Health Reform Implementation: Regulatory and Timetable Challenges

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Early Challenges

✓ High Risk Pool in a Guaranteed Issue State?
✓ Our Most Popular Plan Has to Go Away?
✓ Dueling MLR Requirements?
✓ Can an Unreasonable Rate Increase be a Justifiable Rate Increase?
Today’s Challenges:

- Taking Stock
- The Unknown
- Delivery System Capacity
- State Resources
- State Processes

Challenge #1 – Taking Stock

- Goals
- Projecting The Newly Insured And Where They Will Fit
- Stakeholder Input
- Today’s Hardware, Software, And Infrastructure
- Where State Law And ACA Intersect
Challenge #2 The Unknown

• **Federal Fallback Exchange**
• **Essential Benefits**
• **Federal Rules on:**
  – Individual eligibility;
  – Handling advance payment of tax credits and cost-sharing reductions;
  – Individual responsibility exemptions;
  – Quality standards;
  – Interaction with Medicaid/establishment of a Basic Health Plan.

Challenge #3 Delivery System Capacity

• **Medicaid in NJ Expected to Expand by 234,000**
• **Basic Health Plan Would add 65,000-75,000 More**
• **NJ Faces significant shortage of PCPs and some Specialties**
• **Cost-shifting Already a Significant Problem**
**Challenge #4 State Resources**

- Key People are Not Fungible
- Inter-Agency Coordination is Mandatory
- Get Moving Before All Pieces Are in Place
- The Uninsured Will Still Be With Us

**Challenge #5 State Processes**

- Public Procurement
- Civil Service Hiring Processes
- Legislative/Regulatory Processes
Wrap Up

• What will the 112th Congress do?
• What Will the Courts Do?
• NJ’s continued priorities:
  – Bend the cost curve to the right
  – Increase preventive care
  – Reduce Waste, Fraud and Abuse