid program.

[House Bill 11-1281](#) will most likely be discussed in the House next week. The bill would implement payment reform pilot programs, including likely a global payment pilot, within the existing structure of the ACC Program. CCLP supports the bill, as long it provides adequate funding to the Department of Health Care Policy and Financing, to effectively implement the pilots and safeguard patient access to appropriate care.

Advancing the debate

More about health reform

The Patient Protection and Affordable Care Act (PPACA) has already made health care more sensible and secure for Coloradans. **Because of the law, consumers with private insurance no longer face lifetime coverage limits, and many patients can receive free preventive services including cancer screenings, flu shots and well-baby visits.** Beginning in 2010, PPACA prohibited insurance companies from setting limits on the dollar amount of health benefits they will cover over the course of an insured's life. Beginning in 2014 insurance companies will not be allowed to place annual dollar limits on the amount of health benefits insured can receive. These changes mean that people who develop health problems that are costly to treat won't have to worry about running out of coverage.

Beginning on March 23, 2010, PPACA required that new health insurance plans provide coverage for many preventive services and screenings, and prohibited cost-sharing charges for these services. Examples of these services include blood pressure screenings for adults, cancer screenings, hearing and vision screenings for children and newborns, and major immunizations. These protections make it easier for families to stay healthy and catch signs of health conditions that can be devastating if they are not identified early.

This is the fourth in a series from the Health Law and Policy Update, featuring key facts about health reform to arm advocates and the public with clear facts about the law.

The first in the series was March 9: [Insurance companies are no longer allowed to deny insurance to children with pre-existing conditions.](#)

The second in the series was March 16: [Young adults can stay on their parents' insurance policies until age 26.](#)

The third in the series was March 23: [Insurance companies must spend most of your premiums on actual health services.](#)

Medicaid Adults without Dependent Children program launch

The [Adults without Dependent Children](#) (AwDC) expansion will provide Medicaid benefits to 10,000 eligible adults, ages 19 through 64, who are at or below 10% FPL, do not have a Medicaid-eligible dependent child living in the home and who are ineligible for Medicare and other Medicaid programs. Applications were first accepted on April 1, 2012 and the first randomized member selection process (lottery) will take place in mid-May 2012. Enrollment will be effective as of May 1, 2012. Clients will be automatically enrolled into the [Accountable Care Collaborative \(ACC\)](#) and will receive regular Medicaid benefits.

Here are additional resources:

- [AwDC Fact Sheet](#)
- [AwDC Eligibility and Enrollment FAQs](#) - The frequently asked questions for AwDC is a working document and will be updated as necessary

- [AwDC and CICP FAQs](#) - Quick link for information on program interaction between AwDC and the CICP
- [AwDC and ACC](#) - Quick link for information on program interaction between AwDC and the ACC
- [AwDC Manual](#) - This comprehensive resource geared toward eligibility staff has program and policy information and examples of client communications
- [Client one-page flyer](#) for counties and community partners to post at their sites
 - This gives high level program information meant to encourage clients to ask questions about the program
- [Client Correspondence Summary](#) - A guide to indicate which letters/communications clients may expect with reference to Version 2.0 of the [AwDC Manual](#)

What's new

Colorado selected to participate in Comprehensive Primary Care Initiative

Colorado was one of seven states selected this week to participate in the Comprehensive Primary Care (CPC) initiative, a new program from the Center for Medicare and Medicaid Innovation. The initiative is designed to increase collaboration between private and public health care payers and to strengthen primary care in the selected states. Medicare will work with private insurers and state health plans to offer bonus payments to primary care providers who choose to participate in the project. These primary care practices will also be offered additional resources to better coordinate care for their patients.

The Center for Improving Value in Health Care (CIVHC) played a key role in helping Colorado be selected, sharing information and coordinating applications from private insurers and the Colorado Medicaid Program. CIVHC will continue to participate and advise on the process as it moves forward.

More [information on the CPC](#) initiative is available from the Center for Innovation.

Opportunities for public engagement

Dual Eligible Demonstration Contract stakeholder meeting next week

Next Friday, April 20th, the Department of Health Care Policy and Financing, will hold a [stakeholder meeting](#) on the Dual Eligible Demonstration Contract. The meeting is from 1:30-3:30 p.m. at the Clayton Early Learning Center, Administration Building, 3751 Martin Luther King Blvd, Denver, CO 80205.

The meeting will be an opportunity to discuss the Demonstration to Integrate Care for Dual Eligibles proposal, which the Department will be submitting to CMS. There will also be a 30 day comment period on the proposal, beginning on April 13th and ending on May 13th. If approved, the proposal would move individuals eligible for both Medicare and Medicaid, into the Department's Accountable Care Collaborative Program.

More information on the Demonstration can be found on the Department's [website](#).

CCLP 's Advocacy Guide

CCLP released an [Advocacy Guide](#) this week

The Guide provides accessible information about how people can participate in decision making on public issues. The premise of the Guide is that people have more power than they think they do.

Even if you have never set foot inside the Colorado Capitol, even if you have never said what you really think except around the dinner table, you do have a voice in how Colorado's government works and how it affects your life. The key is to use your voice.

Here's the one piece of advice that's more important than anything else you'll hear or read: The government belongs to you. Speaking your mind and participating in your government is a right guaranteed since the founding of this country. You don't have to be highly informed. You don't have to be a great public speaker. You just have to be willing to share your experience. Be willing to teach what you know. Be willing to learn something, too. It's your government, and with your help it can be better.

Special thanks to the Kresge Foundation and the Women's Foundation of Colorado for making this guide possible.