

Office of Consumer Information and Insurance Oversight
Quarterly Report: Performance Progress Report
Indiana Insurance Market, Level One Solicitation

State: Indiana

Project Quarter Reporting Period: Grant Quarter 1 (05/23/2011-09/30/2011)

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Core Areas

Background Research

- What are the primary strategies your program has used to approach this core area?
Indiana completed the milestones associated with background research as a part of the Exchange planning grant, and therefore, Indiana did not apply for any funding related to background research. During the planning grant period, Indiana hired Milliman and SHADAC to complete a number of assessments on the current insurance market, all of which can be found on the “Resources” page on Nationalhealthcare.in.gov.
- What are some of your program’s significant accomplishments in this core area?
Please see the planning grant quarterly reports for additional information related to the accomplishments during that grant period. The quarterly reports are also posted on Nationalhealthcare.in.gov.
- What are some of the significant barriers your program has encountered? N/A.
- What strategies has your program employed to deal with these barriers? N/A.

Stakeholder Research

- What are the primary strategies your program has used to approach this core area?
As noted in the Indiana grant application, stakeholder consultation is an ongoing component of Indiana’s conditional establishment of an Exchange. During the Exchange planning grant period, dozens of individual meetings were held, testimony was given at various hearings and two stakeholder Questionnaires were completed, which became models for other states. During the Exchange Level One grant period, Indiana’s primary strategy for the stakeholder outreach has been and continues to be targeted meetings with small groups of individuals. We believe this format allows individuals to be more candid in their dialogue with the State, and has proved to be a valuable tool as policies have been considered. Numerous public presentations have also been given to the General Assembly and at Healthcare Reform conferences. Meeting requests from stakeholders are always accepted.

- What are some of your program’s significant accomplishments in this core area?

Completed stakeholder meetings over during Quarter One include: Indiana Health Information Exchange/IHIE, Tower Bank, Ceridian, Indiana AARP sponsored Consumer Advocacy Healthcare Reform Taskforce with over 25 Indiana consumer groups represented, Indiana Hospital Association, Assurant, Indiana State Medical Association, Indiana State Senator Pat Miller (Chair of Health Committee), Indiana Representative Matt Lehman (Chair of Insurance Committee), Benicomp, Patton Boggs, St. Vincent Health Network, IU Health Network, the Indiana Employer’s Health Quality Alliance, and the Indiana Insurance Brokers. Indiana also continues to operate the website Nationalhealthcare.in.gov and individuals can request the updates be emailed to them when new information is posted to the website. Individuals can also email the healthcare reform team at feedback@nationalhealthcare.in.gov. The email inbox is checked daily. Indiana also reached out to other states to gauge their plans for an Exchange and any potential interest in a multi-state Exchange.

Three presentations have also been given to the Indiana General Assembly during their summer study committees (July, August and October). These presentations are broadcasted over the internet and consumer, provider, insurance and business

stakeholders attend these meetings. The PowerPoint files accompanying the presentation are posted on the Nationalhealthcare.in.gov website for anyone to view. Additional presentations have been given including: IJB Power Breakfast Series, Indiana State University students, Valparaiso University students and the fall Indiana AARP-sponsored Healthcare Exchange conference.

- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A

Legislative/Regulatory Action

- What are the primary strategies your program has used to approach this core area?

The first key strategy for the State has been to promptly and thoroughly review all proposed regulations released in regards to the Exchanges. An interagency group was convened with the Department of Insurance, the Division of Family Resources (responsible for eligibility) and the Office of Medicaid Policy and Planning. Additionally, the State of Indiana contracted with a law firm to receive assistance with regulatory and legislative action. The other primary strategy for this area has been to identify legislative and regulatory needs should Indiana decide to establish an Exchange, and have necessary guidance documented should it be needed.

- What are some of your program's significant accomplishments in this core area?

Throughout Quarter One, the law firm has met with State resources to define areas where authority may need to be given for Exchange functions or functions delegated to State agencies via an MOU to perform activities on behalf of an Exchange. The State logged questions and ideas during policy, stakeholder and business requirements meetings and then met with the attorneys to discuss these items. As a result, a draft legislative matrix defining where authority was recommended or necessary was created, should Indiana move forward with an Exchange. They have also done a legal review for the federal Exchange and federal-state partnership models. Two draft pieces of legislation are also being assembled, though the State does not plan to propose any legislation during the 2012 session of the Indiana General Assembly that begins in January. The State has provided testimony at summer study committee.

The other significant accomplishment during quarter one has been the review of the HHS Notices of Proposed Rule-Making. After each rule was released, all internal stakeholders participated in daily meetings to review the regulations as a group. Comments, questions and items affecting the business requirements and/or legal team were logged and addressed. The proposed regulations were incorporated into the business requirements, and comments on all five proposed rules have been prepared for submission. The team also created a series of MAGI eligibility flowcharts, which have been posted on the website.

- What are some of the significant barriers your program has encountered? The most significant barrier in this area has been the lack of federal guidance; the State still awaits proposed rules on notices, the essential benefits and quality metrics, among others. The other barrier is the lack of a legal decision on the individual mandate; a Supreme Court decision is needed for the State to make a decision regarding an Exchange.
- What strategies has your program employed to deal with these barriers? Indiana has encouraged prompt response from the federal government in the comments offered to the NRPMs.

Governance

- What are the primary strategies your program has used to approach this core area?

During the planning grant period, Governor Mitch Daniels issued an Executive Order conditionally establishing an Exchange as a not-for-profit. The Executive Order states that this was due to the limited federal guidance on exchanges or a federal exchange, Indiana's belief in protecting Hoosiers from undue federal regulation and to maintain a free market. Indiana, therefore, has been exploring the options for established a not-for-profit Exchange. Indiana has not committed to establishing an Exchange.

- What are some of your program's significant accomplishments in this core area?
Ice Miller has continued to provide support as questions have arisen as related to the governance of a potential Exchange. Issues have been logged for incorporation into the Memorandums of Understanding. Should Indiana move forward, the State will need to finalize bylaws and articles of incorporation.
- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A.

Exchange IT Systems

- What are the primary strategies your program has used to approach this core area?
Indiana's primary strategy has been to survey the vendor community for the types of solutions available while actively determining the needs of the State of Indiana for an Exchange, should it be established. Staff has considered leveraging and incorporating current functions. Exchange project does create challenges with respect to Indiana's existing technology infrastructure. Both the Medicaid management system (MMIS) and eligibility systems are around 20 years old. The new requirements of ACA, including the Exchange requirements, have created a challenging IT environment. A risk was identified early on in the Exchange assessment relating to the overall readiness of the State's suite of technology, including hardware and applications, which could be used to support an Exchange. For this reason, the staff members have approached the project knowing that in the event an Exchange is established, other IT system replacements will be taking place in the next five years regardless.
- What are some of your program's significant accomplishments in this core area?
In quarter one, the State has participated in unsolicited vendor demos, released an RFI to obtain input for a potential technical design(s). A cross-functional, multi-disciplinary team reviewed the RFI, but did not score the responses as there was no intent to procure. Currently, the team is looking for the best way to leverage the State's planned eligibility system replacement with an Exchange, should an Exchange be developed. The Exchange technical team has worked in parallel with the business requirements team to document the requirements for the proposed Exchange. Based on the results of the business requirements process, the State has been reviewing the technology issues and developing potential go-forward guiding principles for an Exchange. The IT team meets with key leadership at FSSA and IDOI on a weekly basis. In the next quarter, technical requirements will be developed based upon the business requirements.
- What are some of the significant barriers your program has encountered? The most significant barrier has been the absence of necessary federal guidance related to the Exchanges. Specifically, detailed protocol, expected Exchange transfer documentation, any known way to interoperate with the federal data hub and any specific requirements around security must be released immediately, if these items are expected to be incorporated into any solutions.
- What strategies has your program employed to deal with these barriers? Indiana met with HHS leaders regarding the IT systems and the ELC gate reviews during the HHS meeting in September and some of these concerns were expressed.

Program Integration

- What are the primary strategies your program has used to approach this core area?
As noted in the grant application, since the beginning of the planning process, Indiana has been dedicated to ensuring that all State agency stakeholders who own resources or processes necessary to the Exchange are engaged and involved in the potential development on an Exchange. The primary strategy has been to include all relevant stakeholders in the Exchange-related work. The Department of Insurance and the Family and Social Services Administration, which oversees eligibility and Medicaid policy, communicate daily and hold regular collaborative meetings on the Exchange design options. Throughout the process of Exchange development, the healthcare reform team is working to identify challenges posed by program integration and working to develop strategies for mitigating these issues.
- What are some of your program's significant accomplishments in this core area?
The key area where program integration has been necessary during Quarter One has been in the development of business requirements for an Exchange, should one be developed. A series of intensive meetings each week have been staffed by the Department of Insurance and the Family and Social Services Administration, as well as members of the IT team. Of note, additional information about the development of the detailed requirements is included under each milestone.

- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A.

Financial Management

- What are the primary strategies your program has used to approach this core area?
As noted in the grant application, to develop the financial management structure and accounting systems for the Exchange, Indiana will seek aid from outside consultants, including experienced accountants. Once all Exchange design decisions that could impact the financial management structure are finalized, the HCR Team and finance consultants will work to develop the financial management structure and accounting systems of the Exchange. Work in this area has not started.
- What are some of your program's significant accomplishments in this core area?
The State has not contracted with a financial management vendor yet. The cost operating model that will accompany the business requirements is being developed, and it will be including a projection for the financial staffing for an Indiana Exchange.
- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A.

Oversight & Program Integrity

- What are the primary strategies your program has used to approach this core area?
In regards to the program integrity and oversight of the grant project, dedication of attention has been given to monitoring the flow of the funding and the quality of the products produced by vendors prior to payment. The strategy has been to track the performance of individuals and/or vendors staffing the grant and the payments associated with their work.

The State has managed the flow of funding for the Exchange and addressed the financial integrity, and prevention of fraud, waste, and abuse as it relates to the Exchange grant. Contractual issues have been monitored and addressed, and adherence to the budget and to performance metrics has also been monitored. Timely billing, in accordance with contract terms, has been enforced.
- What are some of your program's significant accomplishments in this core area?
A monthly dashboard is prepared to report on contract performance and on all expenditures billed to and paid for by the grant. Once a month, an all Exchange meeting is held where an individual from each project area and/or each vendor reports on the work completed during that month. At this time, a small group of staff also meets to discuss the performance of each of the vendors within the last month. These issues are logged and presented on the monthly performance and payment dashboard. These reports are then shared with the senior leadership at FSSA.
- What are some of the significant barriers your program has encountered?
The Exchange Program Integrity proposed rules have not been released by the federal government, and this guidance would be helpful to the State. Indiana encourages the HHS to release this guidance as soon as possible.
- What strategies has your program employed to deal with these barriers? N/A.

Health Insurance Market Reform

- What are the primary strategies your program has used to approach this core area?
- The strategy for this core area is to look at the Exchange insurance market reforms in the larger picture of the many insurance market changes required by the Affordable Care Act: Medical Loss Ratio, Risk Adjustment, Reinsurance, Rate Review and External Review. Risk adjustment and reinsurance research is funded by this grant and the preliminary work is detailed in the appropriate Business Function section of this report. Much of the other insurance market reform work handled at the Department of Insurance is funded by other sources such as the Rate Review Grant, etc. Some of the other insurance market reforms that have been addressed during the grant period but not funded by the grant include: Indiana's MLR application, application and receipt of the Rate Review Grant Cycle II and an external review appeal.
- What are some of your program's significant accomplishments in this core area?

Consideration of an Exchange's effects on the insurance market has been given significant attention in the development of the business requirements and the review of the regulations issued by the federal government. Questions have been logged for insurers and feedback will be sought from the carriers in the coming weeks. Lastly, though not directly associated with or paid for by this grant, the website contains a number of insurance-related communications with the federal government on MLR, external review and rate review.

- What are some of the significant barriers your program has encountered?
No particular barriers have been logged. The State is responding to the risk adjustment and reinsurance Notice of Proposed Rulemaking, and encourages CMS to release final rules as soon as possible as they are essential to states' planning.
- What strategies has your program employed to deal with these barriers? N/A.

Assistance to Individuals and Businesses, Coverage Appeals and Complaints

- What are the primary strategies your program has used to approach this core area?
This area has largely been addressed through the development of business requirements, which will be addressed in each of the milestones. The State has begun to inventory its current systems in place to address individual and small business coverage appeals and complaints. The IDOI and the FSSA's Office of the Medicaid Policy and Planning (OMPP) and DFR (Division of Family Resources) have existing efforts to aid consumers. FSSA handles eligibility appeals as well as other complaints about Medicaid plans. IDOI currently handles customer complaints regarding insurance. These efforts are being coordinated across the agencies to provide a seamless system to handle customers' needs and grievances, should an Exchange be established.
- What are some of your program's significant accomplishments in this core area?
The near completion of the business requirements has been a significant time investment and accomplishment for the State. Assistance to individuals and businesses, the handling of consumer complaints and the support of appeals have all been areas addressed in the future state process models and business requirements. More information is available in the business function sections.
- What are some of the significant barriers your program has encountered? N/A.
- What strategies has your program employed to deal with these barriers? N/A.

Business Processes

Certification of Qualified Health Plans

- What are the primary strategies your program has used to approach this core area?
Through the development of the business requirements and detailed procedures, it was decided to leverage the existing functions and expertise at the Indiana Department of Insurance, should an Exchange be developed. The IDOI currently handles all rate filings, and it is anticipated the IDOI would be responsible for Qualified Health Plan certification process.
- What are some of your program's significant accomplishments in this core area?
The most significant accomplishment has been working on the development of future state models and business requirements for the certification of QHPs.
- What are some of the significant barriers your program has encountered? Indiana has reviewed the proposed regulations for the certification of Qualified Health Plans and if the federal government does not promptly release the final rules, states could be in danger of not being prepared in time. Indiana encourages CMS to promptly review the comments submitted by states, and release the final guidance as soon as possible.
- What strategies has your program employed to deal with these barriers? Indiana has prepared a response to the proposed NPRM and will encourage CMS to promptly issue final rules.

Call center and in-person assistance

- What are the primary strategies your program has used to approach this core area?
The primary strategy in this area has been to leverage the expertise currently available in the State agencies to develop the policies and procedures needed for the detailed processes and business requirements, should an Exchange be established by Indiana. The State completed an inventory of all our call centers and the issues with which they deal.
- What are some of your program's significant accomplishments in this core area?
As noted in the other sections of this report, a key accomplishment has been the development of detailed processes and business requirements.
- What are some of the significant barriers your program has encountered? N/A.
- What strategies has your program employed to deal with these barriers? N/A.

Exchange website and calculator

- What are the primary strategies your program has used to approach this core area?
Current expertise, along with that provided by the vendors who have been contracted for the project, has been leveraged to develop detailed processes and business requirements. It is envisioned that design issues will be addressed at a later date, once technical requirements have been drafted.
- What are some of your program's significant accomplishments in this core area?
The creation of the business requirements has been a significant undertaking and accomplishment in this milestone area.
- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A.

Quality Rating System

- What are the primary strategies your program has used to approach this core area?
Indiana has approached this area with particular attention to what quality information is currently available, how it can be leveraged for an Exchange and what the cost associated with providing the information would be. While HHS will define the required quality metrics for carriers, Indiana is exploring what could be made available with regards to individual providers.
- What are some of your program's significant accomplishments in this core area?
In September, a result of a competitive procurement, Indiana selected a vendor to do a feasibility study regarding provider quality information. Part of the vendor's work is to reach out to various stakeholders to glean what these individuals/groups would like to see in regards to quality data and an Exchange. The work is scheduled to be completed in the next grant quarter.
- What are some of the significant barriers your program has encountered? The federal government has not defined the quality metrics required by the Affordable Care Act. Proposed rules and guidance are immediately needed, and final rules will need to be turned around as soon as possible.
- What strategies has your program employed to deal with these barriers? Indiana continues to urge the federal government to provide all the necessary guidance to plan and prepare for late 2013 implementation of Exchanges.

Navigator

- What are the primary strategies your program has used to approach this core area?
Indiana has sought to leverage the expertise currently available within the State. The Division of Family Resources contracts with entities who act as "enrollment centers" to help individuals enroll in public assistance programs. The Department of Insurance's SHIP program helps individuals enroll in Medicare. Expertise from both of these programs has been leveraged to develop the current proposal and accompanying business process flows.

- What are some of your program’s significant accomplishments in this core area?
Significant accomplishments include internal meetings to discuss policy proposals for Navigator and broker functions in an Exchange. Indiana has met with the brokers to gain their feedback on the requirements set forth in the Affordable Care Act. As noted in the other sections, detailed process flows and business requirements are being developed.
- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A

Eligibility Determination

- What are the primary strategies your program has used to approach this core area?
During this stage of the Exchange grant, the State has been developing business requirements for eligibility determination. Technical requirements will be developed in the next stage of the project. The strategy for developing the requirements related to this milestone has been to leverage the functions that already exist in the State, which is primarily the eligibility determination for Medicaid that currently takes place within FSSA’s Division of Family Resource (DFR). If an Exchange is established, it is envisioned that an MOU between the Exchange and DFR would be executed in order for DFR to handle the eligibility determinations on behalf of the Exchange.
- What are some of your program’s significant accomplishments in this core area?
The eligibility determination business process models and the detailed business requirements have been completed for this business function area. We also created flowcharts that provided clarity to the proposed rules as well as identified where state decisions needed to be made within the proposed rules.
- What are some of the significant barriers your program has encountered?
Final regulations for eligibility are necessary if the states are to proceed in a timely and adequate manner. The State also again requests that CMS coordinate with FNS as there are many states that currently operate combined eligibility systems that will be leveraged for Exchange functions.
- What strategies has your program employed to deal with these barriers? The State has created a response to the eligibility NPRMs, and in numerous meetings, calls and reports has expressed the need for FNS coordination. In addition, Indiana has participated on CCHIO, CMS calls and to ask clarifying questions.

Enrollment Process

- What are the primary strategies your program has used to approach this core area?
The expertise on the Indiana Department of Insurance has been leveraged to develop processes for enrolling individuals in Qualified Health Plans, and similarly, the expertise of FSSA has been leveraged to develop the processes for enrolling individuals in Medicaid via the Exchange.
- What are some of your program’s significant accomplishments in this core area?
The significant milestone during Quarter One was developing detailed business processes models for QHP and Medicaid enrollment.
- What are some of the significant barriers your program has encountered? At the beginning of the grant period, no guidance had yet been released from the federal government. Indiana is appreciative of the proposed rules released in July, has reviewed the rules and urges CMS to promptly issue final guidance.
- What strategies has your program employed to deal with these barriers? Indiana has provided comment to the proposed rules and encourages the federal government to issue final regulations as soon as possible.

Applications and Notices

- What are the primary strategies your program has used to approach this core area?
The strategy has been to leverage the years of experience gleaned through programs in operation today. FSSA input was crucial to discussions surrounding applications and notices. Business process models were developed indicating where the proposed regulations required notices.
- What are some of your program's significant accomplishments in this core area?
The significant accomplishment in this area has been to complete the detailed business process models. All notices generated would include the standardized Exchange format defined in the proposed rule.
- What are some of the significant barriers your program has encountered?
The most significant barriers continue to be the lack of federal guidance. The proposed rules state the guidance on notices is forthcoming, and Indiana encourages the federal government to release this guidance as soon as possible, as it is important to consider in system development as well as calculation of cost to operate an Exchange. Additionally, further guidance regarding the single application is needed for states that currently combine their Medicaid applications with SNAP and TANF; Indiana again encourages the HHS to work with FNS on the development of this guidance.
- What strategies has your program employed to deal with these barriers? Indiana has responded to the notices of proposed rule-making.

Exemptions from Individual Mandate

- What are the primary strategies your program has used to approach this core area?
Indiana has carefully considered the cost of performing the individual mandate exemptions in the consideration of this milestone. Given that Exchanges must be self-sustaining in 2015, this is of great importance to the State, should an Exchange be established by Indiana.
- What are some of your program's significant accomplishments in this core area?
The significant milestone in this area has been the development of detailed business process models outlining the individual mandate process function. These outline how an Exchange would fulfill its responsibility of notifying the individual and Federal Agencies of the determination results.
- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A.

Premium Tax Credit and Cost Sharing Reduction Administration

- What are the primary strategies your program has used to approach this core area? Please see the response to the eligibility milestone for information on the determination of premium tax credits.
- What are some of your program's significant accomplishments in this core area? Please see the response to the eligibility milestone for information on the determination of premium tax credits.
- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A

Appeals

- What are the primary strategies your program has used to approach this core area?
The primary strategy in this area has been to leverage the current expertise at FSSA and IDOI to develop appeals processes for (1) carriers who disagree with decisions made about a plan and for (2) users of an Exchange regarding their eligibility determinations.
- What are some of your program's significant accomplishments in this core area?

The most significant accomplishment in this area again has been the development of detailed business process models and business requirements.

- What are some of the significant barriers your program has encountered? N/A.
- What strategies has your program employed to deal with these barriers? N/A.

Notice and Appeals of employer liability

- What are the primary strategies your program has used to approach this core area?
Indiana has leveraged the expertise currently present within its state agencies to develop the details surrounding the milestones.
- What are some of your program's significant accomplishments in this core area?
- The most significant accomplishment in this core area has been to develop detailed business process models. The process for making this determination has been included in these detailed processes modeled for a potential Exchange.
- What are some of the significant barriers your program has encountered? N/A.
- What strategies has your program employed to deal with these barriers? N/A.

Information reporting to IRS and enrollees

- What are the primary strategies your program has used to approach this core area?
The strategy in this area has been to meet the expectations of the federal government, while keeping costs low given that the Exchange will have to be self-sustaining in 2015. Current expertise on federal reporting has been leveraged to develop the detailed processes and business requirements.
- What are some of your program's significant accomplishments in this core area?
A significant milestone has been the development of detailed business process models. Reflected in these models for an Exchange, if established, is the ability to extract defined data elements and consolidate them into reports meeting reporting standards defined in the ACA.
- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A

Outreach and education

- What are the primary strategies your program has used to approach this core area?
Leveraging current expertise to develop the detailed processes and business requirements has been a key strategy for Indiana. Many of the details for outreach and education are yet to be developed, should Indiana establish an Exchange.
- What are some of your program's significant accomplishments in this core area?
Preliminary discussions regarding outreach and education, particularly as it relates to the Navigator function, have taken place throughout the development of detailed process models and business requirements.
- What are some of the significant barriers your program has encountered? N/A
- What strategies has your program employed to deal with these barriers? N/A.

Risk adjustment and reinsurance

- What are the primary strategies your program has used to approach this core area?
The strategy in this program area has been to review the regulations as released and provide thorough feedback to the federal government, as well as leverage expertise within FSSA and IDOI. Particular attention is being paid to the cost of administering the programs, as well as how they align with the current and future functions expected of Indiana's Department of Insurance.

- What are some of your program’s significant accomplishments in this core area?
The Indiana team has reviewed the risk adjustment and reinsurance proposed rules, and has prepared feedback to the federal government. Additionally, detailed business process models based on the information provided in the proposed regulations. Recently, an existing actuarial project was expanded to provide the State with guidance on developing the risk adjustment and reinsurance programs should the state move forward with an Exchange.
- What are some of the significant barriers your program has encountered? Final rules regarding risk adjustment and reinsurance are crucial, and Indiana encourages the federal government to release these as soon as possible. Providing clarity and flexibility to states when these regulations are released is imperative.
- What strategies has your program employed to deal with these barriers? N/A.

SHOP Functions

- What are the primary strategies your program has used to approach this core area?
Indiana has spent considerable time evaluating the policies surrounding the SHOP, as proposed by the Affordable Care Act. Assessments and the questionnaires conducted during the planning grant period, helped the State to anticipate how many businesses and employees may use the SHOP. Indiana’s strategy has been to develop policy for a SHOP that leverages the current strengths of Indiana’s robust small group market, particularly the strong network of brokers.
- What are some of your program’s significant accomplishments in this core area?
A significant milestone during Quarter One has been to develop the detailed business process models and business requirements for this area. According to the processes as currently written, the primary purpose of this function would be for an employer to access the SHOP Exchange at any point during the year to provide employer sponsored health and/or dental insurance (bundled or standalone) for their employees. The SHOP Exchange would also notify small group employers that they may be eligible for a small group employer tax credit based on the size, average income, and contribution level of the group.
- What are some of the significant barriers your program has encountered? It is not believed that the SHOP Exchange will have robust participation, based upon the number of small employers that may choose to drop insurance and the availability of small group policies on the outside market. The challenge has been to design a SHOP Exchange that is affordable, given the anticipated usage of the function. Additionally, final federal guidance on the SHOP is needed as soon as possible.
- What strategies has your program employed to deal with these barriers? The policy team has worked and reworked policies and ideas in order to create a proposal for the SHOP that assists Hoosier businesses while attempting to keep the operating costs low. Indiana has also prepared a response to the NPRMs.