



# ***NC Level I Exchange Establishment Cooperative Agreement***

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# Agenda

- Overview of Funding Opportunity
- Overview of North Carolina's Planned Activities
- Role of NCIOM HBE Stakeholder Workgroup

# Overview of Funding Opportunity

- HHS awarding State-based Exchange Establishment Cooperative Agreements:
  - Level I (funding for 1 year)
  - Level II (funding through 2014)
- Requirements for Level II funding:
  - Legal establishment with governance structure established
  - Exchange budget through 2014
  - Initial HBE sustainability plan for 2015
  - Plan to prevent fraud and abuse
  - Preliminary evaluation plan for HBE operations
  - Plan for consumer assistance

# Grant Award

- Applied for Level I funding June 30, 2011
- Awarded \$12,396,019 on August 12, 2011
- Project period runs Aug.15, 2011-Aug.14, 2012

# Overview of North Carolina's Planned Activities

- Engage Stakeholders and perform policy analysis on policy issues;
- Expand DHHS' eligibility IT system to include NCHBE functions;
- Develop requirements to build non-eligibility IT systems;
- Propose legislation and develop regulation for market reforms;
- Prepare consumer assistance program;
- Develop required elements for Level II application; and
- Support start-up of the NCHBE, assuming establishment during project period.

# Policy Analysis

- Analysis of value-added SHOP-Exchange (SHOP) services
- Further analysis of benefit mandates following definition of Essential Benefits Package (EBP)
- Recommendations for roles of agents, brokers, Navigators, community-based organizations

# NC DHHS Analysis

- Demand Surge Analysis
- “No Wrong Door” appeals process mapping
- Interaction of Public and Private Coverage
- Customer Service Impact Analysis

# IT Systems Development

- Eligibility:
  - Expansion of existing NCFAST system for program eligibility and calculating tax credits/cost-sharing reduction for coverage in the NCHBE
- Other functions:
  - DOI will hire supplemental IT staff to develop business and systems requirements for non-eligibility related NCHBE IT functions

# Planning for Market Reforms

- DOI will convene technical advisory group to discuss market reform topics, including:
  - Adverse selection mitigation;
  - Standard geographic rating areas;
  - Merging markets;
  - Expanding small group definition;
  - Reinsurance and risk adjustment programs; and
  - Creation of a “level-playing field” inside and outside NCHBE.
- DOI will report recommendations to NCGA in 2012 session, as authorized by S.L. 2011- 391

# Preparation for Level II Exchange Establishment

- Develop budget and work plan through 2014
- Identify sustainability options beginning 2015
  - Facilitated by NCIOM
- Develop preliminary evaluation plan for NCHBE policy
  - Facilitated by NCIOM

*Goal: Engage in activities to ensure smooth transition to an NCHBE, once established*

# Role of NCIOM HBE Workgroup

- Develop sustainability options
- Preliminary evaluation planning
- Participate in benefit mandate discussion
- Develop recommendations for roles of agents, brokers, Navigators, volunteer counselors and community-based organizations

*Some of NCIOM tasks will utilize DOI consultant assistance*

Questions?