



Brian Sandoval
Governor

Florence Jameson, MD
Chairwoman

Heather Korbullc
Executive Director

Silver State Health Insurance Exchange

2310 South Carson Street, Suite 2 Carson City, NV 89701 T: 775-687-9939 F: 775-687-9932

www.nevadahealthlink.com/sshix

FISCAL AND OPERATIONAL REPORT PROVIDED TO THE GOVERNOR AND LEGISLATURE PURSUANT TO NRS 695I.370 (1) (B) & (C) JUNE 30, 2018

The Silver State Health Insurance Exchange (Exchange) is pleased to offer this Fiscal and Operational Report, required pursuant to [NRS 695I.370 \(1\) \(b\) & \(c\)](#), to the Governor, the Legislature and the public. It provides information regarding the activities of the Exchange since December 31, 2017.

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EXECUTIVE SUMMARY

Throughout the time period of January through June of 2018 the Silver State Health Insurance Exchange (Exchange) examined a successful open enrollment period, began taking steps to transition from a State-Based Marketplace utilizing the Federal Platform (SBM-FP) to a full State-Based Marketplace (SBM), and continued to strategize state stability amid challenging federal policy proposals.

The Exchange enrolled a record 91,003 consumers for plan year 2018 - a number that exceeded most analysts' expectations. Of the total enrollment, 29,212 consumers were new enrollees and 61,791 were returning consumers. The final week of enrollment saw 22,716 active enrollments – a surge beyond any prior years. According to health care analyst Charles Gaba, the Nevada Exchange had the 7th highest percentage of enrollment out of all the states that utilize healthcare.gov, something that can be directly attributed to our robust outreach, education, and marketing campaign.

The Exchange set enrollment records each week of the plan year 2018 enrollment period, developed deep community partnerships, and enhanced our enrollment development channel, all in spite of congressional efforts to repeal and destabilize the components of the Affordable Care Act (ACA) that benefit Exchange consumers. Every element within the Exchange's control including: marketing, outreach, plan certification, community engagement, and local customer assistance, was a definitive success.

The Exchange has begun preparations for plan year 2019, with a focus on deepening and expanding those successes as we continue to drive down Nevada's uninsured rate. There are many factors that played into the 2018 successful enrollment period, perhaps none more important than the dedicated focus of 47 Navigators, over 100 licensed producers, three Broker Storefront grantees, stakeholder partners, and various statewide community allies. The Silver State came together in an unprecedented and critical way to engage Nevadans and connect them with affordable health insurance through Nevada Health Link and we are grateful for their passion and commitment.

Another critical factor in the Exchange's record enrollment was a robust and creative marketing campaign highlighting the importance of insurance to protect individuals and families from financial ruin; clearly consumers heard the message. In April 2018 the Exchange's Marketing vendor, Penna Powers, was presented with a well-deserved Silver ADDY award for the Exchange's "You can't afford not be insured," integrated marketing campaign. In addition to the comprehensive work done to advertise and promote open enrollment, the Exchange engaged in a vigorous public relations campaign designed to inform consumers through media interviews, TV appearances, and community engagements. The role that outreach and marketing plays in generating awareness and prompting enrollment cannot be understated.

Complementing the Exchange's marketing and outreach efforts was a direct mail campaign that was the result of a first-ever sharing of consumer level household data by the Centers for Medicare & Medicaid Services (CMS). The Exchange leveraged this data into a direct mail campaign to over 40,000 Exchange consumers just prior to the start of open enrollment. With

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call volume up 133% the first week of open enrollment, the impact of this mailer was significant in generating consumer awareness.

During the fifth open enrollment period, the Exchange and our enrollment partners helped tens of thousands of Nevadans enroll in quality, affordable health coverage. Consumers receiving subsidies were even able to find some bronze and silver plans with a \$0 monthly premium! Despite the challenges of this past year—and there were many—the Exchange saw firsthand how much Nevadans want and need health coverage. As we refine our strategy for open enrollment 2019 the Exchange will build off of previous campaign successes while continually striving for efficiencies.

As the Exchange looks toward the future, the focus has become centered on returning to a full SBM to implement a platform that will not only be more cost effective, but will also allow necessary flexibility and freedoms to better control Nevada's enrollment and marketplace. The Exchange issued a Request for Information (RFI) on December 1, 2017. The purpose of the RFI was to collect information about an integrated online health insurance exchange technology platform and associated consumer assistance center. The request was developed in anticipation of the Exchange's transition toward a SBM effective November 1, 2019, in time to enroll Nevadans for plan year 2020. The RFI produced encouraging feedback from proven and demonstrated vendors which led the Exchange to pursue and obtain budgetary authority for the Design, Development, and Implementation (DDI) to become a full SBM.

The Exchange, in partnership with Nevada State Purchasing, issued a Request for Proposal (RFP) in March 2018 designed to select a proven private technology solution, with an anticipated contract start date in August of 2018. This will allow for over a year of careful design, development, testing, and implementation. The Exchange received several proposals and scored vendors on both written and in-person demonstrations. On May 25th the Exchange issued a letter of intent to Get Insured – a company with operational exchange technology in several states, including Idaho where they were able to help the state successfully transition from healthcare.gov to their own private platform in 2015.

The Exchange is confident that a significant cost savings will be achieved as a result of a transition away from healthcare.gov. This transition will not only provide a sustainable financial pathway for the Exchange, but it will also offer improved functionality to consumers, carriers, stakeholders, and Exchange operations. It is expected a transition will allow for improved customer service with a single consumer assistance center with more efficient complaint resolution and appeals process. Consumers will benefit from the Exchange having direct access to individualized enrollment data that will allow the Exchange to preemptively address common problems like dual simultaneous enrollments in multiple qualified health plans. The direct integration with the State of Nevada's Division of Welfare and Supportive Services will allow for more effective churn management whereby the Exchange anticipates helping consumers transitioning between Medicaid and qualified health plans to avoid any lapse in coverage. By implementing a more modern web platform, consumers can also expect a more streamlined consumer experience including integrated support for mobile devices.

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Year-over-year, states that operate SBMs outpace states that rely on healthcare.gov in both enrollment and retention. In 2018 Nevada increased enrollment by 2.2% while federally facilitated exchanges saw enrollment declines on average of 5.5%. A SBM model will allow the Exchange stability and certainty in pricing with a contract that has a known price independent of CMS rule-making deadlines. State Based Marketplaces have access to real time consumer level-data which allows for targeted advertising and individual messaging, increasing the effectiveness and efficiency of marketing and outreach. State Based Marketplaces are also more nimble in accommodating both state and federal level program changes and can make system changes independent of the politics in Washington, D.C., such as extending open enrollment deadlines.

With a modern service-oriented architecture, carriers also benefit from SBM's more efficient reconciliations and consumer complaint/issue resolution. State Based Marketplace states are not only able to reconcile with carriers at a quicker pace, but also work closely with carriers to develop mutually beneficial policies and processes.

Through a partnership with State Health and Values Strategies (SHVS), the Exchange and contracted marketing vendor, Penna Powers have begun work with an advertising and marketing company called GMMB to develop a comprehensive communication strategy surrounding the technology transition which will include consumer, carrier, state agency, board, lawmakers, board, and stakeholder engagement. Exchange executives recognize the complexity and significance of this project and have carefully developed risk mitigation plans. Exchange staff are determined to address each challenge as it arises and move deliberately toward the end goal. Through thoughtful strategizing and addressing previous lessons learned, staff will minimize disruption and associated risks.

In June of 2018, the Exchange will pursue budgetary authority to use reserve funding to establish a Project Management Office (PMO) to oversee the Exchange's transition. Lessons learned from other states regarding a successful transition have convinced Exchange leadership of the need for increased project management technical expertise to fully manage the transition project and is therefore seeking a PMO who will be responsible for initial communication coordination along with review and management of the project plans and deliverables. The Exchange will solicit PMOs who have experience with the establishment or operations of a SBM to assist with the complexities related to a successful transition. Establishing this small PMO team will allow the Exchange staff to continue their primary focus: servicing Nevada consumers.

On February 21, 2018, the Exchange sent a letter to Secretary of the U.S. Department of Health and Human Services (DHHS), Alex Azar, to request that CMS allow the Exchange to maintain a healthcare.gov user fee of two percent for plan year 2019. CMS formally denied the Exchange's request in May of this year. While the Exchange is grateful for the support that CMS has provided as it relates to Nevada's transition back to a full SBM, maintenance of the user fee would have been reasonable considering the reduced volume in November when Nevadans will likely enroll on a private platform for plan year 2020. The Exchange is confident in a successful launch of its new technology platform and consumer assistance services; however, being both fiscally realistic and prudent to costs during this parallel period of paying both the federal user fee and the costs associated with a transition, the preference is to control and maximize available funding by holding the fee at a lower rate.

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The landscape for plan year 2019 will offer very little in terms of stability. Legislative efforts to repeal the ACA have lost momentum, however the impact of the individual mandate repeal has left the marketplace with yet another unknown. The Congressional Budget Office (CBO) estimates that in absence of the individual mandate, the Country overall will see an average of 10 percent increase in premiums with four million fewer consumers enrolled by 2019 and 13 million by 2027. Congress is aware of the disruptive impact of the individual mandate repeal and some lawmakers have attempted to develop bipartisan legislation to create a federal reinsurance program, add flexibilities to 1332 waivers, and fund cost sharing reductions. Ultimately stabilization bills were left out of the omnibus budget bill and will likely not be resurrected in time to provide relief for plan year 2019.

The uncertainty left in the wake of Congress' failure to pass substantive stabilization measures has only compounded the potential impacts from proposed executive branch policy changes including expansion of Associated Health Plans (AHP) and lengthening Short Term Limited Duration Plans (STLD). Both policies, if promulgated, could potentially siphon younger and healthier consumers from the Exchange's risk pool which would leave a less healthy risk mix resulting in increased premiums and continued uncertain carrier participation.

Nevada Revised Statutes (NRS) currently caps STLD plans at 185 days and dictates that plans cannot be continued with the same carrier; however, federal rule changes propose the extended duration of STLDs to 364 days. There is concern that consumers who are not currently eligible for subsidies (over 400% of FPL), who have also seen extreme price increases related to federal instability, will be directed into STLDs. These plans do not provide minimum essential coverage and will likely not cover many medical expenses. Individuals who were previously incentivized to purchase insurance on the Exchange because of the individual mandate, but who will no longer have to worry about the associated tax penalty, may also be steered toward STLDs as an affordable alternative. The Exchange is working closely with the Nevada Division of Insurance (DOI) to understand the state's regulatory authority to preserve and protect the individual market and consumers.

With rates likely to increase for plan year 2019, the Exchange faces both old and new challenges. Each year of the ACA has proven difficult to cut through the media noise related to rate increases—specifically when it comes to educating subsidy-eligible consumers of the rate increase's minimal impact on their costs. Consumers who hear that rates are increasing and who recognize the tax penalty elimination will need more direct and targeted outreach to demonstrate the value of insurance in order to protect oneself and family from the exorbitant costs of medical care. For consumers who are not subsidy-eligible, and who have few other options but to absorb the entire rate increase, the challenge will be education of resources and alternatives.

The annual 2019 Notice of Benefit and Payment Parameters (NBPP) rule has been finalized and published by CMS. The NBPP is an annual notice that sets out rules used by carriers to develop rates, among other plan design changes. The NBPP also establishes the user fee for SBM-FPs. The Exchange submitted comments requesting the proposed three percent rate be lowered to fair market value, however the rule was promulgated without change.

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The Exchange is keenly aware of the on-going disruption and uncertainty resulting from Washington, D.C. legislation and policy making. Exchange staff works collaboratively with the Governor's office, DOI, and Nevada Department of Health and Human Services to identify practiced and innovative methods to bring state-level stability. The landscape remains uncertain, and increasingly complex, but the Exchange is committed to anticipating change, remaining flexible, and focusing on our mission and vision to offer Nevadans affordable quality health plans.

THE BOARD

In accordance with 45 CFR § 155.110(c), the State must insure that the Exchange has in place a clearly defined Governing Board.

The Board consists of seven voting members and three non-voting members. Of the seven voting Board members, five appointments to the Board were made by the Governor, one by the Speaker of the Nevada Assembly, and one by the Nevada Senate Majority leader.

- Current Voting Board Members:
 - Florence Jameson, MD, Chair
 - Valerie Clark, Vice-Chair
 - Jonathan Johnson
 - E. Lavonne Lewis
 - Quincy Branch
 - Jose Melendrez
 - Dr. Daniel Cook

- Ex-Officio Members (non-voting):
 - Bessie Wooldridge - Department of Administration, for Patrick Cates, Director
 - Barbara Richardson- Commissioner, Division of Insurance
 - Marta Jensen – Department of Health & Human Services, for Richard Whitley, Director

Since the Exchange's last Fiscal & Operational report, there have been four board meetings. The Board, required to meet at least once every calendar year, has changed the frequency of its meetings from monthly to quarterly, with additional meetings as needed immediately leading up to and during open enrollment, or as directed by the Chair or majority of members (NRS 695I.340). Board meetings are held in Carson City and Henderson as well as streamed over the internet.

STAFF

The Exchange staff currently consists of thirteen full-time employees. Nevada has the lowest Exchange employee count in the nation. Pursuant to NRS 695I.380, all employees of the Exchange are in the unclassified service of the state, with three non-exempt employees.

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MARKETING & OUTREACH OFF-SEASON CAMPAIGN HIGHLIGHTS

The Nevada Exchange concluded its fifth open enrollment season, and despite an ongoing multitude of challenges throughout the year, the Silver State Health Insurance Exchange (Exchange) successfully enrolled 91,003 eligible Nevadans in qualified health plans. The Exchange has experienced year over year enrollment increases, again showing the importance and necessity for health insurance to safeguard Nevadans and their families. Nevada Health Link, the online marketplace that connects eligible residents to affordable health plans, along with marketing partner, Penna Powers, have been underway with its off season campaign with the media flight (intermittent periods of advertising) running from March – July 2018.

Social media marketing, often referred to as content marketing, runs throughout the year and is an important component of Nevada Health Link’s online presence and communication strategy. Penna Powers has implemented search engine optimization (SEO) into its digital media campaign which has proven to be an efficient online tactic to learn what consumer audiences are searching for when it comes to health insurance topics. Online video has also been a large component of both off season and open enrollment campaigns; the Exchange has leveraged videos in multiple channels to target the millennial audience as well as the 26-45 audience to keep Nevada Health Link top of mind. Moreover, Nevada Health Link continues to produce content for email marketing and an online blog which has seen increasing engagement and focuses on health literacy and consumer education via NevadaHealthLink.com.

In order to maintain statewide stakeholder collaboration and development with community partners, the Exchange has enhanced grassroots outreach and marketing communication strategies. The integrated off season marketing campaign, expected to run through July of 2018, consists of print media, content marketing, and a digital media mix. The goal in the off season is to maintain continuous communication with existing and potential consumers and stakeholders while the upcoming open enrollment period message strategy is finalized.

Messaging for the sixth open enrollment period is currently under development and will remain very similar to the marketing and advertising campaign from the previous year, building on the message that you can’t afford not to be insured. The campaign will demonstrate to consumers that being insured safeguards individuals and their families from exorbitant costs of medical care. The repeal of the individual mandate and the associated tax penalty becomes effective in 2019, and could result in enrollment declines in the young and healthy population. As a result, the Exchange is building on the existing campaign to enhance messages targeted at healthy individuals, with a more robust message plan for millennials and individuals and families 26 to 45 years of age. The Exchange will continue to demonstrate the value of insurance to all target audiences including, but not limited to: 50+ adults, the self-employed population, tribal members, Hispanic/Latinos, and rural Nevada.

Considering continued volatility within the marketplace, it will be critical for the Exchange to demonstrate to Nevada residents that Nevada Health Link is their resource when it comes to health insurance. In addition to the Exchange’s regular email communication, print media, digital advertising and content marketing, Nevada Health Link continues to search for individuals willing to share their stories about how health insurance has benefited their lives. The Exchange

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plans to incorporate new testimonials into the open enrollment marketing campaign. Testimonials demonstrate the value of Nevada Health Link's services and create a relatable message.

The Exchange maintains an online content campaign throughout the year, and continually seeks other public relation exposure opportunities. The Exchange's Executive Director and Communications Officer routinely speaks with editorial boards, radio outlets, and magazines, along with local and national reporters. The Exchange also has a strategic media-buy plan that runs throughout the year aligning with the organization's goal of institutionalizing Nevada Health Link.

The Exchange and Penna Powers have developed an efficient outreach strategy for the upcoming open enrollment period. The plan focuses on previous outreach successes and focuses on a "quality over quantity" approach when vetting community outreach events. Navigators will continue to act as the Nevada Health Link primary event staff for all statewide events. The Exchange continues to focus on communication with current stakeholders while sharpening mechanisms to identify key influencers in order to pursue cross promotional opportunities. The Exchange engages community partners and influencers to assist with outreach for Nevada Health Link events, enrollment periods, and general qualified health plan-related information.

Nevada Health Link looks forward to hosting a second year of statewide "prep rally" events to kick off the open enrollment season and gather all stakeholders (brokers, navigators, law makers, community partners) in one room to ramp up for another successful open enrollment. Sharing Nevada Health Link's message with organizers, influencers, and stakeholders who are out in the community adds a deep value to the prep rallies. This year's events will be held in October 2018 in Reno and Las Vegas, and will provide another opportunity to build public support and enrollment education.

As a result of previous success from last year's pilot program, the Exchange issued another Request for Application for statewide brokers to participate in a broker storefront program. Nevada Health Link looks forward to partnering with awarded broker agencies to provide even more tools for consumers looking for in person and general assistance about enrollment. The Exchange is developing specific techniques and material to cross promote and highlight in person assistance to the awarded brokers and their respective locations throughout the open enrollment period.

The Exchange is exploring an option to migrate to a private technology platform, away from healthcare.gov, and although this plan will not directly affect marketing and advertising, strategies are underway to develop a comprehensive communication plan. The Exchange needs to be a trusted source, not only by consumers, but also to the media while controlling the message to ensure media transparency and public sentiment stays positive.

Outlined below are specific highlights from the 2018 off season campaign that include metrics on advertising and performance measures from an online and digital presence:

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OFF-SEASON AD CAMPAIGN METRICS

The on-going off-season ad campaign is performing exceptionally well. The strategy is to reach millennials with three main targeting focus areas: lifestyle, jobs and education – each to align with our channel selection. Website traffic continues to build momentum with an overall increase of 86%. Sixty percent of website traffic is directly attributed to the off-season campaign lifting organic search results as well.

Native Content:

- 16,687,798 impressions
- 67,503 clicks
- 363 conversions
- 0.40% click-through rate or Click-through rate (CTR) (Industry benchmark CTR: 0.40% - 0.80%)
- 1m 23sec. avg. time on article (Industry benchmark 55sec. - 1m5sec.)

Reddit:

- 3,100,000 impressions
- 5,100 clicks
- 0.16% CTR
- \$1.03 CPC (Cost per click, the Exchange pays only for clicks. The cost has decreased by .25 as new ads have been rotated into the mix.)

LinkedIn:

- 199,222 impressions
- 2,030 clicks
- 76 key page view conversions
- 1.01% click-through rate or CTR (Industry benchmark CTR: 0.34%)

Clicks have more than tripled with the CTR increasing slightly to 1.01%. Content is continually being served to the target audience of millennials in entry level jobs.

Display:

- Impressions: 1,097,595
- Clicks: 1,532
- CTR: 0.14%
- Conversions: 102 (all view-throughs)

Video:

- Facebook/Instagram video
- 8,818 10-second video views
- \$0.08 CPV (Cost per View)
- 4x frequency (number of times the viewer is seeing the video)
- 19.55% completion rate

Facebook video was added during our mid campaign optimization to further reach the audience on the largest social media channel in the U.S.

OPEN ENROLLMENT 6 MARKETING CAMPAIGN

Open enrollment will begin on November 1, 2018 and run through December 15, 2018. The Exchange will continue to operate this year's enrollment using the federal platform, healthcare.gov, for eligibility and enrollment purposes.

Strategic concept planning of marketing and outreach efforts for Open Enrollment 6 is currently underway as we anticipate to kick off the ad campaign October 1, 2018. Marketing will continue to focus on three main areas: 1) Advertising. 2) Outreach. 3) Partner/Stakeholder relationships.

ADVERTISING

Open Enrollment (OE) campaign advertising will capitalize on the successful messaging that was developed for OE 5, i.e., *You Can't Afford Not to Have Health Insurance*. Despite ongoing market instabilities, this foundational message continues to resonate across all target audiences. The Exchange will develop additional concepts that feature varying ethnicities in key target groups including: families and 50+ with additional emphasis on the 26 – 45 age audience who we believe will be most affected by the repeal of the individual mandate; and therefore are in need of exposure to Nevada Health Link messages. In addition, the Exchange continues to mine for and pinpoint integral testimonial stories intended to be woven into the OE ad campaign, similar to what was done for OE 5.

With real-time, measureable analytics and the ability to optimize advertising dollars quickly and easily to ensure the most efficient use of media funds, the OE 6 campaign will again utilize online digital content as the cornerstone for the advertising media campaign. That said, the intention is to once again enlist a robust, full-scale suite of advertising media including broadcast (TV, radio), outdoor and out of home (billboards, transit), niche print as well as innovative value-add opportunities through our media partners (i.e., online Nevada Health Link tutorials presented by popular online radio DJs, social media Q&A sessions and live (Facebook) formats, etc.)

The timeline for OE 6 advertising roll-out is estimated to be between mid-September and October 1, 2018 with an ardent pre-open enrollment awareness/resource branding campaign that builds awareness of the upcoming enrollment period and articulates Nevada Health Link's position as *the* statewide resource for health insurance access. Messaging will segue to the newly developed open enrollment concepts beginning November 1st and will run through December 15th.

OUTREACH

Outreach continues to be a highly successful tactic to accomplish the ongoing education and awareness mission. Continuing diligence to uncover and attend significant community events and activities throughout the state is an essential component to Nevada Health Link's work—much of which is concentrated during the off-season. Nonetheless, outreach will continue during OE 6 but with moderation to ensure navigator and assister entities may concentrate their focus on the goal of enrolling eligible Nevada residents. The many fall harvest/Halloween activities taking place in October allow Nevada Health Link vital opportunities to connect with families to educate and remind them of upcoming enrollment, beginning November 1st.

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COMMUNITY PARTNER/STAKEHOLDER RELATIONSHIPS

In the off-season, the Exchange retooled their strategic efforts in this area which has netted success of noteworthy statewide partnerships primarily in areas of: school districts/education (both primary and higher), corporate pharmacies (Walgreens, CVS), hospitals, and peripheral health and wellness entities. These relationships will play a key advocate role leading up to and during open enrollment by reaching substantial audiences on Nevada Health Link's behalf.

Additionally, the Exchange has entered into carefully executed community level sponsorships with local sports leagues, chambers and other influential groups like Las Vegas HEALS for brand and messaging access and exposure to Nevada Health Link.

The Exchange is confident that this proven three-tier marketing strategy, along with additional emphasis on the 25 – 45 age range target, will net exceptional results for this upcoming Open Enrollment.

BROKERS

During the first six months of calendar year 2018, the Exchange has continued to make concerted efforts in promoting broker participation in selling qualified health plans on the Nevada marketplace. The Exchange's broker liaison has been traveling to various areas of the state meeting with licensed brokers and agents individually to promote the benefits of selling plans on the marketplace, as well as discussing how changes to Short Term Limited Duration (STLD) plans and Association Health Plans (AHP) will impact the marketplace, and taking time to educate and review important ACA requirements. Additionally, the broker liaison has been actively engaging and promoting marketplace participation in both northern and southern Nevada broker groups such as the Northern Nevada Association of Health Underwriters (NNAHU), the Clark County Association of Health Underwrites (CCAHU), chambers of commerce events, and broker-specific task force meetings.

Following up on a successful Request for Application (RFA) released in May of 2017 which solicited applications for three Pilot Broker/Agent Storefront programs, the Exchange has decided to grow the program to six grantees for plan year 2019. Up to six grants of up to \$10,000 each will be awarded by July 1, 2018 to insurance professionals to assist with marketing, outreach and operational costs related to enrolling consumers in qualified health plans (QHPs). The goal of the RFA is to increase the number of enrollees in QHPs by brokers servicing Nevadans in-person at storefront locations. The Exchange recognizes the value of brokers having a public facing physical location to service consumer's questions and concerns, comparatively shop plans, as well as directly assist with the enrollment process during the November 1 through December 15 open enrollment period.

The Exchange released a RFA on May 4, 2018 for the upcoming 2018 plan year. Brokers who were awarded the pilot grant for plan year 2018 expressed that they were extremely busy with enrollments and have indicated the grant allowed them to hire additional employees to service consumers, have a more robust outreach and marketing program, and improve office efficiencies. Each grantee from 2017 received the healthcare.gov Circle of Champions award presented by

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CMS. The Exchange looks forward to another successful Broker/Agent Storefront Program for plan year 2019.

NAVIGATORS, IN-PERSON ASSISTERS, AND CERTIFIED APPLICATION COUNSELORS

To be compliant with federal regulations, the Exchange must have consumer assistance resources and functions, including a Navigator program; and must refer consumers to appropriate state resources when available. The Exchange continues to operate with two awarded entities to serve as statewide Navigators and five IPA entities. Navigator and IPA organizations are responsible for outreach, education, and enrollment for Nevada's uninsured and underinsured populations. Certified enrollment assisters are comprised of private entities that have been trained by Nevada Health Link and work closely with Nevada Health Link to educate consumers on the resources available in the health insurance marketplace. Navigators and IPAs remain the primary event staff when attending statewide community outreach events which continue to be an important and vital part of our marketing campaign. Navigators and IPAs attend community outreach events to promote the upcoming open enrollment while providing consumers with education of the health insurance marketplace. Navigators and IPAs have also continued to educate consumers on SEP for any consumer who may experience a qualifying life event along with promoting the next open enrollment cycle which will begin November 1, 2018.

NAVIGATOR ENTITIES

- Dignity Health - St. Rose Dominican (Southern Nevada)
- State of Nevada - Office for Consumer Health Assistance (Statewide)

IN-PERSON ASSISTER ENTITIES

- Asian Community Resource Center (Southern Nevada)
- Consumer Assistance Resource Center (Southern Nevada)
- Three Square (Southern Nevada)
- Community Health Alliance (Northern Nevada)
- Nevada Health Centers, Inc. (Statewide)

In order for the Exchange to ensure that there are adequate resources for consumers wishing to have assistance with their enrollment applications, Navigators, IPAs, and Certified Application Counselors (CACs) across the state will augment the enrollment force. The Exchange has provided additional training and support to Navigators, IPAs, and CACs to prepare them to enroll consumers.

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FINANCE

BUDGET FOR SFY 2019

State Fiscal Year 2019 legislatively approved (L01) budget is as follows:

B/A 1400	Silver State Health Insurance Exchange		
Legislatively Approved SFY 2019 Budget			
Total FTE Count	13		
		RGL 3601	
Revenue		QHP Fees	TOTAL
2511	Balance Forward From Prior Year	\$ 15,006,538	\$ 15,006,538
3601	QHP Fees	\$ 11,706,319	\$ 11,706,319
		\$ 26,712,857	\$ 26,712,857
Expenditures			
Cat 01	Personnel	\$ 1,304,484	\$ 1,304,484
Cat 02	Out-of-State Travel	\$ 22,221	\$ 22,221
Cat 03	In-State Travel	\$ 28,798	\$ 28,798
Cat 04	Operating (supplies and other, less IT)	\$ 3,616,900	\$ 3,616,900
Cat 11	Transfer to CMS	\$ 9,344,850	\$ 9,344,850
Cat 12	Exchange Platform	\$ 1,000,000	\$ 1,000,000
Cat 26	Information Services	\$ 22,414	\$ 22,414
Cat 30	Training	\$ 4,453	\$ 4,453
Cat 71	Navigators	\$ 1,344,881	\$ 1,344,881
Cat 82	DHRM Cost Allocation	\$ 5,555	\$ 5,555
Cat 85	Cash Reserve	\$ 9,979,214	\$ 9,979,214
Cat 87	Purchasing Assessment	\$ 19,638	\$ 19,638
Cat 88	SWCAP	\$ 19,449	\$ 19,449
Cat 89	AG Cost Allocation Plan	\$ -	\$ -
	Total Expenditures	\$ 26,712,857	\$ 26,712,857

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BUDGET BUILDING FOR SFY 2020 & 2021

The budget building for SFY 2020 and 2021 has begun and is on track for the agency request submittal due date of August 31, 2018.

CARRIER PREMIUM FEES (CPF)

As of May 31 2018, the Exchange has collected \$11,202,536 in CPF. With one month remaining in SFY 18, the projected fiscal year-end total for CPF will be approximately \$12,413,943. This projected amount is \$1,370,246 over our projected total of \$11,043,697 used for the L01 budget. This excess will not result in a significant increase in reserve levels because CMS user fees are directly related to the amount of revenue collected. The CMS user fee is projected to total \$7,195,546 at fiscal year-end. This projected amount is \$1,034,630 over the budgeted total of \$6,160,916. A work program has been submitted for the June 20th IFC to request an increase in authority for this expenditure category.

GRANTS

The Exchange has exhausted its remaining \$2.1 million dollars of federal 1311 Establishment grant funds. Grant funding was used for outreach and education which include marketing and the In-Person Assisters program. These funds expired on December 31, 2017 and the final report was submitted to CMS on March 30th. The Exchange will no longer have access to federal 1311 Establishment Grant funds and will rely solely on CPF collections to fund outreach and education moving forward.

FISCAL YEAR 2018 CLOSING

State Fiscal Year (SFY) 2018 will be ending June 30, 2018. The Exchange will be finalizing all revenue and expenditures for SFY 18 in anticipation of closing in August of 2018. Final closing reserve balance will be made available in the December Fiscal & Operational report.