Obamacare's Shaky Rollout: AK, OR, CO, CA, & RI



"This could be a highly complicated procedure involving at least three different insurance companies." Presentation to: Washington Policy Center 9th Annual Health Care Conference Seatac, WA June 7, 2011

John R. Graham Director, Health Care Studies Pacific Research Institute



Alaska

- SB 70 (French, Davis, Ellis) Alaska Health Benefit Exchange, January 2011
- Purports to create a competitive market
- Fears federal intrusion if no state action
- Not expected to pass
- Alaska a plaintiff in Florida case
- Gov. Parnell rejects Obamacare \$\$\$
- Might have an EO up his sleeve

Oregon

- SB 99 introduced January 2011, supported by Gov. Kitzhaber
- Oregon Health Insurance Exchange Corporation – a public corporation
- 2 *ex officio* voting members
 - Director of the Oregon Health Authority (established 2009)
 - Director of Department of Consumer & Business Services

Oregon

- 7 members appointed by governor, confirmed by Senate
 - 4-year term
 - Governor can fire for incompetence, *etc.*, after public hearing
 - No term limits
 - Max two members from interest groups

Oregon

- Contracting: open or selective?
 (See sections 11 & 12)
- Financed by fees charged to carriers (section 17)
 - Up to 5% of premium if <= 175K covered lives
 Up to 4% of premium if > 175K covered lives
- Passed Senate April 25, stuck in House must pass in June

Colorado

- SB 11-200 passed both chambers
 Senate April 27
 - House amendments May 4
 - 5-year "post-enactment review"

	D	R	Total
Yes	31	13	44
No	1	20	21
Total	32	33	

- Senate concurred May 5
- Unsigned as of May 23 (but expected)

Colorado

- 12 member Board
 - -9 voting
 - 5 appointed by governor (max from one party)
 - 1 each from Senate president, Senate minority leader, House Speaker, House minority leader
 - Staggered 4-year terms, 2-term limit
 - 3 ex officio
 - ED of Department of Health Care Policy & Financing
- Fiscal impact: 0.4 FTE@\$30,000!

Colorado

- 12 member Board
 - 3 ex officio (non-voting)
 - ED of Department of Health Care Policy & Financing
 - Commissioner of Insurance
 - Director, Office of Economic Development & International Trade
- Fiscal impact: 0.4 FTE@\$30,000!

California

- Gov. Schwarzenegger signed legislation September 30, 2010!
- 5-person board
 - 2 appointed by governor (Schwarzenegger)
 - 1 by Assembly Speaker
 - 1 by Senate Rules Committee unappointed as of May 23
 - -1 ex officio (voting) Sec. HHS
- First meeting: *April 20, 2011*!

California

- Funding:
 - "Shall assess a charge on the qualified health plans offered by carriers that is reasonable and necessary to support the development, operations, and prudent cash management of the Exchange."
- Selective, not open contracting

Rhode Island

- S87 passed Senate April 5, no House action as of May 23
- 11 member Board, staggered 3-yr terms
 - 3 ex officio (voting)
 - ED of Department of Health Care Policy & Financing
 - Commissioner of Insurance
 - Director, Office of Economic Development & International Trade
 - 8 appointed by governor, Sen. confirmation
 Funded from general fund (& federal grants) 11

But Rhode Island Is Interesting Because of the Medicaid Waiver

- Carcieri Administration started negotiating block waiver August 2008
- Approved last day of Bush Administration
- Not a block grant, but a capped Federal Medical Assistance Percentage (FMAP)

But Rhode Island Is Interesting Because of the Medicaid Waiver

- Total spending capped at \$12.075 billion through 2013
- Spending through December 2010 indicate total spending will be \$9.3 billion
- New administration has badmouthed the Carcieri waiver, but intends to continue it – although it can cancel at any time
- Rhode Island an important pathfinder as Congress deliberates Medicaid reform

Thank You! For More Information:



What States Can Do to Reform Health Care:

> By James R. Copland, Ray Cordato, John R. Graham, Nina Owcharenko, Brett J. Skinner, Shirley V. Svorny, and J.P. Wieske

> > Edited by John R. Graham

with a foreword by Governor Mark Sanford

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