

# Arkansas Qualified Health Plan Management: Open Marketplace vs. Active Purchaser

*Outline for Policy Document*





## **I. Introduction**

*This section will introduce the three policy areas that will be discussed within the paper:*

- 1. Alignment of the Exchange with Medicaid*
- 2. Statewide Offerings*
- 3. Recruitment of New Entrants*

*These three issues are interconnected to some degree and thus the policy analysis will overlap. The ultimate goal of this brief is to provide a structure for decision making that will facilitate analysis of each policy area against a standard set of weighted criteria.*



## **II. Alignment with Medicaid**

### **A. Potential Strategies**

*This section will include a narrative describing various methods for aligning the Exchange with Medicaid and a description of the pros and cons of such strategies. We propose focusing on the following strategies:*

- *Basic Health Plan*
- *Primary Care Case Management participation*
- *Bridge Product Offerings*
- *Medicaid Benchmark Plan for Newly Eligible (Medicaid policy)*
- *12 month continuous eligibility (Medicaid policy)*



**B. Decision Matrix**

	<b>Adverse Selection</b>	<b>Number of Participants</b>	<b>Consumer Choice</b>	<b>Ease of Use</b>	<b>Delivery Systems</b>	<b>Competition/Market Structure</b>	<b>Cost Control</b>	<b>Transparency/Disclosure</b>	<b>Administrative Costs</b>	<b>Subsidies/Mandates</b>	<b>Market Regulation</b>
<b>Weight</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
BHP											
PCCM											
Bridge Products											
Medicaid Benchmark											
12mo Eligibility											

*The above matrix will list each strategy, as described in Section A, in the leftmost column. Each strategy will then be scored on a scale of 1-5 under each decision criteria, multiplied by the weight assigned in row 2.*



## **C. Discussion**

*This section will summarize the quantitative analysis included in Section B, explaining how the scores were established and providing an overarching view of what these analyses mean when taken as a whole.*



### **III. Statewide Offerings**

#### **A. Potential Strategies**

*This section will include a narrative describing how Exchange policies may be used to ensure the availability of coverage options throughout the state. We propose focusing on the following strategies:*

- *Requirement for QHPs to cover broad service areas*
- *Restricting access to metropolitan areas to those QHPs that also cover rural areas*
- *Configuration of rating areas within the state*



**B. Decision Matrix**

	<b>Adverse Selection</b>	<b>Number of Participants</b>	<b>Consumer Choice</b>	<b>Ease of Use</b>	<b>Delivery Systems</b>	<b>Competition/Market Structure</b>	<b>Cost Control</b>	<b>Transparency / Disclosure</b>	<b>Administrative Costs</b>	<b>Subsidies/Mandates</b>	<b>Market Regulation</b>
<b>Weight</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
Service Area Requirements											
Restricted Metro Access											
Rating Area Configuration											

*The above matrix will list each strategy, as described in Section A, in the leftmost column. Each strategy will then be scored on a scale of 1-5 under each decision criteria, multiplied by the weight assigned in row 2.*



## **C. Discussion**

*This section will summarize the quantitative analysis included in Section B, explaining how the scores were established and providing an overarching view of what these analyses mean when taken as a whole.*





## **IV. Recruitment of New Entrants**

### **A. Potential Strategies**

*This section will include a narrative describing how Exchange policies may be crafted to attract new entrants to the market and increase competition in the individual and small group markets.*

*We propose focusing on the following strategies:*

- *Expanding provider scopes of work to allow issuers greater flexibility in contracting with primary care providers*
- *Expansion bonus payments*
- *Medicaid auto-assignment methodologies that generate guaranteed market share for plans*



**B. Decision Matrix**

	<b>Adverse Selection</b>	<b>Number of Participants</b>	<b>Consumer Choice</b>	<b>Ease of Use</b>	<b>Delivery Systems</b>	<b>Competition/Market Structure</b>	<b>Cost Control</b>	<b>Transparency/Disclosure</b>	<b>Administrative Costs</b>	<b>Subsidies/Mandates</b>	<b>Market Regulation</b>
<b>Weight</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
Provider SOW											
Bonus Payments											
Medicaid Auto-Assign											

*The above matrix will list each strategy, as described in Section A, in the leftmost column. Each strategy will then be scored on a scale of 1-5 under each decision criteria, multiplied by the weight assigned in row 2.*



## **C. Discussion**

*This section will summarize the quantitative analysis included in Section B, explaining how the scores were established and providing an overarching view of what these analyses mean when taken as a whole.*



## **V. Summary**

*This section will wrap up the analyses in each category and discuss next steps in the decision making process.*