

Family Medicine Principles for State Health Insurance Exchanges



AMERICAN ACADEMY OF
FAMILY PHYSICIANS

STRONG MEDICINE FOR AMERICA

What We Will Cover

- Background
 - General Structure
 - Plan Offerings
- Currently Operating Exchanges
- Family Medicine Principles
- Questions?

Background: General Structure

- To form or not to form?
 - Operated by a state agency or a non-profit?
- States must make choices:
 - Let the Feds do it or run it ourselves?
 - Combine the individual and small group markets?
 - “Advanced” exchange planning
 - Regional Multi-State
 - Regional Intra-State

Background: General Structure

- HHS will issue grants to states for planning and start-up
- Exchanges are to become fully self-sufficient
 - No federal operational funds after 2014
- HHS will certify that exchanges are compliant in 2013
 - Need to be ready to go on January 1, 2014

Background: General Structure

- What would FPs in your state think an ideal insurance plan looks like?
 - Benefits offered to patients
 - Incentives offered for high value primary care
- States will be responsible for setting guidelines and regulating products offered on the exchange

Background: Plan Offerings

- Exchanges will only offer “qualified coverage”
 - Exchanges determine which plans are
 - HHS sets the basic standard for rating plans
- Consumers will choose plans divided into four categories
 - Bronze, Silver, Gold, Platinum

Background: Plan Offerings

- Bronze
 - Actuarial equivalence of 60%
- Silver
 - Actuarial equivalence of 70%
- Gold
 - Actuarial equivalence of 80%
- Platinum
 - Actuarial equivalence of 90%

Background: Plan Offerings

- Silver and Gold
 - Participating insurers must offer at least one plan in each category
- Premium Subsidies
 - Based on the second lowest cost silver plan



Current Exchanges

- Massachusetts Connector
 - Active Purchaser Model
 - Dedicated to plan evaluation and oversight
- Utah Health Exchange
 - Open Market Model
 - Any willing plan allowed to participate
- It is *not* an either-or choice
 - States have flexibility

Family Medicine's Principles

- Exchanges offer states a means to drive delivery system reform
- Primary care is proven to be the foundation of high-performing health systems
 - WellMed
 - Geisinger Health System
 - Group Health Cooperative

Eight Principles

1. Fair Representation of Stakeholders
2. Payment for PCMH & Enhanced Access
3. Standardized Contracting
4. Set Primary Care Targets
5. Require Robust Primary Care-Based Essential Benefits
6. Presume Eligibility
7. Reward Quality
8. Protect Consumers & Physicians



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Fair Representation

- The exchange's governing body should include, by statute, at least:
 - One seat for Consumers
 - One seat for Primary Care Physicians
 - The total number of both should be in at least equal proportion to the total seats allotted to:
 - Insurers,
 - Specialty Medicine,
 - Health Systems and Other Stakeholders.



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PCMH & Enhanced Access

- Benefit design should incentivize primary care.
- “Qualified Coverage” for should include enhanced payment for:
 - Patient-Centered Medical Home,
 - Care Coordination, and
 - Enhanced Access, through
 - e-Visits, Open Scheduling and Expanded Hours.



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Standardized Contracting

- Standardize physician contracting across all plans in exchanges.
 - Enrollee applications will be standardized.
 - Harmonize standard contracting rules across all states participating in multi-state exchanges.
- "All products clauses" must be prohibited.



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Set Primary Care Targets

- Set targets for how much exchange plans should spend on primary care spending.
 - A single goal?
 - X% by the year 20XX
 - A staggered approach?
 - X% per year for Y years
- A modest investment in PC has a profound impact on the health system.



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Require Robust Primary Care-Based Essential Benefits

- Benefits packages must include important front-end investments in patient health:
 - No co-pay for out-of-network PC services,
 - Low- or no-cost medications for certain chronic diseases (like asthma), and
 - Incentives for patient engagement



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Presume Eligibility

- Allow enrollees to access PC services immediately through presumptive eligibility
- ACA provides
 - Presumptive Eligibility for Medicaid Applicants
 - First-Dollar Coverage of Preventive Services
 - Guaranteed Issue
- Combine the policies to help FPs provide essential services



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Reward Quality

- Align quality measures across exchange plans
- Coordinate measures with
 - Medicaid
 - CHIP
 - State/local employee health benefits plans
 - Medicare (when possible)



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Protect Consumers & Physicians

- Open access to consumer assistance and information offices
 - Consumers, obviously, are the focus
 - Physicians should be allowed to access these programs' services to
 - Advocate for their patients
 - Advocate for their practices
 - Advocate for their communities



Questions?