

# National Healthcare Reform: Enrolling 47 Million Uninsured; Standards for Exchanges

Recommendations Prepared by eHealth, Inc.

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## The Goal of Universal Coverage

47 million Americans lack health insurance today. Passage of health reform is only the first step in closing this gap; it must be followed with an aggressive, comprehensive plan to ensure successful enrollment of the nation's uninsured. Enrollment is not simple, as evidenced by the millions of qualifying individuals not enrolled in Medicaid and SCHIP today. The post-reform enrollment strategy must be diverse: a nation with so many different communities and populations requires many paths to connect people to coverage. The most effective way to insure these Americans is to engage and empower every viable organization, public and private, alone and in partnerships, that can get the uninsured connected to coverage, quickly and smoothly. Paths to insurance need to be online, in-person, through affinity programs, through brokers and agents – no single approach serves everyone's needs. Sophisticated online exchanges should be part of the solution; but they are only a part.

eHealth is passionate about working with Congress and the Administration to ensure that the promise of health reform reaches everyone – as quickly and smoothly as possible. We are aware that the Senate Finance and HELP Committees appear to be leaning towards the development of state-based health insurance exchanges. With the complexity, personal diversity and income gaps that are unique to each state, and even regions within each state, we believe a state based approach for exchanges may have advantages for reaching more people. Nevertheless, eHealth is confident– based on a decade's worth of experience - that if Congress were to adopt a national exchange model, it could also be implemented in a highly effective manner, as one of many channels. The most effective way to maximize enrollment is to endorse and support multiple channels to connect people to coverage.

Everyone is talking about the first part of health reform – getting it passed. But getting it implemented is just as important. Passage of health reform is only the first step in closing the gap in access to health care. The second critical step is an “all hands on deck” exercise: reaching out to, educating and enrolling the 47 million Americans who need insurance. Millions more Americans who currently have insurance will need clear information on their new choices.

Experience is a great teacher. We don't want to repeat the confusion we had when Medicare Part D was implemented. Companies like ours that operate at the intersection of health and technology can make significant contributions toward achieving universal coverage when this healthcare reform is passed. Like what Orbitz does for travelers, eHealth connects people who need coverage to the right policy, easily and quickly. We have expertise, technology and more than a decade of practice that can help policymakers design and implement the best ways to connect Americans to coverage.

***eHealth, Inc. is the leading online marketplace for individual and small group health insurance. A 10 year old public company, it has allowed almost 2 million Americans to find, compare and buy health insurance policies meeting their needs. It uses a paperless, highly efficient electronic system. eHealth has partnered with over 180 insurance carrier partners for whom it provides electronic support and back office services, as well as over 1000 affiliates for whom we provide the store front to support their insurance needs. eHealth is sharing its experience and ideas with Congress and the Administration on how to achieve speedy, universal enrollment and build well-functioning exchanges.***

## eHealth, Inc.'s Recommendations

eHealth respectfully offers the following recommendations for effective outreach and enrollment programs, including standards for developing health insurance exchanges. We believe these can contribute significantly to maximizing enrollment in healthcare coverage after Congress completes the critical legislative reform process. These recommendations are based on eHealth's decade of experience running the largest and most robust online national health insurance marketplace.

### Maximizing Outreach, Education and Enrollment

#### **Recommendation 1: Maximize enrollment through multiple alternate distribution channels for insurance policies.**

The wide variations in the millions of uninsured mean that a multiplicity of methods must be used to reach, educate, and enroll them. Government exchanges can have a role, but forcing every health insurance buyer through a single government exchange will fail as an enrollment strategy. In order to maximize enrollment and coverage, in addition to a public exchange or exchanges, all other viable distribution and enrollment mechanisms should be encouraged.

At eHealth, we know the power of being an online destination – we are the Orbitz or Expedia of health insurance. But we also see that a multiplicity of online health insurance approaches works best. So we have over 180 carrier partners. For many of them, eHealth provides the software, the “back office.” For example, in Massachusetts, while there is a single official exchange, the Massachusetts Connector, many citizens get insurance on line directly from Massachusetts Blue Cross Blue Shield, which uses eHealth's software. At the same time, we know that not everyone goes online, or goes to Google or Yahoo to search. They may sit down with a broker; go to their church; go to their professional association or university. They may contact their local community center or veteran's hall. We need to energize and equip multiple channels to connect people to coverage.

eHealth has partnered with national and local advocacy and other outside groups in order to help them enroll their constituents. We are accelerating the formation of these partnerships. In essence, we build and operate for our affiliate partners an online storefront (web pages and capabilities), and we provide phone and email support tools. They focus on their strengths – communicating with their constituencies – and we focus on ours.

Government should set the minimum rules for policies, channels, and exchanges, and certify them. But it should let states, independent brokers, and on-line marketplaces like eHealth display their different strengths in presenting choices and execution.

#### **Recommendation 2: Allow the purchase of qualified insurance outside of public exchange(s).**

This is the obvious corollary to Recommendation 1. In order to maximize enrollment, individuals and businesses should be allowed to purchase mandate-qualifying health insurance from viable distribution mechanisms in addition to any public exchange. The Commonwealth Act in Massachusetts has been effective in getting people covered. In that state, qualifying insurance is being sold by agents, brokers

and carriers themselves in addition to the Connector. It is apparent that all of these venues have worked to greatly reduce the number of uninsured in state of Massachusetts.

The authors of reform should want the competition, innovation, private sector investment, and other benefits that flow from multiple parties competing to educate and enroll Americans. Concerns about the coverage of policies being sold and similar issues can be addressed with governmental action as suggested elsewhere in these recommendations.

## **Enrollment in Public and Subsidized Plans**

**Recommendation 3: New subsidized policies for low income people need to be part of every outreach program to maximize their visibility and enrollment.**

Millions of low income people do not take advantage of existing programs to benefit them (e.g. SCHIP, Medicaid). Extra effort is needed to reach them. Therefore, these policies should be marketed through every viable channel: official exchanges, private online services like eHealth, and community groups that wish to process low income subsidies and/or a public plan offering. These should be allowed to seek certification from the Secretary of HHS that they are in compliance with the same requirements as official exchanges. If they meet or exceed those standards, they should then be allowed to distribute any public plan offering and/or process low income subsidies.

**Recommendation 4: All certified health insurance exchanges and online companies like eHealth should have the ability to determine an applicant's eligibility for public assistance programs, to enroll an applicant in those programs, and to electronically process subsidies and payments to carriers.**

This will increase enrollment in subsidized plans, extending benefits to the millions of Americans who are entitled to them under programs like Medicaid and SCHIP, but are not now enrolled. It will also help enrollment in any subsidized and/or public plans.

## **Organizing Effective Health Insurance Exchanges**

**Recommendation 5: Congress should separate the issues of insurance policy regulation and enrollment/exchanges.**

These are very different issues. Government can and should decide what policies and coverage rules are appropriate. Health insurance exchanges should be focused primarily on driving enrollment and thus substantially increasing coverage. Efforts to have exchanges also set benefit standards will detract from the vital task to drive enrollment in health insurance plans. The Federal Government, or a governmental body or commission, should establish national health benefit standards, remove sub-standard products from the market, regulate premium rating variances, and set a minimum standard for the financial ratings of insurance companies permitted to participate in an exchange.

**Recommendation 6: Congress should set standards for a national exchange(s) or state-based/regional health insurance exchanges.**

Congress should require the Secretary of the Department of Health and Human Services (HHS) to set regulations governing the establishment and operation of public health insurance exchanges at the state, regional, or national level. In the case of state-based exchanges, the Secretary of HHS should have the responsibility of certifying when a state-based or regional health insurance exchange is in compliance with the regulatory guidelines established for operating an exchange (see list of recommended standards below). When developing the exchange requirements, the Secretary should review industry best-practices and, in the case of a national exchange(s), contract with organizations that have a demonstrated ability to meet the established guidelines.

**Recommendation 7: Exchanges and enrollment channels must be transparent.**

All health insurance exchanges and companies like eHealth should provide complete transparency of any insurance plans they sell, which includes (a) full disclosure of all available private market products, benefits and prices, and (b) full disclosure of all fees and commissions paid among carriers, exchanges and agents.

**Recommendation 8: State exchanges should be grandfathered – if they meet the standards.**

States which have established exchanges or connectors -- as well as those that are contemplating doing so -- should be allowed to maintain those efforts, provided that those exchanges meet or exceed the requirements and performance standards set forth in the federal legislation.

**Recommendation 9: All health insurance exchanges should be required to meet a set of electronic performance standards.**

All health insurance exchanges should be required to meet a set of electronic performance standards. These include:

- a) process applications electronically (no paper);
- b) enable immediate or swift underwriting and approval;
- c) allow the enrollee to immediately print membership materials; and
- d) comply with industry information exchange standards to lower overall processing costs.

**Recommendation 10: All health insurance exchanges should have a set of minimum feature requirements for their customer interfaces.**

All health insurance exchanges should be required to provide a minimum number of features that allow an individual to easily learn about health insurance options. Those features should include:

- a) content in multiple languages;
- b) flexible navigation and access 24 hours per day, 7 days per week;
- c) flexible contact options such as phone, email, chat; and
- d) mandatory call center requirements similar to 1-800-MEDICARE, which enable a caller to speak to a qualified, licensed professional.

**Recommendation 11: All health insurance exchanges should have minimum feature requirements for decision support tools.**

All health insurance exchanges should be mandated to provide decision making support tools, including, but not limited to:

- a) the ability to sort and choose by coverage needs – maternity, pediatric, etc.;
- b) information on financial condition of carriers;
- c) easy access to provider quality and health outcome data; and
- d) consumer quality ratings on individual policies and providers.

**Recommendation 12: Health exchanges need to be independent from health insurance companies.**

Health insurance companies, their executives and directors should not have any ownership interest in, or serve as a director or officers of, a health insurance exchange, to ensure that exchanges are honest brokers.

**Recommendation 13: Technology providers of exchanges need to have appropriate experience.**

To the greatest extent practicable, national and/or state-based health insurance exchanges should be developed and managed by entities with demonstrated experience in the implementation and successful execution of online outreach, explanation, and enrollment in health insurance. These efforts need to start very fast and operate flawlessly from day one.

**Conclusion**

The recommendations above offer eHealth's perspective, based on our long-standing experience, on how our nation can best reach out and enroll millions of uninsured Americans, including organizing health insurance exchanges with appropriate standards and performance requirements. eHealth has connected nearly two million Americans with health insurance coverage, allowing people to review their health insurance options in a highly efficient, paperless, low cost manner. We are strong advocates of using technology to increase health care efficiency and reduce costs. This has allowed us to provide access to quality coverage for many Americans. We are hopeful that our recommendations and experience can help achieve speedy, universal enrollment – to help our nation achieve a significantly improved health care system which benefits all Americans.

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