


Examining the Continuum of Coverage Proposals: Key Design Elements


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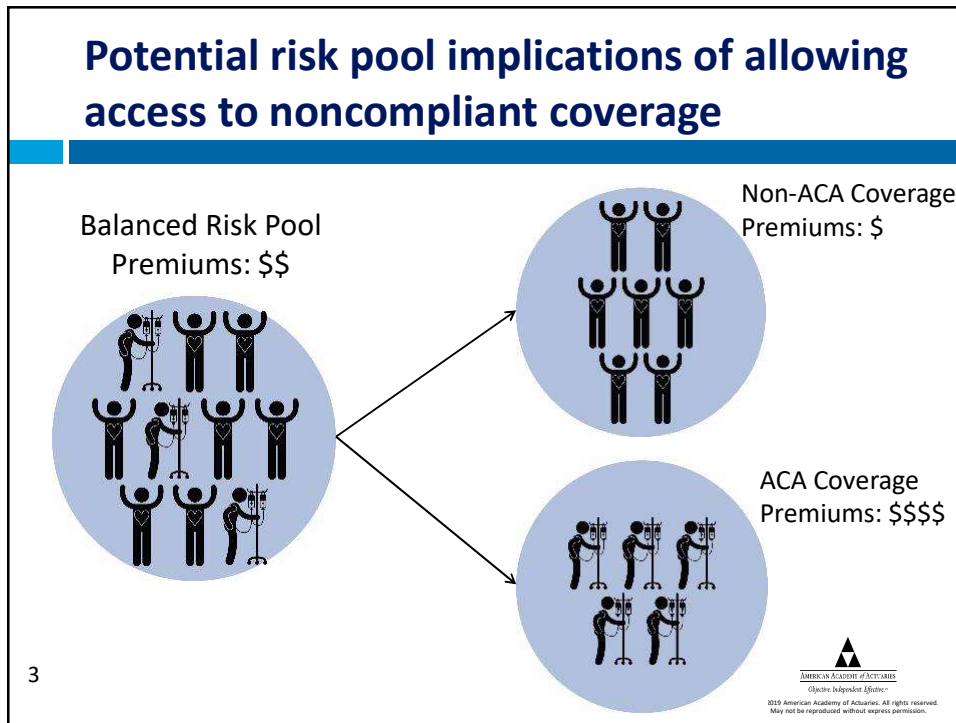
Keys for a sustainable individual health insurance market

- Individual enrollment at sufficient levels and a balanced risk pool
- Stable regulatory environment that facilitates fair competition
- Sufficient insurer participation and plan offerings to provide insurer competition and consumer choice
- Slow spending growth and high quality of care

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- ### Considerations when expanding access to public plans
- Goals of the program
 - e.g., increase access to affordable coverage, increase plan availability, reduce the number of uninsured, lower provider prices
 - Type of approach
 - e.g., public plan option, Medicaid buy-in, Medicare buy-in, Medicare for all
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Who is the eligible population?

- All?
- Individuals of certain ages?
- Individuals without access to other coverage?
- Individuals in particular geographic areas?
- Can employers enroll workers in the public plan?
- Are any individuals/groups automatically enrolled?

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Would enrollment in public plan be mandatory or optional?

- If public plan is one among other coverage choices, how will rules of the public plan compare to those of other coverage options (e.g., issue and rating rules, benefit coverage requirements, health insurer rules)?
- If the rules differ, there could be selection effects between public plan and other existing markets.

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Would coverage be offered through the ACA exchanges?

- Would the exchanges be used as an enrollment mechanism only?
- Would the public plan be part of ACA single risk pool?
 - Difficult to accomplish if it doesn't follow the ACA rules.

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What benefits would be covered and what patient cost-sharing would be required?

- Would benefits/cost-sharing follow ACA essential health benefit and actuarial value requirements? Medicaid benefits? Medicare benefits?
- Would supplemental coverage (e.g., Medigap) be available?
- Would ACA cost-sharing subsidies be available?

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How would premiums be set?

- Would premiums be self-supporting or would they be subsidized by state or federal government?
 - Would there be any cross-subsidies between buy-in populations and current Medicare/Medicaid populations?
- Could individuals use ACA premium subsidies toward the public plan premium?
- How would premiums vary by age, geographic area, or other factors?

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Would private plans be available?

- Would Medicare Advantage or Medicaid managed care plans be available?
- If so, would there be separate plans and bids for newly eligible and currently eligible populations?
 - Would private insurers have to cover both populations?

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Other important design elements

- What would the enrollment process be?
- How would the program be financed?
- How would provider payment rates be set? Would there be provider networks?
- How would the transition be handled?

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For more information

- *Expanding Access to Public Insurance Plans*
<http://www.actuary.org/files/publications/PublicInsurancePlans.pdf>
- *Risk Pooling: How Health Insurance in the Individual Market Works*
<http://www.actuary.org/files/publications/PublicInsurancePlans.pdf>

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