

Division of Insurance

The Affordable Care Act in Nevada

Presented by:

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Nevada Division of Insurance



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The Affordable Care Act

- Signed into law on March 23, 2010
 - The law puts in place a significant number of health insurance reforms that have been implemented over the last three years.
 - The most significant changes of the law will take effect on January 1, 2014.



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Reforms Effective 2010

- Review of premium increases.
- Preexisting Condition Insurance Program
 - No longer accepting applications.
 - The program ends on January 1, 2014, when early retirees will be able to purchase coverage through the Exchange.
- Reinsurance Program for Early Retiree Coverage
 - Provides \$5 billion for temporary financial help for employer plans to continue to provide valuable coverage to certain retirees.
 - The program ends on January 1, 2014, when early retirees will be able to purchase coverage through the Exchange.
- Dependent coverage extended until age 26.
- Prohibit annual and lifetime dollar limits on essential benefits.



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Reforms Effective 2010 (continued)

- Insurance Plan Appeals Process.
 - The law provides consumers with a way to appeal coverage determinations or claims to their insurance company, and establishes an external review process.
- Coverage required for Preventive Benefits.
 - Preventive services must be covered without having to pay a copayment, co-insurance or deductible.
- Small business health insurance tax credits available.
 - Up to 35% of employer's cost of providing coverage, increases to 50% in 2014.
- Insurers prohibited from rescinding coverage if an insured becomes ill.
- Guaranteed issue for children.
- Funding for scholarships and loan repayments for primary care doctors and nurses working in underserved areas.



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Reforms Effective 2011

- Minimum Medical Loss Ratios for Insurers
 - 80% MLR for Individual & Small Group
 - 85% MLR for Large Group
- Medicare Donut Hole Coverage Gap
- Funding for Health Insurance Exchanges
- Many enhancements to Medicaid and Medicare



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Reforms Effective 2012

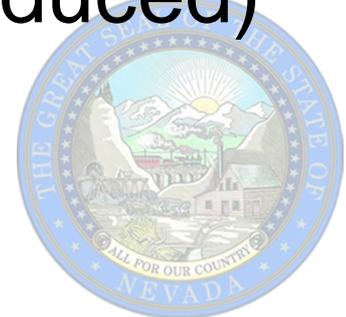
- Uniform Coverage Summaries for Consumers
- Accountable Care Organizations (ACOs) for Medicare
- Medicare enhancements:
 - Advantage Plan Payments
 - Independence at Home Demonstration
 - Provider Payment Changes
 - Value-Based Purchasing



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Reforms Effective 2013

- CO-OP Health Plans – grants to create
- State-Based Exchanges Notification
- Itemized Deductions for Medical Expenses
- Flexible Spending Accounts Limits
- Medicare and Medicaid Disproportionate Share Hospital Payment Changes (reduced)
- Medicare Tax Increase



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Reforms Effective 2014

- ACA fully implemented for non-grandfathered policies
- Health Insurance Exchanges fully operational
- Individual Requirement to Have Insurance
- Health Insurance Premium & Cost Sharing Subsidies
- Essential Health Benefits
- Multi-State Health Plans introduced



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Reforms Effective 2014 (continued)

- Pricing Restrictions Imposed
 - Pre-existing condition exclusions and health underwriting prohibited
- Guaranteed Availability of Insurance
- No Annual Limits on Coverage
- Temporary Reinsurance Program for Health Plans
- Employer Requirements implemented (Implementation delayed until 2015)
- Wellness Programs in Insurance
- Fees on Health Insurance Sector



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PRICING – Prior to 2014

- Health Status
- Age
- Sex
- Industry
- Geographic area
- Composition of family
- Size of group
- Amount of contribution by employer



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Pricing – 2014

- Age: limited to 3:1 ratio old to young
- Geographic area: defined by Commissioner
 - Terr 1 Clark and Nye Counties
 - Terr 2 Washoe County
 - Terr 3 Carson City, Douglas, Lyon, Storey
 - Terr 4 Remainder of State
- Composition of family
- Tobacco use: 1:1.5 maximum



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Actuarial Value of Policy Coverage

- Bronze = 40% cost share
- Silver = 30% cost share
- Gold = 20% cost share
- Platinum = 10% cost share
- There is also a Catastrophic Plan available for individuals under the age of 30 or those granted a hardship/affordability exemption by the feds



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Essential Health Benefits

- Selected by Nevada after extensive public comment period
- Individual and small group health insurance policies must include the Essential Health Benefits
- No annual limits
- No lifetime limits
- No limits for services expressed as dollars – there may be limits such as number of visits



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EHB Plan Chosen Health Plan of Nevada Point-of-Service C-XV

This was the largest small
employer plan in the state.

Form #: POS C-XV



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Essential Health Benefits

- Large group health insurance plans are not required to offer Essential Health Benefits.
- Any benefits offered by these plans that are Essential Health Benefits cannot have annual or lifetime dollar limits.



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Essential Health Benefits

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and Newborn care
- Mental Health and Substance Abuse
- Rehabilitative and Habilitative services and devices
- Prescription drugs
- Laboratory services
- Pediatric services including dental and vision
- Preventive and Wellness Services and Chronic Disease Mgt



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Preventive and Wellness Services

- Affects ALL non-grandfathered plans
- If network provider is used, no copays, deductibles or coinsurance may be charged to the covered person
- Blood pressure, diabetes and cholesterol tests
- Many cancer screenings - mammograms and colonoscopies
- Counseling – smoking cessation; weight mgt; depression
- Regular well-baby and well-child visits – birth to age 21
- Routine vaccinations – measles, polio, meningitis
- Counseling, screening and vaccines to ensure healthy pregnancies
- Flu and Pneumonia shots

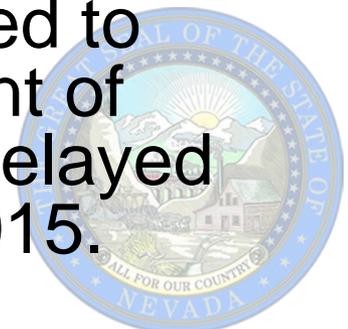
For complete list: healthcare.gov or
www.uspreventiveservicestaskforce.org



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Employer Mandate Delayed

- Starting in 2015, **employers with 50 or more full-time employees or FTE employees**, and who do not provide **affordable minimum essential coverage** for their full-time employees (and their dependents), **will be required to pay an assessment to the Internal Revenue Service (IRS)**.
- **Note:** The enforcement of the assessment for not providing coverage was originally scheduled to begin in 2014. However, a U.S. Department of Treasury announcement on July 2, 2013 delayed enforcement of this aspect of the law to 2015.



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Exchange Enrollment Facilitators

- Also known as “Navigators”, “Enrollment Assisters” and “Certified Application Counselors”.
- Provide education and outreach to potentially underserved communities.
- Supplements Nevada’s existing population of licensed producers.
- EEF’s should not “steer” consumers to a specific plan or carrier.



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Exchange Enrollment Facilitators

- Created by NRS 695J
- Educated and Accountable
 - Background checks conducted.
 - Certified by the DOI.
 - Same standards as producers.
- Do not receive commission from insurers
- May not give advice
- Consumers may check with DOI to confirm certification at DOI.NV.GOV or 775-687-0700
 - Report suspicious activity and bad actors



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Nevada Carriers Participation in 2014

- Individual Market
 - Total Carriers: 13
 - Total Plans: 208
 - Carriers both off and on Exchange: 3
- Small Group Market
 - Total Carriers: 19
 - Total Plans: 485
 - Carriers both off and on Exchange: 1



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Exchange Market

- Individual Market
 - Carriers on Exchange: 5
 - Plans on Exchange: 61
- Small Group Market
 - Carriers on Exchange: 2
 - Plans on Exchange: 19



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Off Exchange Market

- Individual Market
 - Carriers off Exchange: 8
 - Plans off Exchange: 147
 - Carriers both off and on Exchange: 3
- Small Group Market
 - Carriers off Exchange: 17
 - Plans off Exchange: 466
 - Carriers both off and on Exchange: 1



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Questions?

