STATE OPPORTUNITIES WITH STANDARDIZED PLANS

Presented By: Lucy Culp and Erin Miller
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)

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

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-tied 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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