

503 - Federal and State-Based Exchanges: Risk Reduction Strategies

HCCA Managed Care Compliance Conference

February 3, 2021



1

Learning Objectives

- Understand key compliance requirements for exchange-based products
- Identify key risk areas for your exchange-based products
- Develop a risk assessment and proactive monitoring plans to reduce compliance risks

2

HealthPartners

- HealthPartners is a Minnesota-based integrated health care organization founded in 1957
- Provides health care services and health plan administration
- Over 26,000 employees
- Non-profit & consumer governed

HealthPartners

- 1.8 million+ medical and dental health plan members nationwide
 - Products: Commercial, Medicare, Medicaid, Self-Insured Administration
- 1.2 million+ patients
- Includes hospital, primary, specialty care, dental and ancillary care services
- 1,800+ physicians

Getting to Know the Attendees

1) Do you do business on a state or the Federal Exchange?

- Yes, a state-based exchange
- Yes, the Federal exchange
- Yes, both
- No
- Don't know

Getting to Know the Attendees

2) Do you have a risk assessment or any type of monitoring program in place for your exchange products?

- Yes
- No
- Don't know

3) Have your exchange products recently been audited?

- Yes
- No

Key Compliance Requirements



1/18/2021

New Brand PPT Template

7

7

Sources of Requirements for Exchange Plans (CMS)

Federal law and regulations

- Affordable Care Act
- Notice of Benefit and Payment Parameters (NBPP)
- Final rules on Market Reforms, Premium Stabilization Programs, Marketplace exchanges, etc.

Subregulatory guidance

- Regtap
- Letter to Issuers
- FAQs

8

REGITAP
Registration Technical Assistance Portal | My Dashboard | Training Events | Inquiry Tracking | Library | FAQs | Contact Us | About REGITAP | Log Out

Library | View FAQ Searchable Database

Filter by: Program Area | Training Event
Resource Type | Keyword: | Search | Remove Filter

Program Area Pages | Get Adobe Reader

Program Icon	Title	Date	Program Area	Resource Type	Download
	Batch Auto Reenrollment (BAR) Update (1/4/21)	01/04/2021	Enrollment and Eligibility (ENR)	Presentation Slides	Download
	Data Matching Issues (DMIs) Issuer Outreach File Delivery - January (1/4/21)	01/04/2021	Enrollment and Eligibility (ENR)	Presentation Slides	Download
	Enrollment Blocker Refresher (1/4/21)	01/04/2021	Enrollment and Eligibility (ENR)	Presentation Slides	Download
	Global Reference Data Files - December 2020	12/21/2020	Distributed Data Collection (DDC) for RA Including HCRP/EDGE Server	Supporting Documents	Download
	BY2020 EDGE Server Status Reporting Window 2 (12/15/20)	12/18/2020	Distributed Data Collection (DDC) for RA Including HCRP/EDGE Server	Presentation Slides	Download
	EDGE Server Webinar Series X Announcements	12/18/2020	Distributed Data Collection (DDC) for RA Including HCRP/EDGE Server	Presentation Slides	Download
	Batch Auto Reenrollment (BAR) Updates (11/23/20)	12/18/2020	Enrollment and Eligibility (ENR)	Presentation Slides	Download
	Amendments to HHS-RADV (12/18/20)	12/17/2020	HHS Risk Adjustment Data Validation (HHS-RADV)	Presentation Slides	Download
	2019 Benefit Year HHS-RADV Timeline (12/18/20)	12/18/2020	HHS Risk Adjustment Data Validation (HHS-RADV)	Job Aid	Download
	Data Changes, Notices of Non-Compliance, and QHP Certification Agreements (9/10/20)	12/18/2020	Qualified Health Plan (QHP)	Presentation Slides	Download

HealthPartners

9

Sources of Requirements for Exchange Plans (Other)

Other Federal law and regulations

- HIPAA Privacy and Security
- Mental Health Parity
- False Claims Act

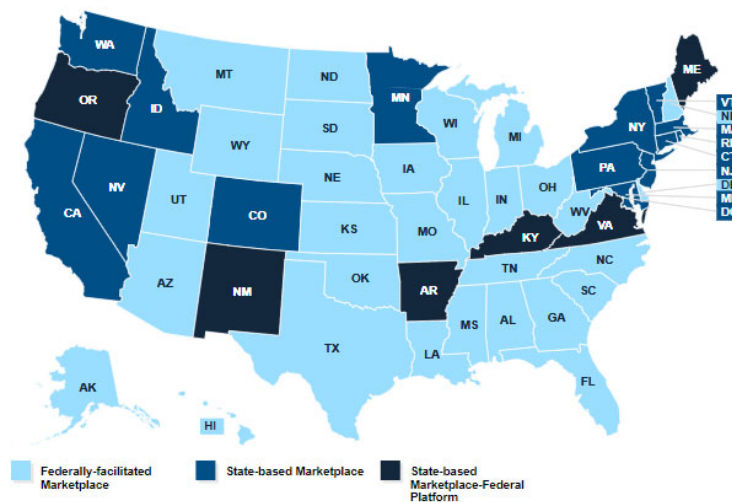
State Law and Regulations

- State insurance/HMO laws
- State insurance/HMO regulations

10 | HealthPartners

10

Intersection of State and Federal rules for State-based exchanges



Source: Kaiser Family Foundation, December 2020

11 | HealthPartners

11

Qualified Health Plan (QHP) Requirements

Affordable Care Act Regulations

- Health Insurance Issuer Standards (45 CFR 156)
 - Essential Health Benefits
 - Qualified Health Plan Minimum Certification Standards
 - Premium Tax Credit (APTC) and Cost-sharing Reduction (CSR)
 - Minimum Essential Coverage
 - Quality Standards
- Medical Loss Ratio (MLR) (45 CFR 158)
- Premium Stabilization Programs (45 CFR 153)
 - Edge Server, Risk Adjustment/HRADV
- Health Insurance Reform Requirements (45 CFR 147)
 - Market Reforms

12 | HealthPartners

12

QHP Requirements

QHP Minimum Certification Standards

- Issuer participation standards
- Transparency in coverage
- Marketing and benefit design
- Network adequacy
- Essential community providers
- Meaning access to QHP information
- Enrollment periods
- Separate billing and segregation of funds for abortion services
- Prescription drug reporting

Enforcement Remedies

- 45 CFR 156.805(a): Civil money penalties may be imposed on an issuer in a FFE by HHS if, based on credible evidence, HHS has reasonably determined that the issuer has engaged in one of the following actions:
 - Misconduct or substantial non-compliance
 - Discouraging or denying enrollment into a QHP due to certain medical conditions or history or limiting an enrollees' access to medically necessary items and services that are required to be covered
 - Intentionally or recklessly misrepresenting or falsifying information to HHS
 - Failing to comply with the CSR or APTC requirements

Identifying key risk areas for your exchange-based products



15

15

Sources of external risks

Federal auditors

- Consumer Information and Insurance Oversight (CCIIO)
 - FFE Compliance Reviews
 - APTC Audit
 - Co-op Compliance Review
 - Federal Market Conduct Examination-Market-wide requirements (AL, MO, OK, TX & WY)
 - MLR Examinations
- Office of Civil Rights: HIPAA Privacy and Security

16

Sources of external risks

State auditors

- State insurance departments
- State-based exchange

Litigation

- State and/or federal lawsuits

CCIIO Audit Resources

CCIIO Website

- [CCIIO Examinations, Audits and Reviews of Issuers: Issuer Resources](#)

Additional Resources:

- [Key Priorities for FFM Compliance Reviews for the 2020 Benefit Year](#)
- [2019 Plan Year Notice Review Summary Report](#)
- [2018 Plan Year FFE Compliance Review Summary Report](#)

FFE Audits: Compliance Priorities

- QHP Issuer Participation Standards
- QHP Rate and Benefit Information
- Transparency in Coverage
- Marketing and Benefit Design
- Delegated and Downstream Entities
- Agent/Broker Standards
- Network Adequacy Standards
- Essential Community Providers
- Meaningful Access to QHP Information
- Rating Variation
- Enrollment Periods for Qualified Individuals
- Enrollment Process for Qualified Individual

FFE Audits: Compliance Priorities

- Termination of Coverage for Qualified Individual
- Renewal and Discontinuation of QHPs
- Prescription Drug Formulary
- Maintenance of records
- Handling of Health Insurance Casework System (HICS)
- Other Notices for Special Enrollment Periods
- Separate Billing and Segregation of Funds for Abortion Services
- Patient Safety Standards for QHP Issuers
- Quality Rating System
- Enrollee Satisfaction Survey System

FFE Risk Areas

- ECP Contracting and Provider Directory
- HICS Casework
- Termination Notices for Qualified Individuals
- Meaningful Access
- Agent and Broker Oversight
- Downstream and Delegated Entities
- Enrollment Process for Qualified Individuals (Privacy and Security)
- Renewal and Discontinuation Notices
- APTC

FFE Audits: Audit Document Requests

- Operating policies & procedures
- Enrollment, claims, and premium data
- Required notices, including enrollment package
- Delegated entity agreements
- Agent/Broker listings and agreements
- Drug formularies, including authorization requirements
- HICS data
- Compliance plan and record retention policy
- ECP listings and agreements
- Provider directory

Other key risk areas

Federal Risks

- Edge Server/HRADV
- MLR
- HIPAA Privacy and Security

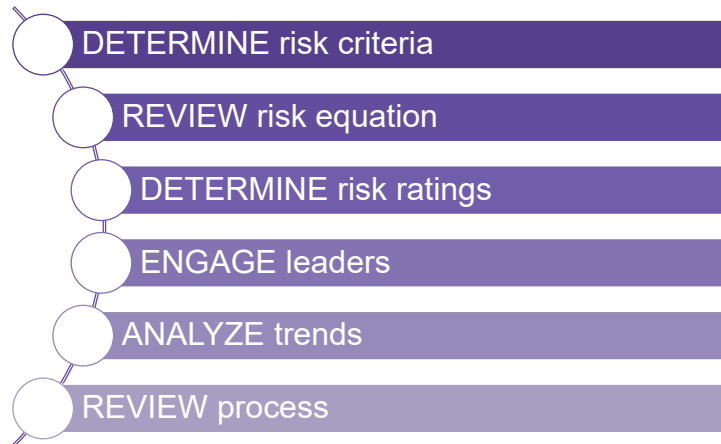
State Risks

- State requirements, including state reinsurance or premium subsidy programs
- Carrier agreements with state-based exchanges

Developing a risk assessment and proactive monitoring plans

Assessing overall risk to the organization

Create a risk assessment

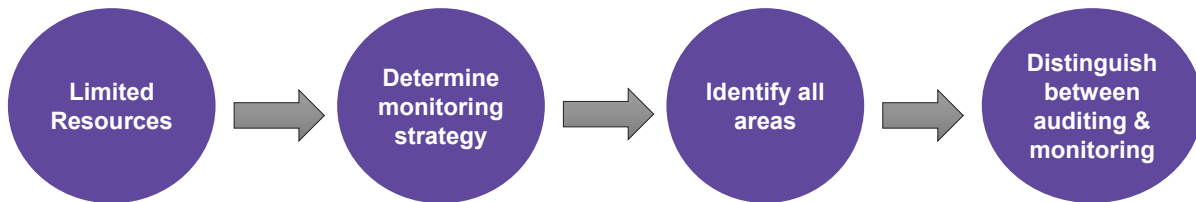


Assessing overall risk to the organization

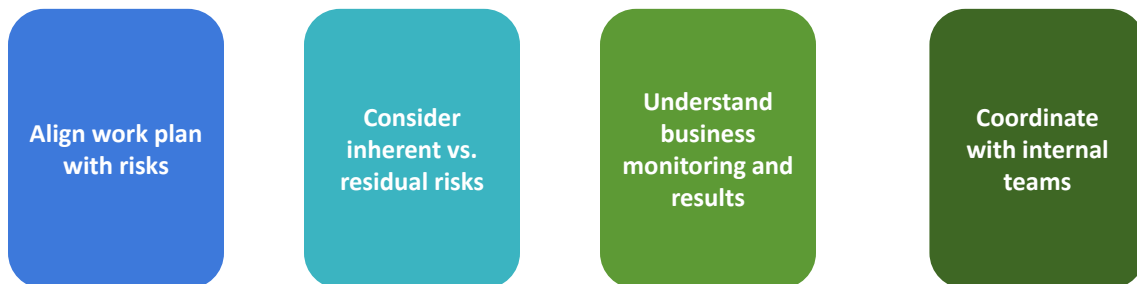
Perform the risk assessment



Align monitoring plans to the risk assessment



Monitoring Plan



*Don't forget about your downstream and delegated entities and rotation planning

Reporting

DETERMINE
reporting format
(up front)

CONSIDER
action plans in
reports

PRESENT
monitoring results
to business
leaders,
compliance and
board committees

Contact Information

Steve Bunde

- Steven.D.Bunde@Healthpartners.com

Stephanie Moscetti

- Stephanie.M.Moscetti@Healthpartners.com

Questions

