

New York 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.

- New York was the first state to enact legislation to limit specialty tiers. The law prohibits plans from charging cost-sharing amounts that exceed amounts for non-preferred brand or the equivalent.
- Thirty-nine unique platinum offerings in the 2015 exchange.
- New York required plans to allow in-network cost sharing for out-of-network providers when an appropriate provider is not available within the plan's network. Additionally, network directories must be updated within 15 days of providers joining or leaving a plan's network.
- The premium for the 2nd lowest cost silver plan is 2% higher in 2015 than it was in 2014.²

For non-discrimination metrics, relative to other states, New York is a



TRANSPARENCY

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

- New York's website links to external provider networks and formularies and also allows consumers to filter search results. However, the website lacks formulary and provider search tools 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, New York is a



NEW YORK HIGHLIGHTS

New York established a state-based exchange, called [New York State of Health](#).

In the 2014 plan year, 370,600 New Yorkers selected an exchange plan through [New York State of Health](#). About 30% of New York residents who are eligible for exchange coverage enrolled in an exchange plan in 2014.¹

New York expanded Medicaid, effective January 1, 2014.

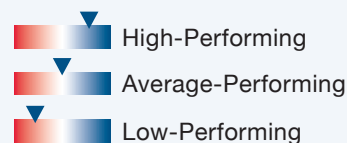
PROGRESS LEGEND

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.

- Active purchasing—the state actively negotiates with plans to participate in the exchange.
- New York requires multi-year contracts, limits the number of bids submitted by issuers, ties participation outside and inside the exchange, and requires plans to offer products in specific metals levels, including catastrophic plans.
- Its effective rate review program allows the state to manage premium increases.³
- Seventeen carriers in the 2015 exchange.

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



UNIFORMITY

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

- New York standardized benefit designs.
- New York rates exchange plans using a four-star quality rating system. By 2016, New York intends to develop a five-star quality star rating system, which contains the following five domains for each product: consumer satisfaction, children's health, pregnancy care, adult health, and health conditions.
- No state action on standardized display of plan information.

For uniformity metrics, relative to other states, New York is a



CONTINUITY OF CARE

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

- New York requires issuers new to the exchange in 2015 to also participate in Medicaid managed care. New York also provided additional premium subsidies beyond the federal requirement for individuals between 138 and 150 percent of the federal poverty level.
- New York expanded Medicaid, which now covers an estimated 518,000 people in the state.

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



A MORE PATIENT-FOCUSED NEW YORK MARKETPLACE

New York 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, New York has not exercised its full authority to regulate the exchange to promote patient protections. Notably, the state could enact contracting requirements to enhance plan information transparency, and standardize display of plan information. Patients would also benefit from the development of an out-of-pocket calculator to estimate health expenses and better inform plan selection.

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