

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

	Adverse Selection	Number of Participants	Consumer Choice	Ease of Use	Delivery Systems	Competition/Market Structure	Cost Control	Transparency/Disclosure	Administrative Costs	Subsidies/Mandates	Market Regulation
Weight	3	3	3	3	3	2	2	2	1	1	1
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

	Adverse Selection	Number of Participants	Consumer Choice	Ease of Use	Delivery Systems	Competition/Market Structure	Cost Control	Transparency / Disclosure	Administrative Costs	Subsidies/Mandates	Market Regulation
Weight	3	3	3	3	3	2	2	2	1	1	1
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

	Adverse Selection	Number of Participants	Consumer Choice	Ease of Use	Delivery Systems	Competition/Market Structure	Cost Control	Transparency/Disclosure	Administrative Costs	Subsidies/Mandates	Market Regulation
Weight	3	3	3	3	3	2	2	2	1	1	1
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.