Insurance Market Reforms

Promise and Peril

The 18th Princeton Conference
Where Do We Go From Here?
The Future of Health Reform

May 24, 2011

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Overview

- Near-Term Market Reforms
- 2014—Major Market Reforms
- Challenges Ahead
- Health Plans—Providing High-Value
Insurance Market Reforms

Near-Term

- Restricted Annual Limits
- Prohibition on Lifetime Limits
- End Rescissions (Fraud Exception)
- Dependent Coverage up to age 26
- No Pre-existing Condition Exclusions for Kids
- Preventive Services w/o Cost Sharing
- Mandatory Minimum Medical Loss Ratio Established
- Internal Appeals External Review
- Rate Review

2010 – 2011 Implementation
Major Market Reforms
2014

- Individual Income-Based Subsidies
- Exchanges Established
- Employers 50+ Pay-or-Play
- Individual Coverage Requirement
- Guaranteed Issue/Renewal
- Essential Health Benefits & Cost-Sharing Limits
- Rating Reform: Health & gender barred, limited age rating
Challenges Ahead

Upward pressure on premiums

- Premium Taxes
- Age Rate Compression
- Essential Health Benefits
- Underlying Medical Costs
Health Plans—Providing High-Value Quality Care

- Targeting disease management services to enrollees who stand to benefit the most from pro-active interventions;
- Working with primary care physicians to expand patient-centered medical homes that promote care coordination and accountability for clinical outcomes;
- Providing incentives to promote the use of decision-support tools and health information technology;
- Providing quality improvement reports for physicians to monitor their progress in managing disease;
- Offering personalized risk assessments and wellness programs;
- Encouraging electronic prescribing and consumer safety alerts;
- Providing peer-to-peer comparisons to demonstrate the appropriate use of health care services across specialists and manage the use of high-cost imaging services.