

**Exchange Stakeholder Meeting
Alabama Department of Insurance
Capitol Auditorium
January 20, 2011**

Attending:

Ginny Campbell, American Cancer Society; Kent Hunt, ADMH; Susan Colburn, Family Voices of Alabama; Lolita McLean, ADRS; Melinda Davis, ADRS; Cathy Caldwell, ADPH/CHIP; Joan Carter, AARP; Danne Howard, Alabama Hospital Association; Carol Brown, Southern Strategy Group; Gretel Felton, Medicaid Agency; Robyn James, ADSS; Teela Carmack, ADPH/CHIP; Linda Lee, Alabama Chapter-American Academy of Pediatrics; Richard Whitaker, MASA; Noel Carden, BCBSAL; Claire Haynes, BCA; Mike O'Malley, AAHP; Todd Russell, ADSS; Peggy Givhan, ADSS; Suzanne Respass, Children's Health System; Jim Carnes, Alabama Arise; Linda Tilly, VOICES for Alabama's Children; Lee Rawlinson, Medicaid Agency; Rob Church, Medicaid Agency; Shane Spees, BHS and Alabama Hospital Association; Lori Blanton, American Cancer Society; Robin Stone, BCBSAL; Jane Yokum, Huntsville Hospital; Sunny Chance, APHCA; Matthew Mouldin, APHCA; Jack Doane, Finance ISD; Julie Dollar, Kennion Inc.; Conwell Hooper, AARP; Joshua Hilgers, Health Partners America; Keith Wright, ADPH; Michele Jones, ADPH; Daphne Rosalis, ADMH; Michael Morrissey, UAB; Andy Benefield, ARAC; Catherine Watts, Ala. Primary Health Care Association.; Al Reynolds, Reynolds & Co.; James Durham, ADMH; Jeff Williams, ADMH; Mickey Trimm, ARAC UAB; John Pickens, Alabama Appleseed Center for Law and Justice, Inc.; Vaughn Branch, Alabama Appleseed Center; Sarah Harkless, ADMH; Melanie Harrison, ADMH; Kern Wilson, Infirmiry Health System; Rosemary Elebash, NFIB; Barbara Jackson, ADMH; Beverly Johnson, ADMH; Bill Fuller, Alabama Elder Justice Project; Acquanetta Knight, ADMH; Frances Ford, Sowing Seeds of Hope; Michael Jones, AQAF; Hal Shepherd, Kennion, Inc.; Mark Jackson, MASA.

ALDOI Staff attending:

Charles Angell, Ragan Ingram, Jennifer Haskell, Kathleen Healey, Robert Turner

Welcome: Ragan Ingram gave a welcome and a short report on Commissioner Ridling. The Stakeholder meeting then began with a review of the December 14 meeting report. The meeting report, among other documents for stakeholders, will be housed on the DOI website soon.

Exchange Grantee meeting with HHS update: Kathleen Healey gave a brief report on the OCIO Exchange Grantee Meeting in December. She discussed certification of state Exchanges and when folks could expect to see essential benefits defined. She also discussed Medicaid issues including eligibility systems. One item of discussion was Oregon's estimates of their health insurance Exchange. The costs estimates and participation in the Exchange for Oregon is anticipated as follows:

2013	\$37 million in start-up costs	Participation 207,000 initially
2014	\$36 million	Participation to 270,000
2016	\$48-49 million	Participation to 370,000

While the costs seem staggering, Ms. Healey reported that if the 2016 costs are broken down by the estimated participants, the cost per person is \$130 per year.

Ms. Healey also reported that:

- HHS expects that the early innovator grant will help build the core common components of what a state needs to establish an Exchange.
- As far as Medicaid eligibility systems, typically HHS has provided a 50 percent match for eligibility determination systems. Understanding that many Medicaid agencies need to make overhauls to their systems to join an Exchange, they are now offering a 90 percent match to build the Medicaid eligibility system and then a 75 percent match in operating funds for the system. This enhanced match is for the functionality of eligibility and enrollment for Medicaid only and, at this time, is expected to continue through 2015.
- With these changes to systems, it is also important to note that the eligibility for Medicaid itself will be completely changed by 2014. As one HHS official put it, “this is not your grandmother’s Medicaid.” Different categories of eligibility will no longer be the norm. Instead, Medicaid eligibility, as it pertains to health reform, will be based on one thing—income. And income will not include assets. In short, it is expected that eligibility determinations will be easier.
- Other Medicaid eligibility changes will include a 12-month revolving eligibility for children. HHS looking into authority to expand that to adults as well—recognizing in this population income often fluctuates.
- Eligibility screening—Exchanges can screen for other eligibility programs (i.e. TANF, food stamps) but do not have to. As long as it screens for SCHIP and Medicaid, the Exchange will be meeting requirements.

Exchange planning grant RFP update: Kathleen Healey reported 11 responses were received, however, one was disqualified. A final recommendation was ready to present to the Governor’s office. Once DOI has the approval to move forward, the contracting process will begin.

Wisconsin Exchange prototype demonstration: Robert Turner introduced the Academy Health webinar on the Wisconsin Exchange. The idea of showing the webinar was to help stakeholders visualize what an Exchange could look like--as the first stakeholder meeting discussed what was required for an Exchange under the Affordable Care Act.

Q & A: After the Wisconsin webinar, stakeholders discussed their thoughts and impressions on what the Alabama Exchange could be. Real time verification of data was discussed. There was some concern over potential liability and privacy violations of pre-populating data versus consumer input of data when shopping the Exchange. Income reporting was also an important issue—especially with the self-employed populations. Medicaid staff assured the attendees that Alabama already had some pieces of information technology and infrastructure which Wisconsin highlighted in place. These basic blocks could be built upon when Exchange development begins. The role of Navigators for the Exchange was also discussed. Issues about the difficulty on how to plan an Exchange, build a business plan and determine self-sustaining finance options simultaneously were also raised. Enabling legislation and the immediate need for it was discussed. Attendees asked if Task Forces could start meeting. Robert reported that DOI would let folks know who was on what task force so individual groups could go ahead and start some planning steps prior to the arrival of the Exchange planning contractor.

Next meeting date—February TBA