



## HEALTH EXCHANGE ALERT WEEKLY REPORT - 06/27/2018

# Exchange Directors Stress Outreach, Education Critical To Enrollment

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**San Diego** -- A panel of state insurance exchange directors shared stories and information from the most recent open enrollment period during the insurance industry's annual conference and all stressed that funding, outreach and education are critical to maintaining exchange enrollment. The four directors, from Washington, Nevada, Idaho and Colorado, also talked about ongoing uncertainty in the exchange market and forthcoming rules on short-term plans.

Last year, the Trump administration slashed the budget for marketing and outreach by 90 percent, which left advocates, non-profits and other stakeholders scrambling for resources at the last minute. State-based exchanges, which fund their own outreach, were also impacted by the cuts since they relied on federal ads for the overarching messaging on open enrollment. Despite the cuts, overall enrollment dipped only slightly in 2018.

Heather Korbolic, executive director of Nevada Health Link, which is a state-based exchange that uses the federal platform (SBE-FP), said the humorous, award-winning, advertisements the exchange funded last year truly helped with enrollment. She also touted strong support by the state's GOP governor, as well as a pre-open enrollment "prep rally" with stakeholders as reasons the exchange was able to cite a 2.2 percent increase in sign-ups, compared to a 5.5 percent slippage for federally facilitated exchanges. "I think there's something to outreach and marketing," Korbolic joked to the audience of insurance and other industry stakeholders at America's Health Insurance Plans (AHIP) 2018 Institute & Expo in San Diego.

Pat Kelly with Your Health Idaho said the state's exchange spends only about 12 percent of its budget on outreach and education, including training. The exchange budgeted no more than \$580,000 to engage with the firm Drake Cooper on a media strategy, according to recent board minutes.

Kelly also told colleagues that the exchange's outreach message has changed over the years. In the initial enrollment periods, the goal was to explain why insurance is important, and that evolved into urging residents to get enrolled and stay enrolled. More recently, the campaign has focused on explaining the value of having coverage, which has helped with retention and to offset news about the premium increases. Just because you have health insurance doesn't mean you know how to use it, he said.

That message has helped the exchange achieve its highest effectuation rate -- 95 percent through the month of May, Kelly said.

As far as demographics, the subsidized population has increased slightly, but there's still a need to reach the state's unsubsidized population, he said.

Idaho officials want to create a state-level product that would be more affordable to the unsubsidized population and would not have to comply with all ACA market regulations. CMS denied an initial proposal, but is willing to review a revamped plan that is due by the end of June. Kelly told *IHP* that he has yet to hear from state officials about what the final plans will look like.

Connect for Health Colorado's CEO Kevin Patterson said his state's exchange has been lucky to have a grant from the Colorado Health Foundation to help with outreach expenses.

He says the exchange has an extensive site that explains both Medicaid and marketplace coverage, and partners with brokers to help get the word out. Initially there were about 900 or so brokers, but that has dropped to about 700 as carriers have "changed their relationships" with agents, he said. Several issuers have lowered or eliminated commissions for exchange products sold either during open enrollment or special enrollment periods.

Colorado has a unique media market that makes it extremely expensive to run television ads, but Patterson said that the exchange and the participating issuers have worked to target consumers via less costly methods including local newspapers. Still, he said the exchange may try to broaden its reach for next year to combat misinformation about the status of the ACA, even though it may be difficult to break through the inevitable wave of political ads due to Colorado's gubernatorial election.

Pat McEwan, executive director for Washington's exchange, also pointed out that open enrollment will be happening during the election as well as the holidays, and so the exchanges really do miss the federal assist. But last year, Washington's exchange sustained its own marketing budget and a number of other stakeholders, including issuers and hospitals, stepped up to help. The exchange also had an effective digital strategy, she said. It was a community effort, she said of the past enrollment period, noting that much of the outreach was spent reassuring people that the ACA is still in effect.

Board minutes show that the Washington exchange had about 210,000 sign-ups at the end of the 2018 open enrollment period compared to 204,000 in 2017. The subsidized population increased by 61 percent to 66 percent of members, and a slightly higher percentage of customers also had incomes below 200 percent of poverty.

About 43,000 people have dropped coverage since Jan. 1, which is similar to 2017.

McEwan also revealed that she had an interesting talk with carriers a few months ago about the consumer experience going into next open enrollment. The exchange site is now working well, following a rough start, she said, and now people want it to be even better.

"We really feel like expectations have gone up and we need to meet them," she said.

For example, she noted, customers expect websites to be available 24/7.

Washington consumers also want a more personalized and streamlined service free of password difficulties and other navigational holdups, according to feedback included in the minutes.

Colorado is working on an eligibility engine that would combine marketplace and other state functions in a customer friendly way, Patterson said. On June 22, the exchange issued a request for proposals seeking a vendor that could create a plan finder and cost-estimator tool to help users figure out their tax eligibility and yearly costs, as well as tools that can show users the second lowest silver-level plan and the lowest cost bronze plan.

Kelly said Idaho's exchange focuses on compassion and simplicity. Your Health Idaho has a support center that helps consumers through the entire eligibility and enrollment process, and has found that assistance, as well as owning any problems that appear, creates an easy, straightforward experience.

He also stressed that it is critical to have data that is consistent between the exchange, carriers and the eligibility hub. Such consistency has resulted in almost 90 percent of consumer problems being addressed in only two contacts, he said

Korbolic said she is looking forward to joining the ranks of the state-based exchanges as Nevada is currently planning to transition away from Healthcare.gov by Nov. 1, 2019.

Nevada's exchange has blanketed the state with advertisements but has not been able to engage consumers since it relies on the federal platform. Korbolic is looking forward to seeing the real time data and other information that the state currently does not have access to but could be used to improve the user experience.

The introduction of short-term plans is also expected to impact exchanges.

Korbolic said that while the state currently allows short-term plans to run for 185 days, there may be appetite in the legislature to restrict them further. In the interim, she said, the exchange will focus on what it is able to do -- which is to ensure that consumers are aware of the differences between short-term and ACA-compliant products.

Washington's insurance commissioner is also expected to issue regulations restricting short-term plans, and McEwan expressed hope that the rules will strike a balance that still provides consumers an option to get gap coverage when it is needed.

Kelly also stressed the importance of consumer education on how short-term or state-level plan options deviate from the other products.

Patterson suggested that rather than being an ACA "purist," the best next step is to focus on what type of products are best for the consumers. -- *Amy Lotven*

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