Plan Management Partnership in the Federally Facilitated Exchange (FFE)
Partnership Model Overview

• In a State Partnership, a State may choose to operate plan management functions within the FFE.

• HHS encourages States to indicate early if they intend to pursue a Plan Management State Partnership.

• Early notice will allow HHS to help State Partners implement all necessary plan management activities.
Partnership Considerations

• To prepare to operate a Plan Management State Partnership, we encourage States to:
  – Utilize technical assistance support available through CCIIO.
  – Pursue additional establishment grant funding to support the establishment of operations and functions required in a State Partnership model.
  – Define an Exchange coordination team to work with CCIIO, including governor's office, Medicaid, CHIP, and department of insurance (DOI) representation.
  – Continue the work initiated through the planning grant (market analysis, budget scenarios, etc.).
Establish Relationship Between State and HHS

• The State Partnership Model will require close coordination between the State and HHS.

• HHS will establish memoranda of understanding (MOUs) and other necessary agreements with States specifying the roles and responsibilities of each party.
  – HHS plans to release draft MOUs in the Fall of 2012
  – HHS and State Partners will enter into MOUs on, or before, January 1, 2013

• HHS is developing standard operating procedures (SOPs) on plan management functions in the State Partnership Model.

• HHS plans to release more detailed guidance on partnership.
QHP Certification by the State Partner

• State Partners assume primary responsibility for all the plan management functions of the FFE including QHP certification, QHP monitoring and oversight, issuer account management, and recertification and decertification.

• State Partners will:
  – Conduct all analyses and reviews necessary to support QHP certification
  – Collect and transmit necessary data to HHS
  – Manage certified QHPs
Plan Management Functions in the Partnership Model

- QHP issuer application development and publication
- Collection of rate and benefit information
- QHP issuer application and rate and benefit evaluation
- QHP certification, recertification and decertification activities
- Issuer and plan data transmission to FFE

State Partner
QHP Certification Process

FFE
- Data standards and timeline for collection and reporting
### QHP Review at the Issuer Level by the State Partner

<table>
<thead>
<tr>
<th>Function</th>
<th>State Partner Responsibilities</th>
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<tbody>
<tr>
<td>Licensure and Solvency, Good Standing</td>
<td>Verify that QHP issuers are in compliance with State licensure and solvency requirements and are in good standing with the State</td>
</tr>
<tr>
<td>Network Adequacy</td>
<td>Evaluate the adequacy of QHP issuers’ provider networks consistent with local market factors. Consider leveraging existing processes for the entire individual and small group markets in order to preserve market parity</td>
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<tr>
<td>Essential Community Providers (ECPs)</td>
<td>Verify issuers’ inclusion of ECPs in provider networks, consistent with local market factors</td>
</tr>
<tr>
<td>Marketing</td>
<td>Ensure that QHP issuers do not employ discriminatory marketing practices and comply with applicable State marketing standards</td>
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<tr>
<td>Accreditation</td>
<td>Ensure insurers are accredited on the required timeline</td>
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# QHP Review at the Plan Level by the State Partner

<table>
<thead>
<tr>
<th>Function</th>
<th>State Partner Responsibilities</th>
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</thead>
<tbody>
<tr>
<td>Essential Health Benefits</td>
<td>Verify issuers’ compliance with essential health benefits standards</td>
</tr>
<tr>
<td>Service Areas</td>
<td>Verify QHP issuers’ compliance with certification standards related to service areas</td>
</tr>
<tr>
<td>Compliance with Actuarial Value (AV) Standards*</td>
<td>Verify issuers’ compliance with AV standards</td>
</tr>
<tr>
<td>Analysis of AV Variations and Payments for Cost-Sharing Reductions*</td>
<td>Verify issuers’ compliance with AV variations, including variations to cost-sharing structure</td>
</tr>
<tr>
<td>Discriminatory Benefit Design</td>
<td>Review plans for discriminatory benefit designs</td>
</tr>
<tr>
<td>Meaningful Difference</td>
<td>Review potential QHPs for meaningful difference</td>
</tr>
<tr>
<td>Reviews of Rates</td>
<td>Review new rates; review rate increases and transmit justifications to HHS to be posted on the FFE website</td>
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*States will have access to the AV calculator*
Other Plan Management Functions in the Partnership Model

- Account management activities
- Oversight and monitoring to ensure ongoing compliance with QHP certification standards
- Quality activities, including:
  - Collect quality data for QHP certification as will be required in future rulemaking
  - Verify accreditation status and data if any accreditation data will be displayed on the Internet portal
  - Submit web link to additional quality data on State Agency’s Web site for display on FFE Web site (optional)

State Partner
Other PM Functions

FFE

- Coordinate with State Partner on account management and oversight activities
- Collect necessary data from Partners
Data Collection in the State Partnership

• State Partners in the FFE will be given the opportunity to use HIOS for data collection or they may leverage another State system to perform this function.

• HHS and the NAIC SERFF’s technical teams are currently pursuing a collaborative development approach such that the QHP submission interfaces may be integrated between HIOS and SERFF.

• The NAIC and CCIIO will perform integrated system tests in early September 2012, and a joint technical assessment will be made by October 2012.