

December 5, 2013

Arkansas Health Insurance Marketplace: Governance and Related Activities

SBM Core Areas for Initial Assessment/Research

December 2013 – March 2014

Legal Authority and Governance

- Consumer and Stakeholder Engagement and Support - Stakeholder and Tribal Consultation Plan (1 of 4)
- Consumer and Stakeholder Engagement and Support - Call Center (4 of 4)
- Eligibility/Enrollment
- Plan Management
- SHOP
- Organization and Human Resources
- Finance and Accounting
- Technology
- Privacy and Security
- Oversight / Monitoring / Reporting
- Re-Use

- Arkansas focus
- Measure against comparable states
- Incorporate lessons learned and best practices
- Necessary for Blueprint, Level 1 and Level 2 Grants

ACA Governance Expectations

✓ Sets broad parameters to allow flexibility –

- May be governmental, quasi-governmental or a non-profit entity established by the state;
- States may operate state, regional, or subsidiary exchanges;
- Exchanges may perform all required functions in-house or contract out key services.
- ✓ Established by Legislative Authority
- ✓ ACA expects diverse and knowledgeable governance, with representation and input from those served by the HIM
- □ACA expects states to maximize resources
- ☐Governance is reviewed as part of:
 - Blueprint Requirements for HIM
 - Level I and Level II Establishment Grant Requirements and Reviews
 - Future CMS Gate Reviews

Section 1311(d) gives States the option to establish the Exchange as a governmental agency or nonprofit entity. Within the governmental agency category, the Exchange could be housed within an existing State office, as it is in Utah, or it could be an independent public authority, as it is in Massachusetts. Regardless of its organizational form, the Exchange must be publicly accountable. transparent, and have technically competent leadership, with the capacity and authority to take all actions necessary to meet federal standards, including the discretion to determine whether health plans offered through the Exchange are "in the interests of qualified individuals and qualified employers" as Section 1311(e)(1) requires. The Exchange also must have security procedures that meet the data and privacy standards necessary to receive tax data and other sensitive information needed for enrollment. (DHHS, Initial Guidance to States on Exchanges, 2011)

Governance Requirements

States have responded to in different ways

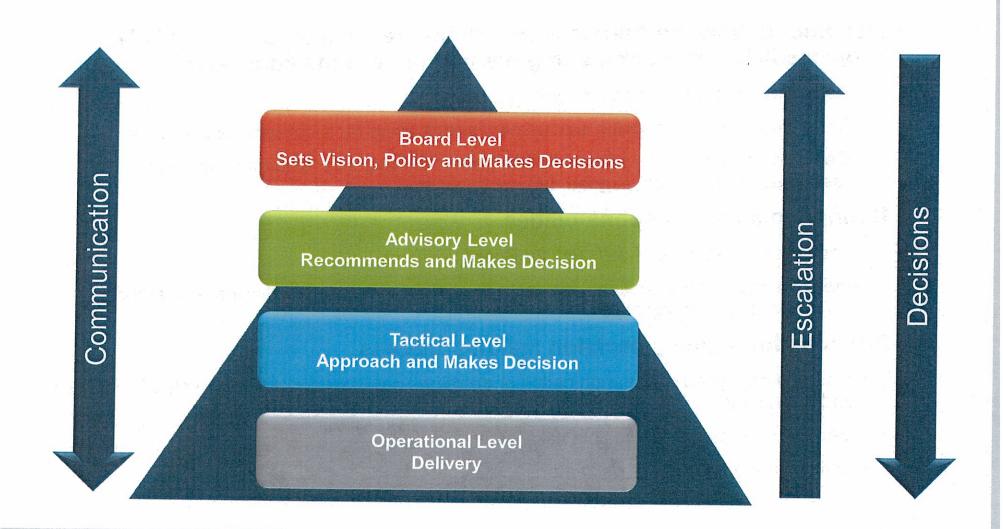
- Multiple Health Insurance Marketplace Models (includes D.C.)
 - 27 Federally-facilitated Marketplaces (FFM)
 - 17 State-based Marketplace (SBM)
 - 7 State Partnership Marketplace (SPM)
- Flexible Governance and Administration structures
 - Agency top-down methods that primarily involve state
 - Quasi–Governmental the use of private marketplace to allocate resources while operating under government regulation
 - Non-Profit public/private partnerships or with the collaboration of community organizations
- Possible plans to move from FFM / SPM to SBM
 - Presently under consideration in Arkansas
 - Idaho, New Mexico planning for potential shift in 2015
 - Illinois, Delaware planning for potential shift in 2016

Creating an AHIM Governance Plan

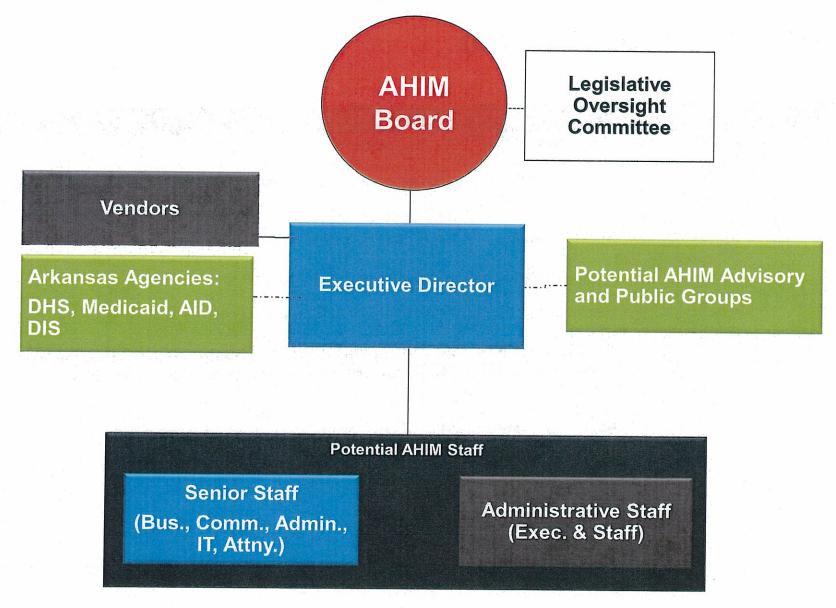
What is a Governance Plan?

- Documents how the Arkansas Health Insurance Marketplace (AHIM)
 Project will be structured and governed in both the short and long-term
 - Assess current Marketplace models and authority
 - Set expectations for ongoing assessment and findings for requirements and gaps
 - Decision on/transition to potential State Based Marketplace, ensuring necessary resources are procured, aligned and not duplicated
- Defines roles and responsibilities
 - Focuses on the levels of authority for Board
 - Identifies the communications, interactions and coordination in activities, and among committees and workgroups
- Provides for a timely decision making process
 - Methods and types of communication of decisions between and among levels of oversight and operations
 - Identifies and plans for possible risks/issues/changes
 - · Defines when and how to escalate

Governance Model - Roles / Responsibilities Flow



Governance Decisions on Organizational Structures/Relationships



Governance Model Detail

Level	What	Responsibilities
Board of Directors	Sets vision, policy and makes decisions	Has overall authority for the project
		Provides or designates accountable 'point person' or team for all key decisions and milestones
		Provides leadership, sets vision and direction for the Arkansas
		Provides Marketplace Project and policy leadership
		Ensures that the deliverables and functionality of the project are achieved
		 Reviews executive level status of the project, assessing constraints (time, cost, and scope) to align Illinois Marketplace Project progress with program vision and direction
	•	Approves changes to the project scope, budget, and schedule
		Makes decisions about escalated change requests/issues/risks raised by and affecting the Arkansas Health Insurance Marketplace Project
		Makes decisions about recommended mitigation and/or recovery plans
		Creates and Directs any Committees and vendors to research and provide input for decisions
		Reports to Legislative Oversight Committee

Defining Cornerstones of Program Governance

First Steps - Establishing the AHIM Purpose and Direction

Mission Statements Purpose for existence - present based

Vision Statements Describes what is expected for the future **Guiding Principles** Defines the beliefs for the project Identifies the measurable outcomes for **Objectives** the project's vision

Project Planning

- Project Management Plan (PMP) Once defined, initial governance incorporated into a document that describes how the project will be executed, monitored and controlled, including:
 - Project Scope The work performed to deliver a product, service, or result with the specified features and functions
 - Staff Management A description of decision making bodies, roles and responsibilities and how decisions will be made.
 - Project Schedule (Project Work Plan) An output of a schedule model that presents linked activities with planned dates, durations, milestones and resources.
 - Risk/Issue Management A process whereby an uncertain event or condition is identified and documented that, if it occurs, has a positive or negative effect on one or more project objectives.
 - Change Control A process whereby modifications to documents, deliverables, or baselines associated with the project are identified, documented, approved, or rejected.
- Communication Management Plan A component of the project, program, or portfolio management plan that describes how, when, and by whom information will be administered and disseminated.

Communication Planning

Marketplace Communication Plans and Activities

Internal Communication

Internal Communications Plan

Formal governance related documents will be produced for communication purposes. including:

Vision, Guiding Principles and **Project Objectives** Roles and Responsibilities **Protocols**

Internal Project Communication Plan

Project Communication Plan

Describes the processes, roles, responsibilities, protocols and management of internal communication for:

Project Status Project Issues **Project Change Control** Project Risks Project Issues

Project Milestones/Deliverables

External Communication

External Communication Plans

Who Stakeholders Focus Groups Advocacy Groups Other Agencies Public Consumer Media

What Communication Matrix **Project Updates** Core/Key Messages Education Outreach

Suggested Next Steps – Governance Activities

December 2013 - March 2014

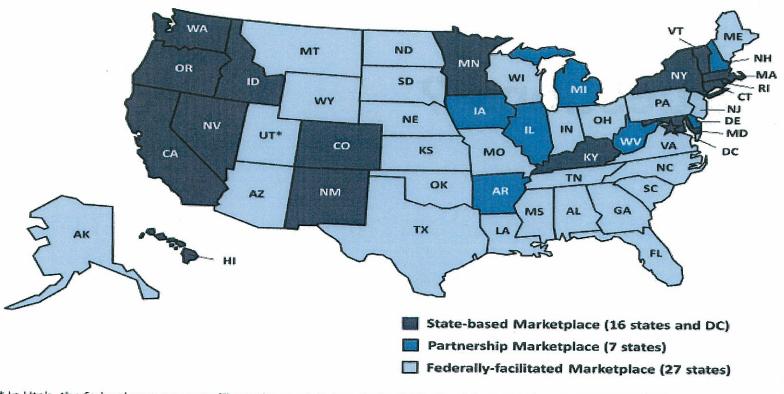
- Board should identify 'point person' for key areas (e.g., governance, communication, staffing, etc.)
- Propose scheduling and meeting Board Members to:
 - Identify short-term/long-term purpose & objectives
 - Capture AHIM roles and responsibilities (i.e., Board, potential subcommittees, need for staffing)
 - Discuss issues around operations and project management (e.g., decision making, risk management, issue management, change order process)
 - Define communicate processes and how best to engage key participants/impacted groups
- Use feedback to present findings and begin to document plans on:
 - Governance
 - Project Management and Communication

Questions?

Appendix I

Map of Health Insurance Marketplaces

States Health Insurance Marketplace Decisions, May 10, 2013



^{*} in Utah, the federal government will run the marketplace for individuals while the state will run the small business, or SHOP, marketplace.



Appendix II

Example of Idaho Governance Map

Idaho State Exchange Strategy

Core Philosophy & Organizing Principles

This is a dynamic time and we need to remain flexible

- Meet state of Idaho enabling legislation
- * Create a cost effective, efficient, effective, consumer-friendly state exchange run by Idahoans for
- Flexibility to adapt year after year to the changing health care market place justalnability to support market stability, longevity, and a strong Exchange

Short Term Goals (Track One)

Implementing a state exchange requires moving quickly, creatively

- · We must move quickly and act creatively to meet tight deadlines and maintain state control
- We believe technology already developed for the federal government can be used effectively and temporarily to meet our deadlines for setting up a state exchange
- This is a sensible, responsible first step while we carefully build alternative components for the state exchange
- This will not result in a Partnership or federal Exchange; it will be a Statebased exchange.

A state-based health insurance exchange run by Idahoans, for Idahoans

provides additional access and consumer choice

Long Term Goals (Track Two)

Implementing a long term sustainable state exchange requires a deliberate approach

- Idaho is building and will have a consumer-friendly state-based exchange run by Idahoans for Idahoans
- Vendors need time to properly integrate exchange components to meet Idaho's long term needs; will transition in mid-year 2014

Affordable Care Act (ACA) Exchange Requirements

The ACA requires health insurance exchanges in each state

- October is the deadline to begin exchange enrollment
- If we don't have our state-based exchange operational by October, the federal government will impose a federally controlled exchange on the state
- Required benefits and consumer options provide additional choice for Idahoans shopping for health insurance coverage