Maryland 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 taken extra steps to make their markets more patient-focused. This Progress Report measures a state across five principles to assess how well its insurance market is designed to meet the needs of people with chronic diseases and disabilities.

FIVE PATIENT-FOCUSED PRINCIPLES

NON-DISCRIMINATION

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

- Maryland enacted legislation capping patient cost sharing for specialty tier drugs.
- Four unique platinum plans in the 2015 exchange.
- Maryland allows the state exchange to deny certification to health plans that do not meet the standards of network adequacy for the plan service area.
- The premium for the 2nd lowest cost silver plan is 3% higher in 2015 than it was in 2014.[2]

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

Average-Performing State

TRANSPARENCY

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

- Maryland's exchange website has a provider search tool, access to plans' formularies, as well as filters for search results. The website lacks a formulary search tool and a calculator to help estimate tax credit or out of pocket amounts.

- Maryland requires plan formulary documents to list tiering and cost-sharing information. Also, plan filings to the Department of Insurance must indicate which drugs are covered under the medical benefit.

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

High-Performing State

MARYLAND HIGHLIGHTS

Maryland established a state-based exchange, called Maryland Health Connection.

In the 2014 plan year, 81,000 Marylanders selected an exchange plan through the Maryland Health Connection. About 18% of Maryland residents who are eligible for exchange coverage enrolled in an exchange plan in 2014.[1]

Maryland 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.

- High-Performing
- Average-Performing
- Low-Performing
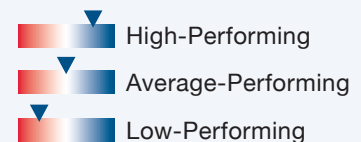
STATE OVERSIGHT

To ensure all health insurance exchange plans meet applicable requirements.

- Active purchasing—the state actively negotiates with plans to participate in the exchange.
- Maryland requires health insurance companies to offer catastrophic coverage options and requires plans by a single issuer to have distinct differences.
- Its effective rate review program allows the state to manage premium increases.[3]
- Six carriers in the 2015 exchange market.

For state-oversight metrics, relative to other states, Maryland is a

High-Performing State

UNIFORMITY

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

- No state action to standardize benefit designs.
- Maryland rates exchange plans using a five-star quality score based on 2013 quality and performance data from the issuers' similar, off-exchange plans.
- No state action on standardized display of information.

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

Average-Performing State

CONTINUITY OF CARE

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

- Health plans in 2015 must allow new enrollees to receive care from their providers for certain conditions or services for a set amount of time, even if those providers are not in their new health plan's network. Plans must also notify new enrollees of these rights.[4]
- Maryland expanded Medicaid, which now covers an estimated 287,000 people in the state.

For continutity-of-care metrics, relative to other states, Maryland is a

High-Performing State

A MORE PATIENT-FOCUSED MARYLAND MARKETPLACE

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

However, Maryland has not exercised its full authority to regulate the exchange market to promote patient protections. Through legislative or other state action, Maryland could standardize benefit designs to better manage patients' out-of-pocket expenses. The state has few platinum plans, which limits options for the people who would benefit most—those with chronic conditions and disabilities. Maryland may want to further exercise its active purchasing power to increase competition in the exchange market and attract more health plans which can help to keep premiums stable from year to year.

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

NATIONAL HEALTH COUNCIL