

Hawaii 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.

- No state action to limit discrimination.
- Four unique platinum offerings in the 2015 exchange.
- Hawaii enacted legislation requiring the Insurance Commissioner to provide the [Hawaii Health Connector](#) with a list of qualified health plans that meet network adequacy standards (as determined by the Commissioner).
- The premium for the 2nd lowest cost silver plan is 9% higher in 2015 than it was in 2014.²

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



TRANSPARENCY

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

- Hawaii's website offers a provider search tool, and allows consumers to filter plan options. Additionally, the website has links to plans' provider directories and formularies. However, the website lacks a formulary 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, Hawaii is an



HAWAII HIGHLIGHTS

Hawaii established a state-based exchange, called the [Hawaii Health Connector](#).

In the 2014 plan year, 9,700 Hawaiians selected an exchange plan through [Hawaii Health Connector](#). About 18% of Hawaii residents who are eligible for exchange coverage enrolled in an exchange plan in 2014.¹

Hawaii expanded Medicaid, effective January 1, 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.
- No state action regarding contracting requirements for exchange participation.
- Its effective rate review program allows the state to manage premium increases.³
- Two carriers in the 2015 exchange.

For state-oversight metrics, relative to other states, Hawaii 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.
- Hawaii does not currently have a quality rating system in place for the 2015 plan year, and there are no details available on plans to develop a quality rating system.
- No state action on standardized display of plan information.

For uniformity metrics, relative to other states, Hawaii is a



CONTINUITY OF CARE

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

- No state action on continuity-of-care requirements.⁴
- Hawaii expanded Medicaid, which now covers an estimated 10,000 people in the state.

For continuity-of-care metrics, relative to other states, Hawaii is an



A MORE PATIENT-FOCUSED HAWAII MARKETPLACE

Hawaii has achieved some success in fostering a patient-focused market, as they have taken several state actions, beyond the federal requirements, that better protect patients.

However, Hawaii has not exercised its full authority to regulate the exchange to promote patient protections. Through legislative or other state action, Hawaii could standardize plan benefit materials and enhance transparency of plan documents. Patients would also benefit from the development of quality rating measures as well as an out-of-pocket calculator to estimate health expenses and better inform plan selection. In addition, Hawaii's exchange does not foster competition as there are only two carriers offering coverage. As a result of the lack of competition, there are few platinum plans offered in the state, limiting options for the people who would benefit most—those with chronic conditions and disabilities. Furthermore, Hawaii could take actions to establish continuity-of-care requirements to help patients maintain access to care.

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
- 4 Families USA, "Standards for Health Insurance Provider Networks: Examples from the States," November 2014, accessed via: http://familiesusa.org/sites/default/files/product_documents/ACT_Network%20Adequacy%20Brief_final_web.pdf