



COVER  
OREGON

# COVER OREGON UPDATE TO HOUSE HEALTH CARE COMMITTEE

HOWARD “ROCKY” KING, EXECUTIVE DIRECTOR

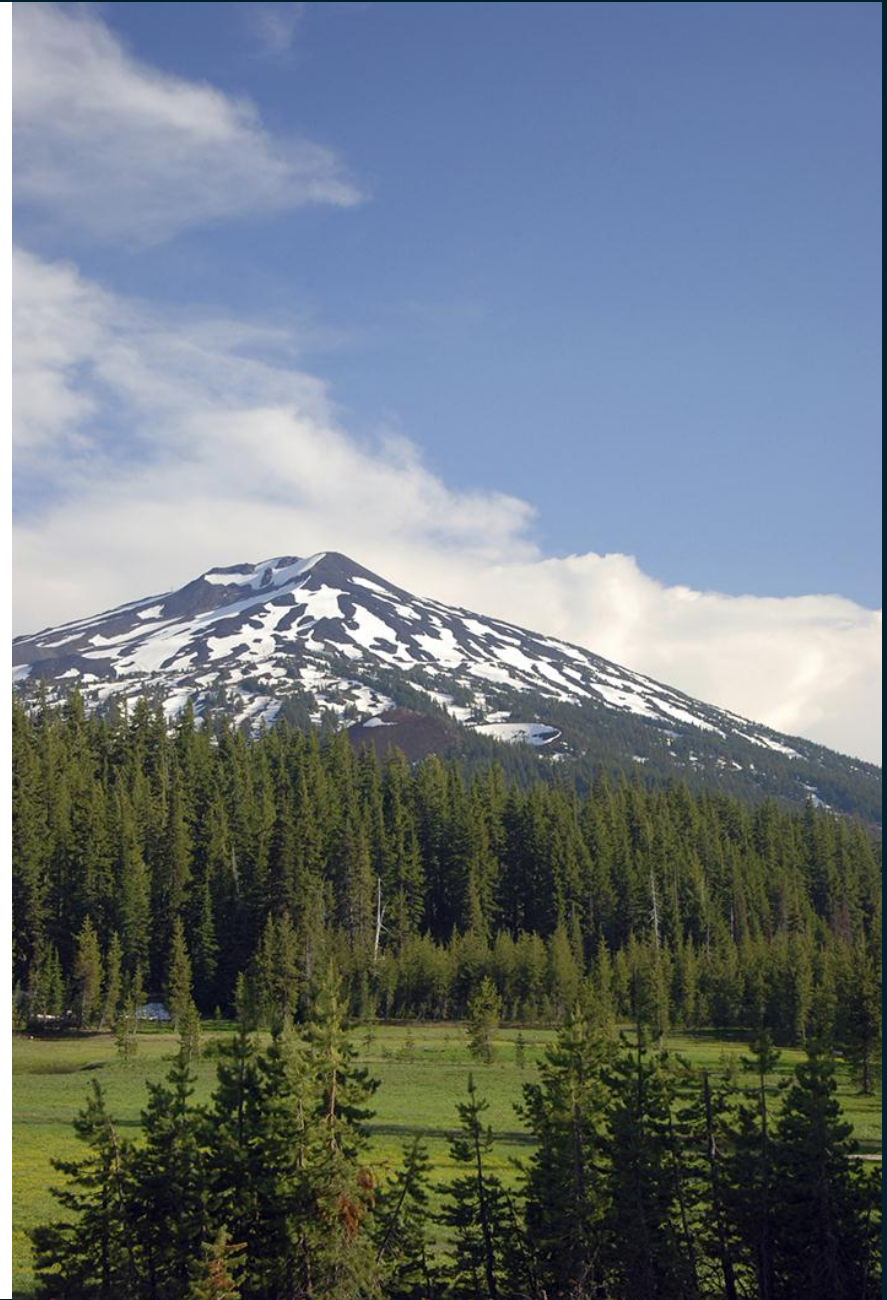
FEBRUARY 4, 2013

# MISSION

Improving the health of all Oregonians by providing health coverage options, increasing access to information, and fostering quality and value in the health care system

# BACKGROUND

- Created in 2011 by Oregon Legislature
- Formed as public corporation
- Key piece of Affordable Care Act



# GOVERNANCE

- Board of Directors:
  - Appointed by Governor, confirmed by Senate
- Represents: small business, large business, consumers, providers, OHA director, and insurance commissioner
- Legislative Oversight Committee:
  - Representatives Greenlick and Thompson
  - Senators Boquist and Monnes-Anderson

## WHAT IS COVER OREGON?

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Individuals



Families



Employees



Employers

I need...



affordable Insurance for Myself

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[GET STARTED](#)

FIND AN AGENT



FIND A COMMUNITY PARTNER



BECOME A COMMUNITY PARTNER



REGISTER YOUR TRIBE



BECOME AN AGENT

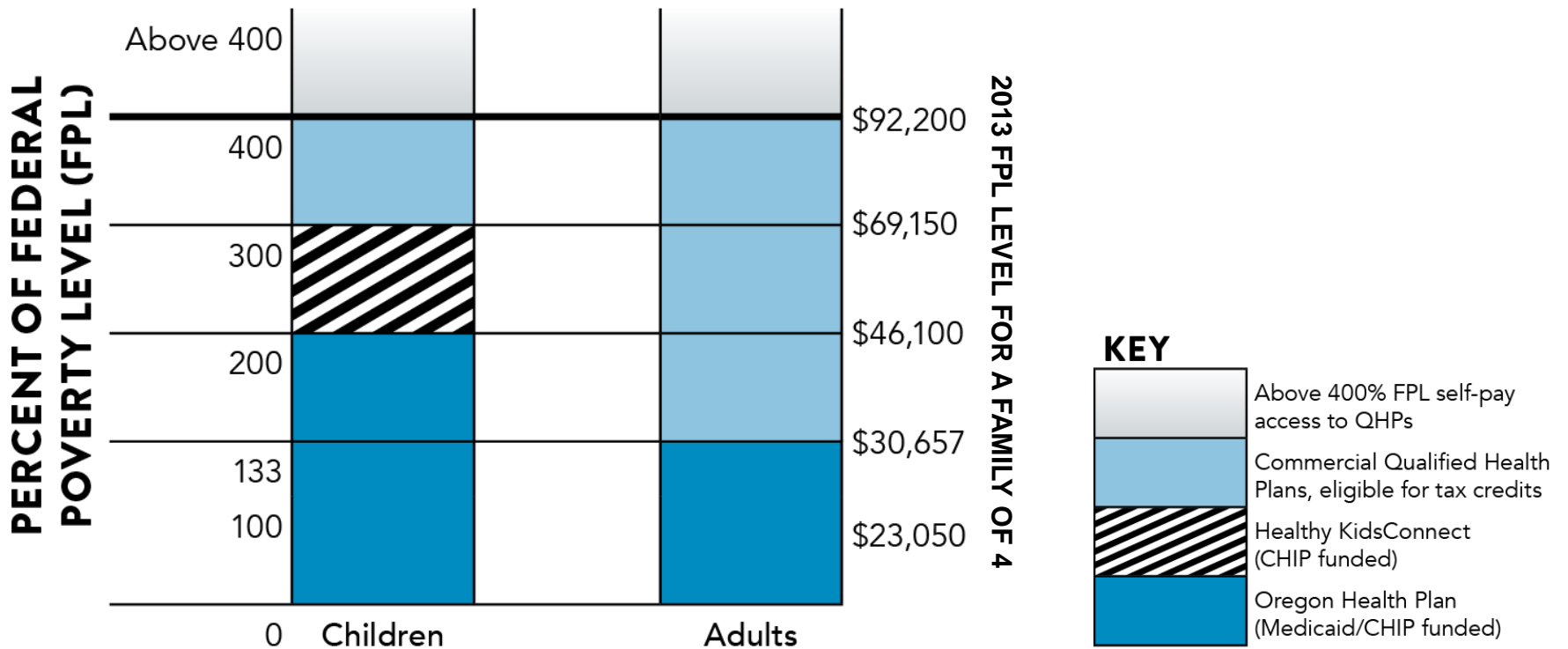


# INDIVIDUALS AND FAMILIES

- Financial assistance
- Apples-to-apples
- Price transparency
- Quality grades



# ELIGIBILITY FOR FINANCIAL ASSISTANCE





# SMALL EMPLOYERS

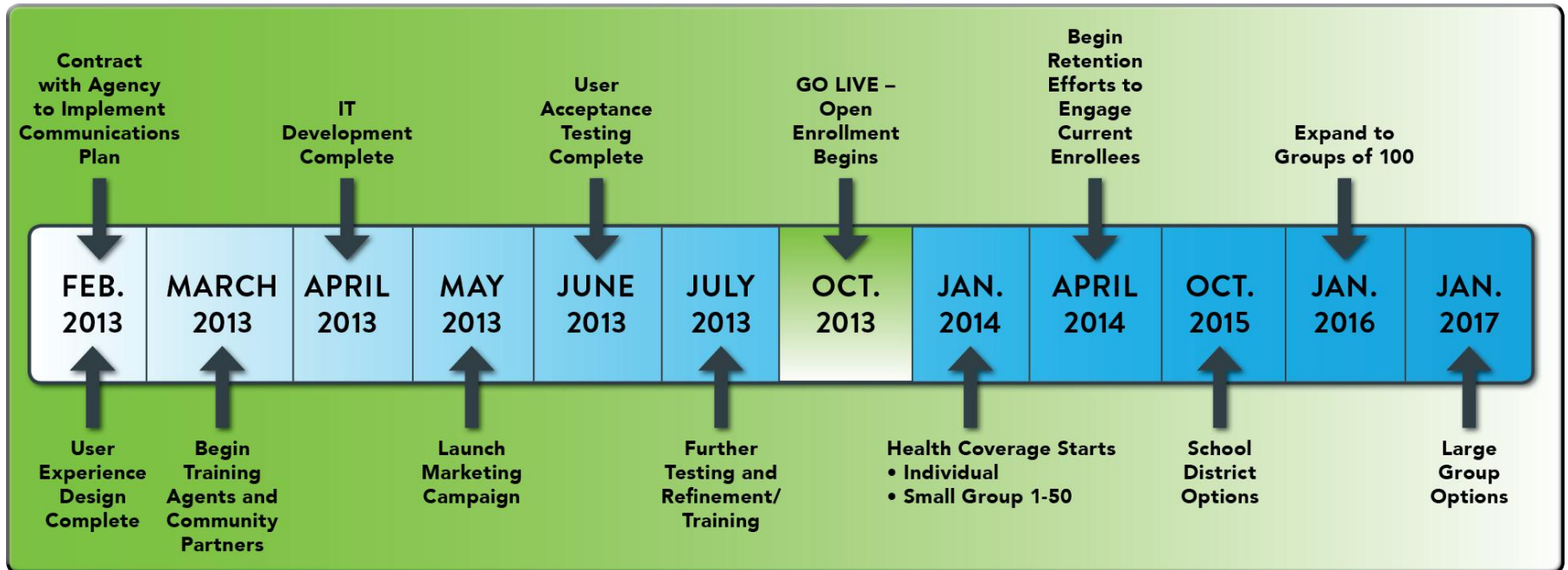
- Small employer tax credits
- More choices
- Online tools



# SMALL EMPLOYER OPTIONS

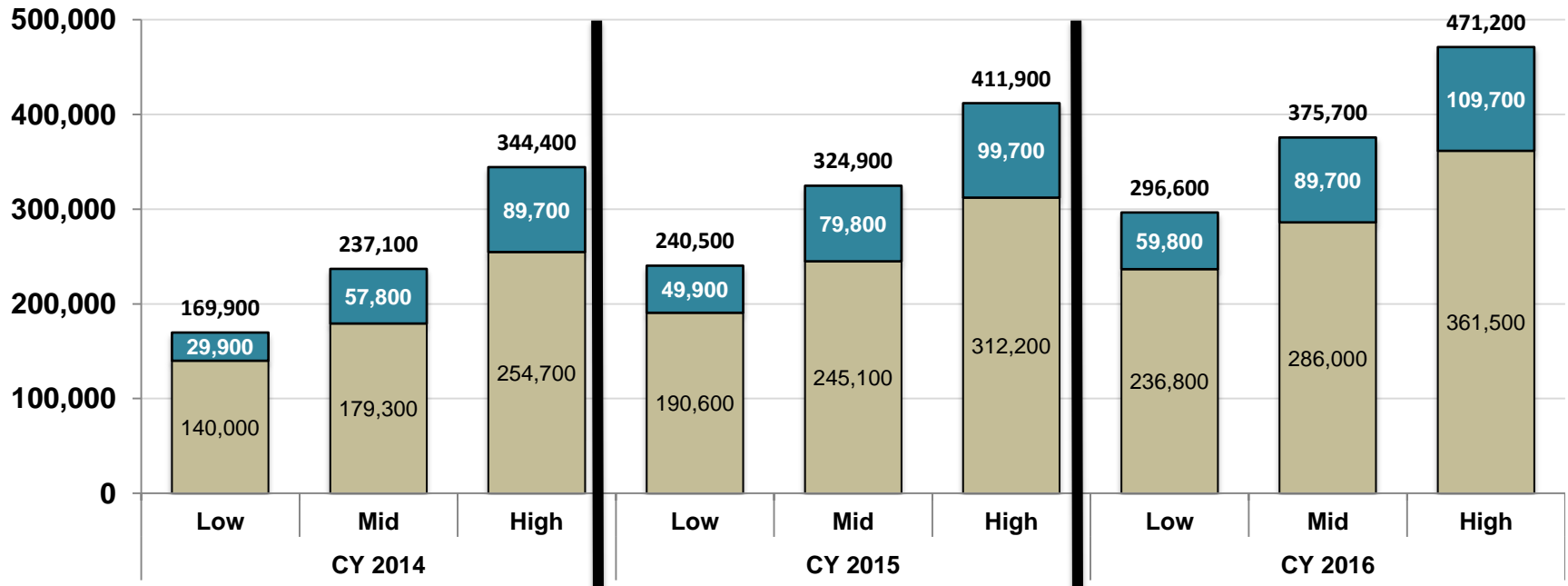


# TIMELINE – 2013 AND BEYOND



# COVER OREGON ANNUAL ENROLLMENT ESTIMATES

## Low – High Enrollment Ranges

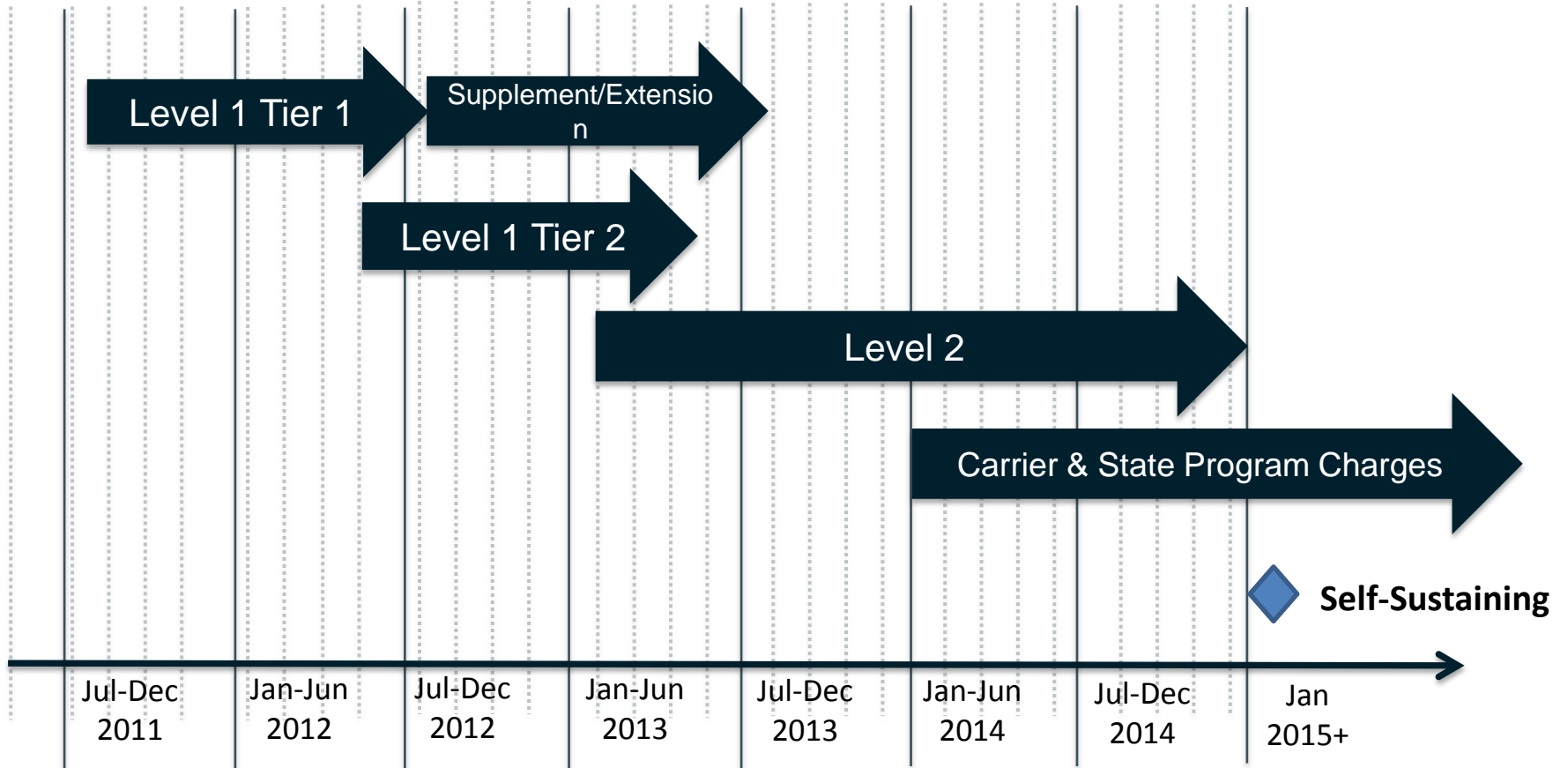


*\*As of December 31st of each year*

■ Individual

■ SHOP

# FUNDING OVERVIEW



\*Establishment, includes supplement & no-cost extension

# LEVEL 2 GRANT – APPROVED

Category	CY2013	CY2014	Total
Compensation	\$14,945,145	\$24,698,653	\$39,643,798
Consultants	\$833,500	\$166,700	\$1,000,200
Equipment	\$2,136,878	\$150,340	\$2,287,218
Supplies	\$325,609	\$376,508	\$702,117
Travel	\$464,804	\$437,553	\$902,357
Contracts	\$33,494,766	\$27,594,456	\$61,089,222
IT (Development, Operations & Maint.)	\$58,663,908	\$37,880,014	\$96,543,922
Other	\$9,876,388	\$14,396,852	\$24,273,240
<b>Total Expenditures</b>	<b>\$120,740,998</b>	<b>\$105,701,076</b>	<b>\$226,442,074</b>

# ADMINISTRATIVE CHARGE

- We project what the **enrollment** in the Cover Oregon will be for 2014 and 2015
- We determine how much money we will need to get that enrollment, pay for the **operating costs**, and maintain an adequate reserve for 2015
- We enter enrollment projections and revenue projections into a straight-forward formula and establish a Per Member Per Month (**PMPM**) charge that carriers add to their monthly premiums

## EXAMPLE: PMPM CHARGES OF COVER OREGON QHPS SPREAD ACROSS THE IND. & SMALL GROUP MARKETS

- Although the PMPM charge is only on Cover Oregon QHPs, premium rates must be the same for plans sold inside and outside the exchange. Each carrier will spread the assessment across the entire applicable market (risk pool) for that carrier.
- The table below gives an example of the spread across the markets.

Example: Equivalent of 4% Charge on Exchange Enrollment Spread Across Market

Market	Estimated Exchange Avg Monthly Enrollment	Estimated Non-Exchange Avg Monthly Enrollment	Total Market Avg Monthly Enrollment	Avg Monthly Premium	PMPM Assessment on QHPs@ 4%	PMPM Spread Across Market	Percent Assessment (of Avg Monthly PMPM) Spread across market
SHOP	31,694	141,600	173,294	\$454	\$18.17	\$3.32	0.73%
Individual	138,958	90,500	229,458	\$323	\$12.94	\$7.83	2.42%
<b>Total</b>	<b>170,652</b>	<b>232,100</b>	<b>402,752</b>	<b>\$347</b>	<b>\$13.89</b>	<b>\$5.89</b>	<b>1.70%</b>

# LIGHTNING ROUND

- Communications and marketing
- Customer service
- Plan management
- IT
- Community partners
- Community meetings and public input



# LONG-TERM VISION

- Larger employers
- Additional products
- Coordinated care models
- Quality and value
- Buying power



# SLEEPLESS IN SALEM

- Health carrier participation
- Schedule and trade offs
- Customer service and call center
- Federal regulations
- Public program charges
- Legislative priorities

CoverOregon.com

