

Colorado Health Benefit Exchange

Ancillary Products

April 22, 2013
Board Meeting



Ancillary Products

COHBE has always intended to bring the discussion of the offering of ancillary products to the board. Our revenue model assumes that at some time in the future, we will offer other products - as are requested, required or needed by our customers and approved by the board. Guidance from CMS received March 29th and requests from companies in Colorado that are interested in being part of the marketplace have brought the question of priority to the board.



Ancillary Products

Senate Bill 11-200:

The intent of the Colorado Health Benefit Exchange is to increase access, affordability and choice for individual and small businesses purchasing **health insurance** in Colorado.



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CMS Guidance Received 3/29:

Q1: Can stand-alone vision plans and other ancillary insurance products such as disability or life insurance products be offered in or through an Exchange?

A1: **No**. An Exchange only may offer qualified health plans (QHPs), including stand-alone dental plans, to qualified individuals and qualified employers, due to sections 1311 and 1312 of the Affordable Care Act. **However, ancillary insurance products, which are not QHPs, may be offered by separate state programs that share resources and infrastructure with a State-based Exchange.**



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CMS Guidance Received 3/29:

Q2: Can an Exchange provide any information about vision plans and other ancillary insurance products to the public?

Q2: Yes. An Exchange may provide basic information about vision or other ancillary insurance products on the Exchange website, such as explaining the type of coverage these products provide. This basic information must include that enrollment in vision and ancillary insurance products does not constitute enrollment in a QHP or enrollment through the Exchange but rather **enrollment in a separate legally and publicly-distinct program.**

Q3: How may State-based Exchange resources be used by other, separate state programs to offer these non-QHP ancillary plans?

A3: The Exchange information technology **infrastructure can be reused by other, separate non-Exchange state programs to facilitate coverage in ancillary products,** provided that all of the following conditions are met.



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For example, an Exchange could include information on its Exchange website or through its call center about stand-alone vision plans and other ancillary insurance products, the benefits these products provide, and how to purchase these products. **Purchasing information could include the ability for consumers to click on a product link that would take them to a page containing product and pricing information, where they could add the product to a shopping basket and purchase the product along with any QHP products.** The product page would need to include the basic information described above. These ancillary products pages may reside on the Exchange information technology infrastructure as long as the web pages and call center information meets the requirements in Q3.



Separate Program Requirements (summary):

- Exchange does not make non-QHP products available in a manner that is prohibited or inconsistent with the ACA
- The program facilitating the coverage must be legally and publicly distinct.
- Federal funds must not be used to support non-Exchange activities.
- To the extent that an Exchange resource is used for non-Exchange purposes, the cost of using the resource must be paid by the non-Exchange program.

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Recommendation: COHBE is very interested in continuing to evaluate and make recommendations to the board regarding approach and offering of ancillary products. The staff recommends targeting coverage year 2015, given limited resources, tight timeframes and the significant policy, process and technology build that will be required.

