



**Inaugural Meeting
of the
Mississippi Health Insurance Exchange Advisory Board**

**Mississippi Insurance Department
Commissioner Mike Chaney**

January 31, 2012



Click [HERE](#) to start

MISSISSIPPI HEALTH INSURANCE EXCHANGE

**Mississippi Insurance
Department**

**1001 Woolfolk State Office Building
501 North West Street
Jackson, Mississippi · 39201**

What is an Exchange?

- Essentially, an Exchange is a marketplace for major medical insurance.
- A one-stop shop for health insurance -- similar to Travelocity, Expedia, and Priceline.
- This is perhaps an underestimate in that the Exchange:
 - Will be a massive undertaking;
 - Will provide many services beyond simply offering different insurance products for sale;
 - The web portal comparison piece is just the “tip of the iceberg.”

Minimum Requirements for the Exchange

- By **January 1, 2014**, each state shall establish an American Health Benefit Exchange to sell individual and small group major medical policies.
- By **January 1, 2013**, the Secretary of Health & Human Services (HHS) will determine whether each state will have an effective mechanism in place to run an Exchange by January 1, 2014, and if not, then the Federal government will step in to run the Exchange for the state.
- Only qualified health plans certified by the Exchange may be offered through the Exchange.
 - HHS issued guidance on Essential Health Benefits on December 16, 2011.

Essential Health Benefits

- HHS issued guidance on Essential Health Benefits on December 16, 2011.
- The guidance sets forth the intended regulatory approach of HHS, which allows states to select an existing health plan to set the “benchmark” for the items & services to be included in the Essential Health Benefits package.
- The four benchmark plans are:
 - One of the three largest small group plans in the state;
 - One of the three largest state employee health plans;
 - One of the three largest Federal employee health plan options;
 - The largest HMO plan offered in the state’s commercial market.
- HHS intends to require that a health plan offer benefits that are “substantially equal” to the benchmark plan selected by the state and modified as necessary to reflect the 10 categories of coverage listed by PPACA.

EHB: Ten Categories of Coverage

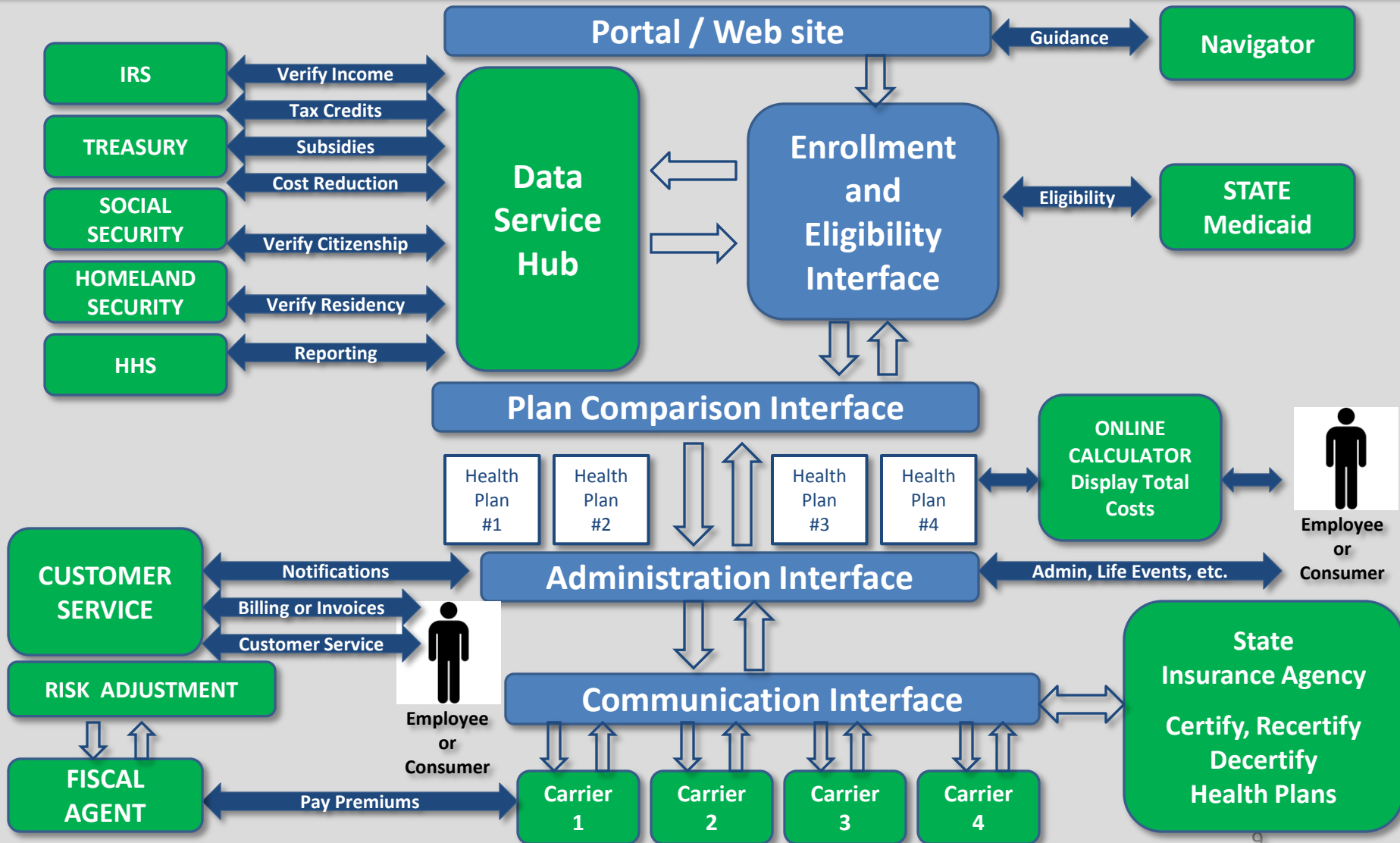
PPACA Section 1302 sets out ten categories of coverage that must be included in the Essential Health Benefits package:

- 1) Ambulatory patient services;
- 2) Emergency Services;
- 3) Hospitalization;
- 4) Maternity and newborn care;
- 5) Mental health and substance use disorder services, including behavioral health treatment;
- 6) Prescription drugs;
- 7) Rehabilitative and habilitative services and devices;
- 8) Laboratory services;
- 9) Preventive and wellness services & chronic disease management;
- 10) Pediatric services, including oral & vision care.

Exchange Functions

- Certify and decertify plans to be sold on the Exchange
- Operate a toll-free customer service hotline
- Maintain a website to provide standardized information on plans
- Use a standardized format for presenting coverage options
- Inform individuals of eligibility for Medicaid, CHIP, etc.
- Make available a calculator to determine the actual cost of coverage
- Provide a rating system for plans available through the Exchange
- Collect premiums for plans sold through the Exchange and forward those premiums to the carrier
- Operate separate Exchanges for individuals and for small employers
- Manage the movement of individuals inside and outside the Exchange and between the individual and small employer Exchange
- Establish a “Navigator” program to assist consumers in enrollment
- Develop a risk adjustment program to appropriately distribute among carriers the costs associated with high-risk individuals

Mandated Exchange Functions



eHealthInsurance
Over 2 Million Customers Insured

Login | 24/7 Support | Licensed Agents 1-866-213-0174

- Individual & Family
- Small Business
- Short Term
- Medicare
- Dental
- Life



Health Insurance in 11 minutes!

Based on experience of actual customers using eApproval.

Live Quotes → Online Application → eApproval

Insurance Type

- Individual & Family
- Individual & Family
- Small Business
- Short-term
- Medicare
- Dental
- Life

Zip Code

GO

What the press is saying about us

"Go to eHealthInsurance.com, the largest online resource for health insurance"

- SUZE ORMAN

"Shop at eHealthInsurance.com for an affordable policy"

- Newsweek

"On eHealthInsurance.com you can compare the basics of a variety of plans."

Health Insurance in MS



State: MS (not in MS?)

Health Plans: 271

Carriers: 19

From: \$56.8/mo

Get Custom Quotes

Did you Know?
 With individual health insurance you pay month to month - you can cancel any time - no annual commitment





- Individual & Family
- Small Business
- Short Term
- Medicare
- Dental
- Life

Home > Individual & Family Health Insurance > Plans Found > Compare Plans

▶ **Insurance Plan Benefit Details and Comparison**

<< [Back to previous page](#)



[✉ Email this Quote](#) [🖨 Print](#)

<p>24 Hour Approval</p>  <p>Saver 80</p> <p>BEST SELLER</p> <p>APPLY</p> <p>Remove from comparison</p>	<p>e-Approval</p>  <p>CeltiCare Preferred Select PPO 80/20 Plan</p> <p>BEST SELLER</p> <p>APPLY</p> <p>Remove from comparison</p>	<p>24 Hour Approval</p>  <p>Copay Select 70 - 2500</p> <p>BEST SELLER</p> <p>APPLY</p> <p>Remove from comparison</p>	<p>e-Approval</p>  <p>CeltiCare Preferred Select PPO 80/20 Plan</p> <p>BEST SELLER</p> <p>APPLY</p> <p>Remove from comparison</p>
<p>Estimated Cost \$378.95 monthly</p>	<p>Estimated Cost \$608.79 monthly</p>	<p>Estimated Cost \$626.72 monthly</p>	<p>Estimated Cost \$946.42 monthly</p>
<p>Customer Ratings 4.6 of 5 Reviews</p>	<p>Customer Ratings 3.6 of 5 Reviews</p>	<p>Customer Ratings Not Yet Rated</p>	<p>Customer Ratings Not Yet Rated</p>
<p>Plan Type Network</p>	<p>Plan Type PPO</p>	<p>Plan Type Network</p>	<p>Plan Type PPO</p>
<p>Office Visit for Primary Doctor Not Covered</p>	<p>Office Visit for Primary Doctor \$15 copay (2 visits - primary and specialist combined). 3+ visits 20% Coinsurance after deductible</p>	<p>Office Visit for Primary Doctor History and Exam: \$35 Copay - no deductible (4-Dr. Office Visit Copay & \$25 Office Visit Copay optional benefits available)</p>	<p>Office Visit for Primary Doctor \$15 copay (2 visits - primary and specialist combined). 3+ visits 20% Coinsurance after deductible</p>
<p>Office Visit for Specialist Not Covered</p>	<p>Office Visit for Specialist \$15 copay (2 visits - primary and specialist combined). 3+ visits 20% Coinsurance after deductible</p>	<p>Office Visit for Specialist History and Exam: \$35 Copay - no deductible (4-Dr. Office Visit Copay & \$25 Office Visit Copay optional benefits</p>	<p>Office Visit for Specialist \$15 copay (2 visits - primary and specialist combined). 3+ visits 20% Coinsurance after deductible</p>



24/7 Support

[Need Help?](#)

-  **CLICK TO TALK**
We'll call you now
-  **CLICK TO CHAT**
Chat with us online

Or call us
(800) 977-8860

Did you Know?

Only on eHealth - You can search Plans by Doctor across insurance companies.

Online Assistance

[View Tutorial on Insurance](#)



Your Quote Profile

Coverage for:
Applicant (M/45), Spouse (F/43), Children (F/14/stu, M/11/stu)

CART SUMMARY

TOTAL: \$0.00

APPLY

Email Cart

LEAD ID: 76388

GA 30316

Jackie Williams Applicant

Gender F
Age 30 years
Height 4.11
Weight 110 lbs
Tobacco Use? Non Smoker
Medications No
Pre-X No
UHC Rate Class Preferred

John Williams Children_1

Gender M
Age 11 years
Height 4.3
Weight 77 lbs
Tobacco Use? Non Smoker
Medications Yes
Pre-X No
UHC Rate Class Standard I

Start Date 04/15/2010

REQUOTE

- Approval Very Likely
- Risk of Rate Up or Rider
- Declinable
- Not Quoted

MAJOR MEDICAL PLANS

GUARANTEED ISSUE PLANS

SHORT TERM INSURANCE

LIFE INSURANCE

It looks like we have **109** Major Medical plans available, starting at **\$124.10 per month**. Now let's find the right plan for you

Find Specific Benefits

Doctor Visit Co-pay Prescription Drugs Emergency Room Visits Maternity

Select Carrier	Aetna	Anthem.	ASSURANT	CELTIC	CoventryOne.	UnitedHealthOne
Select Deductible						
\$0 - \$1000	\$332/month	\$312/month	\$369/month	\$324/month	\$269/month	\$198/month
\$1001 - \$2500	\$205/month	\$169/month	\$211/month	\$204/month	\$154/month	\$144/month
\$2501 - \$5000	\$145/month	\$124/month	\$138/month	\$158/month	\$134/month	\$124/month
Above \$5000	\$86/month	\$88/month	\$105/month	\$152/month	\$158/month	\$120/month

Compare Benefits

Email Quotes

Sort by Price Deductible Coverage Risk

Show all plans

Major Med: \$124.10 Total Rate: **\$124.10** per month

Smart Sense POS 5000 POS [View All Benefits](#)

Anthem.

DEDUCTIBLE	COINSURANCE	DR VISITS	OOP MAX	LIFETIME MAX	OTHER BENEFITS
\$5000	30%	You pay \$30(x3) then 30%	Individual: \$8,000 Family: \$16,000	\$5,000,000	✓ Emergency Room

AME Add-on (\$40.00) Life (\$13.35) Dental Add-on (\$31.98)

Major Med: \$124.13 Total Rate: **\$124.13** per month

Saver 80 \$5,000 Deductible PPO [View All Benefits](#)

UnitedHealthOne

DEDUCTIBLE	COINSURANCE	DR VISITS	OOP MAX	LIFETIME MAX	OTHER BENEFITS
\$5000	80/20	Not Covered	Individual: \$3,000 Family: \$6,000 (Deductible not Included)	\$3,000,000	✓ Prescription Drugs ✓ Emergency Room

Life (\$13.35) Doctor Visit Maternity Rx Drugs Card Preventive Care (\$24.76) Dental AME Add-on (\$40.00)

Major Med: \$133.80 Total Rate: **\$133.80** per month

QHDHP \$5,000/\$10,000 (HSA Compatible) HSA [View All Benefits](#)

CoventryOne.

DEDUCTIBLE	COINSURANCE	DR VISITS	OOP MAX	LIFETIME MAX	OTHER BENEFITS
\$5000	\$0	No Charge after Ded.	Individual: \$5,000 Family: \$5,000	\$6,000,000	✓ Prescription Drugs ✓ Emergency Room

**“For Mississippians,
By Mississippians”**

Mississippi Comprehensive Health Insurance Risk Pool Association

- The enabling legislation for the Risk Pool is found in Mississippi Code Annotated 83-9-203 *et. seq.*, 1972 as amended.
- Subsection 83-9-213(2)(p) specifically states:
 - (2) *The association may:*
 - (p) *Serve as a mechanism to provide health and accident insurance coverage to citizens of this state under any state or federal program designed to enable persons to obtain or maintain health insurance coverage.*
- Section 83-9-213(3) states:
 - (3) *The commissioner may, by rule, establish additional powers and duties of the board and may adopt such rules as are necessary and proper to implement Sections 83-9-201 through 83-9-222.*

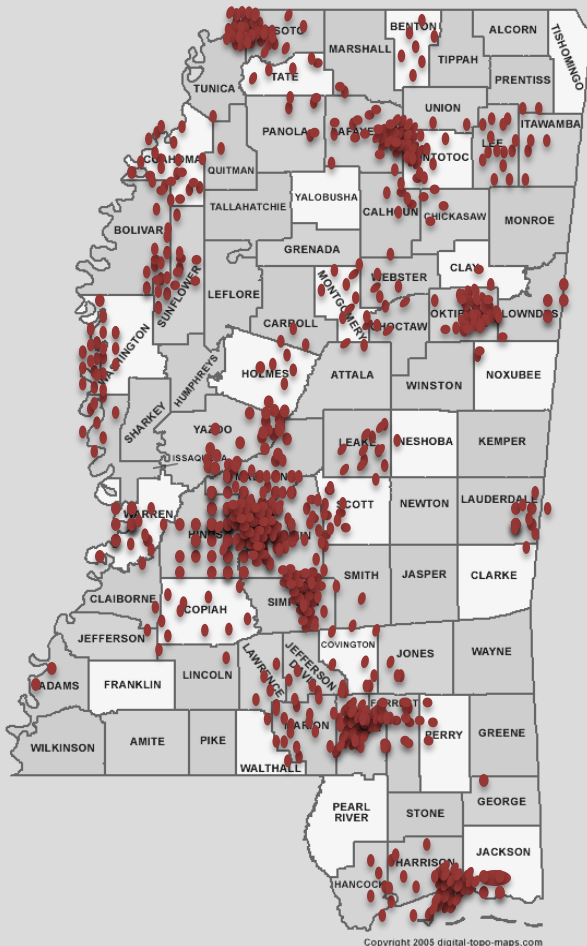
Mississippi Comprehensive Health Insurance Risk Pool Association

- The Association is operated by a nine-member board of directors, as stated in Section 83-9-211(2)(a).
- The board of directors consists of:
 - Four (4) members appointed by the Insurance Commissioner. Two (2) of the commissioner's appointees shall be chosen from the general public and shall not be associated with the medical profession, a hospital, or an insurer. One (1) appointee shall be representative of medical providers. One (1) appointee shall be representative of health insurance agents.
 - Three (3) members appointed by the participating insurers, at least one (1) of whom is a domestic insurer.
 - The Chair of the Senate Insurance Committee and the Chair of the House Insurance Committee, or their designees, who shall be nonvoting, ex officio members of the board.

Exchange Advisory Board & Subcommittees

- The Commissioner of Insurance issued Bulletin 2011-9 on October 18, 2011, which established an Exchange Advisory Board & Advisory Subcommittees.
- The Advisory Board will assist the Department of Insurance as it develops rules, regulations, and policy governing the Exchange.
- The Advisory Board and Subcommittees consist of members representing the following stakeholder groups:
 - A) Educated health care consumers
 - B) Individuals & entities with enrollment experience
 - C) Advocates for hard-to-reach populations
 - D) Small businesses & self-employed individuals
 - E) State government agencies
 - F) Federally-recognized tribes within the State
 - G) Public health experts
 - H) Health care providers
 - I) Large employers
 - J) Health insurance issuers
 - K) Health insurance agents & brokers holding current licenses

The State of Mississippi proactively sought feedback to create health insurance solutions. Over one thousand small businesses and consumers across Mississippi have shared feedback in person, by mail, telephone, and online.



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Participants

- **Small Businesses**
- **Employees**
- **Business Associations**
- **Economic Development Leaders**
- **Consumer Advocates**
- **Legislators**
- **Health Care Providers**
- **Insurance Carriers**
- **Broker Representatives**
- **Policy Analysts**



Mississippi Insurance Department Commissioner Mike Chaney

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**PPACA Primer:
Impetus and Rationale for a State
Health Insurance Exchange**

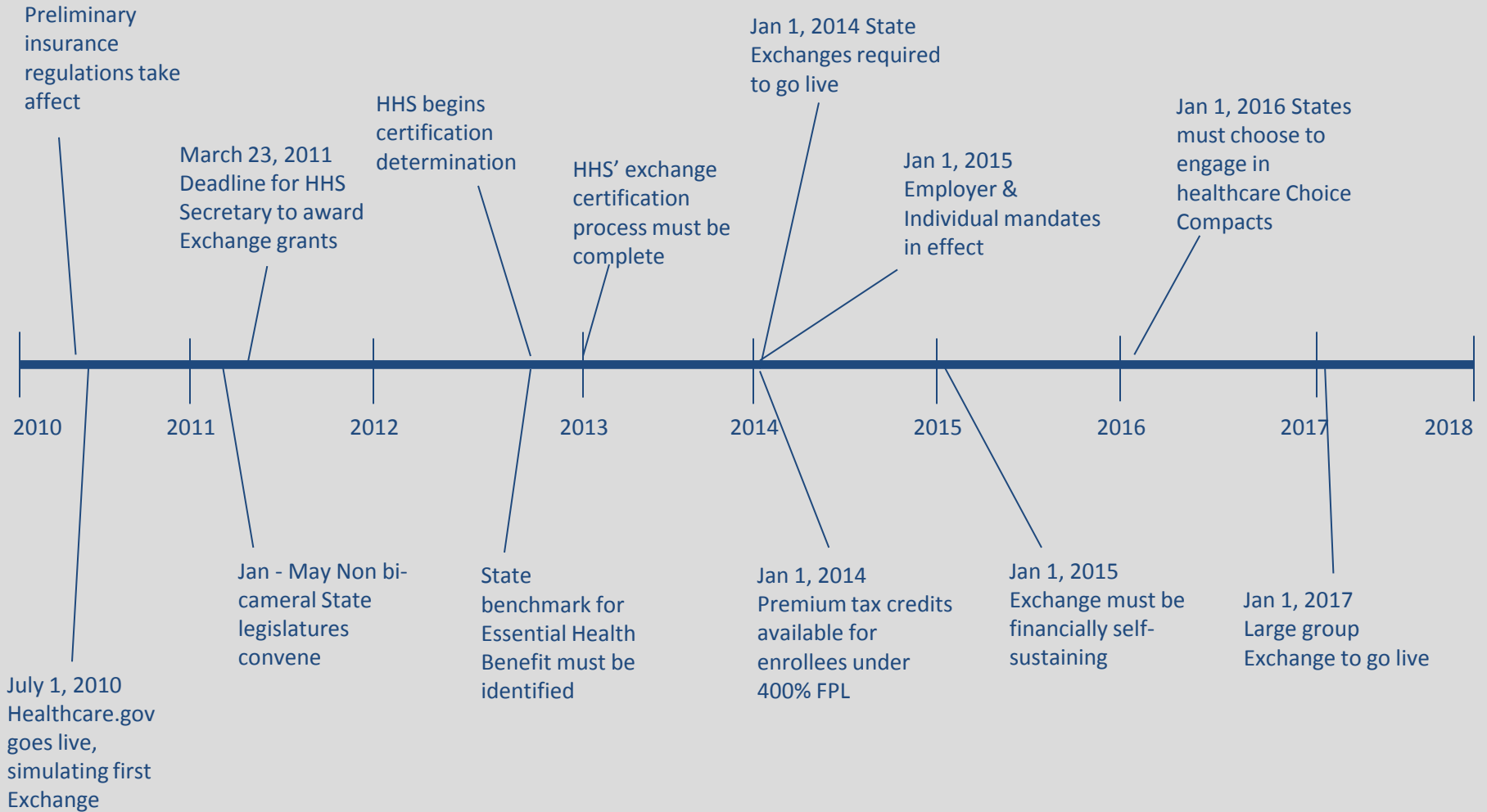
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Jackson, MS**

Brief Overview of PPACA

Patient Protection and Affordable Care Act

- Medicaid Expansion
 - Up to 133% FPL (138%)
 - Average state Medicaid population increase is 30%
 - Massachusetts (8.7%); Nevada (65.6%)
 - Mississippi (36.3%)
 - Cost \$400-\$500 Billion 2014-2020
- Insurance Market Reforms
 - Medical Loss Ratio (MLR)
 - Essential Health Benefits (EHB)
 - Individual and Employer Mandates
 - Guarantee Issue and Community Rating
 - Federal premium subsidies up to 400% FPL
 - Health Insurance Exchanges

PPACA Timelines



What is an Insurance Exchange?

- Online marketplace—A tool that enables individuals to shop, compare, and enroll in a health insurance plan
- Definition—Varies by intended role of the exchange
 - Massachusetts—Intended to address access
 - Utah—Intended to address costs
- State-established versus Federally-established

State models are still in development...

Two Types of Exchanges

American Health Benefit Exchange (AHBE)

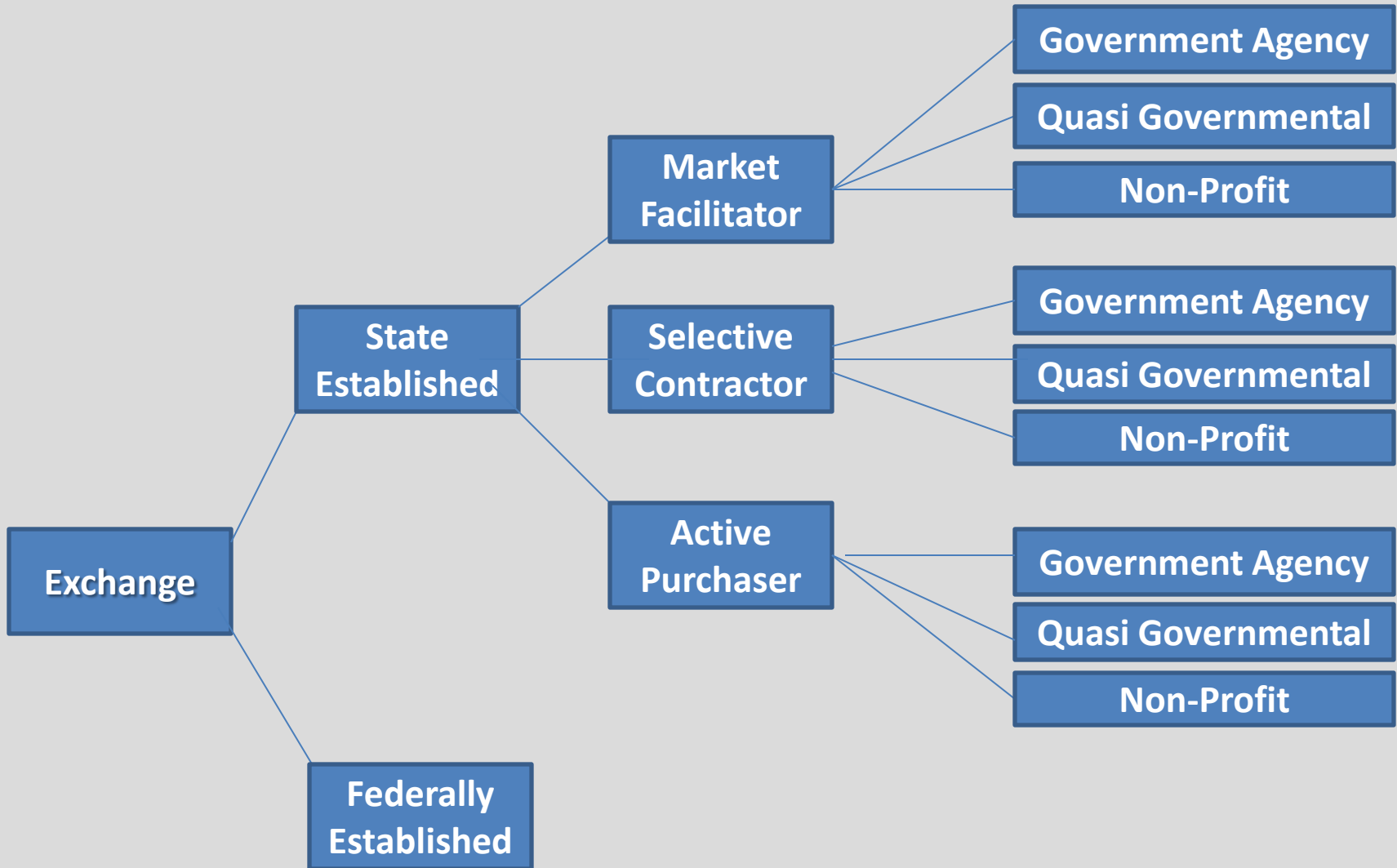
- Individuals and families may purchase qualified coverage through Qualified Health Plans
- Purchaser may be eligible for premium subsidies—based on income level

Small Business Health Options Program (SHOP)

- Small businesses with up to 100 employees may purchase qualified coverage
- Premium subsidies are not available through the SHOP exchange (tax credits available for qualified employers)

States may choose to operate two separate exchanges or combine into a single mechanism

Early Decisions for States



Options for States: Creation of a Defined Contribution Market

What are Defined Contribution arrangements?

- Employer-sponsored health plans that allow individual employees full control over their plan choice
- Rather than promising or providing a certain level of health benefit, the employer offers a pre-determined level of funding that the employee then controls and uses to purchase their choice of health insurance

Federal Funding Opportunities Through 2014

- Level I
 - Single year funding only
 - Period of Performance up to one year post award
 - Available only through ~~2011~~–2012
 - States may apply through ~~December 2011~~– June 29, 2012
- Level II
 - Multi- year funding
 - Period of Performance from date of award through December 31, 2014
 - Available through 2014
 - States may apply through June 29, 2012

Federal Funding Opportunities Post 2014

Leavitt Partners, LLC

Salt Lake City Office

299 South Main Street
Suite #2300
Salt Lake City, UT 84111

Washington DC Office

1776 I Street, NW
9th Floor
Washington, DC 20006

Phone: (801) 656-9716
www.leavittpartners.com



Background Information: Demographic, Social, Economic, and Insurance Market Data

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Holistic State Analysis

About the Data

- Data are provided for each of Mississippi's 82 counties as well as 16 select cities. The 16 cities included in this report are the cities in which stakeholder meetings will be held in June 2011.
- Data used in this report come from the U.S. Census Bureau's 2005-2009 American Community Survey 5-year Estimates.
- Survey data from five years is averaged to reduce the sampling error that arises from small county and city populations.

Demographic Data: Population

- 2.9 million people
 - Hinds County is largest county with 250,000 people
 - Issaquena County is the smallest, with just slightly more than 2,000 people
- Median age is 35
 - Men 33, Women 37
 - Carroll County , highest median age at 43; Oktibbeha is lowest at 24
- 26.2 % of Mississippi's population is under age 18; U.S. has 24.6% under 18
 - Tunica County has 31.3% under age 18; Lafayette County has 19.1%

Demographic Data: Race and Ethnicity

Percent of Population by Race and Ethnicity

- 60% White or Caucasian
- 37% Black or African American
- Other minority groups only make up a small proportion of Mississippi's population, less than 1% each. Mississippi's Hispanic population is also small compared to the national average (2% vs. 15%).

Racial and Ethnic Distribution by County

- Most counties have the same general racial distribution as the state; however, in 24 counties, African Americans make up the largest share of the population. In Jefferson County, for example, 87% of the population is African American.
- Scott County has the largest proportion of Hispanic persons in its population, roughly 10%.

Social Data: Citizenship and Mobility

Percent of Population by Citizenship Status

- Non-U.S. Citizens 1.3% of Mississippi's population (nationally 7.1%)
 - Scott County is highest with 5.9% non-U.S. citizens; Tunica County and Tallahatchie County also have a relatively high percent for Mississippi, 3.5% and 3.2% respectively
 - >1% of U.S. citizens in the state are naturalized citizens (very few immigrants in Mississippi)

Population Mobility

- About 16% of state's population moved within the last year
 - 9.2% moved within the same county
 - 4% moved from a different county in Mississippi
 - 3% moved to Mississippi from a different state
 - 0.3% moved to Mississippi from abroad
 - Lafayette County has the highest rate of mobility, with 30.6%; Benton County has the lowest, with only 5.9%.

Social Data: Family Status

- 46.5% of households in Mississippi consist of married-couple families; national average is 49.7%
 - Greene County has the largest percent of married-couple households at 64.6%. (George County's proportion of married-couple households is also above 60%.)
 - Tunica County has the smallest percent of married-couple households at 25.9%
- About 23% of Mississippi's households are single-parent families; 17% nationally
 - There are nine counties in which the share of single-parent households is greater than the share of married-couple households (Claiborne, Coahoma, Holmes, Jefferson, Leflore, Quitman, Sunflower, Tunica, and Washington County)

Social Data: Education and Language Proficiency

Educational Attainment

- Majority of adults in Mississippi have a high school diploma, the equivalent, or less.
- Close to 7% of the population have less than a 9th grade education (compared to 6% nationally) 14% of the population attended some high school, but did not receive a diploma (10% nationally).
 - Tallahatchie County has the largest share of adults with less than a 9th grade education (15.1%); Lafayette County has the smallest share (3.8%).
- 48% of the population 18 years and over have some college
- 24% of the population have received a degree (an Associate's degree or higher)
 - Lafayette has one of the highest rates of adults with a graduate or professional degree (Oktibbeha has the highest rate with 13.3%).
 - Madison County's population has the largest share of adults with any degree.

Language Spoken At Home

- Over 96% of Mississippians speak only English at home.
 - A very low percentage of the population in Mississippi speak English less than “very well” (1.5% vs. 8.6% nationally).
 - Scott County has the largest share of non-English speakers in its population.

Economic Data: Poverty

Poverty Rate

- The percent of Mississippi's population living in poverty is 21.4%; nationally 13.5%

Highest Poverty Rates

- Holmes County 42.7%
- Issaquena County 42.7%
- Leflore County 41.6%

Lowest Poverty Rates

- DeSoto County 9.4%
- Rankin County 9.9%
- George County 12.6%

Poverty Distribution

- 34.1% of children under five years
- 28.6% of children five to 17 years
- 24.8% of adults 18 to 34 years
- 15% of adults 35 to 64 years
- 16.1% of adults over age 65

Economic Data: Income

Median Household and Family Income

- Mississippi's median household income is about \$37,000 (in 2009 inflation-adjusted dollars); national average of \$51,000.
 - DeSoto County is highest with \$58,000 (Madison and Rankin Counties are also above the national average); Issaquena County is lowest with \$20,000
- Median family income in Mississippi is \$46,000; nationally, \$62,000.

Percent of Households that Receive Food Stamps or SNAP Benefits

- Percent of households that receive food stamps in Mississippi is 14.8%; nationally, 8.5%.
 - Largest percent is Humphreys County with 33%; smallest is Lafayette County with 5.3%

Economic Data: Unemployment

Unemployment Rate

- Mississippi's unemployment rate (using 2005-2009 data) was 9.2%; 7.2% nationally
 - Noxubee County had highest unemployment rate in the state at 22.4%; Lamar County was lowest at 4.6%
- Unemployment Rate by Age Across Counties
 - Noxubee County has the largest share of the population age 45 to 64 that is unemployed (13.3%)
 - Franklin County has the lowest share of the population age 45 to 64 that is unemployed (1.3%)

Economic Data: Housing (I)

Occupied vs. Vacant Housing Units

- 13.5% of Mississippi homes are vacant; nationally, 11.8%
 - Wilkinson County is highest with 31.7%; DeSoto County is lowest with 6.4%

Owned vs. Rented Housing Units

- 70.5% of Mississippi's housing units are owner occupied and 29.5% are renter occupied; nationally those figures are 66.9% and 33.1%, respectively
 - Green County has the largest share of home owners (88.6%) and Tunica County has the lowest share (47.2%)

Economic Data: Housing (II)

Median Value of Occupied Housing Units

- Median home value in Mississippi is \$91,400; nationally \$185,400
 - Madison County has the highest median home value, \$171,400; Quitman County has the lowest at \$44,600
- Median gross rent in Mississippi is \$622 per month; nationally \$817
 - DeSoto County has the highest rent \$876 per month; Franklin County has the lowest with \$347

Owner Costs as a Percent of Household Income

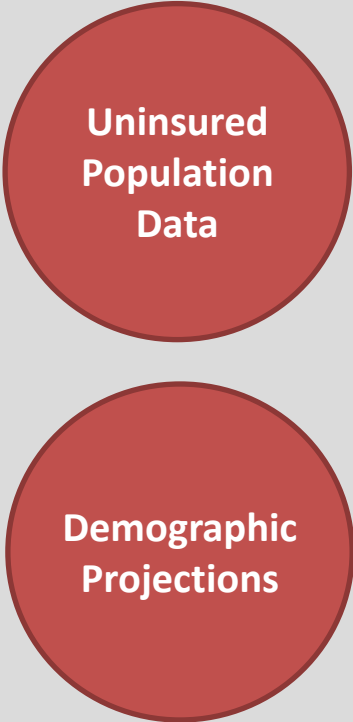
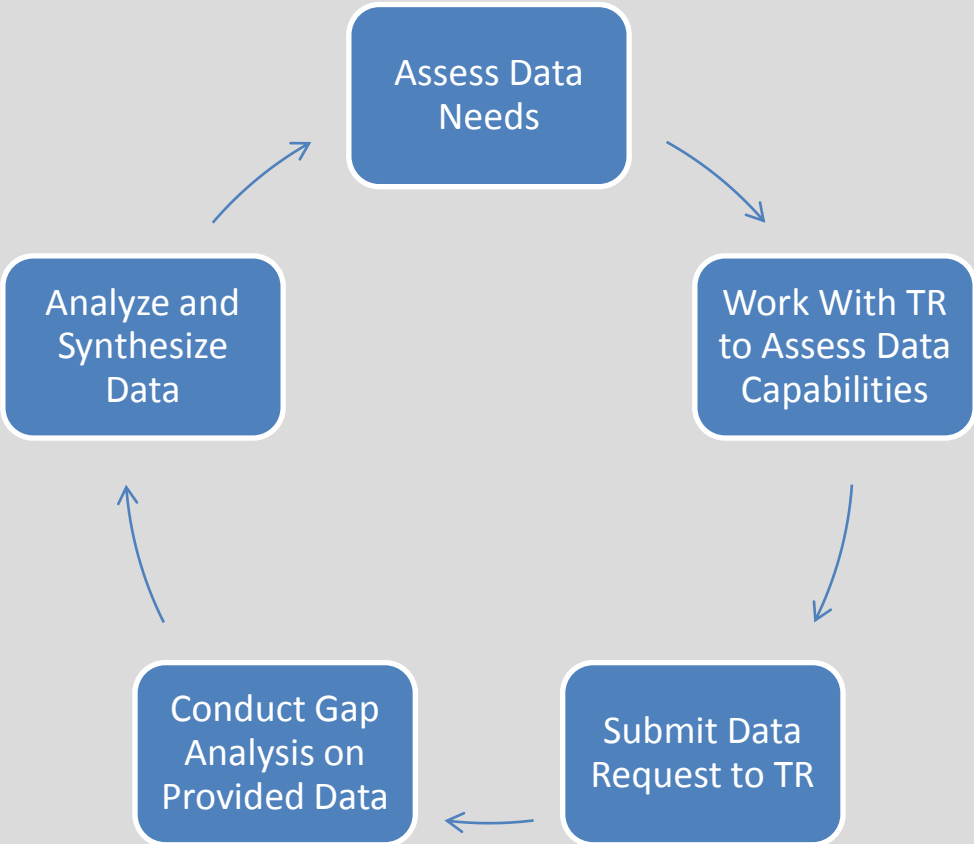
- Median selected monthly owner costs as a percent of household income in Mississippi are 23%; nationally 25%
 - Three counties in Mississippi have “excessive” (>30%) owner costs: Wilkinson County, Issaquena County, and Holmes County
 - Holmes County has the highest median monthly owner costs (38.4%); Warren County has the lowest median monthly owner costs (20.2%)

Uninsured Population Analysis

MID Data Collection

Purpose: To collect data demographic, economic, and social data that provide a quantitative view of the uninsured market in Mississippi

About the Data



Uninsured Population Data

Uninsured Population by *Industry*

Entertainment, Construction, and Manufacturing have highest uninsured rates

Uninsured Population by *Age/Gender*

Higher uninsured rate in 18-44 age category with males more uninsured than females

Uninsured Population by *FPL Distribution*

Highest prevalence in 0-49%; Second highest prevalence in 133-199%

Uninsured Population by *Ethnicity*

Caucasians make up 49% of uninsured market, with African Americans at 44%

Uninsured Population by *Medicaid Eligibility*

Overall, 23% of those eligible for Medicaid are uninsured, while 77% don't qualify

Uninsured Population by *Education*

91% of the uninsured market comprised of those with High School or less

Uninsured Population by *Marital Status*

Unmarried citizens make up 72% of uninsured market

Uninsured Population by *Household Work*

Female-led house holds (both in and out of labor force) comprise 30% of uninsured market

Uninsured Population by *Family Income*

17% make less than \$15k; 15% makes \$15-\$25k; 11% makes \$25-\$35k

Uninsured Population by *Income by County*

Reference Table 10; Data can clarify geographic awareness strategies

Uninsured Population *Time-Trend*

Fairly static time-trend; Precipitous drop in uninsured population from 1999-2001

State Unemployment *Trend*

Reference Chart 1

Mississippi County Projections

Projected Population by County

High degree of population shifting; MS population will grow at 3.7% over the next decade

Projected Medicaid Lives by County

County level growth data; By 2014 24% of MS's population will be eligible for Medicaid

Projected Uninsured by County

Focus should be on counties with poor communication mediums

Projected Payor Composition

Shows the composition shift in coverage from 2010 to 2020

Mississippi Healthcare Exchange

*A Health Insurance Solution
By Mississippians
For Mississippians*



About the Cicero Group

The Cicero logo features the word "Cicero" in a bold, red, sans-serif font. To the right of the text is a circular icon containing a stylized red and yellow figure that resembles a person or a flame.

FAST FACTS

- Premier Market Research, Analytics and Strategy Consulting Firm
- Headquartered in Salt Lake City, Utah
- 165 employees: 40 Market Strategists, Statisticians, Moderators, and Analysts and 125 Interviewers / Data-Inputters / Mystery Shoppers
- State-of-the-art focus group facilities
- Staff with decades of senior-level experience in many industries
- Large panels of industry experts and consumers for primary research
- HCHAPS (CAHPS), AHRQ, QRCA, MRA, PRC, and AAPOR certified
- Extensive, successful track record of research in healthcare and public policy

About the Cicero Group

Research Disciplines

Qualitative and Quantitative Approaches to Address Business Challenges

SURVEY INTERVIEWING

- Online Survey
- Telephone Survey
- Live Intercepts
- Stakeholder Interviews

COMPETITIVE SCANNING

- Secondary Research
- Market Sizing
- Penetration/Growth Rates
- PR/Gov. Impact Analysis
- Economic Impact Studies

PRODUCT POSITIONING

- Pricing/Elasticity
- Brand Perception/Awareness
- Positioning/Messaging
- CSAT/Service Quality

FOCUS GROUP RESEARCH

- General Practice (On-site and Online formats)
- Simulation and Usability Studies
- Mock Jury and Legal
- Retail Consumer and Merchandising
- Political Opinion Research

STATISTICAL ANALYSIS





- Correlation Analysis
- Conjoint Analysis
- Cluster Analysis
- Factor Analysis
- Linear Regression Analysis
- LOGIT/PROBIT Analysis
- Segmentation Modeling
- Modeling Analyses

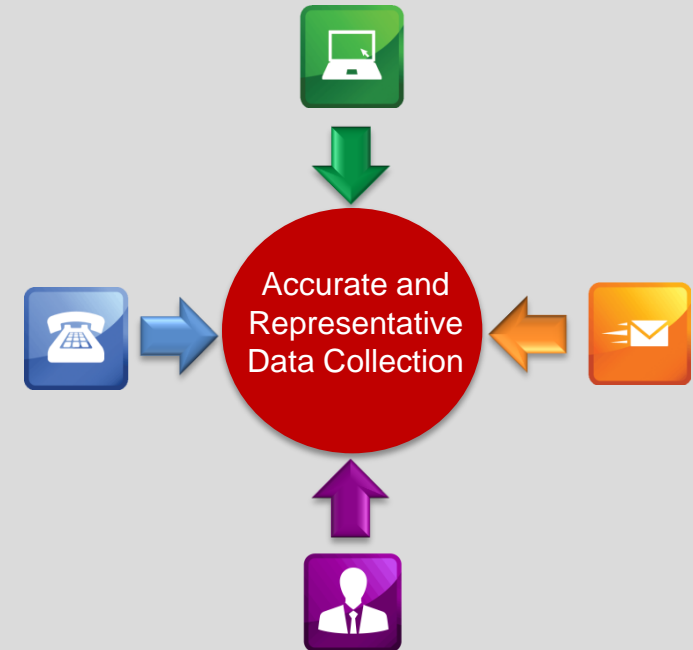


About the Cicero Group

Blended Data Collection

Through blended data-collection we ensure a truly random sampling that ensures accuracy of results. Additionally, we maintain a large research database – and it is constantly growing.

	METHOD	PRO	CON
	Online	<ul style="list-style-type: none">• Easy access to respondents• Large-scale data collection	<ul style="list-style-type: none">• Skews younger• Loose out on hearing “intensity” in voice of customer
	Telephone	<ul style="list-style-type: none">• Ability to probe• Fast turn-around• Good response rate	<ul style="list-style-type: none">• Difficult to reach certain population segments• Interviewer bias
	Mail	<ul style="list-style-type: none">• Large respondent base• No interviewer bias	<ul style="list-style-type: none">• Low response rates decreases accuracy• Can't gain further insights
	In-person	<ul style="list-style-type: none">• High response quality• Longer, more complex interviews	<ul style="list-style-type: none">• Most expensive• Longer data collection period



Current Research Outline

Mississippi Health Benefits Exchange

Research Timeline for the Mississippi Exchange

Stage 1

Three Research Phases

- Stakeholder Interviews (Discover Issues)
- Survey State Residents (Confirm Issues)
- Town Hall Meetings (Assess Community Concerns)

2011

Stage 2

Three Research Phases

- Program Integration (Define Integration Points)
- Stakeholder Consultation (Address Issues - EAB/CIG/TAG)
- Health Insurance Market Reforms (Collect Data on Policies)

2012

Stage 1 – 2011 Summary

Phase 1 Interviews



Research Objectives

- Discover stakeholder awareness/attitudes and identify value proposition and priorities for each constituency
- Assess how stakeholders want to use the Exchange
- Examine what has and has not worked well for stakeholders
- Determine stakeholder profiles and define needs
- Define health insurance barriers that would create problems for Exchange implementation and success:
 - ✓ Employers dropping health insurance
 - ✓ Individuals dropping coverage or not signing up for health insurance
 - ✓ Complexity of integrating private health insurance providers

Stage 1 – 2011 Summary

Phase 1 Interviews



Methodology

Interview Mississippi stakeholders about the perceptions and issues related to healthcare and Exchange implementation.

80+ Interviews Conducted in State of Mississippi with:

- Experts in the healthcare industry
- Legislators outside Mississippi who helped to design and implement state healthcare exchanges
- Mississippi legislators who are involved in legislative initiatives for healthcare within the state
- Members of the Mississippi Insurance Department
- HR and benefits managers in Mississippi
- Insurance carriers providing health care plans within the state

Interview transcripts were created and strategic insights gathered from the interview process, to guide subsequent research phases.

Stage 1 – 2011 Summary

Phase 1 Interviews



Findings

- **Confusion** - There is considerable confusion about the PPACA and Healthcare Exchanges.
- **Local Solution** - There is a strong preference for an Exchange designed for Mississippians by Mississippians.
- **Simplicity** - There should be an emphasis on simplicity.
- **Outreach** - There must be an effective outreach-education program to inform residents throughout MS.
- **Support** - The Exchange needs to offer meaningful, ongoing support to assist all participants to become informed, navigate the process, and resolve problems.



Stage 1 – 2011 Summary

Phase 2 Survey

Research Objectives



- Perform deeper analysis of Phase 1 findings within a cross-section of Mississippi residents and business owners;
- Ascertain the level of awareness of the federal mandate, Exchange concepts, and core health insurance issues within the community
- Identify issues that impact businesses, individuals, and insurance providers within the current system
- Learn about how health insurance programs are communicated via current information channels and how these avenues can be leveraged by the Exchange

Stage 1 – 2011 Summary

Phase 2 Survey



Methodology

Online survey of Mississippians about issues discovered in Phase I and obtain deeper insights into perceptions and attitudes of state residents

Online survey of 1,000 respondents consisting of:

- Small business owners with 2-100 employees (full-time/part-time)
- Individuals living throughout the state

Versions of survey also created for:

- Insurance brokers
- Healthcare providers
- Consumer advocacy groups

Additional Data Intake:

- 400 calls to chambers of commerce, policy analysts, community leaders, insurance agents
- 5,000 direct emails to residents (results tabulated)
- 6,000 calls to businesses within the State of Mississippi



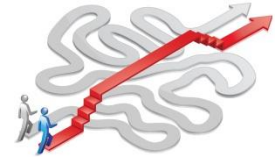
Stage 1 – 2011 Summary

Phase 2 Survey

Key Findings



1. **Lack of Information** - The majority of respondents were unable to accurately define the purpose of a health insurance exchange.
2. **Interest to Learn More** – Most respondents were interested in learning more about health insurance exchanges.
3. **Opposition** – Survey response reflected general opposition to the federal Patient Protection Affordable Care Act (PPACA).
4. **State-run Solution** – The data highlight a strong preference for a state-run health benefits solution.
5. **Concerns About Costs** – Employers and individuals both expressed deep concerns over health insurance costs.
6. **Priority on Quality** – Employers and employees highlighted the importance of health insurance benefits when making employment decisions.
7. **Simplicity** – Respondents emphasized the need for simplicity.
8. **Direct Assistance** – Participants signaled a desire for personal interaction when getting help with questions and resolving problems.
9. **Outreach and Education** – Survey data reflected a desire for a strong outreach and information program to educate the public on the Exchange:
 - Small businesses prefer most to use a broker to stay informed.
 - Individuals mostly prefer to find information on a website.



Stage 1 – 2011 Summary

Phase 2 Survey

Key Finding – Awareness of Exchange Concepts

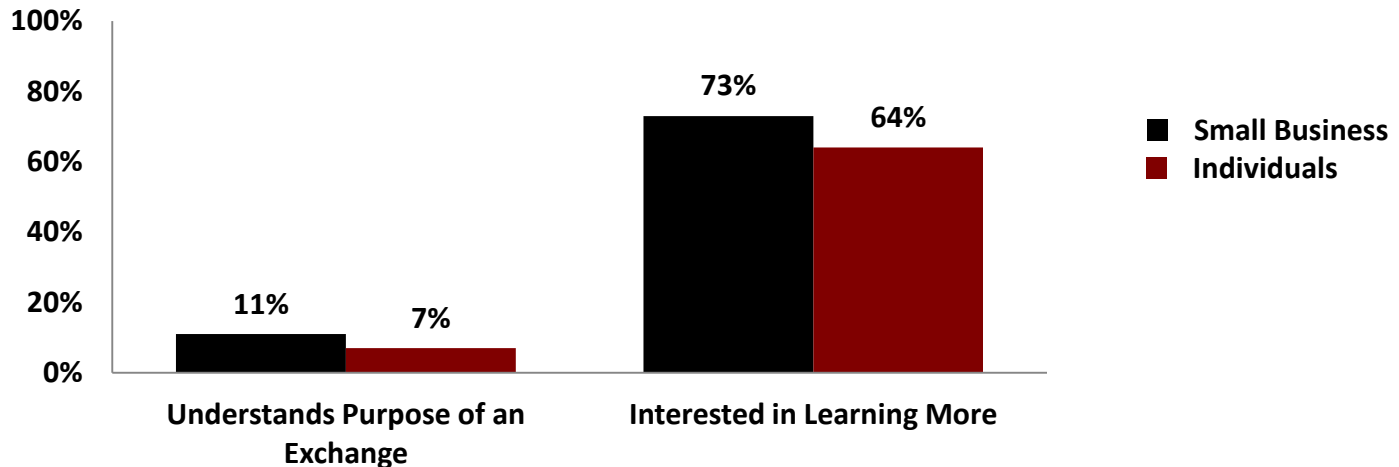


Awareness of the basic purpose of a health benefits exchange was low, reflecting a lack of understanding of basic concepts in the PPACA legislation.

[Question 14: Briefly describe your understanding of a health insurance exchange?]

[Question 26: How interested are you in learning more about Mississippi's health insurance exchange?]

Small Business N=399, Individuals N=662



Stage 1 – 2011 Summary

Phase 2 Survey

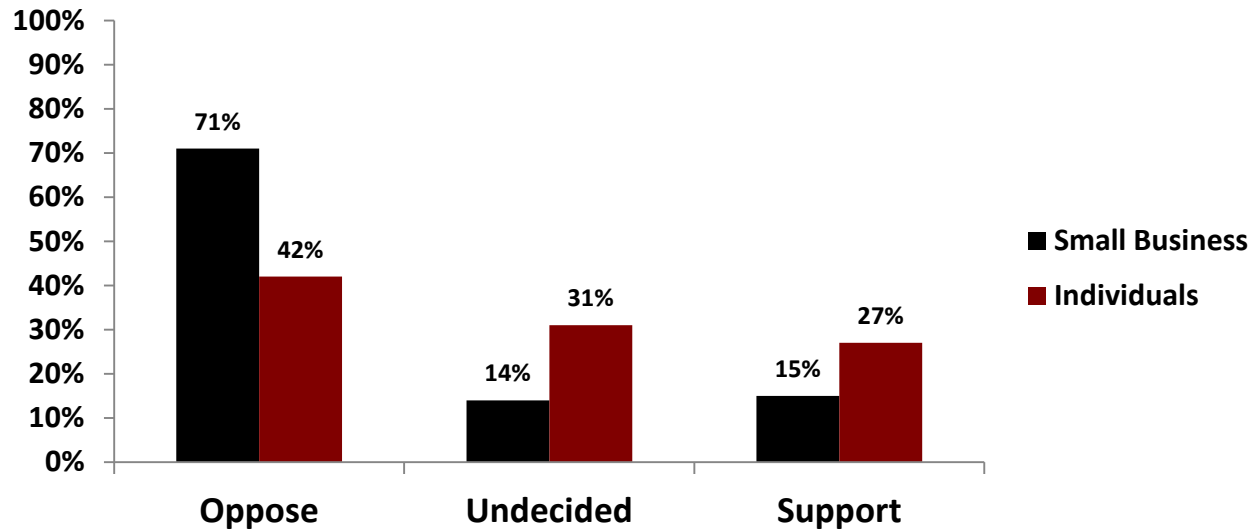
Key Finding – Attitudes Toward PPACA



How do Mississippians feel about the PPACA? The majority of respondents oppose the Affordable Care Act.

*[Question 2: To what degree do you support the PPACA?**

Small Business N=399, Individuals N = 662



**[Question 2: ...on a scale of 1-5, 1-2 being opposed, 3 being undecided, and 4-5 being supportive]]*

Stage 1 – 2011 Summary

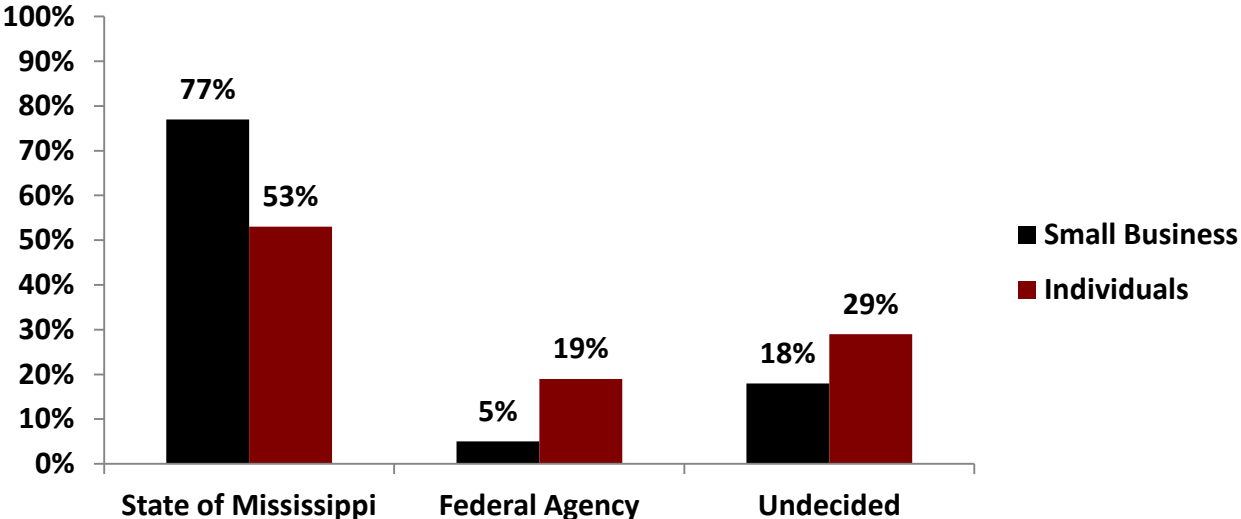
Phase 2 Survey

Key Finding – State Should Build Solution



The PPACA requires that a health benefit exchange be in place by 2014. If the state does not create an exchange, Mississippi will be automatically enrolled and required to pay for using the Federal Health Benefit Exchange. Survey respondents signaled a strong preference for a solution developed by Mississippi for Mississippians.

[Question 17: By whom would you prefer the health insurance exchange be operated?]
Small Business N=399, Individuals N = 662



Stage 1 – 2011 Summary

Phase 2 Survey

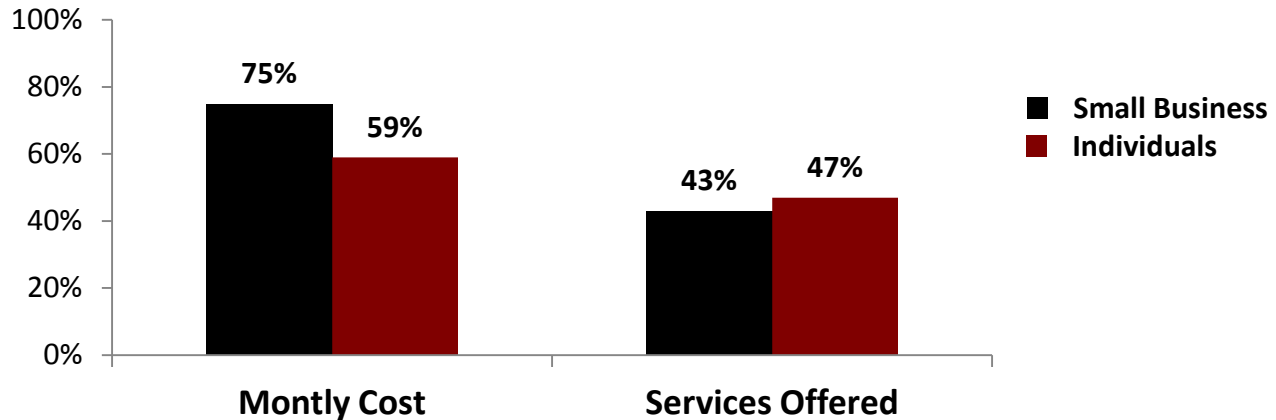
Key Finding – Top Criteria for Selecting Plans



When asked which were the two most important factors when considering health insurance plans, both employers and employees mentioned the monthly costs associated with health insurance the importance of good coverage (i.e. services offered within plan).

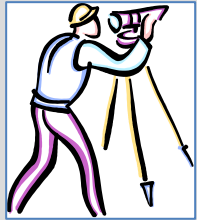
[Question 23: When comparing health insurance plans, what are the top two characteristics you consider?]

Small Business N=399, Individuals N = 662



Stage 1 – 2011 Summary

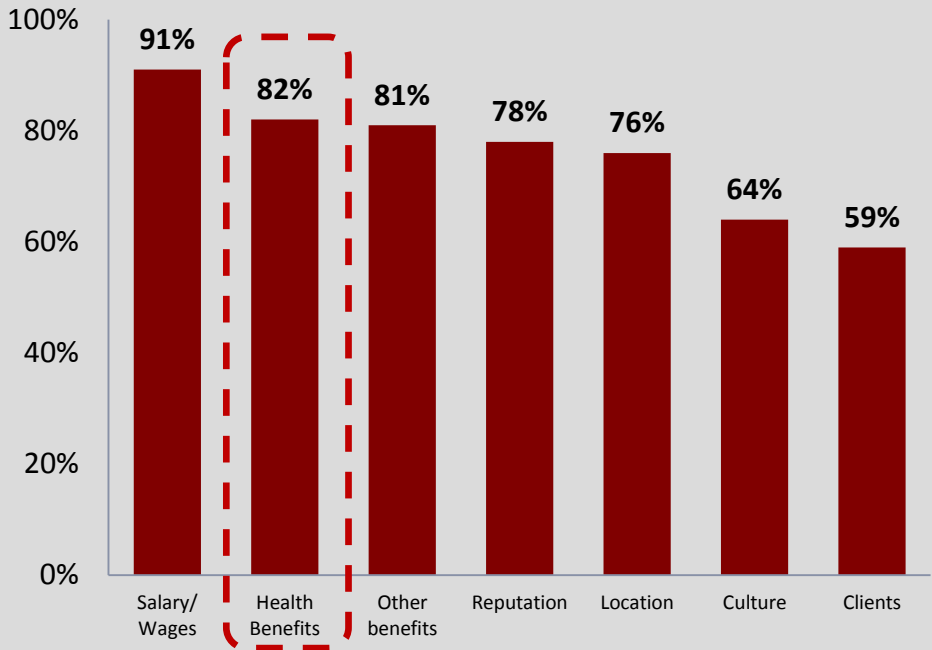
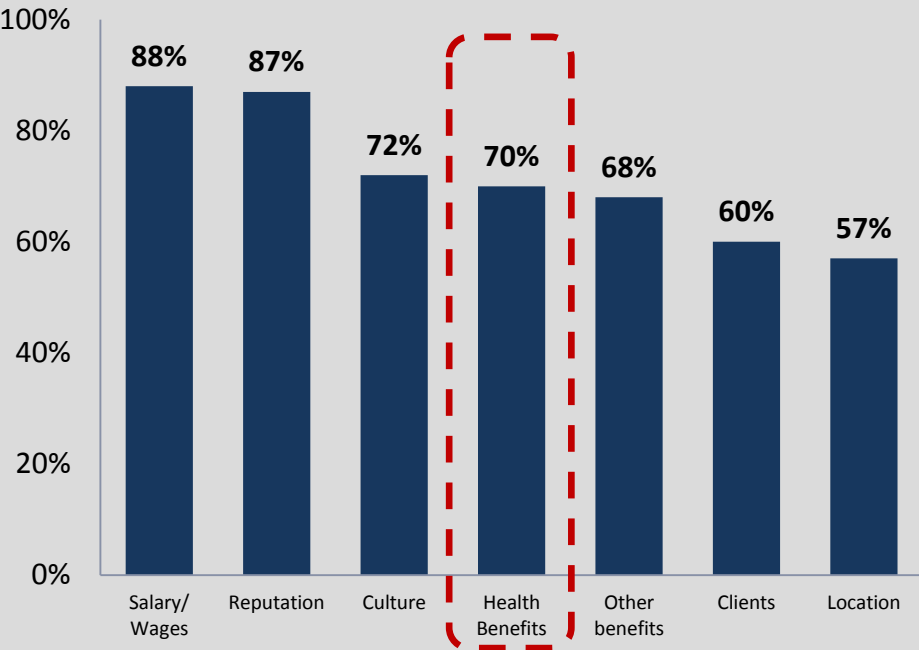
Phase 2 Survey



While employers identify Health Insurance as an important component of hiring and retention programs, employees place a higher emphasis on health insurance benefits than do most small business owners.

How to Attract and Retain Employees

Most Important Factors When Choosing An Employer



■ Small Business

■ Individuals

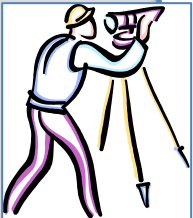
**[Small Business Question 1: How important are the following for your organization when attracting and retaining quality employees? N = 399]*

**[Individuals Question 1: How important are the following in your decision to work an employer? N = 662]*

Stage 1 – 2011 Summary

Phase 2 Survey

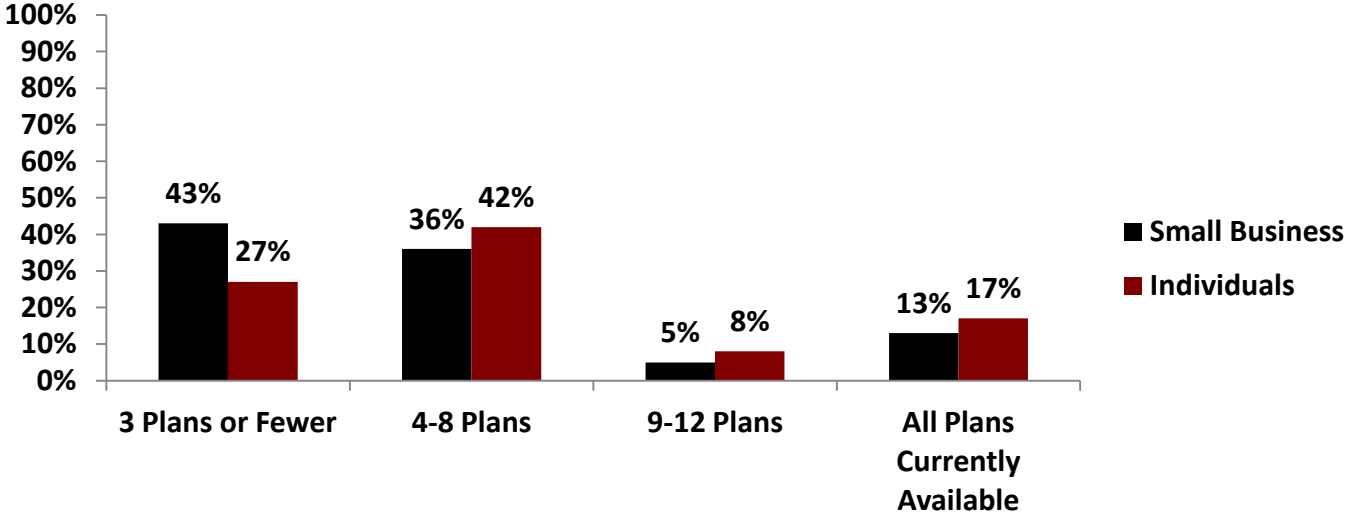
Key Findings – Number of Desired Options



There is still some debate about how many insurance plans should be available via the Exchange.

[Question 18: How many health insurance plans do you think should be offered through a state-run health benefits Exchange?]

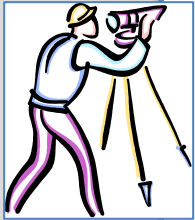
Small Business N=399, Individuals N = 662



Stage 1 – 2011 Summary

Phase 2 Survey

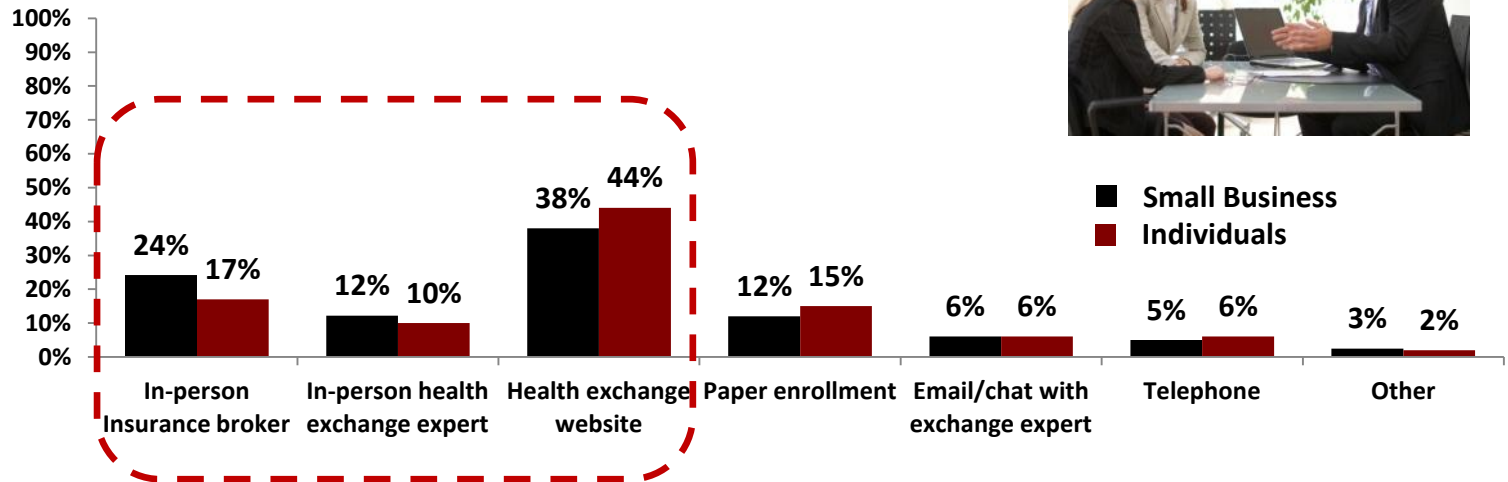
Key Findings – Desire for Direct Assistance



Survey respondents voiced a strong preference for direct, interactive channels when they need answers to questions and support to resolve issues.

[Question 22: In which of the following ways would you most prefer to receive education and information about the health insurance exchange?]

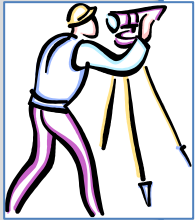
Small Business N=399, Individuals N = 662



Stage 1 – 2011 Summary

Phase 2 Survey

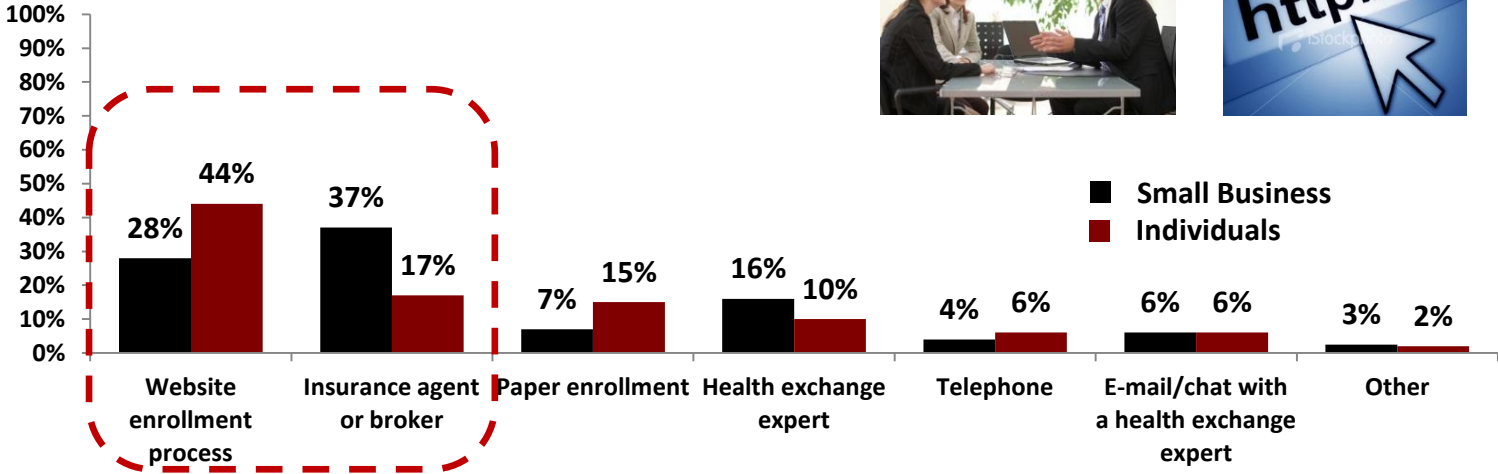
Key Findings – Enrollment Preferences



Survey response showed a difference in enrollment preferences, with small business owners most preferring interaction with a broker and individuals most preferring interaction with the Exchange via a web site.

[Question 20: How would you most prefer to enroll annually in a health insurance plan?]

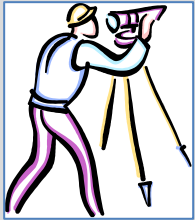
Small Business N=399, Individuals N = 662



Stage 1 – 2011 Summary

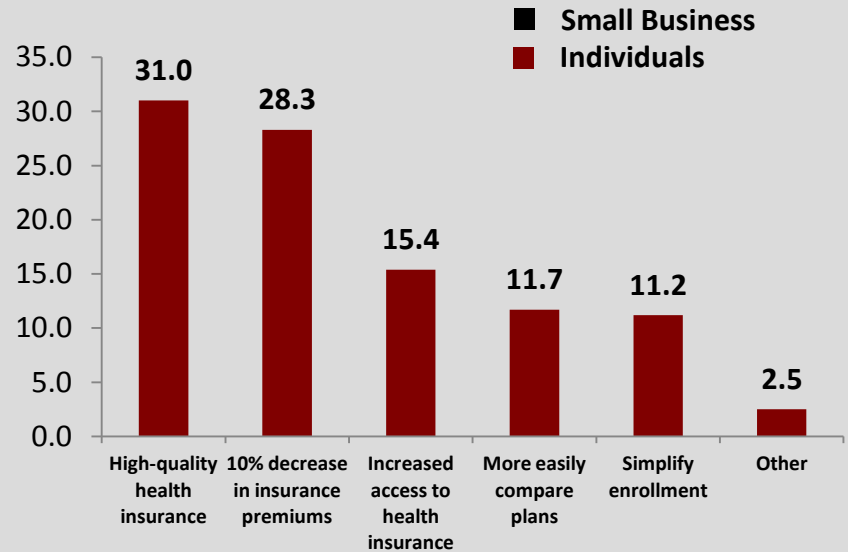
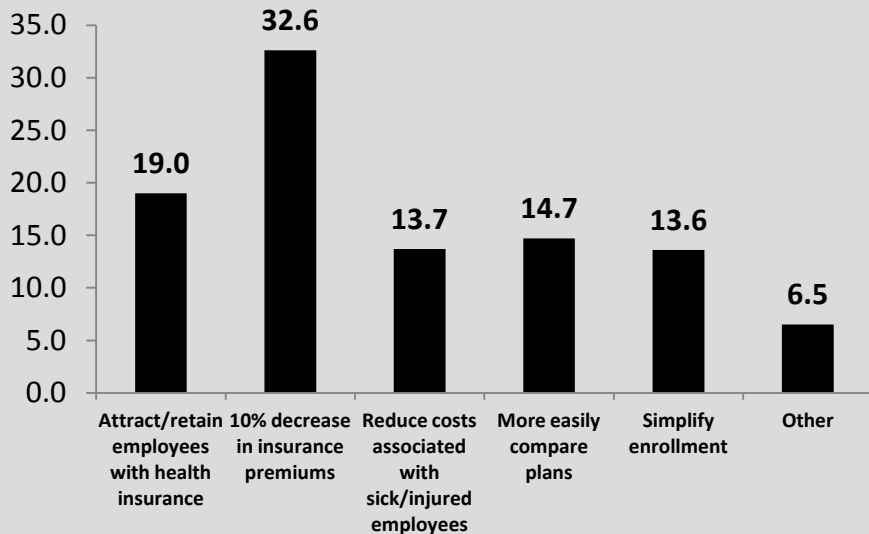
Phase 2 Survey

Key Findings – Preferred Outcomes



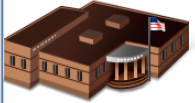
When considering potential outcomes of a Mississippi health insurance exchange, small business owners and individuals rated issues surrounding the cost and quality of health insurance at most important.

*[from Question 15: How would you assign the relative value of potential outcomes that could result from the implementation of a Mississippi health insurance exchange?]
 (100 points per respondents assigned across designated categories)
 Small Business N=399, Individuals N = 662*



Stage 1 – 2011 Summary

Phase 3 Town Hall



Research Objective - Methodology

Make a broader community assessment of attitudes and concerns voiced in Phases 1 and 2, within 13 Town Hall meetings throughout the State of Mississippi

Town Halls (June 20-24, 2011) in attendance were:

- Mississippi Health Advocacy Program
- Center for MS Health Policy
- Children’s Defense Fund
- Clinton Chamber of Commerce
- Fisher Brown Bottrell
- MS American Academy of Pediatrics
- Office of U.S. Senator Wicker
- Olive Branch Chamber of Commerce
- Pioneer Health Services
- Tupelo Holy Apostolic Temple Church
- United Healthcare
- University of Mississippi Health Center
- Cleveland Bolivar County Greater Chamber of Commerce
- Hattiesburg Clinic
- Jackson Public Schools
- Plaza Pharmacy
- Self-employed Small Business Owners
- BlueCross Blueshield of Mississippi
- Tupelo Mfg. Co.

Results of Town Hall meetings were recorded and tabulated to derive findings in Phase 3.

Stage 1 – 2011 Summary

Phase 3 Town Hall



Key Findings

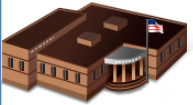
1. Mississippians want to know the practical impact of the PPACA legislation.
2. PPACA (“Obamacare”) was often mentioned with frustration, apprehension, and a general tone of resistance.
3. Participants wanted a state-run Exchange (**by Mississippians for Mississippians**) and not a federally-run Exchange.
4. Members signaled a strong desire for simplicity (easy to understand and direct help when there is a need for information or help solving a problem).
5. Small business owners want to run their enterprise and not to get stuck administering health insurance plans.



“We want to know that this is really for Mississippians, that it is in the hands of Mississippians.”
-Town Hall Participant

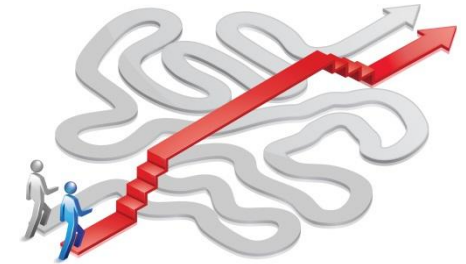
Stage 1 – 2011 Summary

Phase 3 Town Hall



Key Findings Continued

6. The enrollment and management process needs to be quick and efficient.
7. Businesses and private individuals require direct and meaningful assistance when learning about and navigating the Exchange and its programs.
8. There is a need for seamless integration between the Exchange and federal subsidy programs.
9. Education and outreach about the Exchange and key concepts needs to be provided across different channels and must reach throughout the state (even in remote areas).
10. Respondents expressed a specific interest in exploring *Defined Contribution Plans* as an option within the Exchange.
11. Mississippians want a voice in the development and implementation of the Health Benefits Exchange.



Stage 2 – 2012 Research

Stage 2

The next stage of development will leverage existing components of health care within the State of Mississippi. Business leaders, insurance providers, state legislators, state agencies, the federal government, and business leaders will all work together to integrate existing infrastructure with the newly created Health Benefits Exchange.

Research in this next stage of development will focus on the definition of integration points among stakeholders, so that the Exchange Advisory Board can develop and implement policies surrounding the Exchange.

Stage 2 – 2012 Research

Stage 2 Research Timeline and Methodology

Stage 2

Phase 1

Perform secondary research, interview specialists, and synthesize with Stage 1 research to create an integration plan with other plans and processes.

Q1
2012

Phase 2

Assist the Exchange Advisory Board (EAB) to gather stakeholder input via CIGs and TAGs on specific topics relevant to the Exchange.

Q1-3
2012

Phase 3

Use stakeholder interviews and focus groups to gather stakeholder input on health insurance reform policies.

Q2-3
2012

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**Inaugural Meeting
of the
Mississippi Health Insurance Exchange Advisory Board**

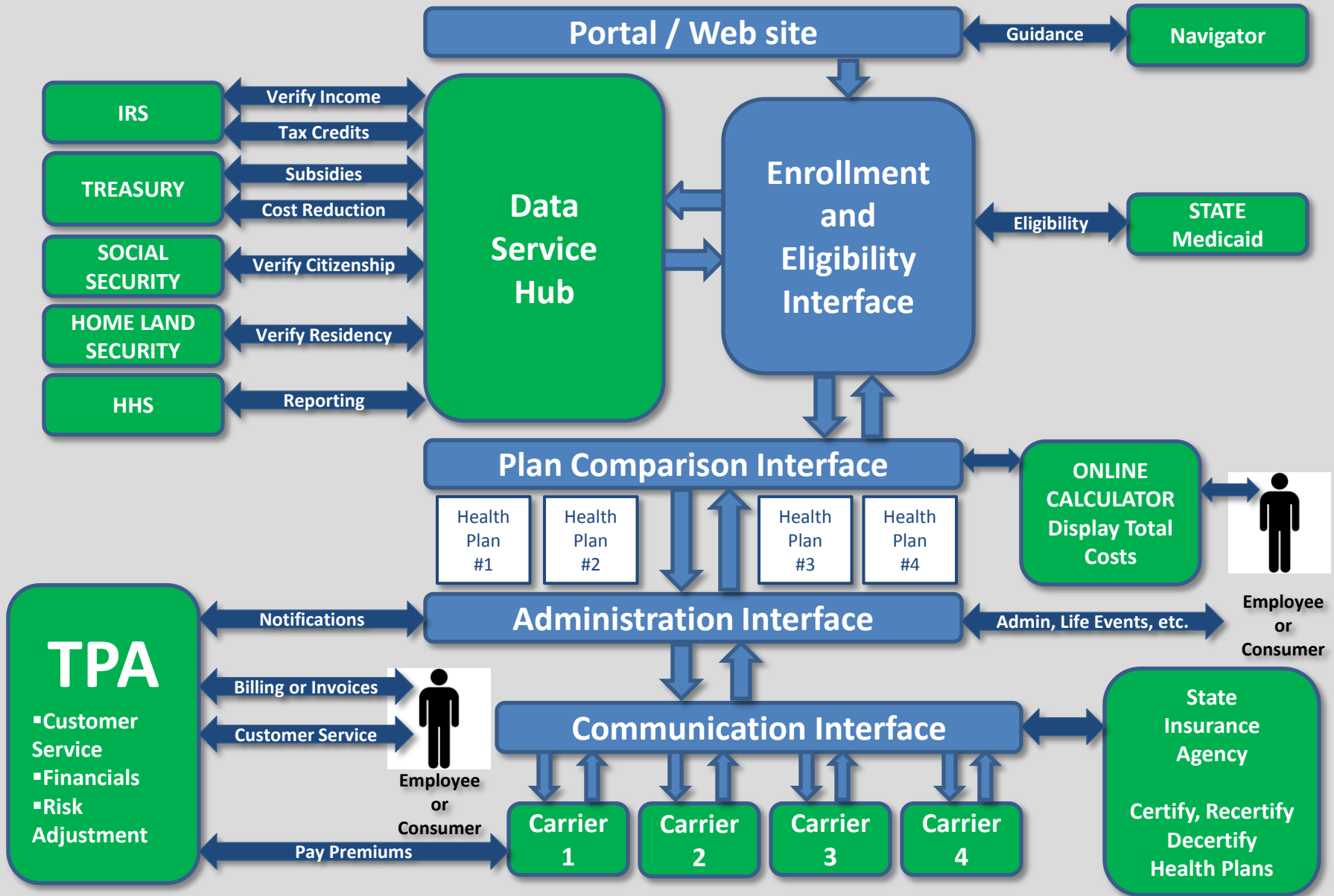
**Mississippi Insurance Department
Commissioner Mike Chaney**

January 31, 2012

PPACA Implementation: Identifying Issues, Barriers, and Opportunities

**Presented to the
Mississippi Insurance Exchange Advisory Board
January 31, 2012
Jackson, MS**

Mandated State Exchange Functions



Barriers to Implementation

- Overall lack of certainty
 - 2012 Elections
 - Constitutional challenges
- Lack of timely guidance from HHS
 - 1968 new or expanded powers given to the Secretary of HHS
- Heavy technology lift
 - Systems development
 - Strained public/private sector resources
- Tough statutory timelines
 - Agreement among state officials
 - Stakeholder buy-in

The Future of the Law: Budget

- Exchange administrative costs
 - Federal funding opportunities for exchange establishment through 2014
 - On-going operational costs are the responsibility of the state
- Exchange premium subsidies
- Medicaid expansion

The Future of the Law: SCOTUS

Four Questions, Five Primary Issues

1) Commerce Clause

- *Does Congress have the authority to require individuals to purchase health insurance?*

2) 10th Amendment

- *Is it unconstitutional for Congress to require states to expand (and pay for) Medicaid*

3) Taxation

- *Is the “penalty” really a “tax”?*

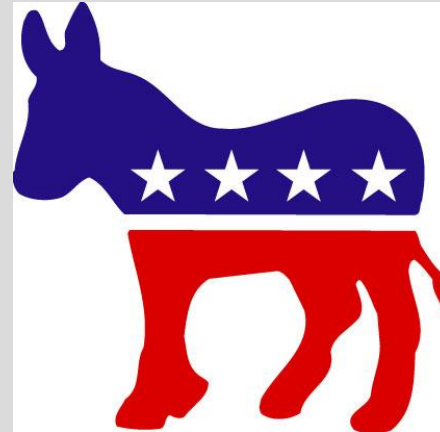
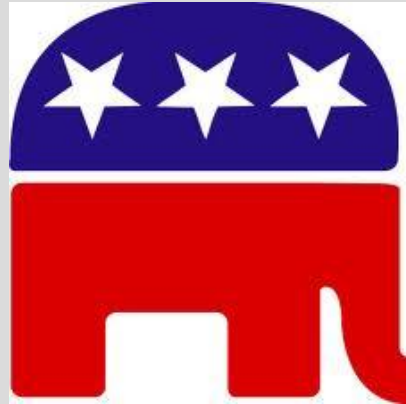
4) Anti-Injunction Act

- *If the “penalty” really is a “tax”, is it premature to even address the first three questions?*

5) Severability

- *If the Supreme Court decides that the individual mandate is unconstitutional, can the rest of the law stand?*

The Future of the Law: 2012 Elections



- Who will occupy the White House?
 - Is “effective” repeal by Executive Order possible?
- Who controls the House and Senate and to what degree?
 - Is actual repeal possible?
 - Will statutory timelines remain?

What's Trending?

- Exchanges pre-date PPACA and continue to be popular among many state leaders on both sides of the aisle
- Most states will initiate efforts to build an exchange; many will do so on their own terms
- Fully functioning, PPACA compliant state exchanges by 2014 is questionable
 - Majority of states indicate insufficient lead time on PPACA implementation
 - Political and practical barriers abound
- Federally Facilitated Exchange will be ready; state interface will be challenging

Likely State Scenarios in 2014

3 Primary Buckets

- States making significant progress (5-10)
 - Will be certified as “approved”
 - Will likely still rely on federal processes for some functionality
- States making some progress (30-35)
 - Will be certified as “conditionally approved”
 - Will be considered state-federal “hybrid”
- States making little or no progress (5-10)
 - Will have a federally-facilitated exchange
 - May continue to work toward a state-facilitated exchange

Strategic Imperatives for States

- Define the state's vision; identify long- and short-term strategies
- Perform environmental assessment
- Develop a blueprint
- Proactively engage all stakeholders
- Act NOW
 - Be thoughtful, deliberative, and decisive in planning and implementation efforts
 - Understand the implications of actions or lack thereof
 - Be creative in finding unique solutions that work for the state's unique circumstance

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**Inaugural Meeting
of the
Mississippi Health Insurance Exchange Advisory Board**

**Mississippi Insurance Department
Commissioner Mike Chaney**

January 31, 2012

Exchange Advisory Board: Organizational Structure and Reporting Schedule

**Presented to the
Mississippi Insurance Exchange Advisory Board
January 31, 2012
Jackson, MS**

EXCHANGE ADVISORY BOARD

- Created by Mississippi Insurance Department Bulletin 2011-9, dated October 18, 2011
- Meetings will be held at least quarterly* and will be conducted in Jackson, MS, as well as other parts of the State.
- Dates, times and locations of meetings for the Advisory Board will be published on the Mississippi Insurance Department website.

*This is a minimum; however it is likely the groups will need to meet at least monthly to accomplish the necessary work.

ADVISORY BOARD SUBCOMMITTEES

- Each Subcommittee will be a multi-stakeholder group.
- Each Subcommittee will be given a list of specific tasks and issues and a time line for bringing recommendations back to the Exchange Advisory Board.
- A Subcommittee may, with the approval of the Exchange Advisory Board, create Technical Advisory Groups (TAGs) to address issues assigned to the groups by the Exchange Advisory Board.
- The Advisory Board Subcommittees will supervise any Technical Advisory Groups created and report Subcommittee recommendations to the Exchange Advisory Board.
- It is expected that each Subcommittee will provide specific findings and tangible ideas for next steps and feedback regarding the efficacy of the current insurance market reform efforts.
- Subcommittee should generally expect to meet once or twice monthly, depending on the complexity of the issue, the urgency of the issue, and reporting schedule as prescribed by the Advisory Board.
- Subcommittees should record all meetings and be prepared to report to the Advisory Board with both written and oral presentations.
- While interim reports may be requested by the Advisory Board , **Subcommittees should expect to present Phase I Final Recommendations to the Exchange Advisory Board by July 2012.**
- Dates, times and locations of meetings for the Subcommittees will be published on the Mississippi Insurance Department website.

**Educated Health
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Michael Jones
Linda Dixon Rigsby
James P. Almas
Bucky Murphy
Susan Martindale
Signe Jones

**Experience in
Enrollment**

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Sannie Snell
Nancy Stewart
Corey Wiggung
Tammy Bullock
Scott Stanford
Bryan Lagg
Keri Abernathy

**Hard to Reach
Populations**

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Katrina Reynolds
Kim Stonecypher
Margaret Gray
Grayson Norquist
Kim Hancock
Kurt Hellmann
Angela Ladner
Rims Barber
Debbie Ferguson

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Jill Bishop
Dr. Philip Marler
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Thomas Montgomery
Sandi Munden

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Lee Ann Griffin***

Kristy Simms
Dr. Morris Hamilton
Robert Morris
Dr. Jasmine Chapman
Beth Dickson
Myrtis Small
Mitch Morris
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Dr. Lenito Sinay
Dr. Frank Reese
Keith Heartsill
David Elliott
Michael Neuendorf
Dr. Gail Megason
Ann Bishop
Dr. Thomas Joiner
Dr. Owen Evana
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Dr. Tammy Sims
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Doug Henley
Hamman
Preston Francis
Scott Bingham
Dan Gibson

**Health Insurance
Issuers**

Lawrence Kissner

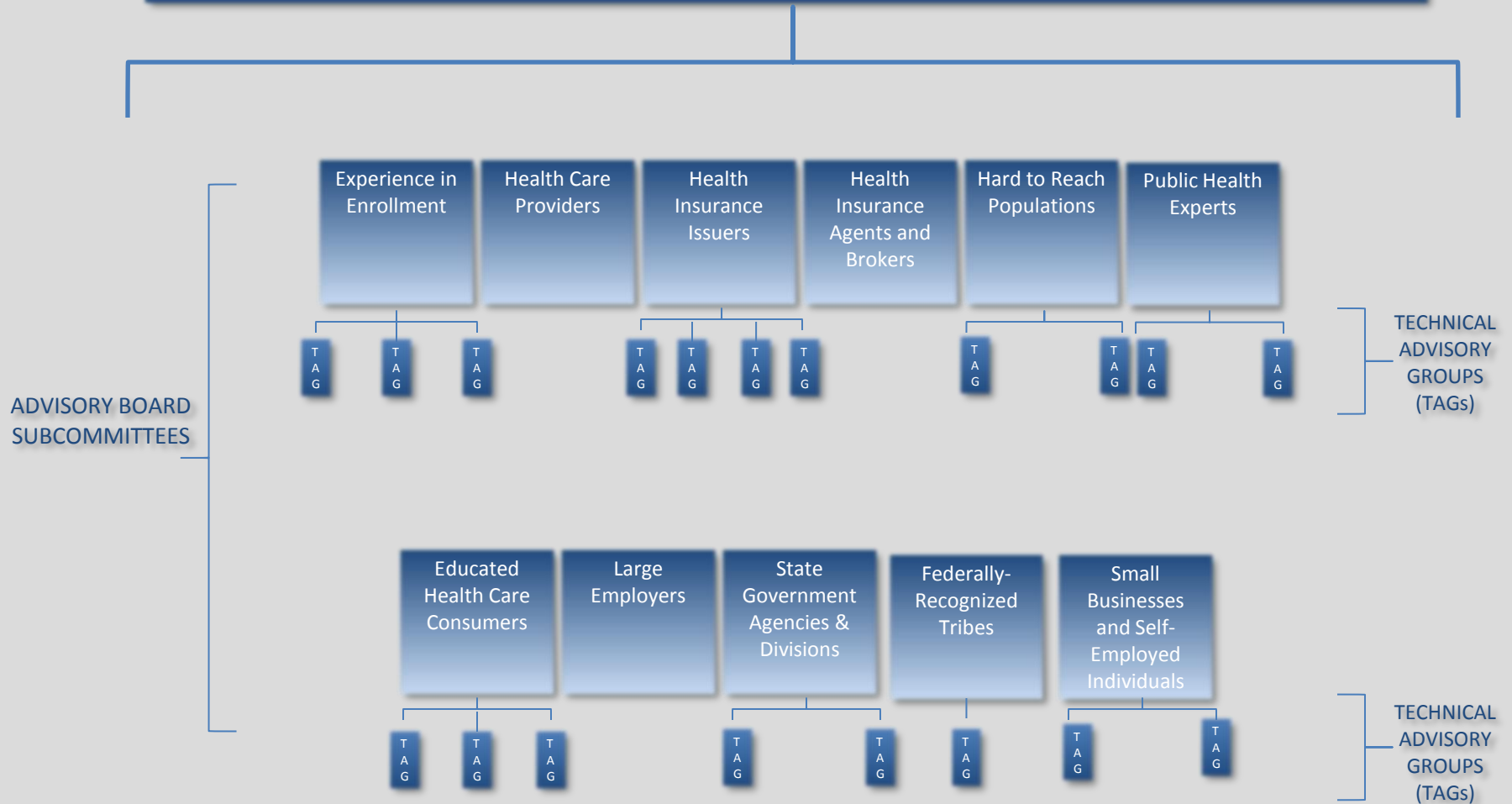
Charles Pace
Michael Bailey
Kyle Godfrey
Jeff Album
Clinton Mayes

**ADVISORY BOARD
SUBCOMMITTEES &
MEMBERSHIP**

TECHNICAL ADVISORY GROUPS

- Technical Advisory Groups (TAGs) may be formed at the request of a Subcommittee and with the approval of the Advisory Board.
- The work and recommendations of TAGs should be supervised and vetted by their respective Subcommittee.
- TAGs should generally expect to meet once or twice monthly, depending on the complexity of the issue assigned, the urgency of the issue, and reporting schedule of the Subcommittee to which the TAG is a subsidiary.
- TAGs should record all meetings and be prepared to report to Subcommittees with both written and oral presentations.
- Findings and recommendations of each TAG will be reported to the Advisory Board, along with other Subcommittee recommendations.
- While interim reports may be requested by Subcommittees, **TAGs should expect to present final recommendations to Subcommittees by June 2012.**

EXCHANGE ADVISORY BOARD



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