Update on the Kentucky Health Benefit Exchange

Miriam Fordham
Division Director

January 24, 2014
Kentucky’s Uninsured

- 640,000 are currently uninsured:
- 300,000 may qualify for Medicaid under the new eligibility rules
- 290,000 may qualify for premium assistance through the Exchange
- 50,000 may purchase insurance on the Exchange without subsidy
Kentucky Health Benefit Exchange

Uninsured in Kentucky

- 10.2% - 14.9%
- 15% - 17.9%
- 18% - 21.9%
- 22% - 24.2%

Source: Small Area Health Insurance Estimates, 2010, U.S. Census Bureau, August 2012
What is an Exchange?

An organized marketplace for individuals and employees of small businesses to shop for health insurance offered by insurers (insurance companies, CO-OPs and OPM plans), and compare those plans based on price and quality. Individuals may also apply for Medicaid or the Kentucky Children’s Health Insurance Program (KCHIP) coverage through the Exchange.

The Affordable Care Act requires states to create their own exchanges or default to a federal exchange. Kentucky opted to create its own.
Kentucky’s uninsured 640,000 are currently uninsured:

- 300,000 may qualify for Medicaid under the new eligibility rules
- 290,000 may qualify for premium assistance through the Exchange
- 50,000 may purchase insurance on the Exchange without subsidy

Affordable Care Act: Notable Impacts

- Requires individuals to have health insurance coverage beginning in 2014 or face penalties
- Introduces new consumer protections
  - Preventive care coverage
  - Mental Health Parity
  - No preexisting conditions
  - Essential Health Benefits
  - No lifetime limits
  - Child can stay on parent’s insurance until age 26
- Increases access to affordable healthcare
  - Medicaid expansion
  - Payment assistance and special discounts
- Offers tax credit to small business owners who offer coverage to employees through SHOP program
Qualified Health Plans (QHP)

- Are certified by the Exchange
- Offer consumer protections
- Maintain health care quality ratings
- Contain Essential Health Benefits (EHB)
- Provide different levels of coverage
Essential Health Benefits

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance use disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral and vision care)
Metal Levels

The QHPs offered on the Marketplace will include the following levels:

• Bronze – Average of 60% for claims cost & 40% cost sharing
• Silver - Average of 70% for claims cost & 30% cost sharing
• Gold - Average of 80% for claims cost & 20% cost sharing
• Platinum - Average of 90% for claims cost & 10% cost sharing
Advanced Payment of the Premium Tax Credit (APTC) or Payment Assistance

• Available for individuals and families who purchase health insurance through the marketplace, and
• Whose income is between 138% and 400% of the Federal Poverty Level (FPL)

Cost-Sharing Reductions (CSR) – additional discounts such as reduced deductibles, co-pays or co-insurance for those with income below 250% of the FPL and who enroll in a Silver Plan.
Federal Poverty Levels
Assistance is Based on Income and Family Size

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Individual</th>
<th>Family of Four</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% FPL</td>
<td>$11,490</td>
<td>$23,500</td>
</tr>
<tr>
<td>133% FPL</td>
<td>$15,281.70</td>
<td>$31,255</td>
</tr>
<tr>
<td>138% FPL</td>
<td>$15,856.20</td>
<td>$32,430</td>
</tr>
<tr>
<td>150% FPL</td>
<td>$17,235</td>
<td>$35,250</td>
</tr>
<tr>
<td>200% FPL</td>
<td>$22,980</td>
<td>$47,000</td>
</tr>
<tr>
<td>250% FPL</td>
<td>$28,725</td>
<td>$58,750</td>
</tr>
<tr>
<td>300% FPL</td>
<td>$34,470</td>
<td>$70,500</td>
</tr>
<tr>
<td>400% FPL</td>
<td>$45,960</td>
<td>$94,000</td>
</tr>
</tbody>
</table>
Medicaid Expansion under the ACA

• The Commonwealth of Kentucky has chosen to expand its Medicaid program by extending Medicaid benefits to adults whose income level is less than or equal to 133% of the FPL and who meet the following criteria:
  • Age 19-64
  • Not Pregnant
  • Not Medicare eligible
  • Not otherwise eligible for any other Medicaid Group

The 5% Federal Poverty Disregard will be applied to an individual’s income if needed to gain eligibility, making the income maximum less than or equal to 138% of the FPL.
Income Limits for Medicaid Expansion

- U.S. citizens or lawfully present immigrants (after 5 years)
- Annual income < 138% of Federal Poverty Level (FPL)

### 2013 Federal Poverty Guidelines (Annual Income)

<table>
<thead>
<tr>
<th>Household Size</th>
<th>138%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$15,856</td>
</tr>
<tr>
<td>2</td>
<td>$21,404</td>
</tr>
<tr>
<td>3</td>
<td>$26,951</td>
</tr>
<tr>
<td>4</td>
<td>$32,499</td>
</tr>
<tr>
<td>5</td>
<td>$38,047</td>
</tr>
<tr>
<td>6</td>
<td>$43,594</td>
</tr>
<tr>
<td>7</td>
<td>$49,142</td>
</tr>
<tr>
<td>8</td>
<td>$54,689</td>
</tr>
</tbody>
</table>

*Source: www.medicaid.gov*
Income Limits for Premium Subsidy

- U.S. citizens and lawfully present immigrants
- Annual income falls between 138% and 400% of FPL

<table>
<thead>
<tr>
<th>Household Size</th>
<th>138%</th>
<th>400%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$15,856</td>
<td>$45,960</td>
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<tr>
<td>2</td>
<td>$21,404</td>
<td>$62,040</td>
</tr>
<tr>
<td>3</td>
<td>$26,951</td>
<td>$78,120</td>
</tr>
<tr>
<td>4</td>
<td>$32,499</td>
<td>$94,200</td>
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<tr>
<td>5</td>
<td>$38,047</td>
<td>$110,280</td>
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<tr>
<td>6</td>
<td>$43,594</td>
<td>$126,360</td>
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<tr>
<td>7</td>
<td>$49,142</td>
<td>$142,440</td>
</tr>
<tr>
<td>8</td>
<td>$54,689</td>
<td>$158,520</td>
</tr>
</tbody>
</table>

Source: [www.medicaid.gov](http://www.medicaid.gov)
kynect Insurer Participation

- **Individual Plans**
  - Anthem
  - Kentucky Health Cooperative
  - Humana

- **Small Group Plans**
  - Bluegrass Family Health
  - Kentucky Health Cooperative
  - Anthem
  - United HealthCare
kynect MCO Participation

- Passport
- Humana
- WellCare
- Coventry
- Anthem
8 Medicaid Regions
Consumer Welcome Page

Open enrollment begins October 1, 2013, and runs through March 31, 2014, with coverage beginning as soon as January 2014.

Welcome  Individuals & Families  Small Business  Insurance Agents  Kynectors

It’s a new day in healthcare coverage.

Welcome Individuals & Families

MORE AFFORDABLE

More people can save money on health insurance thanks to kynect. Use our calculator to find out your estimated 2014 health insurance costs. It will tell you if you qualify for special discounts. Also, if you are eligible for Medicaid and the Kentucky Children’s Health Insurance Program, Coverage can

Check for Eligibility  Let’s Get Started

EASY TO ENROLL

It’s easy to apply. If you do have a question, kynect is ready to help. Click Assistance to find free assistance online, over the phone, or in person.
Preliminary Screening

Let's get started. Please make sure you answer every required question. If a household member is under the age of 1, please enter 0 for the age.

Household Member 1 of 3

Name: Tommy

*Age: 45

*Gender: Male

*Does this person use tobacco?: No

*Is this person applying for coverage?: Yes
Preliminary Screening

About You and Your Household

Please tell us a little about you and your family to help us find the best healthcare plan for you. To start, we need to know how much money your family makes in a year. Include money made from jobs, your own business, and other money sources such as pensions, unemployment.

* County
  Barren

* How many people, including yourself, do you want to include as you explore your healthcare coverage options?

3

Below, you can estimate how much income your entire household makes in a month. Include income from jobs or self-employment, as well as other sources such as pensions, unemployment or interest. Remember, none of the information you enter will be saved by the system.

* Our household receives $\text{4500} \text{ per month}
Preliminary Screening
Browse Insurance Plans

<table>
<thead>
<tr>
<th>Monthly Premium</th>
<th>Issuer Details</th>
<th>Plan Details</th>
<th>Annual Deductible</th>
<th>Out Of Pocket Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,282&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Coventry TORCH AI LESS FPL 2</td>
<td>HMO/Bronze</td>
<td>$0&lt;sup&gt;th&lt;/sup&gt; / Person</td>
<td>$0&lt;sup&gt;th&lt;/sup&gt; / Person</td>
</tr>
<tr>
<td>$2,778&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Humana SIMPLE PLAN 1</td>
<td>HMO/Platinum</td>
<td>$2,000&lt;sup&gt;th&lt;/sup&gt; / Person</td>
<td>$1,000&lt;sup&gt;th&lt;/sup&gt; / Person</td>
</tr>
<tr>
<td>$2,922&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Coventry TORCH AI LESS FPL 4</td>
<td>HMO/Platinum</td>
<td>$0&lt;sup&gt;th&lt;/sup&gt; / Person</td>
<td>$0&lt;sup&gt;th&lt;/sup&gt; / Person</td>
</tr>
<tr>
<td>$2,282&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Coventry TORCH AI MORE FPL 2</td>
<td>HMO/Bronze</td>
<td>$2,000&lt;sup&gt;th&lt;/sup&gt; / Person</td>
<td>$1,000&lt;sup&gt;th&lt;/sup&gt; / Person</td>
</tr>
<tr>
<td>$2,635&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Aetna SIMPLE PLAN 1</td>
<td>HMO/Platinum</td>
<td>$2,000&lt;sup&gt;th&lt;/sup&gt; / Person</td>
<td>$1,000&lt;sup&gt;th&lt;/sup&gt; / Person</td>
</tr>
</tbody>
</table>
## Criteria to Filter Plans

<table>
<thead>
<tr>
<th>Monthly Premium</th>
<th>Annual Deductible (Per Person)</th>
<th>Annual Deductible (Per Family)</th>
<th>Issuer</th>
</tr>
</thead>
<tbody>
<tr>
<td>$595&lt;sup&gt;$&lt;/sup&gt; To $2,922&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$0&lt;sup&gt;$&lt;/sup&gt; To $1,000&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$0&lt;sup&gt;$&lt;/sup&gt; To $2,000&lt;sup&gt;$&lt;/sup&gt;</td>
<td>5 selected</td>
</tr>
<tr>
<td>$595&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$0&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$0&lt;sup&gt;$&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$2,922&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$1,000&lt;sup&gt;$&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>$0&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$0&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$0&lt;sup&gt;$&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>Annual Out Of Pocket (Per Person)</td>
<td>Annual Out Of Pocket (Per Family)</td>
<td>Search by Hospital</td>
<td>Search by Doctor</td>
</tr>
<tr>
<td>$0&lt;sup&gt;$&lt;/sup&gt; To $1,000&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$0&lt;sup&gt;$&lt;/sup&gt; To $1,000&lt;sup&gt;$&lt;/sup&gt;</td>
<td>[4 selected]</td>
<td>[Go]</td>
</tr>
<tr>
<td>$0&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$0&lt;sup&gt;$&lt;/sup&gt;</td>
<td>[Go]</td>
<td></td>
</tr>
<tr>
<td>$1,000&lt;sup&gt;$&lt;/sup&gt;</td>
<td>$1,000&lt;sup&gt;$&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Quality Rating**

- [ ]
- [ ]
- [ ]
- [ ]
- [ ]

**Reset All**

**Find a Medical Plan for Tommy, Cindy, J.**

Coverage effective date is: 01-01-2014
Compare Insurance Plans

Aetna SIMPLE PLAN 3
Monthly Premium $494.00

Coventry TORCH AL MORE...
Monthly Premium $353.00

Out of Pocket Expense Estimator

Projected Out of Pocket Expenses

<table>
<thead>
<tr>
<th>General Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In Network</strong></td>
</tr>
<tr>
<td>Drug EHB Deductible - Family</td>
</tr>
<tr>
<td>Drug EHB Deductible - Individual</td>
</tr>
<tr>
<td>Medical EHB Deductible - Family</td>
</tr>
</tbody>
</table>
Education and Outreach

• **3 Types of Assistors**
  • Kynectors
  • Insurance Agents
  • Customer Service Representatives (call center)

• **Call Center**
  • Operational August 15
  • Hours: Mon.-Fri., 8:00 a.m. – 7:00 p.m. (ongoing); Sat., 9:00 a.m. – 1:00 p.m. (beg. Jan 1)
Open Enrollment

- Began Oct. 1 and runs through March 31, 2014. kynect is here to help you find the right coverage. It’s a new kind of health insurance marketplace – convenient and easy to use.
- By visiting the kynect.ky.gov website, you can find out if you qualify for Medicaid or KCHIP or payment assistance to purchase health coverage through kynect. kynect will offer choices of health plans at a good value.
- Lots of ways to apply: online, with a paper application, in person with help from a kynector or insurance agent, or through toll-free contact center.
- With one application, kynect will check your eligibility for programs that can help you pay for health insurance for yourself, your family or your employees.
kynector Organizations by Medicaid Region

REGION 1: Community Action Kentucky
REGION 2: Community Action Kentucky
REGION 3: KIPDA
REGION 4: Community Action Kentucky
REGION 5: Community Action Kentucky
REGION 6: Community Action Kentucky
REGION 7: Community Action Kentucky
REGION 8: Kentucky Primary Care Assoc.

Community Action Kentucky
Pat Nicely  1-800-456-3452

KIPDA
Barbara Gordon (502) 266-5571

KY Primary Care Association
Lindsay Nelson (502) 277-4379
Key Dates

OPEN ENROLLMENT

October 1, 2013 – March 31, 2014
• Applications made between 1\textsuperscript{st} and 15\textsuperscript{th} of month – Coverage effective date is first day of following month
• Applications made between 16\textsuperscript{th} and last day of month – Coverage effective date is first day of second following month

MEDICAID AND SMALL BUSINESS ENROLLMENT
Rolling Enrollment

2015 OPEN ENROLLMENT
<table>
<thead>
<tr>
<th>Statistic</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>606,455</td>
<td>Individuals conducted pre-screenings to determine qualifications for subsidies, discounts or programs like Medicaid.</td>
</tr>
<tr>
<td>162,099</td>
<td>Have enrolled in new health coverage, including Medicaid and private insurance.</td>
</tr>
<tr>
<td>48,476</td>
<td>Individuals determined eligible for subsidy to purchase a qualified health plan (but most haven’t chosen a plan)</td>
</tr>
<tr>
<td>12,712</td>
<td>Enrolled in Standalone dental plans</td>
</tr>
<tr>
<td>890,896</td>
<td>Unique visitors to the website</td>
</tr>
<tr>
<td>395,559</td>
<td>Calls processed by kynect call center</td>
</tr>
</tbody>
</table>

As of January 17, 2014
kynect
Kentucky's Healthcare Connection
Quality Health Coverage. For Every Kentuckian.

Visit kynect.ky.gov to learn more.

1-855-4kynect

Kentucky
UNBRIDLED SPIRIT