

Administration of Health Care Reform in Iowa Workgroup  
(WGIII)  
Status Report for October 20, 2009 Commission Meeting

- The overall goal of the Commission is to develop a strategic plan to provide affordable, accessible, quality healthcare coverage to all Iowans.
- Workgroup III is tasked with developing options to **administer** health care reform to create an affordable, accessible, seamless health care coverage **system** for all Iowans, including children, adults, and families, and **recommending a structure** for such administration, whether through an existing government agency or a newly created entity.
- In establishing a focus for WGIII to make recommendations for the development of an administrative structure, and given the developments in federal health care reform, WGIII Chairperson Williams asked WGIII to address the question:
  - **“If federal health care reform includes an individual mandate and an exchange to assist Iowans in selecting coverage, what recommendations would the Commission make to prepare the state for this?”**
- WGIII members received information relating to **insurance exchanges**, materials about **Massachusetts** given that state’s reform efforts and establishment of a health insurance exchange (the Commonwealth Connector), and materials about an **individual mandate** for their consideration prior to their meeting.
- **WGIII met on October 15, 2009 and reports the following:**
  - **Interrelated with other WGs.** WGIII members are mindful that the work of WGs I and II are interrelated with the work of WGIII. Members discussed the activities of the other Workgroups to date and expressed concern regarding cost and the need to facilitate seamlessness between any public and private sector health care coverage options recommended by the other Workgroups.
  - **Discussion of Charge.** The Commission discussed the idea of preparing the state to provide for an exchange. Any exchange should provide a seamless system for those accessing health care coverage and should facilitate the movement of Iowans between the various public and private health care coverage options. WGIII is considering an exchange because federal health care reform measures might require one, and even if not required by the federal government, an exchange would provide a means to facilitate all Iowans accessing health care coverage.
  - Members discussed the key issues regarding exchanges as described in the Kaiser Family Foundation document: “Explaining Health Care Reform: What are Health Insurance Exchanges?” including:
    - Who would be able to participate in an exchange in order to retain a sufficient level of competition?
    - Would the exchange be a statewide or regional? How can the exchange be structured to provide sufficient competition?

- Would it be an “exchange-light” that functions mainly to provide information or an “exchange-heavy” that includes other elements such as a regulatory aspect?
- Is the regulatory climate in Iowa suitable for an exchange to be successful in making health care coverage accessible to all Iowans, and, if not, what changes need to be made?
- What can be done to ensure that the system is sustainable?
- A single exchange rather than multiple exchanges would be more user-friendly and efficient.
- The state model for an exchange should integrate all marketplaces. Considerations include existence of an individual mandate and how various elements of an exchange apply to individual segments of the marketplace (public, private, individual, small group, large group)
- Should the exchange act to provide choice to consumers? The exchange should be a ready source of information that is readily understood by consumers. Some issues to consider include: should the information be market-specific?: who is the source of the information provided?; should the exchange also provide information about health care quality?; if consumer information is provided elsewhere, should the exchange provide links to the original source rather than acting as the original source of all information?; should the insurance consumer advocate be included in the exchange?.
- Does the exchange provide a customer assistance function? Large employers have access to this generally through their human resource staff, but what about small groups or individuals? How do existing agents fit into this? The exchange would have to assist with any subsidy provided. Will the exchange help determine eligibility for public programs and take over certain functions (e.g. the DHS function to determine eligibility for Medicaid, hawk-i etc?)
- Does the exchange function to facilitate portability? Does the exchange help to delink health care coverage from employment? Should the exchange help people with low-incomes and potentially-changing incomes to transition between public programs and subsidized programs?
- Should the exchange facilitate changes in the regulatory climate? This is getting into the area of a “heavy” exchange. Should the exchange function to recommend policies consistent with other efforts such as medical home, chronic care management, etc?

➤ **Future plans.**

- Staff is developing a listing of potential key questions/objectives for an exchange for WGIII to consider at future meetings.
- WGIII will attempt to meet 1 or 2 times before the Dec. 2, 2009, Commission meeting.

