

STATE OPPORTUNITIES WITH STANDARDIZED PLANS

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LEUKEMIA &
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**COLORADO
CHILDREN'S
CAMPAIGN**

Every Chance for Every Child

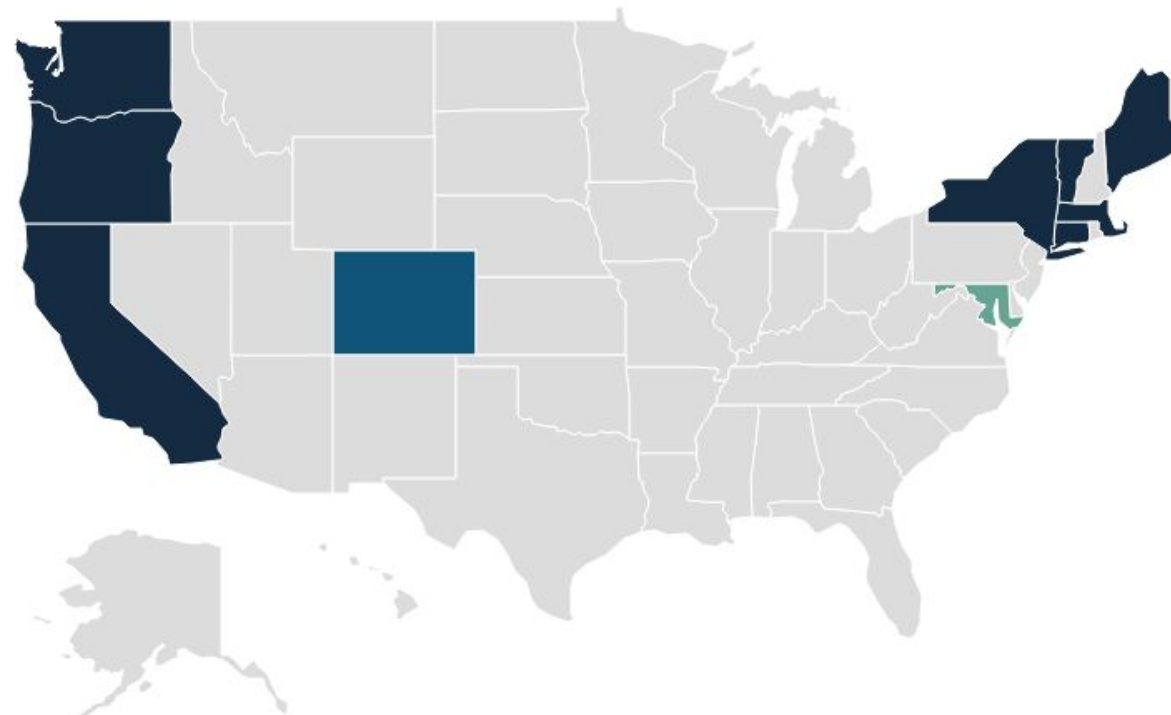
The Promise of Standardized Plans

- Improved individual plan selection by clarifying choices – “apples to apples”
- Improved health equity and other health coverage improvements
- Potential for cost-reduction strategies



Where States Stand

States that Require Standardized Individual Market Health Plans (2022)



- State requires participating individual market insurers to offer plans with standardized designs
- State will require plan standardization in 2023
- State sets certain limits on plan deductibles but does not require identical dollar values for cost-sharing parameters

Source: <https://www.commonwealthfund.org/blog/2021/state-efforts-standardize-marketplace-health-plans>

Lessons Learned from States: Meeting the Needs of Consumers in CO

(I) IS CREATED THROUGH A **STAKEHOLDER ENGAGEMENT PROCESS** THAT INCLUDES PHYSICIANS, HEALTH-CARE INDUSTRY AND CONSUMER REPRESENTATIVES, INDIVIDUALS WHO REPRESENT HEALTH-CARE WORKERS OR WHO WORK IN HEALTH CARE, AND INDIVIDUALS WORKING IN OR REPRESENTING COMMUNITIES THAT ARE DIVERSE WITH REGARD TO RACE, ETHNICITY, IMMIGRATION STATUS, AGE, ABILITY, SEXUAL ORIENTATION, GENDER IDENTITY, OR GEOGRAPHIC REGIONS OF THE STATE AND THAT ARE AFFECTED BY HIGHER RATES OF HEALTH DISPARITIES AND INEQUITIES;

(III) IS DESIGNED TO **IMPROVE RACIAL HEALTH EQUITY** AND DECREASE RACIAL HEALTH DISPARITIES THROUGH A VARIETY OF MEANS, WHICH ARE IDENTIFIED COLLABORATIVELY WITH CONSUMER STAKEHOLDERS, INCLUDING:

(A) IMPROVING **PERINATAL HEALTH-CARE COVERAGE**; AND

(g) HAVE A NETWORK THAT IS:

(I) CULTURALLY RESPONSIVE AND, **TO THE GREATEST EXTENT POSSIBLE, REFLECTS THE DIVERSITY OF ITS ENROLLEES** IN TERMS OF RACE, ETHNICITY, GENDER IDENTITY, AND SEXUAL ORIENTATION IN THE AREA THAT THE NETWORK EXISTS; AND

Lessons Learned from States: Implementation

- Pros:
 - Can improve access to benefits via cost-sharing limits
 - Can address health equity
- Cons:
 - Resource-intensive
 - Updating every year
 - Low uptake
- Notes:
 - Careful presentation or limits required

State Standardized Plan Initiatives: Key Elements (2021)*

Jurisdiction	Standardization required for:	Limit on number of nonstandard plans per insurer?	Differentiated display elements		
			Do standard plans use standard naming conventions?	Do standard plans use standard branding or graphics?	Can consumers sort/filter by standard plans?
California	All plans	Yes Nonstandard plans prohibited	N/A	N/A	N/A
Colorado (2023)*	Some plans	To be determined*	To be determined*	To be determined*	To be determined*
Connecticut	Some plans	Yes 8 nonstandard plans total (with sub-limits per metal tier)	Yes Plans are labeled "standard"	No	No
District of Columbia	Some plans	No	Yes Plans are labeled "standard"	Yes Plans are denoted by an award ribbon icon; they are explained using hover text	Yes
Maine (2022)*	Some plans	Yes 3 nonstandard products total	To be determined*	To be determined*	To be determined*
Maryland**	Not required**	No	Yes Plans are labeled "value"	No	No
Massachusetts	Some plans	Yes 3 nonstandard plans total (nonstandard silver prohibited)	Yes Plans are labeled "standard"	No	No
New York	Some plans	Yes 3 nonstandard products	Yes Plans are labeled "ST"	No	No
Oregon	Some plans	Yes 5 plans per metal tier (including standard plans)	Yes Plans are labeled "standard"	No	No
Vermont	Some plans	No	No	No	No
Washington	Some plans	No	Yes Plans are labeled "Cascade"****	Yes Plans are denoted by a CascadeCare icon***	No

Proposed Federal Changes for 2023

QHP carriers required to offer standard plans (except in states with a state-based exchange or who already have standard plans)

- Applies to every area where a non-standard plan is offered
- Includes bronze, expanded bronze, silver, silver CSR, gold, and platinum – based on most popular 2021 QHPs
 - Standard deductible & out-of-pocket max
 - 4-tiered drug formulary
 - Deductible free services
 - Copay over coinsurance
- Preferential display on healthcare.gov, web brokers, and direct enrollment
- Requested comment on limiting the number of plans in future years

Recommendations

Regulatory Tools

- Improve health equity through plan design
- Number of plans being offered
- Meaningful difference standards
- Naming and display

Consumer Education

- Benefits of standard plans
- How to compare standard and non-standard plans
- Education about new plans at re-enrollment

Monitoring the Marketplace

- Trends in consumer choices
- Consumer satisfaction



Questions



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