

Agent FAQ

What are the major changes happening in January 1, 2014?

There are a number of major changes that begin on January 1, 2014 including:

- Guaranteed issue in the individual market (the small groups has had guaranteed issue since 1998)
- Modified community rating Rates will only be allowed to vary based on family status, rating area, age and tobacco use.
- Plan design changes
 - All non-grandfathered plans will be required to offer “essential health benefits”
 - All non-grandfathered plans will be required to meet the standards set forth for a bronze, silver, gold or platinum plan.
 - Plans will have more limited cost sharing

Will my client’s current plans change January 1, 2014?

No. The plans may change upon renewal, but in certain cases “grandfather plans” may not change initially. However, they will have the option to change plans during open enrollment.

Will individuals be able to purchase coverage in the individual market at any time?

No. Insurers are only required to offer coverage during specified open enrollment time frames. There are certain “special enrollment” time frames depending on specific circumstances.

Will groups be able to purchase coverage throughout the year?

Yes. The small group market will continue to function with year-round guaranteed issue.

Will the outside market have the same open enrollment time frame as the health insurance exchange?

Yes. OCI interprets the language of both the ACA and the proposed rule as giving health insurers operating outside of the Exchange in the individual market the option of limiting enrollment to open and/or special enrollment periods. If, however, a plan limits enrollment to open and/or special enrollment periods, the time for enrollment must mirror the open enrollment periods in the Exchange which are proposed as follows:

- Initial open enrollment period – October 1, 2013 through March 31, 2014
- Annual enrollment period – for benefit years starting on or after January 1, 2015, October 15 through December 7 of the preceding year.

Can an insurer have different open enrollment time frames than those specified?

Minimally, insurers must have the same open enrollment time frames as the exchange and the rest of the market. An insurer may add additional open enrollment time frames, if desired.

Will agents be allowed to participate on the exchange?

Yes. Insurers are required to pay the same commission levels on and off the exchange.

What are navigators, certified application counselors and assisters?

These are individuals that are intended to provide assistance to individuals applying for medical assistance and/or enrolling on the exchange. They will primarily be regulated by the exchange though Wisconsin has the right to require them to meet state standards.

What is the SHOP exchange?

It is the health insurance exchange for small employers. Currently, it appears to only offer an “employee choice” model which would allow employees to choose from any health plan in the exchange, or in any health plan in the metal tier designated by the employer. CCIO is currently seeking guidance on the offering of an “employer choice” model which would allow the employer to choose plans on behalf of their employees.

Are insurers required to sell in the exchange?

No. However, insurers must participate in both the SHOP and individual exchange if the insurer sells policies in both the small group and individual market and wish to participate in the exchange. Insurers only selling in the small group or individual markets are allowed to limit their participation to the markets in which they sell.

What are Wisconsin’s essential health benefits requirements?

The federal government has established the essential health benefits requirements on behalf of the state. Wisconsin information can be found here:

<http://cciio.cms.gov/resources/data/ehb.html#wisconsin>

The most current bulletin on the issue is listed below:

http://cciio.cms.gov/resources/files/Files2/12162011/essential_health_benefits_bulletin.pdf

How will pediatric dental work?

On the exchange, insurers are not required to embed pediatric dental benefits in their plans so long as a dental plan is available to purchase on the exchange. Off the exchange,

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the benefits can be provided via contract with another insurer or by the insurer itself. We are exploring further options off the exchange.

What will it cost to participate in the exchange?

The initial estimate from the federal government is that the exchange will cost 3.5% of premium for all policies sold on the exchange. It will be paid by the insurer.

Can insurers charge more (or less) for policies sold through the exchange?

No. Similar plans must be priced the same on and off the exchange after taking into account any benefit differences.

Where can I get information about the Wisconsin exchange?

The federal government will be running the exchange in Wisconsin. At this time, we do not have any information, but will provide links when more information becomes available.

What kind of training will I need to sell on the exchange?

The federal government is developing web-based training for agents. We will provide links when more information becomes available.

Will I need to be appointed with every company on the exchange?

The federal government will be making that determination at some point in the future.