Maryland Health Benefit Exchange Act of 2011

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SB182/HB166 Overview

• Signed into law April 12, 2011.
• Established as independent unit of State government.
• Specific provisions promote transparency, accountability, and flexibility.
• Establishes core functions and duties required under the Affordable Care Act.
• Identifies key policy issues to be studied and reported to Legislature in December.
Board Structure

• Three ex-officio: Secretary of Health, Insurance Commissioner and Executive Director of the Maryland Health Care Commission

• Three members representing employer and individual consumer interests (Governor appointed)

• Three members with specific knowledge and expertise (Governor appointed)
Conflicts of Interest

- A Board member may not have an affiliation with the following while serving as a member:
  - Carrier
  - Insurance producer
  - Third-party administrator
  - Managed care organization
  - Any other person contracting directly with the Exchange
  - Trade associations of any of the aforementioned entities
  - Any other association of entities in a position to contract directly with the Exchange
Stakeholder Process

• Committee hearings on February 16 & 17
  – No opposition
  – Considerable amendments offered
• 4 Stakeholder meetings to consider amendments
  – Producers and TPAs
  – Carriers
  – Providers
  – Consumer Advocates
Proposed Stakeholder Amendments

• Governance
• Board Composition
• Advisory Committee Organization and Membership
• Expansion/Limits on Mission and Duties of Exchange
• Qualified Health Plan Requirements
Proposed Stakeholder Amendments (cont.)

- Rules Governing Markets: Inside and Outside
- SHOP Exchange and Navigator Program
- Procurement and Personnel Policies
- User Fees and Special Fund
- Mandated Study Language and Recommendations
Exchange Legislation’s Guiding Principles

• Exchange should be accountable
• Exchange should be transparent
• Governance should be free of direct conflicts-of-interest
• Development of Exchange should occur one step at a time
• Bill must be consistent with effective implementation of ACA
For More Information

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