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# Maryland's Progress with Coverage Expansion Under the ACA

**Joshua M. Sharfstein, M.D.**

Secretary, Maryland Department of Health and Mental Hygiene

Chair, Board of Maryland Health Benefit Exchange

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## Timeline

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### **March 23, 2010**

President Obama signs the Affordable Care Act into law, requiring states to either establish and operate a Health Benefit Exchange by 2014 or participate in a federal Exchange

### **March 24, 2010**

Governor O'Malley establishes a planning process, to involve >20 public meetings. Studies show potential to cut rate of uninsured in half, bring >\$500 million in subsidies for insurance, and be net positive for MD budget over next decade.

### **April 12, 2011**

Governor O'Malley signs the Maryland Health Benefit Exchange Act, which establishes Maryland's Exchange as a public corporation and requires submission of studies on key policy issues

### **June 3, 2011**

Exchange Board holds its first meeting and begins to hire great staff

### **December 23, 2011**

Based on extensive public input and four advisory committees, exchange delivers recommendations to General Assembly

### **April 2012**

Legislature passes legislation defining and authorizing key exchange policies

### **January 1, 2013**

Exchange to be certified for operation by the federal government

### **October 1, 2013**

Individuals and groups to begin enrolling in the Exchange

### **January 1, 2014**

The Maryland Health Benefit Exchange to be operational, Medicaid expansion in place

# Exchange Board

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**Joshua M. Sharfstein, M.D. – Chair**

*Secretary, Maryland Department of Health and Mental Hygiene*

**Darrell Gaskin, Ph.D. – Vice-Chair**

*Associate Professor, Johns Hopkins Bloomberg School of Public Health*

**Therese Goldsmith, J.D., M.S.**

*Commissioner, Maryland Insurance Administration*

**Ben Steffen, M.A.**

*Acting Executive Director, Maryland Health Care Commission*

**Georges C. Benjamin, M.D.**

*Executive Director, American Public Health Association*

**Jennifer Goldberg, J.D., LL.M.**

*Assistant Director of Advocacy for Health Care Law and Elder Law, Maryland Legal Aid Bureau*

**Enrique-Martinez-Vidal, M.P.P.**

*Vice President, Academy Health and Director, State Coverage Initiatives*

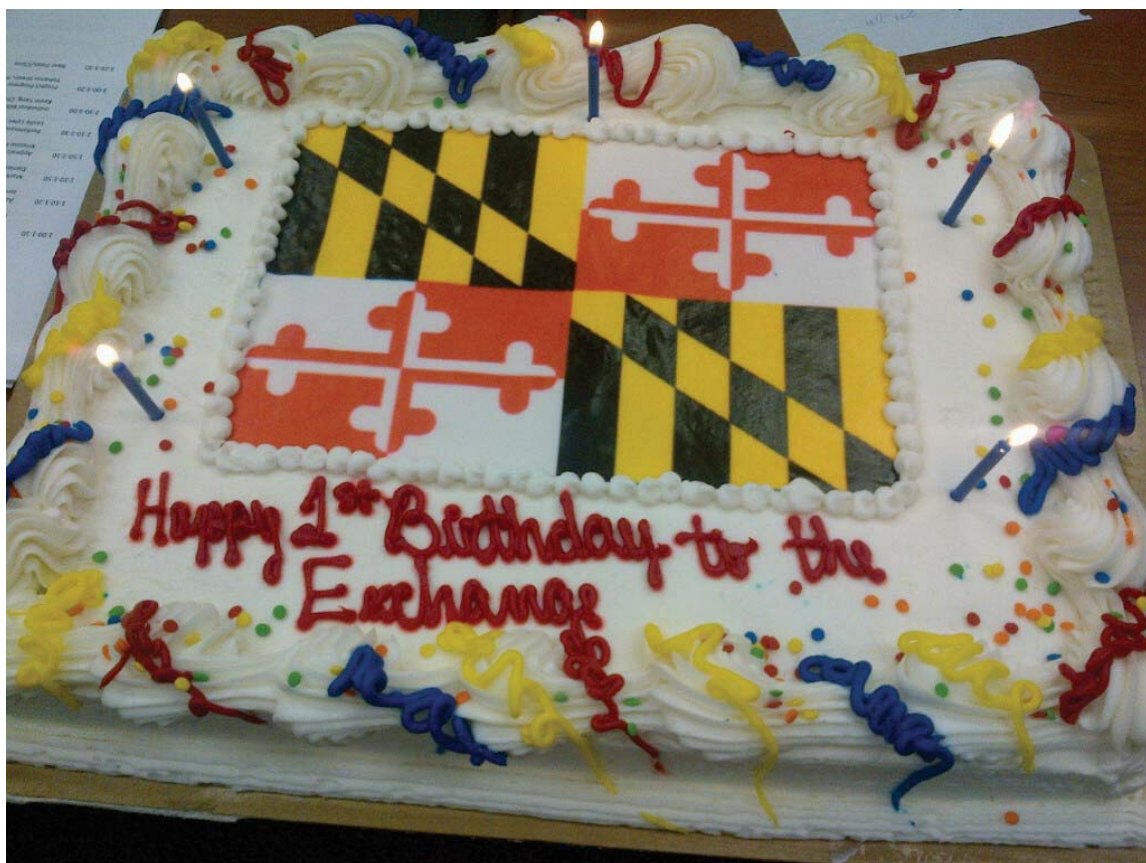
**Thomas S. Saquella, M.A.**

*Former President, Maryland Retailers Association*

**Kenneth S. Apfel, M.P.A.**

*Professor of Practice, University of Maryland School of Public Policy*

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# Examples of Exchange Policy Decisions

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## **SHOP:**

- Keep existing make-up of small group and individual markets
- Offer federally-required choice model with existing choice model for employees

## **Operating Model:**

- Enable flexibility to determine how best to contract with carriers

## **Risk Mitigation:**

- Require carriers to participate in Exchange once at a certain threshold outside Exchange

## **Navigator:**

- Separate individual and SHOP Exchange Navigator functions
- Enable producers to sell into both Exchanges without having to become navigators
- Create certification process for Navigators

## **Advertising, Marketing, Public Relations**

- Robust, multi-faceted marketing campaign to support enrollment into Exchange

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# Funding (exchange)

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- **Planning grant: \$1 million**
- **Early innovator grant: \$6 million**
- **Level 1 grant: \$27.2 million**
- **Level 2 grant: pending**

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# Latest Estimates

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Newly covered by Medicaid expansion in Maryland:    **102,000** in 2014  
135,000 in 2015  
**187,000** by 2020

Health Benefit Exchange coverage in Maryland:    **145,000** in 2014  
169,000 in 2015  
**274,000** by 2020

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## Next Steps

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### **IT infrastructure:**

- Build an integrated eligibility and enrollment solution
- Progress to date: Team in place and components procured

### **Essential Health Benefits:**

- Choose an EHB plan
- Progress to date: Advisory committee meeting

### **Develop a Sustainable Funding Strategy:**

- Committee gathering

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My name is Alycia Steinberg and my story started on a Friday afternoon in October, 2011 when I took my two-year-old Avey to her pediatrician's office for what I thought was a minor kid illness. Monday morning, while Avey and I were shopping for "big girl" toothpaste, the pediatrician called with unexpected lab results—it looks like leukemia, go directly to the Hopkins ER.



In that instant our lives turned upside down.

Avey was an inpatient at Johns Hopkins for 24 days while she started intensive chemotherapy for leukemia, the most common childhood cancer.

We are lucky that Avey's prognosis is excellent. But those first weeks were overwhelming. We had to learn a new language of leukemia and its treatment. We had to figure out how to explain this terrible world to our two-year-old. I watched my little girl lose her hair, I watched her lose her ability to walk.

And I worried about losing our health insurance. Avey's hospital stay cost \$100,000. She has two-and-

“With two years to go before the Affordable Care Act is fully implemented, the State of Maryland appears well poised to fulfill Governor O’Malley’s goal of being a health care reform leader among states. While much work remains, a combination of strong leadership, inclusive planning, and deliberate but aggressive action by committed state officials and system stakeholders has permitted Maryland to make strides in designing its reformed health care system.”

--Urban Institute, February 2012

<http://www.urban.org/publications/412507.html>