



# 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?



## 2014 Is Tomorrow

### 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 112<sup>th</sup> 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