Minnesota 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 plans in the 2015 exchange.
- Minnesota enacted legislation that set maximum travel distance and time from a patient to covered provider, to ensure reasonable access to care.
- The premium for the 2nd lowest cost silver plan is 19% higher in 2015 than it was in 2014.[2]

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

Average-Performing State

TRANSPARENCY

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

- Minnesota's website allows consumers to filter plan options. However the website lacks links to plans' provider directories and formularies, as well as formulary and provider search tools. The website also lacks 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, Minnesota is a

Low-Performing State

MINNESOTA HIGHLIGHTS

Minnesota established a state-based exchange, called MNSure.

In the 2014 plan year, 60,100 Minnesotans selected an exchange plan through MNSure. About 22% of Minnesota residents who are eligible for exchange coverage enrolled in an exchange plan in 2014.[1]

Minnesota expanded Medicaid, effective January 1, 2014.

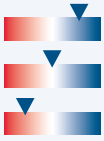
PROGRESS LEGEND

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.

- Passive purchasing—the state does not actively negotiate with plans to participate in the exchange.
- Minnesota ties issuer participation inside and outside of the exchange, and requires plans by a single issuer to have distinct differences.
- Its effective rate review program allows the state to manage premium increases.[3]
- Five carriers in the 2015 exchange.

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

Average-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.
- Minnesota formed an Exchange Measurement and Reporting Task Work group that examined proposed quality measures; however, no quality measures have been finalized.
- No state action on standardized display of plan information.

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

Average-Performing State

CONTINUITY OF CARE

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

- No state action on continuity-of-care requirements.[4]
- Minnesota expanded Medicaid, which now covers an estimated 301,000 people in the state.

For continutity-of-care metrics, relative to other states, Minnesota is an

Average-Performing State

A MORE PATIENT-FOCUSED MINNESOTA MARKETPLACE

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

However, Minnesota has not exercised its full authority to regulate the exchange to promote patient protections. Through legislative or other state action, Minnesota could standardize benefit designs and plan benefit materials. Minnesota should also work to develop tools for patients to use on the website that increase transparency to better inform plan selection. Examples of tools to help transparency include: formulary and provider search tools, out-of-pocket calculators, as well as a quality rating system. The state also could consider oversight activities that better monitor exchange plans for discriminationary benefit designs. As a state-based exchange, Minnesota could exert even more influence over the exchange by becoming an active purchaser, which could help the state 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

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