Testimony Interim Health Care Reform Review Committee Representative George Keiser, Chairman October 6, 2011

Chairman Keiser and members of the Interim Health Care Reform Review Committee, I am Maggie Anderson, Medical Services Division Director, for the Department of Human Services. I appear before you to provide information on the Health Benefit Exchange.

As you know, in addition to supporting individuals in making decisions about private health insurance coverage, the Health Benefit Exchange will be responsible for making eligibility determinations for individuals eligible for Medicaid or the Children's Health Insurance Program (CHIP). As stated in previous hearings, the Department is required to implement certain provisions for the Medicaid and CHIP population regardless of whether the Health Benefit Exchange is state or federally-operated. While federal rules and guidance are far from finalized, the Department offers the following observations regarding the draft bill - Health Benefit Exchange–11.0806.02000.

Page 5 – Lines 19 and 20 – "...the board is under the supervision of the director of the office of management and budget." Page 6, lines 18-21, identifies the Executive Director of the Department of Human Services as an ex officio nonvoting member of the board. While the cited language on page 5 could be interpreted to mean the supervision statement is intended to apply solely to the appointed board members, the language could also be interpreted to mean it applies to all board members, including the Executive Director of the Department of Human Services. The Department of Human Services is recommending this be clarified in the bill draft.

Page 6 – lines 4 and 5 – "neither the board nor the exchange may duplicate or replace the duties of the commissioner". Because the Health Benefit Exchange will be making Medicaid and CHIP eligibility determinations, the Department recommends that consideration be given to adding "or the Executive Director of the Department of Human Services" to this statement.

Page 9 Line 22 through Page 10, Line 9 – Consumer advisory group – The Department would offer that the consumer advisory group, as described, does not include members from organizations such as advocates who enroll hard to reach populations or advocates for consumers with disabilities, and perhaps should.

Page 10 – Lines 20 – 24 – The public coverage programs are not noted and perhaps they should be.

Page 18 – Line 7 –The draft bill includes minimum qualifications for the navigators (insurance producers licensed under chapter 26.1-26). This qualification would eliminate many organizations and entities that have experience in assisting clients of human services programs in gaining access to coverage or helping clients navigate the public coverage program application process.

The Department appreciates the opportunity to provide this input. Again, we recognize that there are many unanswered questions related to the Affordable Care Act, and we look forward to providing information and participating in this committee's continued work on these issues.

I would be happy to respond to any questions you may have.