

Oregon Legislature

Senate Committee on Health

Testimony of Heather Korbolic, Senior Policy and Strategy Lead with GetInsured

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Introduction

Madam Chair and Committee Members, for the record my name is Heather Korbolic and I am the Senior Policy and Strategy Lead with GetInsured the leading software company for State-Based Exchanges across the country.

Thank you for the opportunity to testify on Senate Bill 972 — a bill that would enable the Oregon Health Authority to run and operate a State-Based Health Insurance Exchange (SBE) in Oregon. On behalf of GetInsured, I'm grateful for the committee for hearing this important bill that will allow Oregon to help maintain incredibly low uninsured rates and gaps in coverage by enabling the establishment of Bridge Program while continuing to reduce costs and premium for Oregonians all while harnessing the policy flexibility and data access afforded to a SBE.

Prior to joining GetInsured, I was the Executive Director of Nevada Health Link, the State-Based Exchange in Nevada. I was proud to oversee the first transition of a State-Based Exchange using the federal platform (SBE-FP), like Oregon, away from the federally facilitated exchange to a fully autonomous state-based exchange. As the first state to make this type of transition, Nevada's experience has served as a blueprint for many states that have followed, and for those actively planning to transition. As a result of this successful endeavor, Nevada was able to rapidly respond to the pandemic by creating a special enrollment period, we also developed many state policy changes resulting in one of the country's highest gains in enrollments in 2022. Based on my experience in Nevada, along with a recent stint as the interim CEO with the New Mexico Exchange, and the nearly 15 years I've spent in the public sector working on health care policy, I can tell you firsthand how important it is for states to regulate and manage their own health insurance markets.

States, rather than the federal government, are in the best position to be responsive to and address the unique needs of their markets, citizens, and communities. States are also at the forefront of finding creative and innovative ways to address the crises facing America's healthcare system today such as high costs, poor health outcomes, coverage and care inequities, just to name a few. Establishing a state-based exchange is an important step for Oregon to improve the overall health of its population.

What is a State-Based Health Insurance Exchange?

Oregon has operated as a state-based exchange using the federal platform since 2015. As a result, Oregon has not been able to take full advantage of the benefits that state-based exchanges enjoy. As many of you are aware, under the ACA, a public health insurance exchange serves as a gateway for consumers to access federal premium tax credits to help lower costs for consumers. These exchanges also play an important role in how consumers shop for and enroll in health insurance coverage. They

provide not only a better front-end shopping experience and application process, but also allow the state to decide which plans will be certified as Qualified Health Plans (QHPs). Oregon's admirable endeavor to establish a basic health program, or The Bridge Program, cannot be facilitated on the rigid and antiquated federal platform. An SBE would provide the necessary autonomy to better service Oregonians that are enrolled in health insurance through the federal exchange and could help to minimize coverage loss.

State Flexibility

The Oregon Health Authority has been proactive in its exploration of policy actions to make health insurance more affordable and accessible to low and middle-income residents. OHA in coordination with a legislative task force has explored the benefits a state-based exchange could bring to the state and at the top of the list is the establishment of the bridge program. The benefits also include enhanced outreach and targeted marketing to underserved populations, seamless state policy implementation, and more control over the Oregon insurance market.

The pandemic provided a real-life example of how operating a state-based exchange provides a state with the flexibility it needs to best serve its constituents and balance the needs of all stakeholders in an insurance market. The Special Enrollment Periods (SEPs) that SBEs offered are a very clear illustration of how a state can set forth policies that best fit their needs. **Regardless of whether the federal government is running a special enrollment period or not, a state-based exchange can determine its own SEP policies.**

State-based exchanges can also determine how long, or short, their open enrollment periods will operate. As confirmed in CMS rules, state-based exchanges "with their own eligibility and enrollment platforms will be able to set their own annual Open Enrollment Period end dates, so long as these dates are on or after December 15, 2021." Each state knows its health insurance markets — insurance carriers, assisters and brokers, commercial group, and individual plans, as well as the uninsured populations, and can **put forth policies and targeted outreach that best serve consumers regardless of how the federal government is running its OEP.**

Senate Bill 972 offers Oregon an opportunity to take action to reassert a traditional role in overseeing its health insurance markets by establishing its own state-based exchange, the foundation for the state's goals to provide more affordable options to low and middle-income residents.

Why Should Oregon Establish a State-Based Exchange (SBE)?

There are three overarching reasons Oregon should establish its own SBE:

1. **Oregon will have more tools available to be responsive to their market and increase enrollment.** Under federal law, states operating their own SBEs are given significant latitude to design and implement exchanges within federal standards. In addition, SBEs have the authority to set and collect user fees as well as determine rules around special and annual enrollment periods. Operating an SBE allows for faster and more nimble implementations that respond

federal changes (such as the American Rescue Plan Act, Fixes to the Family Glitch, etc), flexibilities in how the exchange operates account transfers with Medicaid, and handling appeals directly and more efficiently.

- 2. Better technology and lower costs make it easier than ever for states to establish and operate their own SBEs.** Like with most other technologies, the cost of building an exchange has gone down significantly while technology and performance have drastically improved since 2013 - the early days of state exchanges. Over the past few years, GetInsured successfully migrated three states from the Federal platform: Nevada, Pennsylvania, and New Jersey and we are currently working to migrate Virginia and Georgia. GetInsured set up these exchanges at a fraction of the cost of earlier exchanges. In fact, Pennsylvania, carried no upfront costs.

3. A well-designed SBE can vastly improve user experience and serve as the foundation for future, creative and market-need based reforms. Because of the additional regulatory and design flexibility afforded them, SBEs can also be effective platforms for implementing new market-oriented health reforms that increase access to and affordability of coverage, such as:

- **Additional Plan Options:** Expand the availability of benchmark essential health plans, implementation of public option plans, standardized plans, among others. All of which will increase consumer choice and make coverage more affordable.
- **Support for Churn Population:** The QHP and Medicaid populations tend to move between the programs frequently and only a locally run SBE can work closely with the Medicaid department to optimize the consumer experience and prevent gaps in coverage. With the end of the Public Health Emergency imminent, state-based exchanges are better positioned to manage the churn and resulting transitions limiting the impacts on individuals and families.
- **Easy Enrollment:** Easy Enrollment is a tax time enrollment pathway which provides assisted enrollment into Medicaid and Qualified Health Plans (QHP) on an SBE with a special enrollment period. A consumer simply checks a box on their tax filing form that allows their information to be scanned for public health insurance program eligibility.

Conclusion

We at GetInsured have seen firsthand how state-based exchange flexibility addresses the unique needs of health insurance markets and consumers around the country, but specifically with our clients: Idaho, Nevada, Minnesota, Pennsylvania, New Jersey, Virginia, Georgia, and Washington. We can help our clients implement changes from federal initiatives, such as the American Rescue Plan Act, seamlessly and achieve record enrollment rates this past year. Establishing an SBE is an important step states like Oregon can make to better assist underserved populations, plan for future, and roll out market-based reforms that give consumers greater choice and improve affordability.

Thank you for the opportunity to testify today on Senate Bill 972, and I look forward to taking any questions.