How Will Insurance Markets Look?

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What is the Issue?

- **How will insurance markets look?**
  - **Role and functions of the Exchange**
  - **Contours of the market**
  - **Federal guidance**

What will be the role of the Exchange?

- **Market organizer – ACA minimum**
- **Selective contractor – meaningful choice, network requirements**
- **Active purchaser – competition on cost, quality**

What will be the functions of the Exchange?

- Certifying Qualified Health Plans
- Implementing “no wrong door”
  - Medicaid/CHIP eligibility
  - Eligibility for, and advance application of, refundable tax credits, reduced plan limits, and reduced cost sharing
- Common or separate administration of Exchange and SHOP exchange

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What will the market look like?

- **Expanded definition of small groups now or later?**
- **Sole proprietors if now protected by small group rules**
- **Separate individual and small group risk pools?**

Key federal guidance

- **Stabilizing markets**
  - **Association health plans**
  - **Self-insurance definitions and rules**
- **Growing markets**
  - **Multi-State Qualified Health Plans**
- **Managing adverse selection**
  - **Federal reinsurance for individuals**
  - **Federal risk corridor program for individuals and small groups**
  - **State risk adjustment**