



ACA Impacts & Updates

Theresa Barney, Manager of Operations & Health Care Reform



Small Group in Oregon



Definition of small group

Oregon HB 2466 amended definition

- Based on HHS, DOL or DOT at passing = 1 to 100
- August 2015 OID & HRRAC moved ahead

House Resolution 1624 (PACE) revised definition

- Retained 1 to 50
- Gives states option to extend 1 to 100

OID & HRRAC reconsidered Oregon's definition

- October 16, 2015 adopted temporary rule
 - Retained 1 to 50
 - Permanent rules to follow



Impacts of change in Size Definition

- 51-100

- More restrictive rating rules & additional benefit and cost sharing
 - Small group market plans must:
 - Cover 10 essential health benefits
 - Fit into the actuarial value levels (platinum, gold, silver and bronze) defined by the ACA.
 - Participate in the risk adjustment program and be part of a single risk pool for setting premiums.
 - Only consider age, geographic location, family composition and tobacco use in setting rates.
 - Large group plans are not bound by any of these requirements.
- Could result in more self funding
- Resulting in adverse selection

What can you do?



1094 / 1095 Reporting

Year 1 – what did we learn?



Changing timelines

Member reporting

- Original – January 31st
- Extended – March 31st

Submission was not required

Tax payers told to retain for record purposes

IRS Reporting

Paper Format

- Original – February 29th
- Extended – May 31st

Electronic Format

- Original – March 31st
- Extended – June 30th



Oregon and SHOP



Oregon Health Insurance Marketplace

Issued a Request for Proposal – Fall 2015

- SHOP & Individual
- Evaluating FFM vs. private options
- ‘Something’ in 2017 – unsure of what this meant

Request for Proposal - currently suspended

- OHIM is re-evaluating the options

CMS extended direct-enrollment for SHOP

- Plan years 2017 & 2018
- 2019 and beyond
 - Prepared to have SHOP in place or obtain 1332 State Innovation Waiver



Medical Loss Ratio

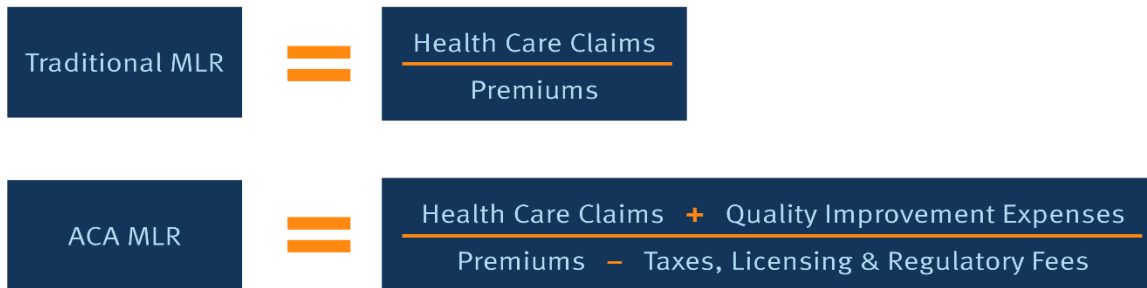


What is MLR?

Requires insurance providers spend majority of premium dollars on health care related expenses or issue a rebate:

- 80% - individual and small group
- 85% - large group

Medical Loss Ratio (MLR) Formulas: Traditional MLR and Affordable Care Act (ACA) MLR



Agent Commissions & MLR

Current guidance requires commissions are included in premiums...unless all of the following are met:

1. The law of the state in which the policy is siteused does not deem the agent or broker to be a representative of the issuer;
2. The policyholder is not required to utilize an agent or broker to purchase insurance and may purchase a policy directly from the issuer;
3. The policyholder selects, retains, and contracts with the agent or broker on his or her own accord;
4. The policyholder negotiates and is responsible for the fee or commission separate and apart from premium;
5. The issuer does not include these agent or broker commissions and fees in rate filings submitted to the applicable regulatory agency;
6. The policyholder voluntarily chooses to pass the fee or commission through the issuer and is not required to do so, or the policyholder pays the fees or commission directly to the agent or broker; and,
7. The policyholder issues the 1099 to the agent or broker, if a 1099 is required.



2017 Letter to Issuers & Notice of Benefit & Payment Parameters

Impacts to plans & what's new



Impacts to plan designs

- Option to offer Federal Standardized Plan – Not required
 - New options in addition to Oregon Standard Plans
 - Six options available
 - 1 gold, 1 bronze, 1 silver and 3 silver variations
- Plan years limited to 12-months
 - May be shorter but cannot be longer
- Maximum out of pocket increases - \$7,150 per individual, \$14,300 per family



What's new for 2017

- Notice of provider termination
 - Good faith effort to notify 30-days prior to termination
 - If termed without cause & member in active treatment
 - 90-day continuity of care transition period
- Network Breadth Rating – Standard, Broad or Basic
 - Based on data provided in certification process
 - Compare contracted providers vs. all providers in all QHP's per county. Hospitals, adult & pediatric primary care.
 - Additional guidance during plan certification
- Quality Ratings
- SBC Template changes
- Open enrollment
 - November 1st – January 31st – 2017 & 2018
 - November 1st – December 15th – 2019 & After
- SEP's will require documentation and verify eligibility





Delta Dental of Oregon & Alaska

modahealth.com