

AARP's Key Issues For Health Insurance Exchanges

Regulating insurance has long been a state responsibility. With the passage of the Affordable Care Act, Americans have a new opportunity to extend health coverage and access to those who have found obtaining health insurance too difficult, too challenging, or too expensive. AARP has a strong interest in the creation and development of State Health Insurance Exchanges that are *consumer friendly*. We believe that Exchanges are vital in the effort to extend health coverage, while improving access and affordability for those already in the individual and small group markets. We also believe that each state, with insight and feedback from consumers and consumer advocates, is positioned advantageously to develop its own Exchange. Each state will want to ensure that the Exchange will work for the citizens of the state and respond appropriately and rationally to their needs and desires. By capitalizing upon its own strengths, finding solutions to its specific challenges, and providing a system that will work for and to the benefit of the consumer, a state has the potential to achieve the policy goals that AARP strongly espouses.

AARP believes that the Exchange should ensure that all policy and operational choices are considered through the lens of the consumer and that decisions are made based on the consumer's best interest. Each state has the opportunity to ensure that their Exchange develops a system of coverage that will improve access, promote safety and quality, and demand the efficient use of resources.

Policy Goals. The Exchange should:

- Offer a manageable number of plans;
- Be selective in accepting quality health plans to participate;
- Give preference to plans participating in both Medicaid and the Exchange;
- Establish systems for ongoing monitoring, evaluation, and enforcement to ensure high performance by participating plans;
- Use existing quality standards that encourage safe, patient-centered, high quality care, and efficient use of resources.
- Provide a central point where consumers can find the information they need about their coverage options, allowing them to easily compare plans and select a plan that best fits their needs;
- Provide a seamless system so changes in employment or income don't result in disruption of coverage or services;
- Make decisions regarding eligibility for subsidies and for Medicaid and CHIP coverage using public data sources, minimizing paperwork for consumers; and
- Connect the uninsured to coverage and financial assistance with coverage for which they are eligible.

Governance. The Exchange should:

- Establish consumers as the ultimate customers of the Exchange;

- Assure that the consumer's voice and needs are central and not secondary to others within the governing structure; and
- Require that all deliberations and decisions be transparent and provide ample opportunity for public input.

Governing bodies should include strong consumer representation and also provide the opportunity for additional issue-specific working or advisory groups to be created and to give ongoing input into the process. To avoid conflicts of interest, the governing board should not include insurers or health care providers that would be subject to regulation and oversight by the Exchange.

Improve Access. The Exchange should:

- Be structured so transitions among Medicaid, CHIP, state health care programs, federally subsidized coverage and fully private pay are centralized, seamless, and assure continuity of care; and
- Take advantage of the various online capabilities to determine eligibility and coordinate services in order to prevent duplication and ensure compliance with all state and federal regulations.

Outreach is Vital. The Exchange should:

- Develop online tools, ensure access via toll-free numbers, and maintain appropriate staffing levels for one-on-one, both face-to-face and voice-to-voice, assistance;
- Develop tools for diverse populations, as well as those lacking familiarity with health insurance;
- Establish systems to assist consumers with disputes or problems regarding coverage, access to care, quality, and customer service; and
- Provide consumers with concise, comparative information on the benefits, costs, quality, and service of the options offered.

A vital piece of a consumer education will be fully utilizing a variety of communication streams: electronic, mail, radio/TV advertisements, targeted community outreach programs, etc. Establishing an easy-to-use and access online presence, along with telephone and in-person opportunities to gather information and enroll in the Exchange will be valuable in reaching out to the targeted populations and ensuring that compliance and enrollment is as simple as possible. This is particularly important for populations that will be eligible for public programs, both state and federally funded, as streamlined enrollments and applications are an aspect of the ACA.

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