



# eHEALTH INITIATIVE

Real Solutions. Better Health.



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# **Preparing for a New Market: Health IT's Role in the New Health Insurance Exchange Marketplace**

Follow us: @ehealthdc, join the discussion: #ehipolicy

# Housekeeping Issues

- All participants are muted
  - To ask a question or make a comment, submit via the chat feature.
- Audio and online conference through [www.readytalk.com](http://www.readytalk.com)
  - If you are experiencing technical difficulties please contact ReadyTalk Customer Care: 800.843.9166.
- Download slides at [www.ehidc.org](http://www.ehidc.org)



# About eHealth Initiative

- Since 2001, eHealth Initiative is the only national, non-partisan group that represents all the stakeholders in healthcare. Represent over 15 different stakeholder groups and 39 states across the nation.
- Mission to promote use of information and technology in healthcare to improve quality, safety and efficiency.
- Last year, over 4500 individuals attended our events and 500+ individuals participated in our national councils and workgroups
- eHealth Initiative focuses its research, education and advocacy efforts in four areas:
  - Data and Analytics
  - IT Infrastructure to Support Accountable Care
  - Technology for Patients with Chronic Disease
  - Data Exchange & Interoperability



# When It Comes to Value of eHealth Initiative Our Members Speak for Themselves...

## Providers

*“What I love most about eHealth Initiative is its unique value proposition that melds research, education and advocacy. It is the only organization I know that reaches across silos to bring the best minds together to solve complex challenges.”*

*--Edward Marx, Senior Vice President & CEO, Texas Health Resources*

## Vendors

*“eHI brings together the full range of stakeholders addressing care improvement through information technology; eHI is unparalleled in that regard.”*

*--John Glaser, PhD, CEO, Health Services, Siemens Medical Solutions*

## Labs

*“eHI’s leadership is a lightning rod for healthcare industry stakeholders to bring guidance to ONC and CMS on what e-strategies are reasonable, logical, and cost effective...”*

*--Dave Dexter, President and CEO, Sonora Quest Laboratories & Laboratory Sciences of Arizona*





# eHEALTH INITIATIVE



## **2013 HEALTH DATA EXCHANGE & INTEROPERABILITY SUMMIT**

OCTOBER 30-31, 2013

Grand Hyatt Washington DC

To register: <http://ehidc.org/events-landing/hdes-2013>

# Agenda

- Welcome and Introductions - 4:00 p.m.
  - Jennifer Covich Bordenick, Chief Executive Officer, eHealth Initiative
- Overview of Models and Operational Challenges - 4:10 p.m.
  - Elizabeth Carpenter, Senior Manager, Avalere Health
- Impact on the Market - 4:30 p.m.
  - Caitlin Sweany, MPH, Senior Manager, PwC
- Discussion & Questions – 4:50 p.m.
- Adjourn - 5:00 p.m.





**Jennifer Covich Bordenick**  
**Chief Executive Officer**  
**eHealth Initiative**





**Elizabeth Carpenter**  
**Senior Manager**  
**Avalere**





# Exchanges: Early Insight from Open Enrollment

October 2013  
[avalerehealth.net](http://avalerehealth.net)

# Today's Discussion

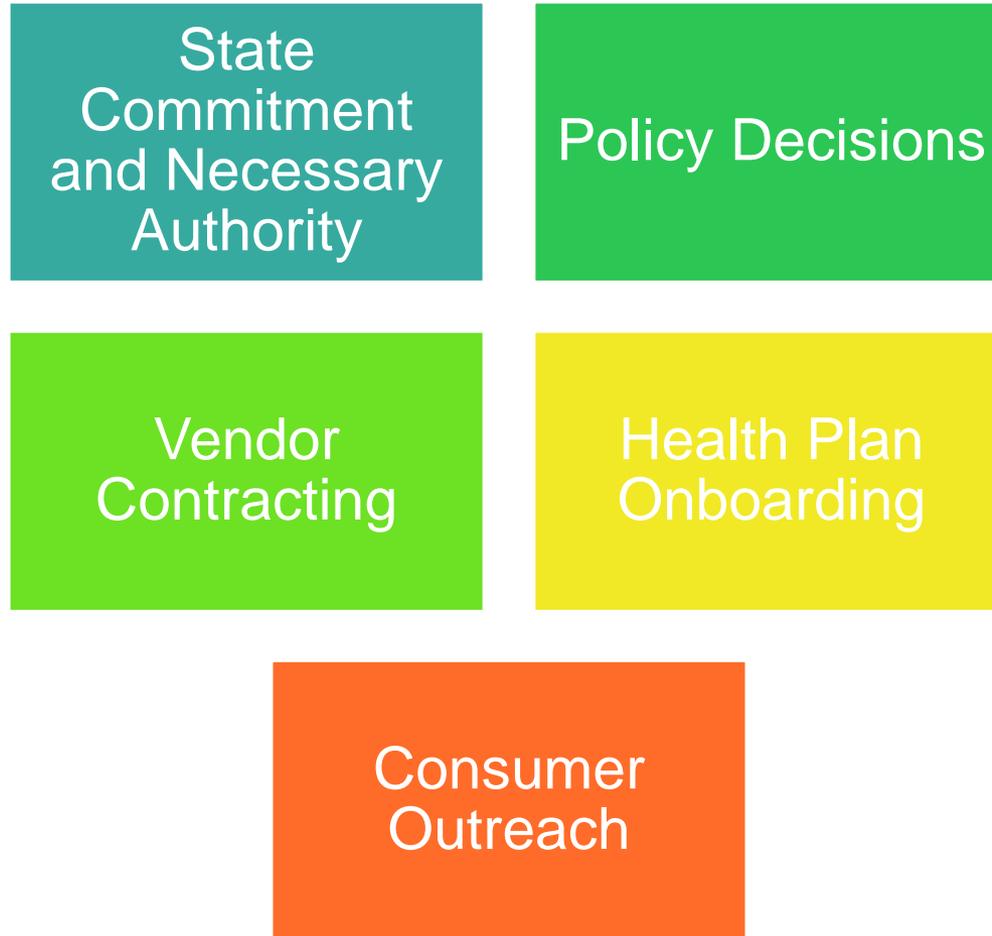
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- The path to October 1
- Exchange operating models
- Interest and enrollment
- Operational challenges
- Carrier participation
- Looking ahead



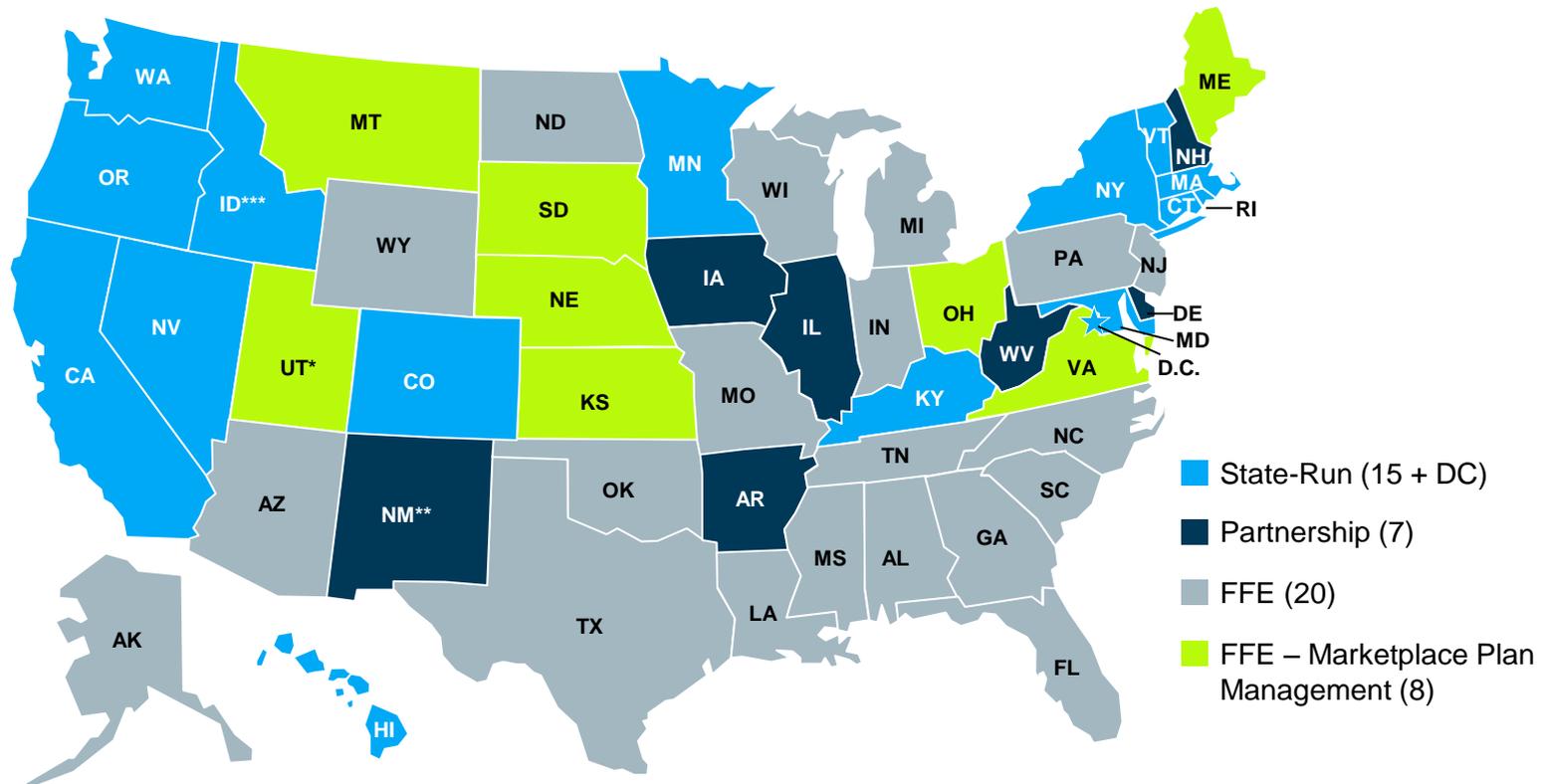
# The Path to “October 1” was Compressed, and Timelines Came Down to the Wire

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# FFE is the Dominant Exchange Infrastructure for the 2014 plan year

## 2014 INSURANCE EXCHANGE OPERATIONAL MODEL



Source: Avalere State Reform Insights, September 16, 2013

\* Utah will operate a marketplace plan management model for its individual exchange and rely on its existing small group exchange for the SHOP exchange.

\*\* New Mexico will operate a partnership for its individual exchange, but run its own SHOP exchange.

\*\*\* Although Idaho will operate a state-based exchange, it will rely on HHS for certain functions, such as eligibility and enrollment.



# Interest in Exchanges is High, but Enrollment Numbers still Unclear

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## Open Enrollment at a Glance

More than 11 million  
visitors

Over 244,000 accounts  
created\*

More than 110,000  
individuals enrolled\*\*

Source: Avalere State Reform Insights, October 15, 2013

\* FFE has not reported on accounts created.

\*\* May capture submitted applications as well as processed applications. FFE has not reported on individuals enrolled.



# Exchanges Met with Early IT Challenges, Efforts to Fix “Glitches” Ongoing

Federal site experiencing ongoing challenges

Most state sites operational, but some delays persist



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Please stay on this page.

We're working to make the experience better, and we don't want you to lose your place in line. We'll send you to the login page as soon as we can. Thanks for your patience!

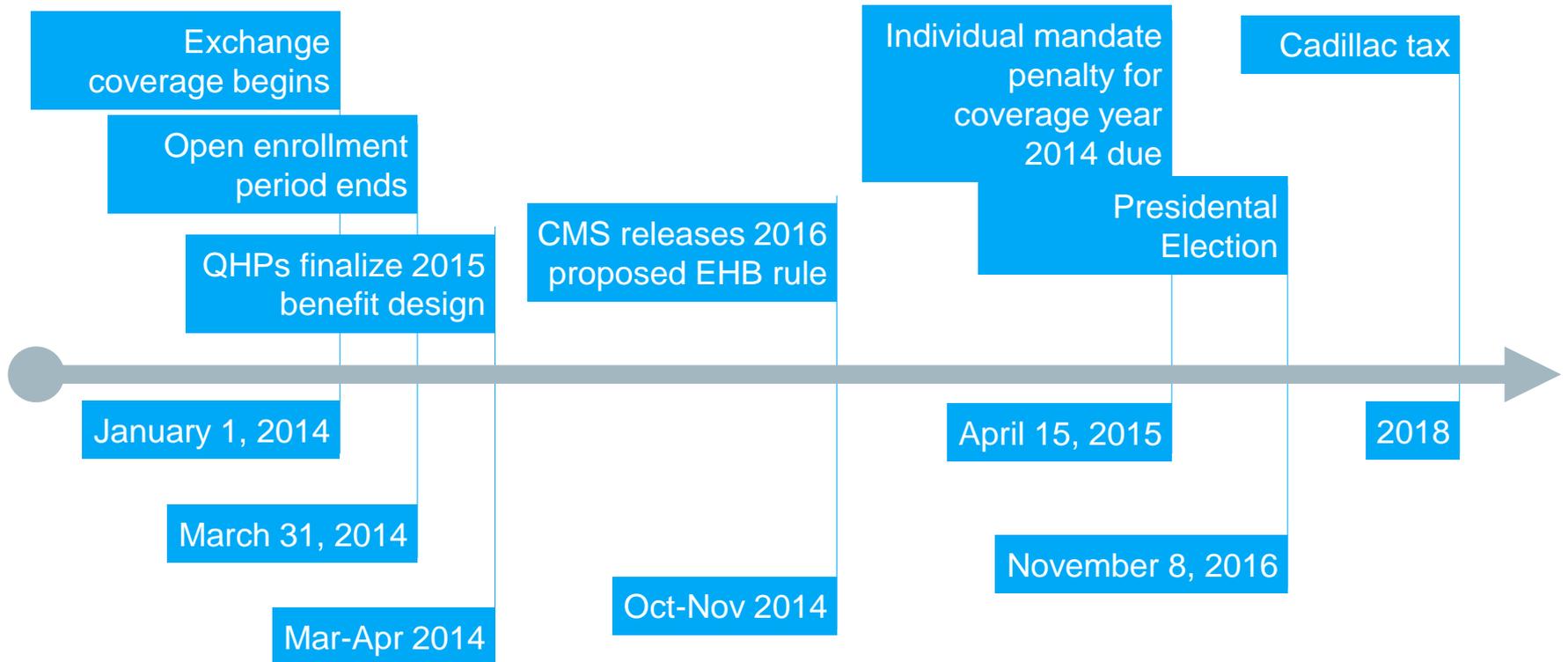
In a hurry? You might be able to apply faster at our Marketplace call center. Call 1-800-318-2596 to talk with one of our trained representatives about applying over the phone.





# While Enrollment Is “Live,” Long Implementation Journey Ahead

? - States indicate willingness to operate state-based exchanges, including “SHOP- only”



QHP = Qualified health plan  
OIG = Office of the Inspector General  
CMS = Centers for Medicare & Medicaid Services  
EHB = Essential health benefits





**Caitlin Sweany**  
**Senior Manager**  
**PwC**

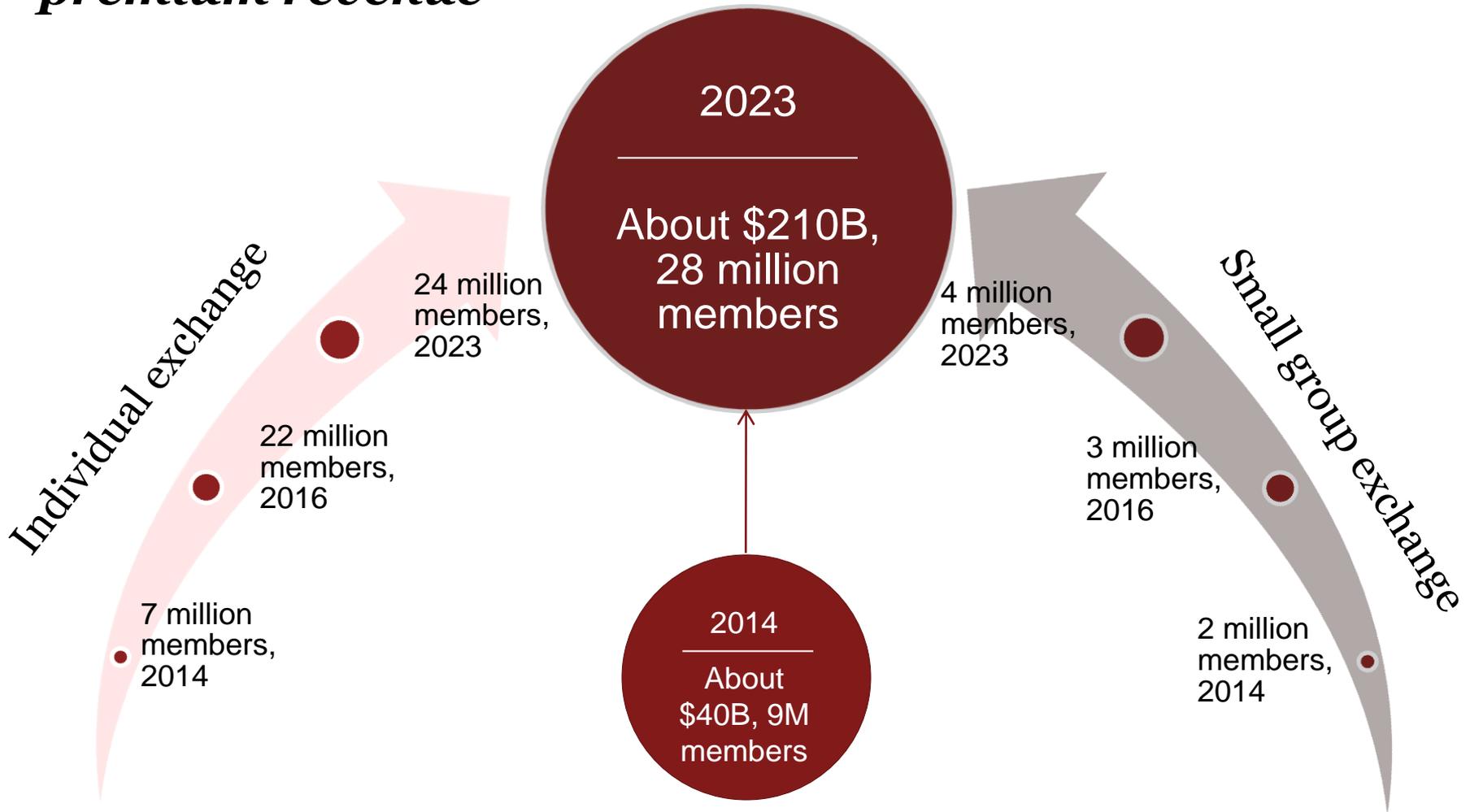


# Health insurance exchanges: *A look forward*

October 17, 2013

Caitlin Sweany  
Senior Manager  
PwC's Health Research Institute

# *The new HIX channel is worth approximately \$210B in premium revenue*



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## *Most health insurers will offer exchange coverage*

**69%**

*Of health insurance executives said they planned to offer coverage on the state exchanges in 2014 or 2015*

**50%**

*of national insurance executives said they expected to enter additional states after 2014\**

Source: Health Research Institute 2013 insurance executive survey

## *Insurers participating on the exchanges face significant operational challenges*

### Insurance executives see technology integration as the largest barrier to exchange implementation



**63%**  
Technology integration



**61%**  
Coordination of subsidies



**51%**  
Adverse selection



**46%**  
Profitability



**41%**  
Managing churn



**34%**  
Understanding newly-eligible consumers



**13%**  
Organizational culture

Source: Health Research Institute 2013 insurance executive survey

## *Many types of companies are getting involved in the exchanges*

**25%**

**Of companies that applied to sell coverage on the federal exchange in 2014 are entering the individual market for the first time**

Source: HHS

Commercial insurers

Tax preparers

Medicaid managed care plans

CO-OPs

Technology companies

Insurance start-ups

Web brokers

Retailers

Provider systems

Government contractors

## *Opportunities in the new exchange frontier: mobile*

**70%**

of insurance executives believe the ease of finding information on a mobile device will be important to customers



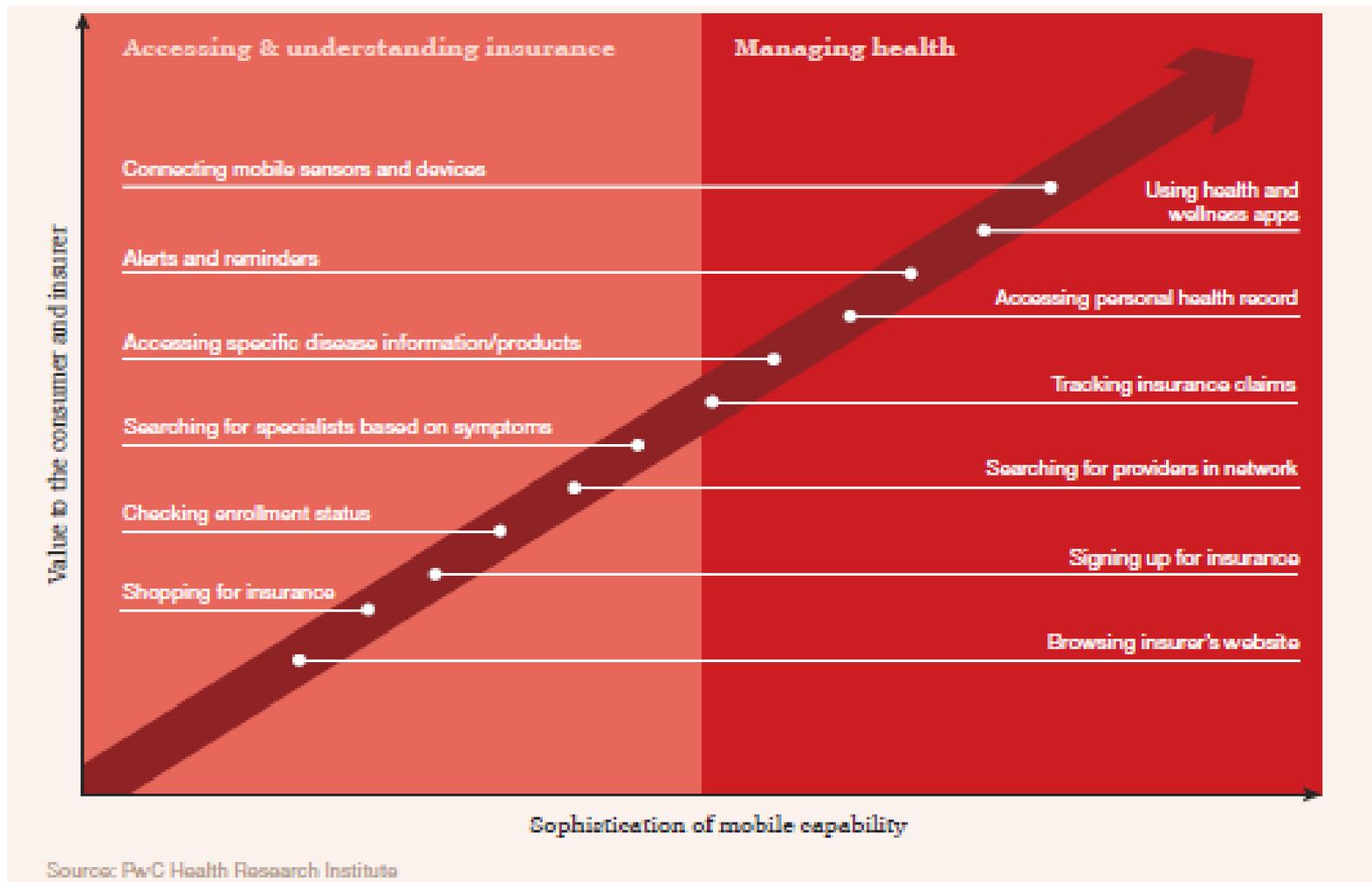
**50%**

of those same executives were not confident their companies would have mobile capabilities in place by the time enrollment begins

### Considerations

- Skilled mobile programmers have yet to gravitate to healthcare
- Mobile might be the only access point for some customers
- Mobile technologies should be as flexible as possible

# How mobile capabilities can deliver value



Source: PwC Health Research Institute

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## ***Opportunities in the new exchange frontier: analytics***

- Analytics skills are a rare find
- Insurers can guide through analytics
- Insurers can expand and manage access through analytics

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*As the industry moves from wholesale to retail, the customer takes center stage*

- ✓ **Design with the consumer at the heart** – take cues from other industries such as retail and technology
- ✓ **Think beyond initial implementation challenges** – focus on building a meaningful customer experience
- ✓ **Understand and engage customers** – price competition requires a better customer experience

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***For more information...***

Check out our materials: <http://www.pwc.com/us/hix>

Contact:

Caitlin Sweany

[caitlin.sweany@us.pwc.com](mailto:caitlin.sweany@us.pwc.com)

# Questions?

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**Next Policy Workgroup Webinar  
November 21, 2013  
4:00 - 5:00 pm (ET)**



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