

BASIC HEALTH PROGRAM WORKGROUP MEETING

Summary

Meeting Date, Time, Location:

November 21, 2013
1:00pm – 3:00pm
One Commerce Plaza, Room 820, Albany, NY

Work Group Members in Attendance:

Judith Arnold, Elizabeth Benjamin, Kate Breslin, Assemblyman Richard Gottfried, Geoffrey Hale, Joseph Maldonado Jr., Lisa Sbrana, Kathy Shure, and Margaret Duffy.

Summary of Key Meeting Content:

In the third meeting, Judy Arnold presented a “straw” BHP proposal to the group and elicited their thoughts on the main elements of the proposal. Ms. Arnold clearly stated that the Executive has not decided whether the State should adopt the BHP or on the elements of a proposal should the Executive decide to propose a BHP. The straw proposal was intended to give the workgroup members a better idea of what a BHP could look like and the choices available to States in the design of the program. The discussion included such topics as eligibility, enrollment and continuity of coverage, cost-sharing, premium levels, effective enrollment dates, prerequisites for the adoption of BHP, and handling transitions. The discussion centered on the following:

- *Enrollment and continuity of coverage* (if permitted by CMS and IRS). The workgroup members generally supported the idea of continuous enrollment and continuous eligibility. One member raised a concern about adverse selection if the State chooses continuous enrollment and charges premiums to enroll in BHP. Continuous eligibility, if permitted by the federal government, has the advantage of minimizing gaps in coverage as enrollees transition among insurance affordability programs. It also offers the advantage of more stable provider reimbursement.
- *Cost sharing*. The straw proposal for cost-sharing reflected the cost-sharing in the standard silver plan with cost-sharing reductions on the Marketplace. Some members felt the cost-sharing was acceptable if the program had no premium contributions. Other members wanted to tweak the cost-sharing to provide a greater incentive to use health care services in what may be a more efficient and effective manner. For example, copayments should be set such that consumers are encouraged to use primary care doctors in order to minimize complications and thus visits to ERs.
- *Premium levels*. Work group members engaged in a robust discussion about the merits of requiring a premium contribution from BHP members. Members agreed there should be no premium contribution for enrollees below 150% of FPL. Members were not in agreement for individuals between 150%-200% of FPL. Some members supported no premiums for BHP while other members supported a small monthly premium. Concerns about premiums included consumer affordability and adverse selection.
- *Effective enrollment dates*. DOH believes any BHP program implementation date needs to align with open enrollment periods in the Marketplace to enable QHP enrollees to transition to BHP. Given the system modifications needed to implement a BHP, October 2014 is too soon. DOH proposes that enrollment in BHP starts in October 2015. DOH is exploring whether CMS would permit the State to implement BHP outside an open enrollment period if it adopted continuous enrollment. One member advised that DOH not include a date certain and leave the implementation date subject to approval by CMS of the Blueprint and an assessment from the Commissioner of Health that BHP was ready. Another member advised the state to postpone the adoption of BHP until sometime in the future in order to have more complete data on the NY Marketplace enrollment and performance and have more time to design the BHP in the state.
- *Prerequisites for the adoption of BHP in New York*. The decision on whether the state will adopt BHP is mainly contingent on the fiscal analysis of whether the program is expected to generate savings for the state and whether, given the fiscal analysis, it represents a good alternative for consumers to enrolling in a QHP.

Next Steps:

The proposed payment rule will be released in early/mid December 2013. If the rule is issued during this time frame, the Urban Institute simulation study of the impact of BHP in New York is expected to be completed by the end of January 2014. The study is to give stakeholders a better understanding of the impact a BHP program may have, if implemented, on state costs, Marketplace enrollment and premiums, and the number of uninsured in the state.

The next meeting will be held once DOH finishes its analysis of the payment rule and the results of the simulation study. DOH will inform the BHP work group members about the next meeting in the near future.

Next Meeting Date, Time, Location:

TBD

(The date is contingent on the release of the proposed BHP payment rule and the Urban Institute simulation study)