



Alliance For Health Care Reform

The ACA: Experiences in Health Care Coverage
and Access

July 1, 2015

Kevin Lucia, M.H.P., J.D.



Presentation Overview

- **Financial Sustainability of SBMs**
- **Consumer Challenges**
 - Network Adequacy
 - Balance Billing
 - Continuity of Care
- **Transparency Data**



State-Based Marketplaces-Post King

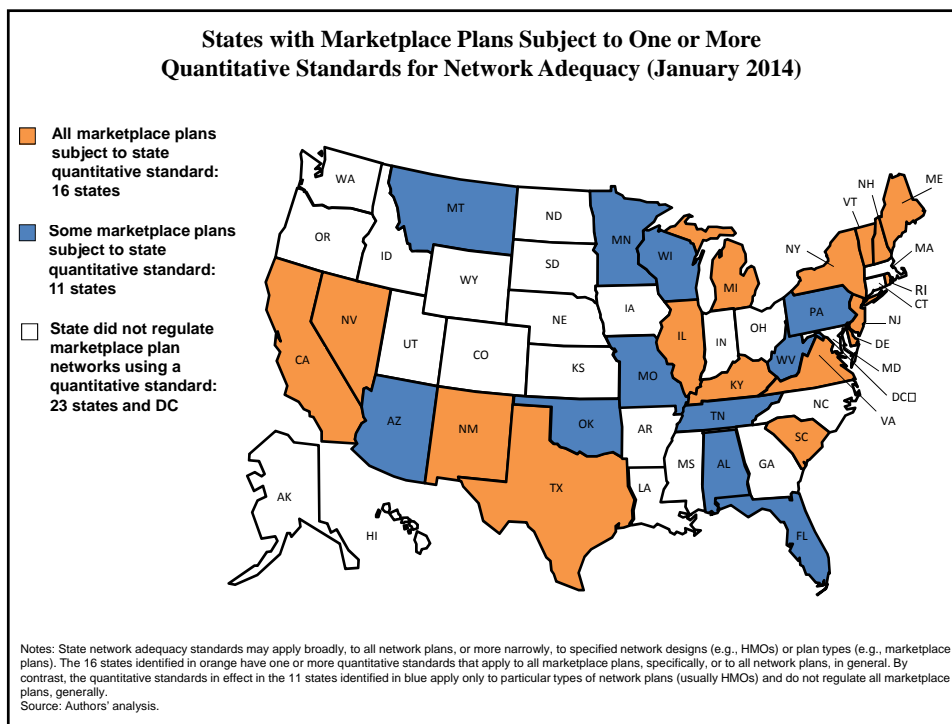
- **Marketplace Model Transitions**
 - SBM to Supported SBM (HI)
 - FFM to SBM (AR)
 - WHY? Policy control; Medicaid integration
- **Financial Sustainability**
 - Most SBM States have an assessment on health plan premiums
 - Fluctuations in enrollment and premiums make financing difficult; Some states revising
 - Significant variation in budgets
 - Cost allocation between SBM and Medicaid
 - Identify cost drivers (call centers, IT maintenance) and efficiencies



Marketplace Plan Networks

- **Setting in 2014, 2015, likely in 2016**
 - Issuers-Narrow network strategy
 - Consumers- Price sensitive
- **Consumer Concerns**
 - Lack of information in plan selection process
 - Inaccurate information
 - Lack of access to mental health/substance use services
 - Lack of choice of plans in some areas
 - Lack of communication from carriers





State Action in 2014: 50-State Survey

- Few significant changes since 2014
 - New quantitative requirements: 3 states
 - New requirements to update provider directories: 5 states
 - Strengthened oversight requirements: 6 states
- <http://www.commonwealthfund.org/publications/issue-briefs/2015/may/state-regulation-of-marketplace-plan-provider-networks>



Policy Development: Major Challenges Related to Network Adequacy

- **Balancing Price and Access**
 - Quantitative or qualitative standards?
- **Transparency of Provider Directories**
 - Easier said than done!
- **Not yet addressed (in most states): surprise or unexpected “balance bills” and disruptions of care when moving between providers and/or plans**



Balance Billing

- **What is a Balance Bill?**
 - Unexpected bill beyond that paid by insurer
 - Approx. 1/3 of privately insured in last two years (Consumers Union)
- **Occurs in Multiple Settings**
 - Emergency Room “Unexpected Billing”
 - Network Hospital “Surprise Billing”
- **No Federal Protection, State Protections Vary**
 - One-fourth of states provide some protection
 - Disclosure; Hold Harmless; Balance Billing Prohibition
- **Recent Legislative Activity**
 - Examples include, NY, CT, NJ



Continuity of Care

- **Disruptions of Ongoing Care**
 - Participating provider terminated from current plan
 - Provider not participating in a new plan
- **Limited Federal Protection**
 - 2016 Guidance encourages insurers to have transitional policies
- **State Protections Vary**
 - Limited to specific providers, medical conditions, duration
- **Recent State Action**
 - DC Health Link



Transparency Data

- **Capturing insurer behavior and consumer experience under the Affordable Care Act**
- **Insurers Must Disclose:**
 - 8 categories of information, such as claims payment policies and practices, claims denied, etc.
 - Other information as determined appropriate by HHS
- **Critical to Inform and Guide Upcoming Policy Decisions**



Thank you! Questions?

**Kevin Lucia, M.H.P.,
J.D.**

Research Professor
(202) 687-4928
kwl@georgetown.edu

