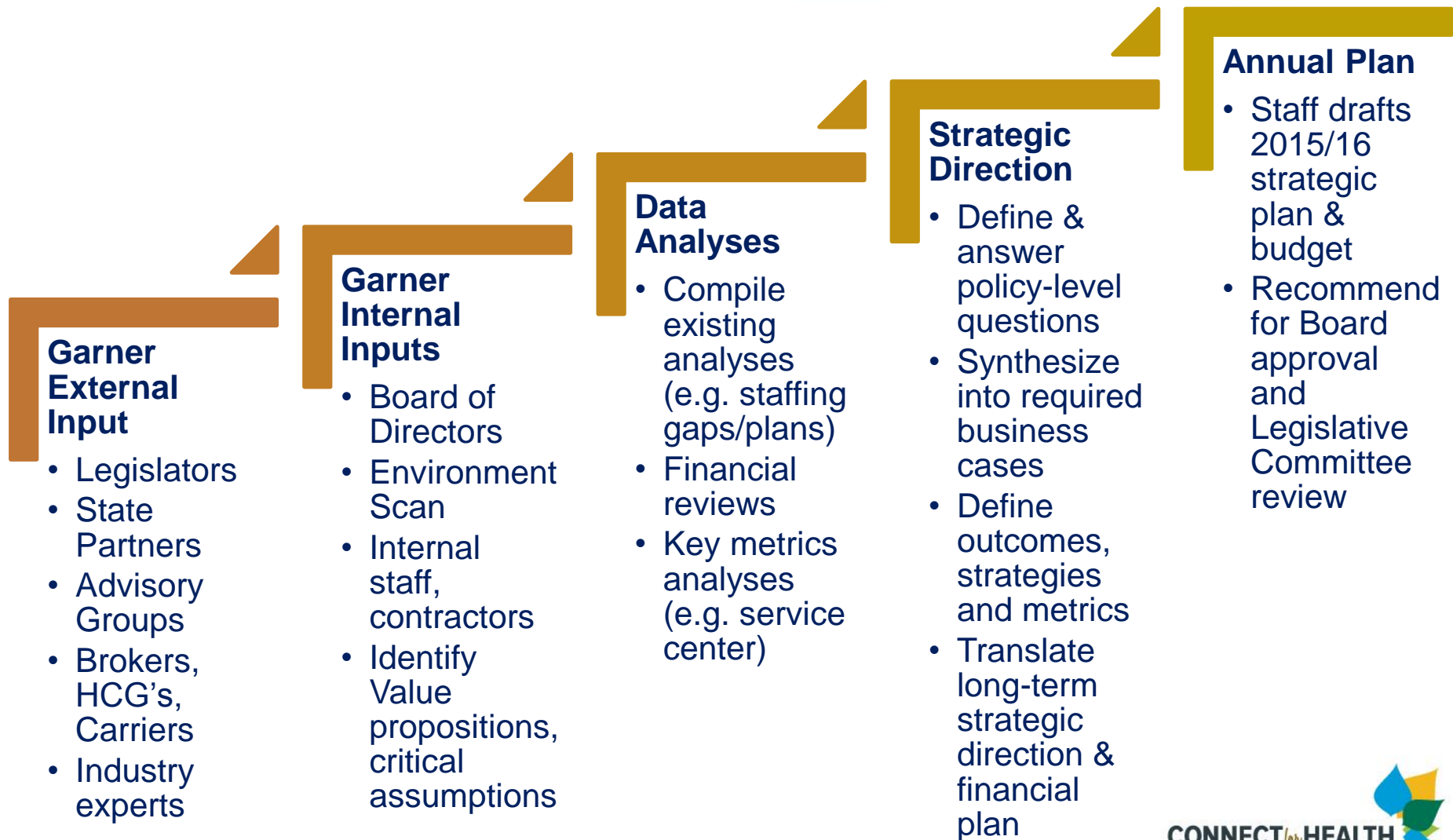# CONNECT FOR HEALTH COLORADO STRATEGIC PLANNING PROCESS

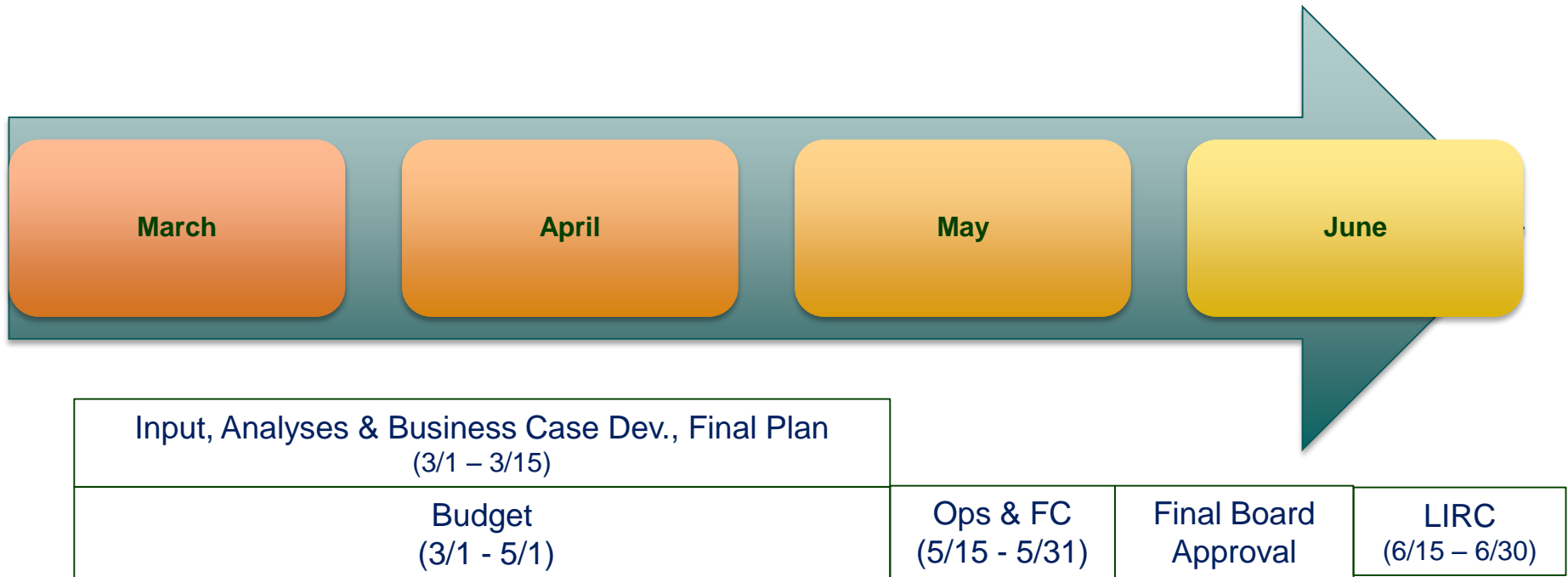Board of Directors Meeting March 9, 2015

Table of Contents

- Planning Process

- Timeline

- Value Proposition Report-out

- Business Cases in Process

- Policy Direction & Decisions (discussion today)

Planning Process

Garner External Input

- Legislators
- State Partners
- Advisory Groups
- Brokers, HCG's, Carriers
- Industry experts

Garner Internal Inputs

- Board of Directors
- Environment Scan
- Internal staff, contractors
- Identify Value propositions, critical assumptions

Data Analyses

- Compile existing analyses (e.g. staffing gaps/plans)
- Financial reviews
- Key metrics analyses (e.g. service center)

Strategic Direction

- Define & answer policy-level questions
- Synthesize into required business cases
- Define outcomes, strategies and metrics
- Translate long-term strategic direction & financial plan

Annual Plan

- Staff drafts 2015/16 strategic plan & budget
- Recommend for Board approval and Legislative Committee review

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Timeline

| March | April | May | June |

Input, Analyses & Business Case Dev., Final Plan (3/1 – 3/15)				
Budget (3/1 - 5/1)		Ops & FC (5/15 - 5/31)	Final Board Approval	LIRC (6/15 – 6/30)

Three months to approve strategic plan, 2016 C4HCO fee rates and budget. Legislative Implementation Review Committee (LIRC) reviews strategic plan and approves budget by June 30.
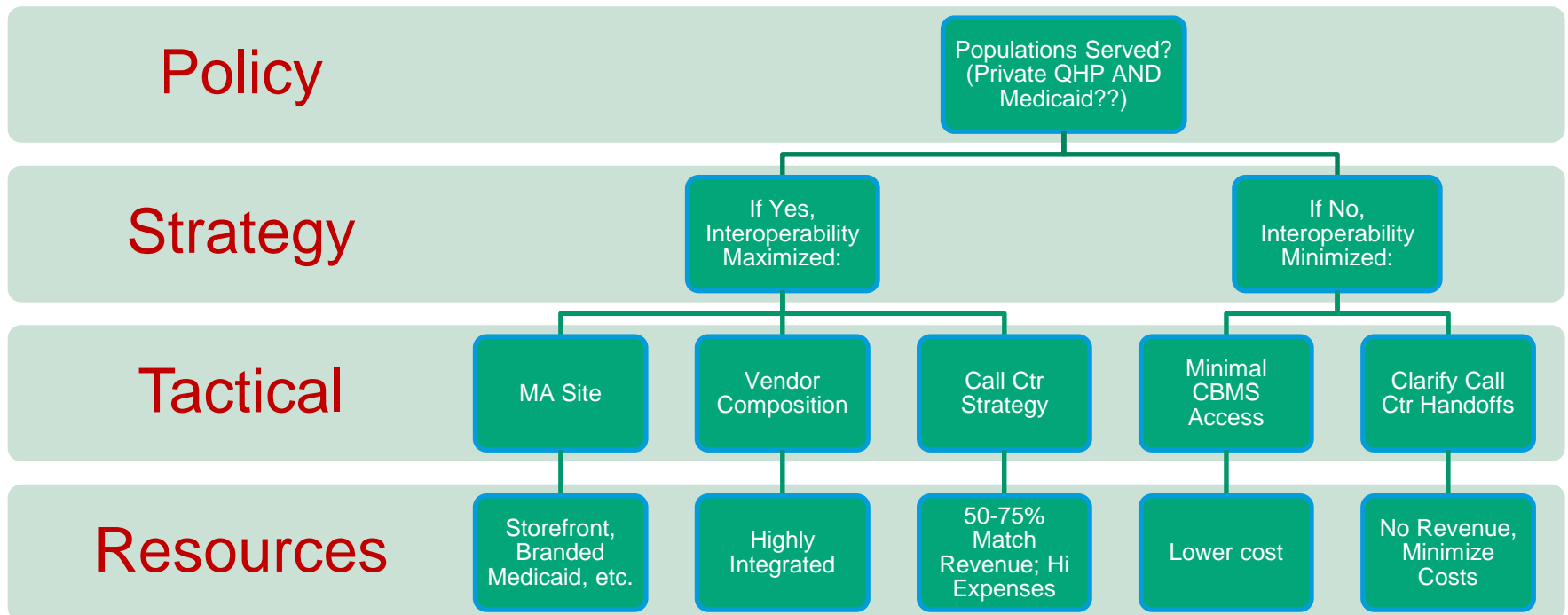
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Strategy Development

Customer	Value Proposition
Individual: Financial Assist & NFA SHOP Insurance Carriers Foundations Sales Channels (non-financial)	• Leverage APTC • Systems Usability • Competitive Pricing • Plan transparency • Customer Aggregation & Support • Health Literacy
Finance	**Value Proposition**
Sustainability Capital Re-Investment Ancillary Value Delivery Compliance	• Consumer Cost/Value • Business Efficiency • Efficient Capital Investment • Leverage Marketplace Platform for revenue
Business Systems/Process	**Value Proposition**
Marketplace Shared Eligibility System EDI—Carriers Financial Systems Channel Support Privacy Compliance & Oversight	• Functionality & Usability to serve Customers • Customer Service Levels • Efficient Marketing & Sales • High-degree Compliance
Learning & Growth	**Value Proposition**
Organization Design Staff Capacity Aligned Goals, Strategy & Performance Policy/Advocacy	• Operational & Efficiency • Continuous Improvement • Staff Capacity Maximized • Informed Legislation

Strategy Development

Customer	Value Proposition	Strategy	Business Case To Be Constructed
Individual: Financial Assist *Individual: Non-Financial Assist*	• *Leverage APTC* • *Systems Usability* • Competitive Pricing • Plan transparency • Customer Aggregation • Health Literacy • *Access to Private AND Public Public Insurance Thru C4HCO??* • *Point to "Right/Best Door"??*	• *Conduct Strategic Direction Planning* • *Become an MA Site (CBMS)* • *Right-size Customer Service<> Resources* • *Enhance Health Insurance Literacy* • Increase NFA sales volume • Improve Shopping<>Modeling • Institute Quality Ratings Requirement	• *Medicaid Policy* • *Interoperability Policy Confirmation* • *Enrollment Targets & Sales (incl. SHOP)* • *Decision Support / hCentive Roadmap*
Finance	**Value Proposition**	**Strategy**	
Sustainability *Capital Re-Investment* *Ancillary Value Delivery* *Compliance*	• Consumer Cost/Value • Business Efficiency • Efficient Capital Investment	• *Model Sustainability Options* • *Assess Optimal Fee Structures* • *Conduct Vendor & Partner re-bids* • *Fund depreciation/capital reinvestment* • *Tighten Compliance Processes*	• APTC Impacts • Compliance / Internal Audit Planning
Business Systems/Process	**Value Proposition**	**Strategy**	
Marketplace *Shared Eligibility System* *EDI—Carriers* *Financial Systems* *Channel Support* *Privacy* *Compliance & Oversight*	• *Functionality & Usability to serve Customers* • Customer Service Levels • Efficient Marketing & Sales	• *Develop User-friendly Eligibility Assessment* • *Improve SLA Management* • Plug & Play Carrier Connections • Tighten Compliance Processes • Increase data-driven decision-making	• Hosting Plan • Release 3.0 • Renewal Process • Carrier Onboarding Strategy • Product Strategy • Architecture
Learning & Growth	**Value Proposition**	**Strategy**	
Organization Design *Staff Capacity* *Aligned Goals, Strategy & Perf.*	• Operational & Efficiency • Continuous Improvement • Staff Capacity Maximized • Informed Legislation	• *Conduct Org Design Process* • Up-level director authority & skillsets	• *Staffing Plan* • Organizational Development

Strategy Direction: Decision Tree

Example Decision Tree:

Policy

Populations Served? (Private QHP AND Medicaid??)

Strategy

If Yes, Interoperability Maximized:

If No, Interoperability Minimized:

Tactical

MA Site

Vendor Composition

Call Ctr Strategy

Minimal CBMS Access

Clarify Call Ctr Handoffs

Resources

Storefront, Branded Medicaid, etc.

Highly Integrated

50-75% Match Revenue; Hi Expenses

Lower cost

No Revenue, Minimize Costs

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Policy Direction: Customer Segments

- End of open enrollment findings that suggest C4HCO is now utilizing 40%+ of its resources serving non-private insurance customers (i.e. Medicaid, CHP+).

- Question: Given the statutory mission of Connect for Health Colorado under its enabling legislation (CRS §10-22-101 et seq.) and under the provisions of the Affordable Care Act anticipating the formation and operation of state-based marketplaces, who are the consumers Connect for Health Colorado should serve?

Policy Direction: Customer Segments

Medicaid Support & Enrollment: Why is this a question now?

- o **Mission:** Supporting Medicaid to the degree C4HCO is, is beyond Statute
- o **Budget:** 40-45% of costs spent on Medicaid customer support (est. $10m +/-)
- o **Customer Service:** Much consumer confusion, significant case management, Counties and HCPF call centers are conversely fielding APTC questions
- o **Capacity:** Service Center is increasingly spending its fixed time on Medicaid at the expense of enrolling for FA, NFA and SHOP
- o **System Access (CBMS):** The Marketplace does not have access to CBMS on its own; must become a Medical Assistant site (including a literal front door)
- o **Channels:** Up to 80% of Coverage Guide time is Medicaid support (paid for by C4HCO, CO Health Fdn). Brokers spending 20% of time and not compensated.
- o **Brand:** The Marketplace is increasingly known as a Medicaid support office and confusing the established brand. We are conflating private and public insurance, as well as responsible entities, in consumers' eyes.
- o ***Governance:*** Unclear relationships, decision-authority, resource negotiation

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Policy Direction: Customer Segments

- Considerations:
  - **Statutory authority and intent:** Given the statutory mission of *Connect for Health Colorado* under its enabling legislation (CRS §10-22-101 *et seq.*) and under the provisions of the Affordable Care Act anticipating the formation and operation of state-based marketplaces, who are the consumers *Connect for Health Colorado* should serve?
  - **Core Competencies**
  - **Customer Experience**
  - **System Access**
  - **Stakeholder Roles:** What roles do other stakeholders (Counties, etc.) need to play?
  - **Resources, Funding**
  - Clarify handling, training, resource requirements, governance, et al
  - Implications?

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Policy Direction: Interoperability

- **Question:** Given recent technical and process eligibility system challenges, what is the appropriate level of interoperability between *Connect for Health Colorado* operating as state-based marketplace and *Health Care Policy and Financing*?

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Policy Direction: Interoperability

Systems Interoperability: the Issue

- o **Systems effectiveness:** eligibility system & interfaces facing technical and process challenges; consumer trust compromised; additional investment required

- o **Budget:** Channel costs increased substantially over expectations

- o **Capacity:** Service Center is increasingly spending its fixed time on system issue resolution

- o **System Access (CBMS):** The Marketplace does not have access to CBMS on its own; must become a Medical Assistant site (including a literal front door)

- o **Channels**: Up to 80% of Coverage Guide time is Medicaid support (paid for by C4HCO, CO Health Fdn). Brokers not compensated.

- o **Brand:** The Marketplace is increasingly known as a Medicaid support office and confusing the established brand

- o **Governance:** Unclear relationships, decision-authority, resource negotiation

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Policy Direction: Interoperability

Considerations:

- **Board Existing Policy:** On March 12, 2012, the Board adopted "minimum interoperability" with the state Medicaid/CHP system, including the shared use of an eligibility determination system and sharing of customer data.

- **Customers:** No wrong door for medical eligibility (web-based doors)

- **Customer Experience & Visibility/Management**

- **System Design:**
  - Single/shared MAGI eligibility process for Private Insurance and Medicaid/CHP+
  - Assessment vs Determination Model

- **Governance, Change Management**

- **SLA's**

- **Vendors in place**

- **Investment Made to Date**

- **Total Cost going Forward**

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Policy Direction: Interoperability

- **Options:**
  1) **Continue with the concept of minimum interoperability—define** intersections more clearly
     - Retain separate eligibility team, call center, appeals, C4HCO owns APTC policy and requirements
     - Do not enroll Medicaid, do not become an MA site, steer Medicaid customers to MA sites
     - Construct better tools and metrics to track customer segments
  2) **Move to Intermediate level of Interoperability**
     - Retain separate eligibility team, call center, appeals, C4HCO owns APTC policy and requirements
     - Become an MA site, enroll Medicaid, receive up to 75% reimbursement
     - Construct better tools and metrics to track customer segments so HCPF reimbursement is possible
     - Increase C4HCO fees to cover the 25-50% we will not get back from HCPF
  3) **Increase Interoperability to Maximum with HCPF Systems, Policies, Governance**
     - Merge key functions of C4HCO operations with HCPF and cede responsibility for eligibility, policy, requirements and other key ACA functions to HCPF.
     - HCPF becomes eligibility arm and follow their lead with respect to FA customers, churn, etc.
     - Become an MA site, enroll Medicaid, receive up to 75% reimbursement
     - Shared service center – we take all calls for all programs.

Next Steps

- Given Policy Direction,
  - o Initiate End to End Review
  - o Teams identify Decision Tree components & options
  - o Facilitated Team work sessions: OIT, HCPF, C4HCO, Vendors
  - o Utilize Committee structures to vet options
  - o Board decision