

## **OHIO'S HEALTH INSURANCE MARKETS**

### ***Recommendations to Sustain, Improve, and Strengthen***



In the hours following the November election, both the incoming Administration and Congress wasted no time indicating that federal health care reform will soon be subject to significant change. These changes will either begin the smooth transition to another approach or they may bring about even more uncertainty and instability.

Ohio is at an advantage to several other states, as our private and public insurance markets remain strong. OAHHP's member plans are committed to ensuring access to high quality care and affordable coverage for all Ohioans. However, we recognize the unique opportunity that is before us to identify new ways to sustain, improve and strengthen Ohio's insurance markets. Any such solutions concerning Ohio's markets must be developed collaboratively among policymakers, plans, providers and consumers to ensure short-term stability and long-term improvement.

The following Core Principles should be kept in mind when considering any potential reform measures.

### **OAHHP Core Principles for Insurance Reform**

1. Ohio's private and public health insurance markets must be healthy, financially sustainable, and competitive in the years to come.
2. Ohioans must have access to affordable, quality health care through innovative solutions that address the underlying cost of health care and drive accountability by improving outcomes.
3. Empower health care consumers and improve engagement through increased transparency of health care costs, greater provider accountability, and incentivizing efforts to access care at the right place at the right time.
4. Identify and leverage private market innovation to drive quality, access, and affordability in health care for Ohioans.

OAHHP's specific recommendations for improvement promote market stability, state flexibility, public-private innovation, and regulatory reform. We believe these recommendations will foster a stable, competitive market that allows residents to choose from a variety of high quality and affordable care options.

### **Market Stability**

- ***Ensure Financial Stability.*** Ohio policymakers must support both short and long term mechanisms that ensure market stability in both the private and public insurance markets.
- ***Individual Mandate.*** Policymakers must advocate for effective alternatives to the individual mandate by incentivizing the continuous coverage of individuals. Sudden and significant changes in coverage would create both market instability, as well as gaps in coverage for individuals and families who rely on their health insurance on a daily basis.
- ***Special Enrollment Periods (SEPs).*** Ohio policymakers should support an effective pre-enrollment verification for Ohioans who sign up for coverage during SEPs. This will ensure that special enrollment periods are free of misuse and abuse.
- ***Transitional Plans.*** Many Ohioans still receive insurance coverage through "grandfathered" and "grandmothered" plans that allow individuals and groups to maintain many of the pre-ACA benefits and rules. Some of these plans

are set to expire at the end of 2017. Allowing these consumers to keep such plans will maintain stability for those individuals.

- **Community Rating/Age Band Requirements.** States must be granted the flexibility to determine age bands. Flexibility of this kind would provide states' the ability to spread the risk of older individuals, while keeping premiums affordable for younger consumers.
- **Ohio's Medicaid Program.** Our state's Medicaid program has undergone significant reform and transformation in recent years. Much of this innovation was made possible through various collaborative partnerships among federal and state leaders and various stakeholders. It is important to preserve certain Medicaid reforms that have resulted in cost savings, innovation, and stability to Ohio's Medicaid program. Wholesale repeal or significant change to any of these programs could have an adverse impact on Ohio's Medicaid market.
- **Transition Period for New Reforms.** The State of Ohio should provide formal notification to Congress and the Trump Administration advocating its support for a transition period concerning any significant reform measures that impact the private and public insurance markets. A transition period would allow for full implementation of a refined federal health care law, while mitigating any adverse impacts to markets and covered individuals.

### **State Flexibility and Public-Private Innovation**

- **Return Regulation to States.** Ohio policymakers should advocate that regulation of the state's insurance market be returned to the state. Such a reform will enhance Ohio's ability to better serve its residents and small businesses across the state.
- **Innovation Waivers/Section 1332.** Ohio should leverage innovative strategies, such as a Section 1332 waiver, that allow policymakers to think outside-the-box. Such mechanisms provide Ohio the power to be creative and implement approaches that provide consumers in the individual and small group markets with access to affordable, quality health insurance, while also aligning reforms related to Ohio's other Medicaid waivers.

### **Regulatory Reform.**

- **Timelines/Transitions.** State and federal policymakers should support extending the current timelines that health insurers must comply with under federal rules governing both private and public insurance markets. Sufficient transition periods are necessary for Ohioans to maintain coverage while changes are developed and implemented.
- **Cut the Red Tape.** The Affordable Care Act brought with it no shortage of new regulatory burdens and red tape. In hopes of fostering continued innovation and transformative reforms, policymakers must take steps to reduce excessive rules and regulations that are often redundant and inhibit state improvement and flexibility.