

The Utah Health Exchange



A Utah Solution for Utah Businesses

Utah Governor's Office of Economic Development's
Office of Consumer Health Services

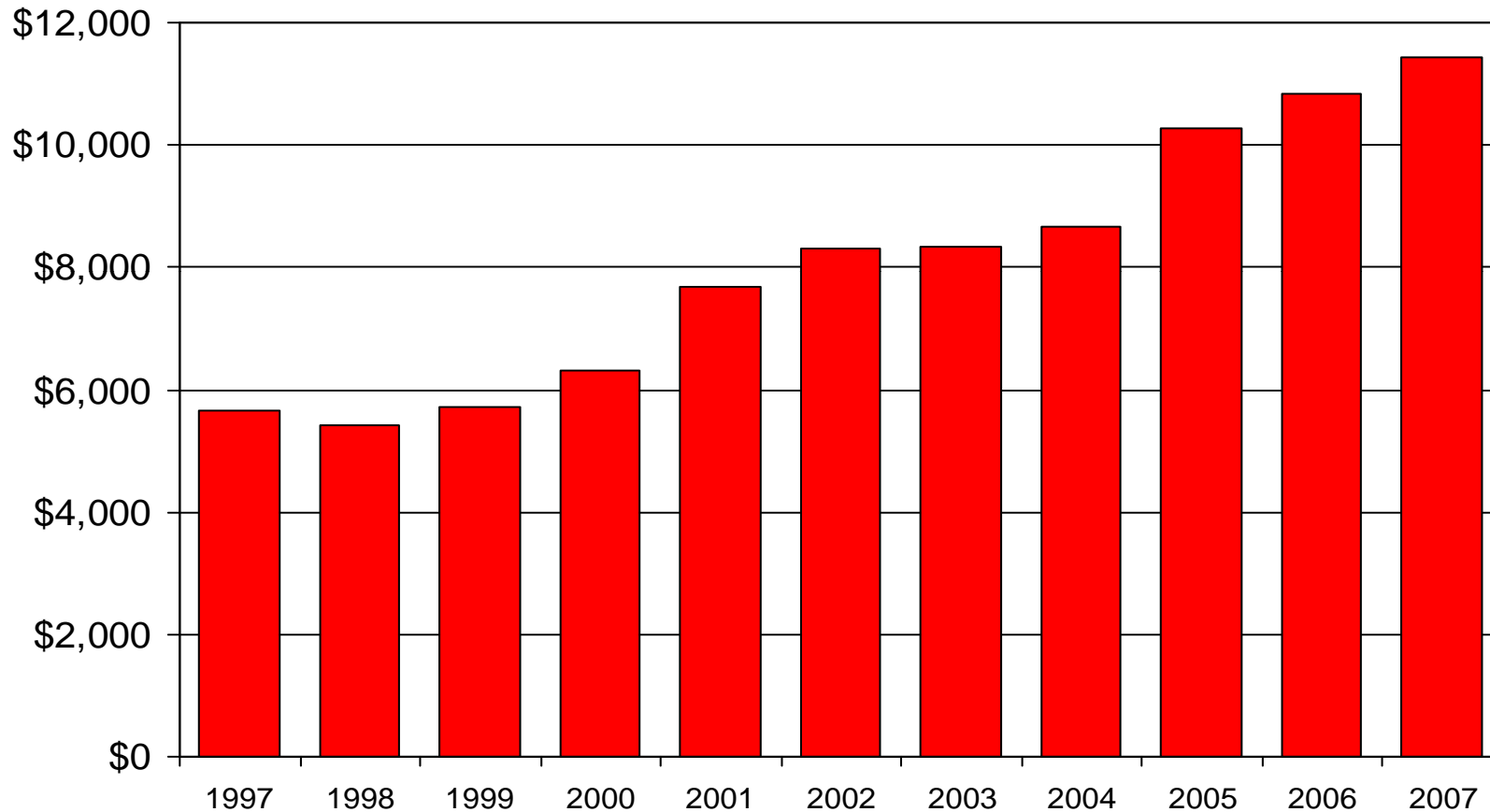
Utah Health System Reform: A Step-by-Step Guide

1. Identify Problems
2. Commit to Systemic Change
3. Begin With A Vision
4. Develop a Plan
5. Understand Your Target Demographic
6. Engage the Stakeholders

Identify Problems

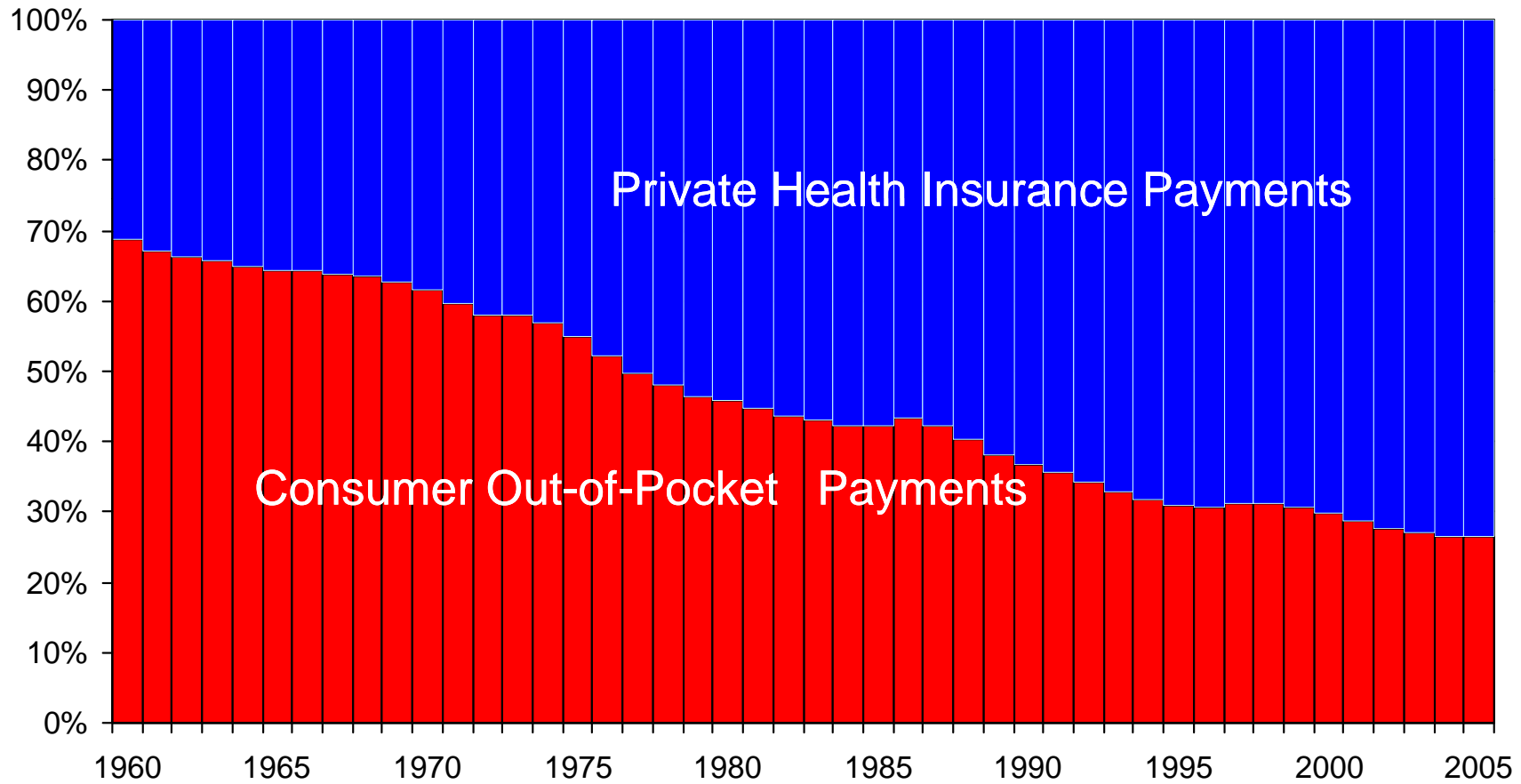
- Escalating Premium Costs
- Consumers Increasingly Detached from the Market
- Employers Dropping Insurance
- Too Many Uninsured
- Misaligned Incentives

Identify Problems: Escalating Premium Costs



Source: GOPB analysis of data from the Agency for Healthcare Research and Quality Medical Expenditure Survey and Kaiser Family Foundation Annual Employer Benefits Survey

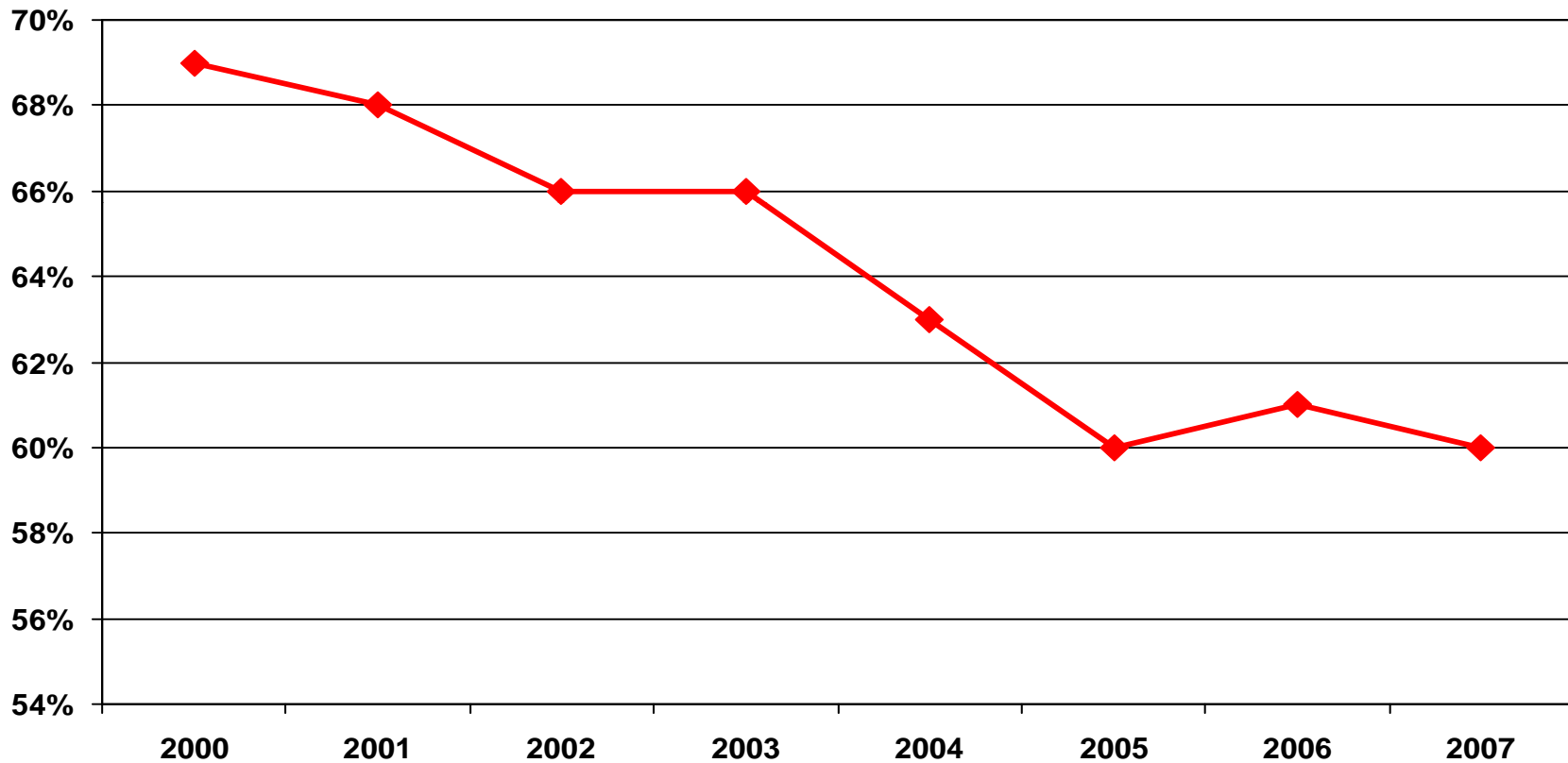
Identify Problems: Consumer Detachment



Source: GOPB Analysis of Centers for Medicare & Medicaid Services, National Health Expenditure Accounts

Identify Problems: Fewer Firms Offering Coverage

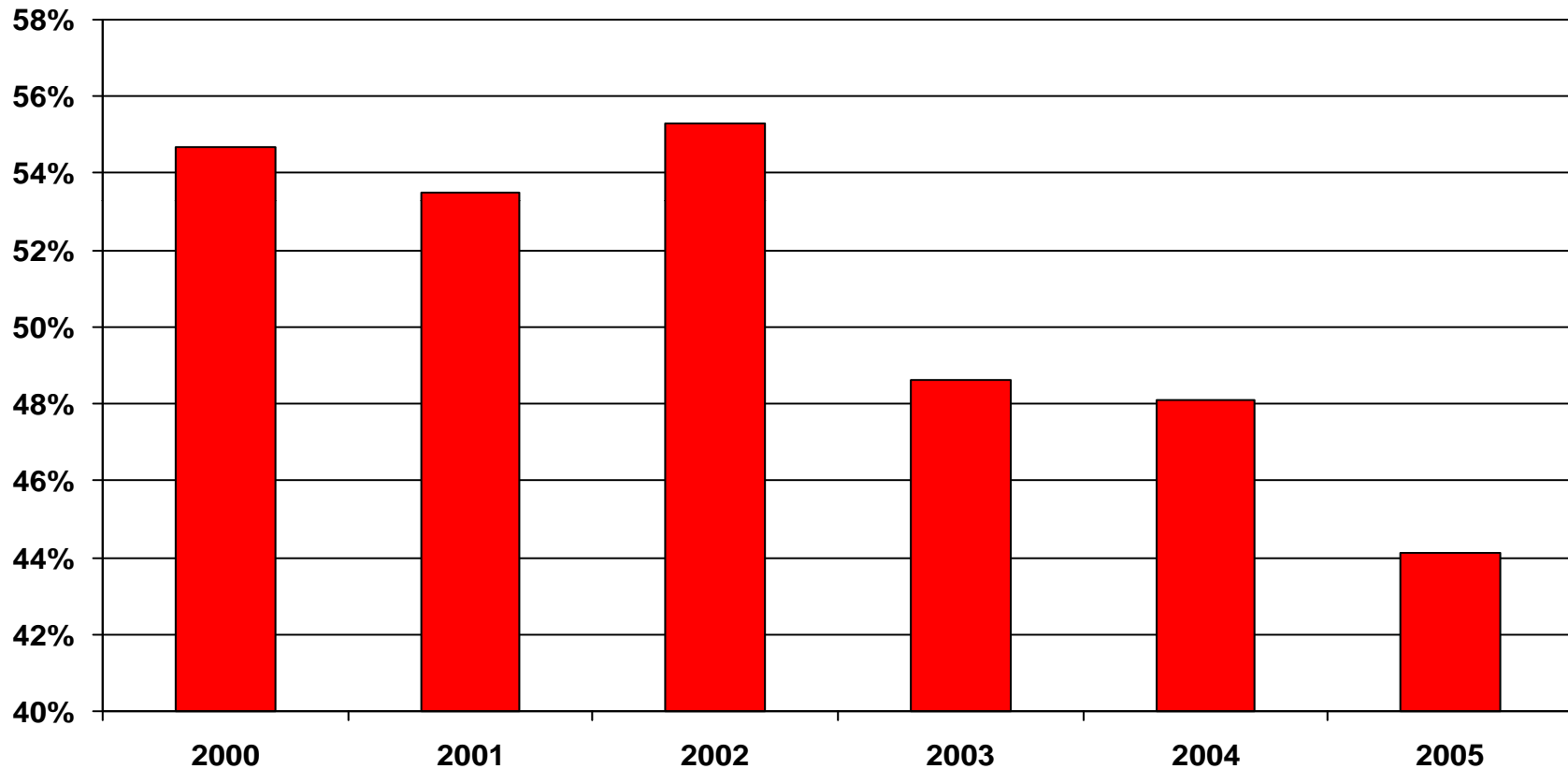
Percent of US Firms Offering Health Benefits



Source: Kaiser Family Foundation

Identify Problems: Fewer Firms Offering Coverage

Percent of Utah Firms Offering Health Benefits



Source: Agency for Healthcare Research and Quality Medical Expenditure Survey

Commitment to Systemic Change

Six Areas of Emphasis

- Health Insurance Reform
- Personal Responsibility
- Transparency and Value
- Maximize Tax Advantages
- Optimize Public Programs
- Modernize Governance

Begin With A Vision

Develop a consumer driven health care and insurance market that provides:

- Greater Choice
- Expanded Access
- Individual Responsibility
- Increased Affordability
- Higher Quality
- Improved Health

Develop a Plan

1-3-6-10 Plan

- During the **1st** year, take specific actions to establish a foundation for future success
- Understand it may take as many as **3** years to fully develop a plan of action
- Focus on **6** critical areas of need
- Further understand it may take as long as **10** years to fully implement reforms

Understand the Target Demographic

Utah's Uninsured Population in 2007

- 10.6% rate of uninsured in the state
 - Roughly 300,000 individuals
- Majority were employed
- Many were part-time workers
 - Workforce has a large percentage of part-time workers
 - Many had multiple part-time jobs
- Most worked for small firms
 - Less than 50% of small firms offering health insurance as a benefit
- Many were young immortals
 - Age 18-34

Engage the Stakeholders

2007 Formed Coalitions

- Executive Branch
- Legislative Branch
- Salt Lake Chamber of Commerce
- United Way of Salt Lake

2008 Formed Perspective-Oriented Work Groups

- Community Group
- Business Group
- Hospital Group
- Non-hospital Provider Group
- Insurance Group (carriers and producers)

2009 Formed Task-Oriented Work Groups

- Affordability and Access Group
- Transparency and Quality Group
- Oversight and Implementation Group

Utah Health Exchange Timeline

March 2008 HB 133 establishes the Utah Health Exchange

- On-line mechanism that allows consumers to compare, shop for, and enroll in a health plan
- Will incorporate All Payer Database so patients may access info about providers
- Includes a multiple source premium aggregator

March 2009 HB 188 establishes the Utah Defined Contribution Market

- Employer offers a pre-determined level of funding, rather than a pre-determined benefit
- Utah Defined Contribution Risk Adjuster Board established
- Three carriers announce participation in the Exchange (Select Health, Regence BlueCross Blue Shield, Humana)

August 2009 Utah Health Exchange Limited Launch

- Exchange is open to limited number of small employers (2-50 employees)
- Purpose is to test dynamics of the new defined contribution market as well as the processes of the Exchange technology

Utah Health Exchange Timeline

March 2010 HB294 includes provisions intended to correct and enhance the defined contribution market and the Exchange

- Pricing parity between traditional small group market and defined contribution market
- Two additional carriers (Altius, United Healthcare) announce participation in the Exchange (total of 5 carriers)

April 2010 Large Group Pilot Project launches

- Full year earlier than anticipated, per requests from large employers (50 or more employees)
- Approximately 50,000 covered lives

August 2010 Full scale launch to all Utah small employers

Advantages of the Utah Health Exchange

EMPLOYERS

- Simplified Benefits Management
- Predictable costs
- Expanded Coverage Choices
- Preserve Tax Benefits

EMPLOYEES

- Individual Control and Choice
- Pay with Pre-tax dollars
- Plan Portability
- Premium Aggregation

Leverage Existing Resources

Technology

- Private-sector vendors
 - Enrollment and Plan Selection—bswift, Inc.
 - Financial/Banking Function—HealthEquity, Inc.

Marketing and Outreach

- Chambers of Commerce
- Professional and Trade Associations
- Earned Media

Education and Adoption

- Brokers and Consultants
- Human Resource Managers

How does the Exchange work?

- **Step 1** - Employer signs up
- **Step 2** - Employee enters information
- **Step 3** - Premiums are generated
- **Step 4** - Employee comparison shopping and open enrollment period
- **Step 5** - Finalize enrollment
- **Step 6** - Plans go into effect on designated date



Welcome to the Utah Health Exchange

The Utah Health Exchange is the State's official hub for all of your health insurance needs.



Individuals & Families

Use the Exchange to find the individual or family plan that fits your needs. Compare features, prices, and apply for coverage all in one place. [Shop Now](#)



Employees

If you work for a participating employer, you can use the Exchange to choose from a variety of plan options to get coverage tailored to you and then enroll online. [Learn More](#)



Employers

Use the Exchange to set up a [defined contribution plan](#). Your employees get multiple plan choices. You get cost predictability and greatly simplified benefits management. [Learn More](#)



Producers

The Exchange can offer comprehensive plan choices to your clients and their employees. Use defined contribution plans to expand your clients' benefits options and your business. [Learn More](#)

Welcome, Raymond Tester

Welcome to the Utah Health Exchange.

Start Here:

ENROLL NOW

Employees use the Exchange to begin the health plan selection process



Update your Application Data

- [Edit Personal Info](#)
- [Edit Employment Info](#)
- [Edit Family Info](#)
- [Edit Current/Prior Coverage Info](#)
- [Edit Health Statement Info](#)
- [Download Application \(PDF\)](#)



My Profile

- [Address](#)
- [Beneficiaries](#)
- [Family Info](#)

Life Events:



My Benefits

- [New Elections](#)
- [Current Benefits](#)



My Tools

- [Benefit Calculator](#)



News & Library

[View All Documents](#)

* Special Enrollment

Completion Status:

Personal

Family Info

▶ Health



Health

The Utah Health Exchange allows for employee credits from two sources, a secondary employer and your spouse's employer. The secondary employer and your spouse's employer must also participate in the Utah Health Exchange. You need to contact them to get the amount of the credit to enter on this page.

Secondary Employer Credit

I confirm that the amount entered here is the amount that my secondary employer has given me as a health insurance credit for taking insurance through my primary employer also participating in the Utah Health Exchange.

Secondary Employer Name:

Secondary Employer Company Code:

Credit from Secondary Employer: per month

Employees may combine contributions from additional employers

Spousal Employer Credit

I confirm that the amount I entered here is the amount my spouse's employer is giving for my spouse being covered under my employer's health plan also participating in the Utah Health Exchange.

Name of Spouse's Employer:

Spouse's Employer Company Code:

Credit from Spouse's Employer: per month

Employees may also combine contributions from their spouse's employer

The Exchange provides a tool that helps employees choose a plan based on prior out-of-pocket health costs.

* Special Enrollment

Completion Status:

Personal

Family Info

Health

Health

Please Choose a Health Plan.

1 Find out how much your medical care really costs

You'll want to consider *all* your costs when choosing a medical plan – your contribution to insurance (through your payroll deduction) and the "out-of-pocket" costs like co-pays and other expenses not covered by your insurance. [Learn More](#)

We'll help you estimate your future annual medical expenses so that you will see what your potential out-of-pocket costs will be for each of the benefit plans available to you. [Learn More](#)

What do you expect your medical needs to be? [Learn More](#)

Covered	Name	Healthy	Low	Moderate	High	Custom	
<input checked="" type="checkbox"/>	Jimmy	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	Edit
<input checked="" type="checkbox"/>	Julie	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	Edit
<input checked="" type="checkbox"/>	Johnny	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	Edit
<input checked="" type="checkbox"/>	Alice	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	Edit

[Add/Edit](#) [Learn More](#)

Go to Step **2**

2 Choose a medical plan that best meets your needs

*** Special Enrollment**

Completion Status:

Personal

Family Info

Health



Health

Please Choose a Health Plan.

1

► Find out how much your medical care really costs

2

▼ Choose a medical plan that best meets your needs

Tell us what's most important to you when you're paying for your medical plan, and we'll rank your plan options for you.

Note: If your doctor is most important, first check what plans your doctor is in.

[Learn More](#)

Show me plans by: [Learn More](#)

- Lowest premium (payroll deduction)
- Lowest potential out-of-pocket expenses
- Lowest total cost of medical expenses

The Exchange provides employees with additional filters to help narrow down plan choices based on consumer preferences for cost or provider choice.

Back to Step **1**

*** Special Enrollment**

Completion Status:

Personal

Family Info

Health

Health

Please Choose a Health Plan.

Display Plan Info for the Following:

- Employee
- Employee + Spouse
- Employee + Dependent
- Employee + Family

The employee then selects the applicable family status

...and chooses up to four plans for a side-by-side comparison

You may select up to four plans to compare:

Plan Name	Vendor	Per Month Employee Cost	Type	In-network Coinsurance	In-network Deductible	Rx	Mater
<input checked="" type="checkbox"/> Engage (Option 4)	Regence	\$506.45	PPO	80	\$500.00	Yes	Yes
<input type="checkbox"/> 80/60Cov1 20/40 1000ded3000OOP 10/30/50Rx	Humana	\$544.91	PPO	80	\$1,000.00	Yes	Yes
<input checked="" type="checkbox"/> Innova (Option 7)	Regence	\$545.29	PPO	80	\$1,000.00	Yes	Yes
<input type="checkbox"/> 60/50HDHP 1200ded 3600 OOP	Humana	\$459.80	High Deductible	60	\$1,200.00	Yes	Yes
<input checked="" type="checkbox"/> HSA 2.0	Regence	\$368.49	High Deductible	80	\$1,200.00	Yes	Yes

*** Special Enrollment**

Completion Status:

Personal

Family Info

Health

Plans are displayed in a side-by-side matrix for comparison purposes.

Health

Please Choose a Health Plan.

[Waive Coverage >>](#)

[Choose This Plan >>](#)

[Choose This Plan >>](#)

[Choose This Plan >>](#)

Regence Engage (Option 4) Regence HSA 2.0 Regence Innova (Option 7)

Employees can view a benefit summary or expand the categories to see a very detailed benefit description

[Expand All](#)

▼ COSTS (MONTHLY EMPLOYEE COST)

Employee	\$230.67	\$167.83	\$248.36
Employee + Spouse	\$506.45	\$368.49	\$545.29
Employee + Child(ren)	\$485.93	\$353.55	\$523.19
Employee + Family	\$715.07	\$520.28	\$769.91

▼ PLAN INFORMATION

Coverage Type	Engage	HSA 2.0	Innova
Hours of Operation	M-F 8am - 5pm	M-F 8am - 5pm	M-F 8am - 5pm
Customer Service	(800)624-6519	(800) 624-6519	(800)624-6519

▶ DEDUCTIBLES/MAXIMUMS

▼ CO-INSURANCE

Individual Out-of-Pocket Maximum	In-Network: \$2,000 Coinsurance Maximum Separate \$5,000 Pharmacy Out of Pocket Maximum Out-of-Network: \$2,000 Coinsurance Maximum Separate \$5,000 Pharmacy Out of Pocket Maximum (combined with in-	In-Network: \$3,600 Out-of-Network: \$3,600 (combined with in-network)	In-Network: \$2,000 Coinsurance Maximum Separate \$5,000 Pharmacy Out of Pocket Maximum Out-of-Network: \$2,000 Coinsurance Maximum Separate \$5,000 Pharmacy Out of Pocket Maximum (combined with
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* Special Enrollment

Completion Status:

Personal

Family Info

Health

United Health Care CDHP: Family

BEST MATCH TO YOUR NEEDS

HSA Qualified

Estimated Total Cost of This Plan **\$5,442** Per Year

Estimated Payroll Deduction

\$2,236 Per Year

\$86 Per Paycheck

Want more info about this plan?
See your open enrollment materials.

Estimated Out-of-Pocket Costs

Based on using in network providers only

\$3,206 Per Year

Pay for this with a HSA [Learn more](#)

- \$0 Deductible
- \$0 Office visits
- \$0 ER visits
- \$0 Co-insurance
- \$3,206 Prescriptions
- \$4,000 Max Out-of-pocket

Apply and Continue

Estimated Total Cost of This Plan **\$5,746** Per Year

Employees are provided with detailed plan cost information, including the total cost of the plan

Special Enrollment

Completion Status:

Personal

Family Info

Health



Health

Please verify all information before enrolling.

Plan Selection [<<View/Change Plan/Waive](#)

Selected Plan: Engage (Option 4)

Coverage [<<Cover/Waive Family Members](#)

Tier: Employee + Spouse

Raymond Tester:	Covered
Sally Tester:	Covered

Costs

Employee Cost: \$506.45 per month
Employer Cost: \$0.00 per month

Participation

I understand that the choices I've made are in effect for one full benefit plan year and cannot be changed until the next enrollment period, unless I have a qualified family status change. I authorize payroll deductions, if required, for my contribution in the cost of the coverage I have selected.

[<<Cancel](#) I agree

Please verify all information above before enrolling. [Enroll Now >>](#)

Once an employee decides on a health plan, the final step is to simply enroll.

Similarities: Massachusetts and Utah

Massachusetts

- State-based solution designed to be responsive to state-specific issues, customs, business practices, etc.
- Consumer-centered approach
- Achieved broad, bipartisan consensus supporting the basic reform elements

Utah

- State-based solution designed to be responsive to state-specific issues, customs, business practices, etc.
- Consumer-centered approach
- Achieved broad, bipartisan consensus supporting the basic reform elements

Differences: Massachusetts and Utah

Massachusetts

- Individual mandate
- Employer mandate
- Government role is contracting agent
- Established Massachusetts Connector Authority with broad regulatory responsibilities
- Acted first on public sector reforms; now rolling out private insurance market reforms

Utah

- No individual mandate
- No employer mandate
- Government role is market facilitator
- Regulatory authority strictly limited to establishment of electronic data standards
- Began by implementing private market reforms first; public sector reforms to follow

Differences: Massachusetts and Utah

Massachusetts

- No risk adjustment mechanism included
- Upfront appropriation of \$25 million; ongoing funding through retention of a portion of premium
- Staff of approximately 45 employees

Utah

- Risk adjustment mechanism established to deal with adverse selection issues
- Upfront appropriation of \$600,000; ongoing funding through annual appropriation and technology fees
- Staff of 2 employees

The Utah Health Exchange in the Press

“Compared to what's being trotted around the Asylum on the Hill, **Utah's bipartisan reform project sounds downright dreamy. Simple and geared toward the consumer,** it was designed under the operating principle that Americans are capable of making their own decisions...” (Kathleen Parker, “Health Reform, Utah’s Way,” in *The Washington Post*, July 26, 2009)

“As Washington attempts to pass national health reform this fall, **Utah's experiment may become a model** for lawmakers looking to create market-based reforms. **It will clearly benefit small businesses** that now face unpredictable rate changes.” (John Tozzi, “What Utah's Health Reform Means to Small Business,” at *BusinessWeek.com*, Sept. 4, 2009.)

The Utah Health Exchange in the Press

“The State of Utah recently launched a new program that... demonstrates why ***state-level policy innovation--not top-down, federal planning--is the key to improving America's health sector.***” (Grace-Marie Turner, “Innovation, Not Intervention” at *Forbes.com*, Sept. 18, 2009)

“Utah...demonstrates that there was another path forward. The Exchange provides a technology backbone that ***enables private entities — brokers and businesses — to take advantage of consumer-based options.***

Consistent with the Exchange’s mission to promote small business growth, it is part of the Governor’s Office of Economic Development. ***The focus on business growth and input from the private market has helped promote other reforms.***” (Amy Lischko and Jim Stergios, Op-Ed in the *Boston Globe*, May 13, 2010)

For more information:

Utah Health Exchange

exchange.utah.gov

