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# Senate Bill 972: Transition to a State-based Marketplace

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# Agenda

- What is the Oregon Health Insurance Marketplace?
- Current model and limitations
  - Oregonians seeking private insurance plans and federal subsidies as provided by Affordable Care Act (ACA) currently must use the HealthCare.gov, a federal website designed for use by many states. It cannot be customized to the unique needs of Oregonians
- Rationale for the transition and plan

# What is the Marketplace?

Helps people enroll through HealthCare.gov, typically with financial help

“Makes [health coverage] available to those who otherwise could not get it.”

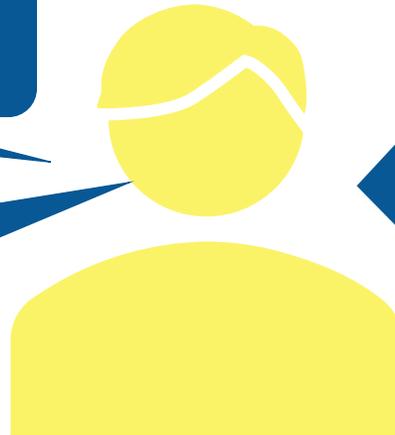
Member of urban focus group

“Subsidized [private health insurance].”

Member of rural focus group

“Excellent coverage for the price.”

Member of mixed (rural/urban) focus group



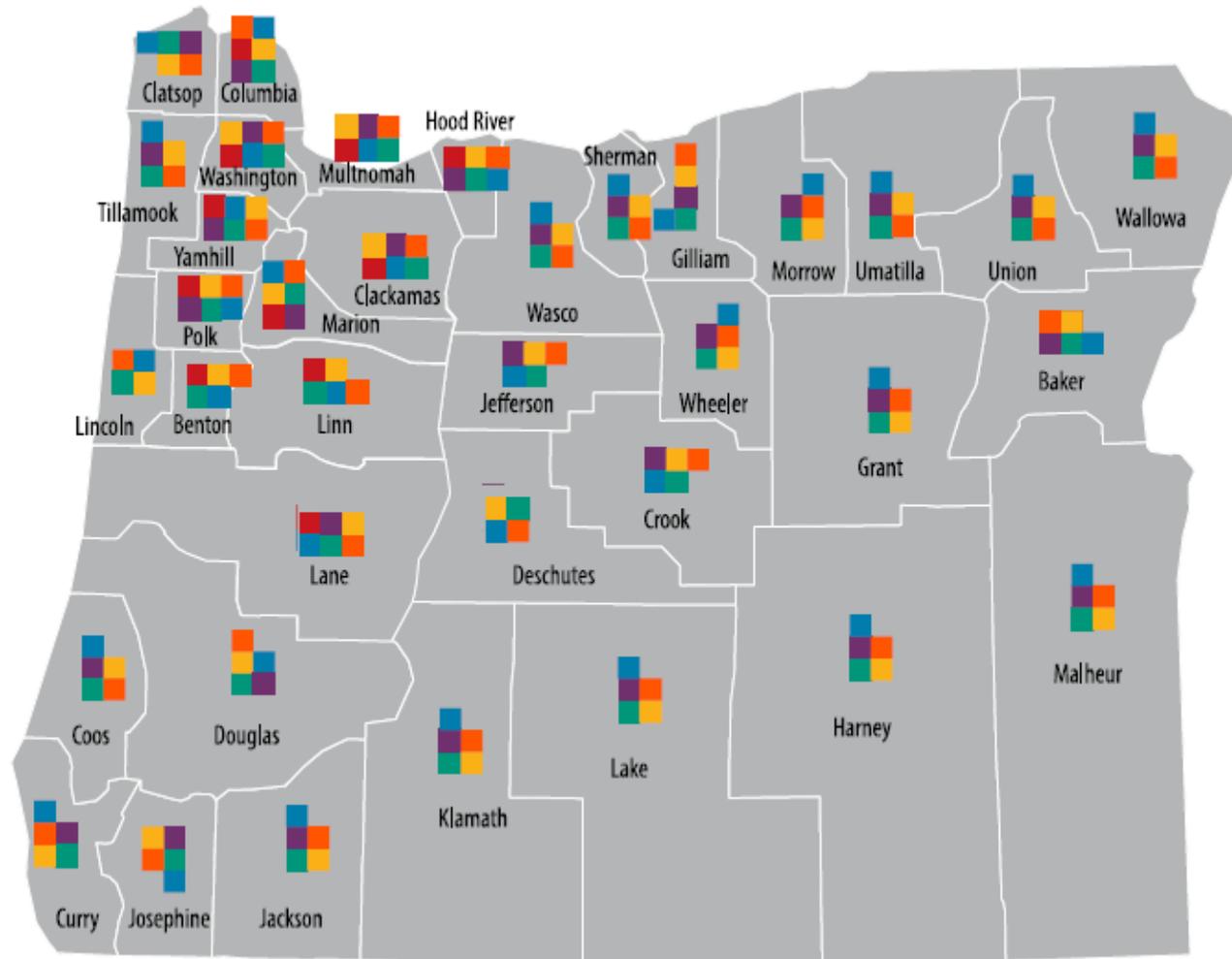
“Yeah, we pay a little bit more for it on the Marketplace, but it’s \$0 copay. All of my prescriptions are covered. All of my doctor visits are covered. My surgery was over \$100,000, and it was covered, so yeah. We’re paying, it’s \$200 a month for us, and we’ll have to pay the \$300 subsidy back at the end of the year, but in the long run, it’s definitely worth it.”

Member of rural focus group

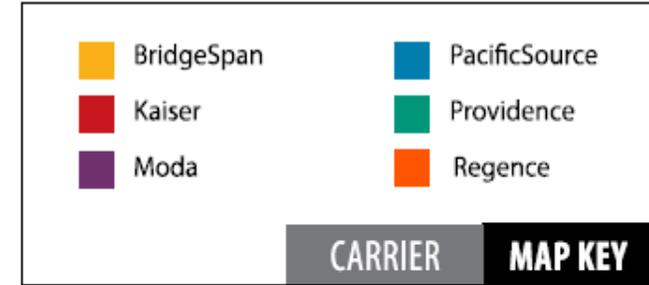
# Marketplace in action

- Helps sign up people for private health insurance and federal subsidies during the annual open enrollment period (Nov. 1 - Jan. 15) and via special enrollment periods.
- Partners with community-based organizations and insurance agents to provide free, local, equity-focused education and enrollment assistance.
- For the upcoming Medicaid Redeterminations work, will transition OHP members newly found ineligible to a Marketplace plan that best fits their needs and budget.

# Plans Available on HealthCare.gov



**OREGON PRIVATE PLANS**  
available on [HealthCare.gov](https://www.healthcare.gov)



# Federal Platform Prevents Community Input



Because the Federally Facilitated Marketplace is “one size fits all” solution, it effectively prohibits meaningful community input into process and policy changes. What works for Oregon has to work for Alabama and vice versa.

# Federal Technology is Inflexible

- The federal platform is inflexible, and the federal government generally won't customize it for specific state circumstances.
- At least two full SBM states are looking at auto-enrolling people from Medicaid to QHPs when the PHE ends. This is impossible for Federally Facilitated Marketplace states like Oregon.



# Federal Platform is Not Customer-Friendly



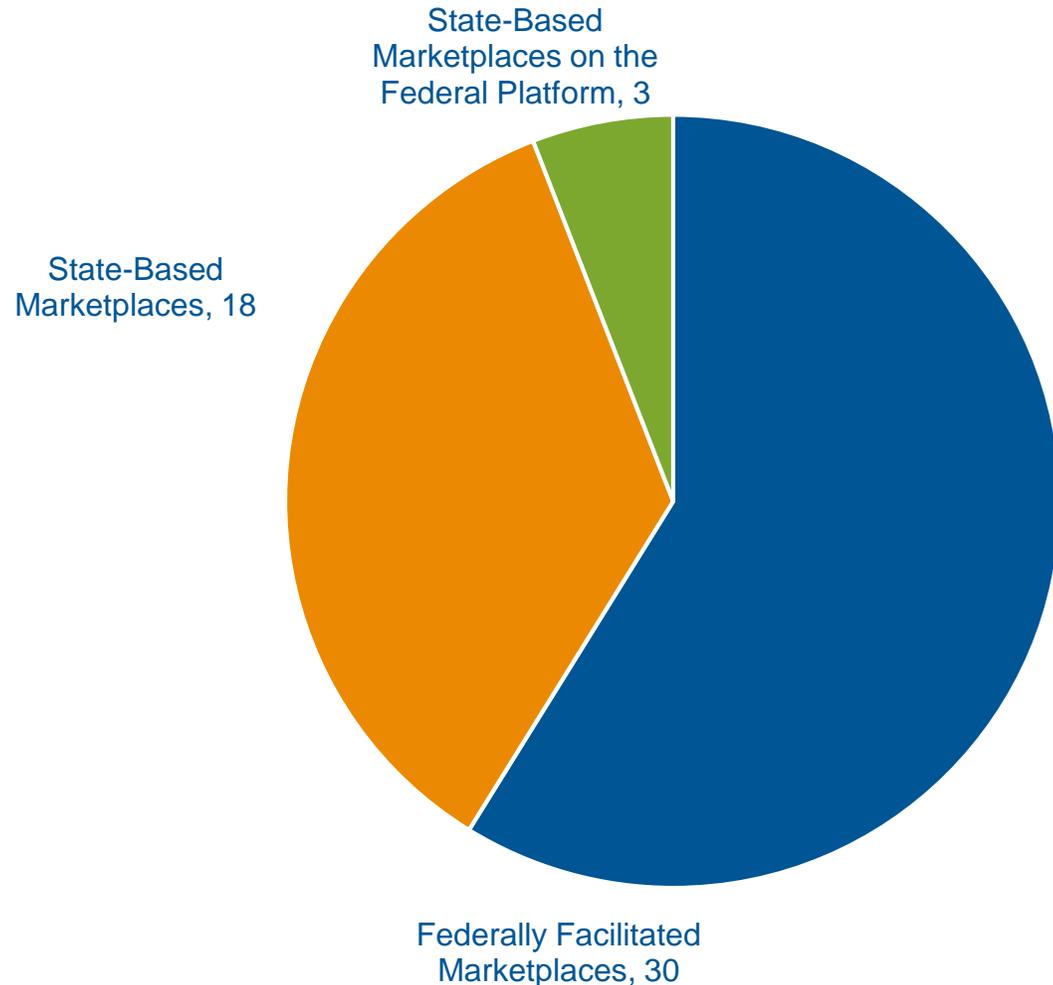
- Long hold times and long call times.
- No ability to set quality control parameters or performance metrics.

# Federal Platform Complicates Outreach



- Federally Facilitated Marketplace marketing is dependent on funding, which is at the whim of the administration.
- No control of the messaging coming from the Federally Facilitated Marketplace complicates outreach efforts at the local level, resulting in confusion for consumers.

# Other States' Exchanges – Plan Year 2023



| State        | SBM transition year |
|--------------|---------------------|
| Kentucky     | 2022                |
| Maine        | 2022                |
| Nevada       | 2020                |
| New Jersey   | 2021                |
| New Mexico   | 2022                |
| Pennsylvania | 2021                |
| Virginia     | 2024                |

# Why we support this transition

Further Oregon Health Authority's mission to improve access to quality, affordable health coverage for people in Oregon and its goal to eliminate health inequities by 2030.

Create new opportunities for Oregon to pursue state priorities to:

- Advance health equity,
- Enroll more people in affordable, high-quality health coverage, and
- Improve the experience of current enrollees.

# How this change will better serve communities of focus harmed by inequities

- Access to data and evidence to tailor outreach and **be more intentional about efforts to enroll disproportionately uninsured people**, including people of color and rural residents.
- **Immigrants and non-native English speakers may be more likely to enroll with additional translation and interpretation services** to help them complete the application or to communicate effectively with navigators, agents and brokers, or the call center.



# Equity impacts of a transition to SBM

- **Coordination with Oregon's Medicaid systems** to address churn, which benefits individuals with lower incomes and communities of focus.
- **Improved Marketplace shopping and customer service experience**, making it easier for all Oregonians to enroll in health care and address their specific needs or concerns.
- **Implementation of input from Oregon's diverse communities** into every step of technology and call center implementation, to ensure that existing barriers to health equity are not continued in the new system.



# Some proposed innovations that would benefit from an SBM



## Targeted state premium or cost-sharing subsidies:

This makes premiums and cost-sharing more affordable. FFM states cannot do this, partly because the FFM would require modifications to accommodate such reforms.

## Choice architecture:

Mapping people into comparable, less-costly plans or facilitating automatic enrollment based on tax return information is only possible with the SBM, not FFM.

# Proposed timeline

| Initiation  | Planning   |   | Executing   | Closing/Transition to Operations |      |      |      |      |      |
|---|--|---|---|----------------------------------|------|------|------|------|------|
| 2023  | 2024   | 2025  | 2026  | 2027                             | 2028 | 2029 | 2030 | 2031 | 2032 |
| <ul style="list-style-type: none"> <li>• Legislative decision</li> <li>• Formal project initiation and initialize planning</li> <li>• Stage Gate 1 endorsement</li> </ul> | <ul style="list-style-type: none"> <li>• Procurement</li> <li>• Planning and selection                             <ul style="list-style-type: none"> <li>○ QA vendor</li> <li>○ RFP / Solution vendor</li> </ul> </li> <li>• Detailed budget and schedule</li> <li>• Stage Gates 2 and 3 endorsements</li> <li>• Phase 2 funding request</li> </ul> | <ul style="list-style-type: none"> <li>• Implementation                             <ul style="list-style-type: none"> <li>○ SBM &amp; call center</li> </ul> </li> <li>• Stage Gate 4 endorsement</li> </ul> | <ul style="list-style-type: none"> <li>• Product acceptance and Go-Live</li> <li>• First operational open enrollment (Nov. 1, 2026 – Jan. 15, 2027)</li> <li>• SBM operations and maintenance</li> <li>• Future enhancements</li> </ul> |                                  |      |      |      |      |      |
| Phase 1   |  |   | Phase 2   |                                  |      |      |      |      |      |

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# Questions?



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