

HB 609: The “Show Me Health Insurance Exchange Act”

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HB 609: Background

- House Bill 609 or the “**Show-Me Health Insurance Exchange Act**” introduced in House of Representatives (February 22)
 - Sponsor: Rep. Chris Molendorp
- House of Representatives perfected the bill on April 11; needs one more vote before going to the Senate

HB 609: Overview

- **Quasi-public governmental agency under the direction of a board of trustees** (Section 376.1153)
 - Board Purpose: “Conduct the business necessary to implement the exchange and to carry out the functions of the exchange in a fair and impartial manner in order to execute a more competitive insurance marketplace.”
- **Unified individual and SHOP Exchange for administrative purposes** (Sections 376.1150 and 376.1155)
 - Does not combine actuarial and underwriting functions
 - Maintains separate and distinct risk pools
- **Provides for ShowMe HIE conformance with “no wrong door” and Medicaid integration requirements of ACA**

HB 609: Governance Structure

➤ **Board of Trustees (17 trustees):**

- The directors of the following departments as ex officio members:
 - Social Services, Insurance, Financial Institutions and Professional Registration (vice chair), Mental Health, Health and Senior Services;
- Two members of the house of representatives, one from the majority party and one from the minority party, to be appointed by the speaker of the house;
- Two members of the senate, one from the majority party and one from the minority party, to be appointed by the president pro tem of the senate;
- Nine members to be appointed by the governor with the advice and consent of the senate:
 - A representative for licensed health insurance producers
 - A representative for licensed health insurance issuers that is ranked as one of the top ten health insurance issuers
 - A representative of a licensed health insurance issuer that is ranked between eleven and twenty health insurance issuers
 - A public health consumer advocate
 - A large employer representative
 - A small employer representative
 - An individual with expertise in administering and negotiating health plan contracts on behalf of employees
 - Two at-large members

HB 609: Board Requirements

- **One member of the Board will serve as Chair**
 - Elected annually by a majority of members of the Board
- **Term limits vary based on member:**
 - General Assembly and Dept. Director members serve for entire duration of time during which they hold their title/position
 - All members appointed by the governor serve three-year terms, with the exception of initial terms for which:
 - At-large member serves a one-year term
 - Small employer and large employer representatives serve two-year terms
 - The representatives for health insurance producers and issuers, public health consumer advocate, and individual with health plan contract expertise serve three-year terms
- **Vacancies for unexpired terms for members of the General Assembly are filled by Speaker of the House and President Pro Tem of the Senate, and vacancies for Governor appointees by the Governor**
- **All members are eligible for reappointment**
- **Members serve without compensation**
 - May be reimbursed for expenses incurred while attending meetings or performing duties authorized by Board

HB 609: Conflict of Interest Limitations

- **Financial interest in the exchange does not prohibit an individual from serving on Board**
 - All appointed members must annually disclose all personal and professional financial interests related to operation of the exchange
 - Disclosures must be made available upon public request
 - Annual disclosures may be supplemented throughout the year as necessary
 - Members must recuse themselves from deliberations or voting actions when a conflict of interest has been disclosed

- **Any Board member or exchange employee accepting gratuity or compensation for the purpose of influencing voting actions, or that fails to disclose conflicts of interest or recuse himself/herself, will forfeit membership or employment and be subject to penalties prescribed by law**

HB 609: Exchange Personnel

- **Board shall appoint Executive Director**
 - Executive Director and the Board will employ additional essential officers necessary to operation of the exchange
- **Executive Director will employ other employees to conduct the business of the exchange, as authorized by the Board**
- **Employees and officers of the exchange will receive salaries and necessary expenses, as set by the Board**
 - Board must take into account salaries paid by health insurance issuers, health plans, and health care providers when establishing pay schedules
- **Exchange employees are not considered state employees, but are eligible to participate in the exchange**

HB 609: Mechanisms for Stakeholder Input

- **Stakeholder groups may be formed to provide consultation or guidance to the exchange or its board. Members may include:**
 - Educated health care consumers who are enrollees in QHPs or QDPs
 - Individuals or entities with experience in facilitating enrollment in QHPs or QDPs
 - Representatives of small employers and self-employed individuals
 - Advocates for enrolling hard-to-reach populations
 - Appropriate eligible entities
 - Health insurance issuers
 - Health care providers
 - Others interested in access to affordable quality health care services

HB 609: QHP Certification Standards

- The exchange shall develop criteria for certification, recertification and decertification of QHPs consistent with Sections 1301 and 1311 of the ACA and guidelines developed by the Secretary. (Section 376.1155)
- The exchange may contract with DIFP for the certification, recertification, and decertification of health plans and dental plans as QHPs. (Section 376.1160)
- The exchange shall certify a health plan as a qualified health plan or qualified dental plan if the plan has met necessary requirements (Section 376.1165)
- The exchange shall not exclude a health plan on the basis that the health plan is offered by an issuer not contracted with MO HealthNet. (Section 376.1165)

HB 609: QHP Certification Process

- The exchange shall not exempt any health insurance issuer seeking certification of a QHP from state licensure or solvency requirements. (Section 376.1165)
- The director of DIFP shall determine whether a health plan seeking certification or recertification as a QHP meets all the requirements related to licensure and solvency. (Section 376.1165)
- The exchange shall establish an appeals process for health insurance issuers to appeal a decertification decision or the denial of certification as a QHP. (Section 376.1165)