

## **Commissioner's Monthly Column**

### **Update on Health Care Marketplaces and Navigators**

**September 2013**

Since I last addressed the topic of navigators as they relate to the federal Health Insurance Marketplace in May, there have been numerous developments both at the state and federal levels. In this column I'd like to bring you up to date on the Health Insurance Marketplace (also referred to as "exchange") created by the Affordable Care Act (ACA) and the role that you as producers play, as well as the role of navigators.

Seventeen states and the District of Columbia are running their own Health Insurance Marketplaces and 34 states, including Louisiana, will have a Federally-facilitated Health Insurance Marketplace, all of which will be open to individuals, families and businesses. Plans available will vary in coverage with four "metal" levels offered. There is an individual Marketplace for consumers, as well as a Small Business Health Options Program (SHOP) for small businesses to purchase health insurance for their employees.

Producers will play a vital role in educating consumers about the Marketplace, helping them compare plans by price, coverage and geographic areas, and helping to estimate whether they are eligible for federal subsidies based on the information provided by the consumer. Most importantly, producers can also help consumers enroll in coverage. The Centers for Medicare & Medicaid Services (CMS) anticipates that producers will also play a critical role in helping qualified employers and employees enroll in coverage through the SHOPS.

In Louisiana, all producers participating in the Marketplace must register with CMS so that they may assist consumers with marketplace coverage. To find more on registration requirements, as well as training and exams, you can go to "Information on the Health Insurance Marketplace for Producers/Agents" found on the Louisiana Department of Insurance website at [www.lidi.state.la.us/MarketplaceTraining.html](http://www.lidi.state.la.us/MarketplaceTraining.html). A webpage with resources for consumers can be found by going to [www.lidi.state.la.us/HealthCareReform.html](http://www.lidi.state.la.us/HealthCareReform.html).

The U.S. Department of Health and Human Services (HHS) has signed agreements with insurance plans to be sold on the federal Individual Marketplace. Plans were submitted to HHS by Humana, Coventry, Blue Cross Blue Shield, Vantage and the Louisiana Health Cooperative for the Individual Marketplace. Twelve companies have also applied to offer pediatric dental plans. Blue Cross Blue Shield, Vantage and Louisiana Health Cooperative are participating on the SHOP Marketplace.

The SHOP Marketplace is open to employers with 50 or fewer full-time-equivalent employees. SHOP is optional and if employers plan to use SHOP they must offer coverage to all full-time employees – generally those working 30 or more hours per week on average. A business may qualify for the Small Business Health Care Tax Credit if it has fewer than 25 full-time equivalent employees making an average of about \$50,000 a year or less. Beginning in 2014, at least 70 percent of the employer's full-time employees must enroll in the SHOP plan for the small business to qualify for the tax credit and the business must pay at least 50 percent of its full-

time employees' premium costs. Also beginning in 2014 the tax credit is worth up to 50 percent of the employer's contribution toward employees' premium costs and it is available only for plans purchased through the SHOP Marketplace. To find out if a company qualifies for the Small Business Health Care Tax Credit, you can visit [www.IRS.gov](http://www.IRS.gov) or consult with a tax advisor.

Open enrollment for the Health Insurance Marketplace begins on October 1, 2013 and closes on March 31, 2014. Plans purchased through the Marketplace can take effect on or after January 1, 2014. After open enrollment ends, individuals may not be able to purchase health insurance through the Health Insurance Marketplace until the next annual enrollment period (unless they experience a qualifying event).

The U.S. Department of Health and Human Services' website at [www.healthcare.gov](http://www.healthcare.gov) is the official source of information on the Health Insurance Marketplace. Another helpful website is the Center for Consumer Information & Insurance Oversight's (CCIIO) Resources for Agents and Brokers in the Health Insurance Marketplace found at [www.cms.gov/CCIIO](http://www.cms.gov/CCIIO).

### **Navigators**

Navigators will serve as in-person resources for individuals who want additional assistance in shopping for and enrolling in a health insurance plan. On August 15, HHS announced 105 navigator grants totaling \$67 million. Four Louisiana organizations - Southwest Louisiana Area Health Education Center, Southern United Neighborhoods, Capital Area Agency on Aging, District II, Inc. and Martin Luther King Health Center, Inc. – were awarded a total of \$1.767 million in grant funding.

The Louisiana Department of Insurance (LDI) has completed the rulemaking process required to create registration and regulation procedures for navigators in Louisiana. We issued Regulation 101 for this purpose on July 20. Regulation 101 is aligned with federal law and prohibits navigators from engaging in any activities that would require a health and accident producer license. It prohibits navigators from offering advice, recommendations or any form of endorsement of a particular health benefit plan or health and accident insurance product. Regulation 101 also requires navigators to register with the LDI. In addition, reports that navigators submit to CMS must also be submitted to the LDI. The regulation also calls for navigators to submit evidence of completion of HHS's required training to LDI as part of the registration process.

A public hearing on Regulation 101 was held on August 28 and the deadline for comments to be submitted was August 30. Three substantive comments were made regarding Regulation 101. One was that LDI add training requirements for navigators in addition to those required by the feds. In the first year of operation of the navigator program, there will not be additional training beyond that required by CMS. However, additional training can be required by the Legislature in the future.

A second comment was in the form of the question, "Does each individual navigator register with the LDI?" In response to that comment, the LDI makes clear that only the grantee will be required to complete the registration form. Each grantee will be required to maintain an

accurate and up-to-date list of individuals serving as navigators on behalf of the navigator grantee. The navigator grantee must file that list with the LDI.

A third suggestion was that all three types of reporting required at the federal level also be filed with the Department of Insurance within 10 days of filing with the appropriate federal office. We plan to make this revision, thereby creating uniformity in the reporting requirements.

An oversight hearing of the Joint Louisiana House of Representatives and Senate Insurance Committee was held on September 17 and approved Regulation 101. Our plans are to publish the final rule on navigators in the October 20, 2013 *Louisiana Register*.

A third role in addition to producers and navigators is allowed in the Health Insurance Marketplace. If an organization is a community health center or other health care provider, hospital, a non-federal governmental or non-profit social service agency and would like to help by training staff to assist people applying for coverage through the Marketplace, they can apply to be a Certified application counselor (CAC) organization through the CMS website.

We appreciate the support and valuable suggestions of producers regarding navigator regulation and I recognize the incredible effort taking place to gear up for the extensive market changes taking effect in 2014. As I meet with my fellow state insurance regulators I have heard of the undertaking each of the states is going through to get up and running with their own version of this federally-mandated program. Even though HHS will implement the Marketplace in Louisiana, both the LDI and Louisiana Department of Health and Hospitals are expecting a large number of requests for information on the law and its ramifications for individuals. We are grateful for your hard work and efforts to educate yourselves on the extensive changes coming to health care and I look forward to continuing to work together for the benefit of our health insurance consumers.