



Maryland's Progress with Coverage Expansion Under the ACA

Joshua M. Sharfstein, M.D.

Secretary, Maryland Department of Health and Mental Hygiene

Chair, Board of Maryland Health Benefit Exchange

July 2012

Follow Health Reform in MD
on Twitter

[@MDHealthReform](#)

[@DrJoshS](#)



Timeline

March 23, 2010

President Obama signs the Affordable Care Act into law, requiring states to either establish and operate a Health Benefit Exchange by 2014 or participate in a federal Exchange

March 24, 2010

Governor O'Malley establishes a planning process, to involve >20 public meetings. Studies show potential to cut rate of uninsured in half, bring >\$500 million in subsidies for insurance, and be net positive for MD budget over next decade.

April 12, 2011

Governor O'Malley signs the Maryland Health Benefit Exchange Act, which establishes Maryland's Exchange as a public corporation and requires submission of studies on key policy issues

June 3, 2011

Exchange Board holds its first meeting and begins to hire great staff

December 23, 2011

Based on extensive public input and four advisory committees, exchange delivers recommendations to General Assembly

April 2012

Legislature passes legislation defining and authorizing key exchange policies

January 1, 2013

Exchange to be certified for operation by the federal government

October 1, 2013

Individuals and groups to begin enrolling in the Exchange

January 1, 2014

The Maryland Health Benefit Exchange to be operational, Medicaid expansion in place

Exchange Board

Joshua M. Sharfstein, M.D. – Chair

Secretary, Maryland Department of Health and Mental Hygiene

Darrell Gaskin, Ph.D. – Vice-Chair

Associate Professor, Johns Hopkins Bloomberg School of Public Health

Therese Goldsmith, J.D., M.S.

Commissioner, Maryland Insurance Administration

Ben Steffen, M.A.

Acting Executive Director, Maryland Health Care Commission

Georges C. Benjamin, M.D.

Executive Director, American Public Health Association

Jennifer Goldberg, J.D., LL.M.

Assistant Director of Advocacy for Health Care Law and Elder Law, Maryland Legal Aid Bureau

Enrique-Martinez-Vidal, M.P.P.

Vice President, Academy Health and Director, State Coverage Initiatives

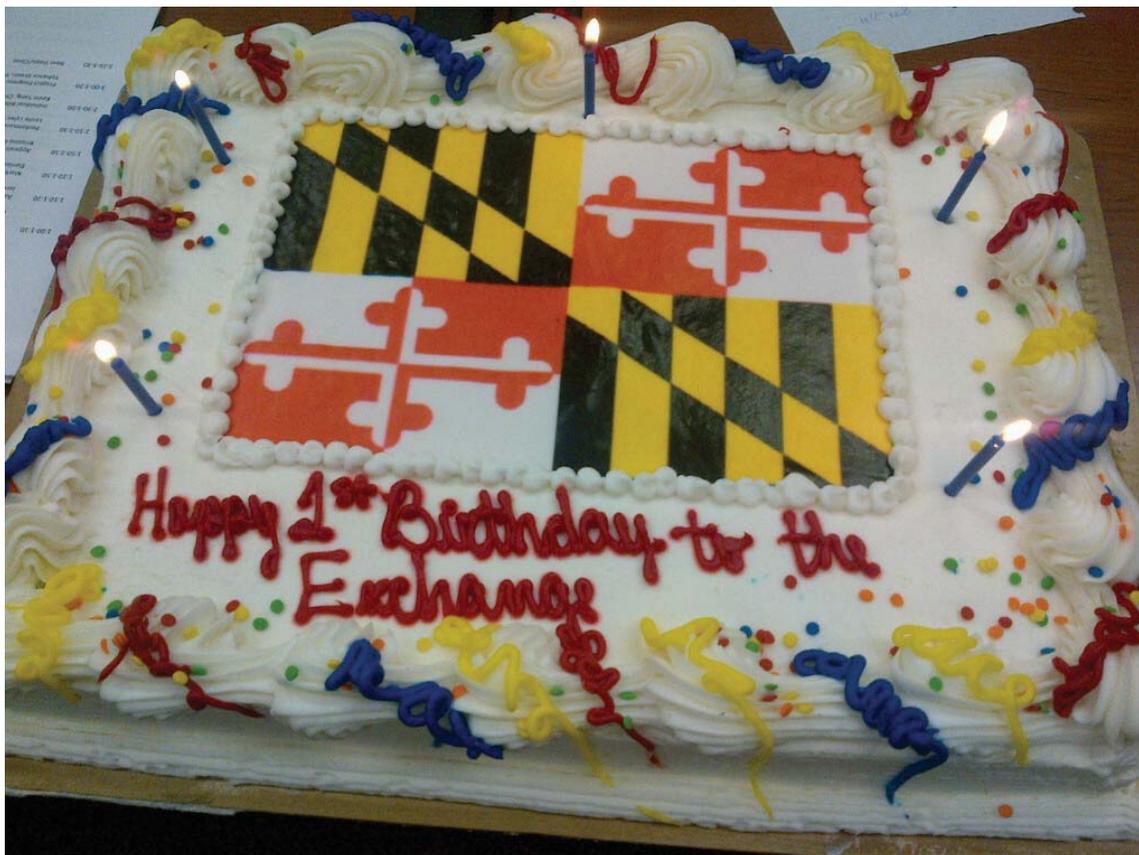
Thomas S. Saquella, M.A.

Former President, Maryland Retailers Association

Kenneth S. Apfel, M.P.A.

Professor of Practice, University of Maryland School of Public Policy

5



Examples of Exchange Policy Decisions

SHOP:

- Keep existing make-up of small group and individual markets
- Offer federally-required choice model with existing choice model for employees

Operating Model:

- Enable flexibility to determine how best to contract with carriers

Risk Mitigation:

- Require carriers to participate in Exchange once at a certain threshold outside Exchange

Navigator:

- Separate individual and SHOP Exchange Navigator functions
- Enable producers to sell into both Exchanges without having to become navigators
- Create certification process for Navigators

Advertising, Marketing, Public Relations

- Robust, multi-faceted marketing campaign to support enrollment into Exchange

7

Funding (exchange)

- **Planning grant: \$1 million**
- **Early innovator grant: \$6 million**
- **Level 1 grant: \$27.2 million**
- **Level 2 grant: pending**

8

Latest Estimates

Newly covered by Medicaid expansion in Maryland: **102,000** in 2014
135,000 in 2015
187,000 by 2020

Health Benefit Exchange coverage in Maryland: **145,000** in 2014
169,000 in 2015
274,000 by 2020

9

Next Steps

IT infrastructure:

- Build an integrated eligibility and enrollment solution
- Progress to date: Team in place and components procured

Essential Health Benefits:

- Choose an EHB plan
- Progress to date: Advisory committee meeting

Develop a Sustainable Funding Strategy:

- Committee gathering

10

My name is Alycia Steinberg and my story started on a Friday afternoon in October, 2011 when I took my two-year-old Avey to her pediatrician's office for what I thought was a minor kid illness. Monday morning, while Avey and I were shopping for "big girl" toothpaste, the pediatrician called with unexpected lab results—it looks like leukemia, go directly to the Hopkins ER.



In that instant our lives turned upside down.

Avey was an inpatient at Johns Hopkins for 24 days while she started intensive chemotherapy for leukemia, the most common childhood cancer.

We are lucky that Avey's prognosis is excellent. But those first weeks were overwhelming. We had to learn a new language of leukemia and its treatment. We had to figure out how to explain this terrible world to our two-year-old. I watched my little girl lose her hair, I watched her lose her ability to walk.

And I worried about losing our health insurance. Avey's hospital stay cost \$100,000. She has two-and-

“With two years to go before the Affordable Care Act is fully implemented, the State of Maryland appears well poised to fulfill Governor O’Malley’s goal of being a health care reform leader among states. While much work remains, a combination of strong leadership, inclusive planning, and deliberate but aggressive action by committed state officials and system stakeholders has permitted Maryland to make strides in designing its reformed health care system.”

--Urban Institute, February 2012

<http://www.urban.org/publications/412507.html>