

# Preparing for 2014 and the Role of the Agent/Broker

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# The Affordable Care Act

- \* Establishes the Health Insurance Marketplace to help individuals obtain health insurance coverage and to help small businesses to purchase insurance through the SHOP.
- \* Provides for premium tax credits and cost-sharing reductions to help eligible low-income and middle-income individuals purchase health insurance through a Marketplace.
- \* Provides a small business health care tax credit to eligible employers.
- \* Provides for changes to the State Medicaid programs to cover additional adults and children with low incomes, and simplifies the eligibility rules for Medicaid and CHIP.

# Agent/Broker Requirements in the FFM

- \* To participate in the Marketplace, agents/brokers must be licensed and follow state appointment laws(where applicable).
- \* Agents/Brokers must continue to comply with State laws to participate.
- \* States will continue to be the primary regulatory authority overseeing agents/brokers.
- \* Adhere to all state requirements for licensure, appointment, and market conduct
- \* Complete Marketplace on-line training
- \* Complete security authentication steps
- \* Complete the agent/broker agreement

# Agent/Brokers in the FFM

## Agents/Brokers relationships with issuers in FFMs:

- \* The amount and terms of compensation (including appointments) will be negotiated between the agent/broker and issuer.
- \* State appointment and commission regulations remain in effect for FFMs and FF-SHOPs.
- \* FFMs and FF-SHOPs will not pay commissions.
- \* Agents/Brokers participating in an FFM or FF-SHOP should expect to be paid the same commission that issuers pay outside an FFM or FF-SHOP.

# Agent/Broker Marketplace Registration and Training

- \* The federal Health Insurance Marketplace will launch agent/broker registration and training site in late summer.
- \* All Brokers in these states will have to register with the Centers for Medicare and Medicaid Services (CMS) in order to work within the Exchange. This online process should become available over the summer of 2013 and will likely include identifying questions, an exchange-specific training course and an agreement to comply with federal and state policy. Once registered, each Broker will be issued a “Federally-facilitated Marketplace user ID.” This will be used to identify you with consumers and issuers.
- \* According to OCI Agents will also be required to obtain additional training on Medicaid. Further details will be forthcoming later this summer.

# Pathways For Agents And Brokers To Assist Consumers in the Exchange

Agents and brokers will be able to assist consumers either through an insurer-based pathway, in which the agent or broker uses an insurer's website or private exchange to assist consumers, or directly through the exchange website.

# Insurer-based pathway

An agent or broker appointed by an insurer can initiate enrollment of a consumer through the insurer's website or an agency's private exchange. If the consumer wishes to enroll in coverage through a public exchange, the agent or broker will be securely redirected to the exchange website to complete the eligibility determination process.

The agent or broker must use his or her unique identifier and NPN to access the exchange and must inform the consumer that the agent or broker will only provide information on QHPs with which he or she has a business relationship, but that the consumer may alternatively directly access the exchange website to see other plans.

# Direct exchange pathway

Alternatively, the agent or broker can help the consumer to enroll through an exchange website. In this case, the individual, employer, or employee will obtain a user name or password through the exchange which will not be shared with third parties, including the agent or broker.

The agent or broker will then assist the consumer in securing an eligibility determination and in selecting a plan. All QHPs available through the exchange will be displayed. The agent or broker's unique identifier and NPN will be entered as part of the transaction to indicate that the agent or broker assisted the consumer.



# Continued...

Agents and brokers must work with all individuals and families who approach them for help, including those who are eligible for Medicaid or CHIP. Agents and brokers must be familiar with these programs and must refer consumers eligible for these programs to the appropriate entity.

Agents and brokers may continue to communicate with consumers after enrollment through the exchange to the extent such communications comply with relevant laws, including in particular exchange privacy and security regulations which limit how such information can be used. Agents and brokers who enroll employers through the SHOP exchange are expected to remain in contact with employers to provide customer services (such as enrolling employees).

# Web Brokers

To the extent permitted by state law, the federal exchanges will work with web brokers, allowing a consumer to begin shopping at a web broker's website, be connected securely with the federal exchange website for an eligibility determination, and be redirected to the web broker website to select and enroll in a QHP. The web broker will then transmit this choice back to the exchange, which will convey the enrollment information—including the identification of the web broker for compensation purposes—to the QHP insurer. Web brokers will be required to comply with all exchange security and privacy requirements.

Unlike traditional brokers and agents, web brokers must display all QHPs, regardless of appointment or compensation arrangements. If a consumer wishes to enroll in a plan for which the web broker does not have an appointment, the web broker must direct the consumer to the exchange website for enrollment.

Web brokers in the federal exchange may not use a sort order or sorting algorithm that will steer consumers to particular QHPs based on the web broker's financial interest. Web brokers may, however, offer additional tools or decision support that the consumer can use to navigate or refine the display of QHPs. Web brokers must disclose to the consumer the source and nature of their compensation and must inform consumers that compensation arrangements do not affect the display of QHP options or the premiums charged. Web brokers may not charge consumers a separate transaction or service fee for using their websites.

# Navigators and Certified Application Counselors in an Agent/Broker world

- \* “Agents and brokers, including web-brokers, are among those who will play a role in educating consumers about Marketplaces and insurance affordability programs, and in helping consumers receive eligibility determinations, compare plans, and enroll in coverage. In particular, CMS anticipates that Brokers will play a critical role in helping qualified employers and employees enroll in coverage through the Small Business Health Options Programs (SHOPs)” –CCIIO
- \* Navigators are tasked with performing the same duties and responsibilities as insurance agents/brokers, but has a number of restrictions that an insurance agent/broker does not.

# Strengths of Navigators, Agents/Brokers

## Agents/Brokers

- \* Familiarity with private health insurance markets and coverage options
- \* Coordination and integration of all benefits (LTC, disability, life insurance, dental, vision, Medicare products, financial services)
- \* Assistance with coverage issues (networks, authorizations, etc.)
- \* Assistance with claims issues throughout the plan year (resolving matters with providers, insurers, assisting with appeals)
- \* Assistance with policy renewals (plan comparisons, benefit utilization analysis, negotiation of appropriate benefits)
- \* Integration of cost-saving measures (wellness programs, disease management, plan utilization)
- \* Assistance with detailed employer/employee enrollment issues (verifications, participation requirements, certifications etc.)
- \* Familiarity with state insurance regulators, laws, regulations and programs
- \* Compliance assistance (HIPAA, COBRA, ERISA, PPACA, Medicare Secondary Payer, plan testing, etc.)

## Navigators

- \* Ability to provide outreach to special and underserved populations
- \* Language and/or cultural expertise
- \* Familiarity with public sector health programs

# Strengths of Navigators, Agents/Brokers

## Potential Overlap of Responsibilities

Public Education

Marketing and advertising

Distributing fair and impartial information about coverage options

Facilitating enrollment in Qualified Health Plans

Providing referrals to appropriate state entities to address questions, grievances or complaints

# Agents/Brokers working with Stakeholders

- \* Committed to serving Wisconsin consumers by helping them find the right coverage at an affordable price.
- \* Working collaboratively with the State of Wisconsin, Healthcare providers, Certified Application Counselors, Navigators and other entities to facilitate broad enrollment into health insurance plans.
- \* Questions still remain on how to integrate the various workflows of all stakeholders.

# In Difficulty lies Opportunity

- \* The Congressional budget office estimates that 9 million uninsured eligible individuals could obtain coverage through the marketplace in 2014, rising to an estimated 25 million by 2022. Some estimates have 500,000 Wisconsinites seeking health insurance in the exchange.
- \* The scope of services, the role and business model for agents will change more and more over time.