

# Delaware Progress Report

## STATE ACTIONS PROTECTING PATIENTS IN THE EXCHANGE

### OVERVIEW

States vary in terms of the patient-centeredness of their health insurance markets. While federal rules set minimum requirements for consumer protections, some states have acted to make their markets more patient-focused. This scorecard evaluates states based on five key areas that assess patient-friendliness of their insurance markets to promote policies that best protect patients.

### FIVE PATIENT-FOCUSED PRINCIPLES

#### NON-DISCRIMINATION

To ensure cost sharing and other plan designs do not discriminate or impede access to care.

- Delaware enacted legislation capping patient cost sharing for specialty tier drugs. The legislation also prohibits issuers from placing all drugs in a given class of drugs on a specialty tier.
- One unique platinum plan in the 2015 exchange.
- Delaware mandates that all plans sold in the exchange must have at least one full-time equivalent primary care provider for every 2,000 patients.
- The premium for the 2<sup>nd</sup> lowest cost silver plan is 4% higher in 2015 than it was in 2014.<sup>2</sup>

For non-discrimination metrics, relative to other states, Delaware is an



#### TRANSPARENCY

To promote better consumer access to information about covered services and costs in exchange plans.

- [HealthCare.gov](http://HealthCare.gov) links to external provider networks and formularies and also allows consumers to filter search results. However, the website lacks a formulary search tool, a provider search tool, and calculators to help estimate tax credit or out-of-pocket expense amounts.
- No state action regarding contracting requirements for plan information transparency.

For transparency metrics, relative to other states, Delaware is a



### DELAWARE HIGHLIGHTS

Delaware established a state-federal partnership exchange. The state is responsible for managing plan participation and customer assistance in the exchange. Delaware residents use the federal exchange, [HealthCare.gov](http://HealthCare.gov), to compare and purchase coverage.

In the 2014 plan year, 14,100 Delawareans selected an exchange plan through [HealthCare.gov](http://HealthCare.gov). About 29% of Delaware residents who are eligible for exchange coverage enrolled in an exchange plan in 2014.<sup>1</sup>

Delaware expanded Medicaid, effective in 2014.

### PROGRESS LEGEND

This report measures states using two methods of evaluation:

First, the report measures a state's performance on a series of metrics related to the five principles.

- Beneficial for Patients
- Neutral for Patients
- Negative for Patients

Second, the report compares a state's aggregate performance on all metrics within each principle to other states' performance on these same metrics.



## STATE OVERSIGHT

To ensure all health insurance exchange plans meet applicable requirements.

- Passive purchasing—the state does not actively negotiate with plans to participate in the exchange.
- Delaware requires plans to offer products in specific metals levels, including bronze plans.
- Its effective rate review program allows the state to manage premium increases.<sup>3</sup>
- Three carriers in the 2015 exchange.

For state-oversight metrics, relative to other states, Delaware is an



## UNIFORMITY

To create standards to make it easier for patients to understand and compare exchange plans.

- No state action to standardize benefit designs.
- The quality rating system planned by the federal government for use on [HealthCare.gov](http://HealthCare.gov) will show ratings for the 2017 plan year.
- No state action on standardized display of plan information.

For uniformity metrics, relative to other states, Delaware is an



## CONTINUITY OF CARE

To broaden sources of coverage and protect patients transitioning between plans.

- Health plans in 2015 must have transition policies in place for individuals who become eligible or lose eligibility for public programs, including those transitioning into exchange health plans from Medicaid. Policies must include a 60-day transition period for prescriptions, and a 90-day transition period for medical conditions and pre-authorized treatments.
- Delaware expanded Medicaid, which now covers an estimated 12,000 people in the state.

For continuity-of-care metrics, relative to other states, Delaware is a



## A MORE PATIENT-FOCUSED DELAWARE MARKETPLACE

Delaware's partial reliance on the federal government to run the exchange reduces the state's influence over its own health insurance market. Delaware would have more control over exchange plans if the state opted to create a state-based exchange. Delaware has yet to establish standards that would increase transparency or uniformity and protect patients from discrimination. The state has very few platinum plans, which limits options for the people who would benefit most—those with chronic conditions and disabilities. Contracting requirements could encourage, or potentially require, carriers to offer a platinum plan. Additionally, under a different operational model, Delaware could also become an active purchaser to have more authority over plan participation and better manage increasing premiums.

## METHODOLOGY

Data by Avalere Health as of January 1, 2015. Avalere maintains a proprietary database of state policy developments for all 50 states and DC. Avalere also used key resources from publicly available websites, cited where applicable. Avalere conducted a focused review of state exchange insurance markets; this assessment is not intended to be a comprehensive review of state insurance markets. Avalere only included finalized actions established in the state, and did not include proposed measures or actions.

For definitions of key terms, see the [National Health Council's Putting Patients First® glossary](#).

- 1 Kaiser Family Foundation, "Estimated Number of Individuals Eligible for Financial Assistance through the Marketplaces," November, 2014, accessed via: <http://kff.org/other/state-indicator/estimated-number-of-individuals-eligible-for-premium-tax-credits-through-the-marketplaces/>
- 2 Kaiser Family Foundation, "Analysis of 2015 Premium Changes in the Affordable Care Act's Health Insurance Marketplaces," January 06, 2015, accessed via: <http://kff.org/health-reform/issue-brief/analysis-of-2015-premium-changes-in-the-affordable-care-acts-health-insurance-marketplaces/>
- 3 The Center for Consumer Information & Insurance Oversight, "State Effective Rate Review Programs," April 16, 2014, accessed via: [http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/rate\\_review\\_fact\\_sheet.html](http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/rate_review_fact_sheet.html)