



# Silver State Health Insurance Exchange

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**FISCAL AND OPERATIONAL REPORT**  
**PROVIDED TO THE GOVERNOR AND LEGISLATURE**  
**PURSUANT TO NRS 695I.370 (1) (B) & (C)**  
**DECEMBER 31, 2019**

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 July 1, 2019 through December 31, 2019.

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## **EXECUTIVE SUMMARY**

In September 2019 the Silver State Health Insurance Exchange (Exchange) officially transitioned technology and call center functionality off of HealthCare.gov and began operations as a fully autonomous State Based Exchange (SBE) in time for plan year 2020 open enrollment. Nevada Health Link's first official open enrollment as a SBE began November 1, 2019 and ended December 15, 2019, with an extension to December 20, 2019 for Nevadans who began their application by the December 15<sup>th</sup> deadline. A total of 77,410 consumers enrolled for plan year 2020 which included 20,111 new, and 25,587 returning consumers who actively shopped on NevadaHealthLink.com.

For the first time in its history, the Exchange has real time access to data - this information provides details about plan selections along with the demographic makeup of consumers. Plan year 2020 enrollment is the new baseline from which the Exchange will work to continue to increase the number of insured Nevadans.

The transition project was multi-faceted and complex, requiring coordination with the Centers for Medicare and Medicaid Services (CMS), Internal Revenue Services (IRS), GetInsured (GI) technology and call center teams, the Division of Welfare and Supportive Services (DWSS), Nevada Division of Insurance (DOI), Nevada Exchange insurance carriers, Nevada licensed brokers, certified Navigators, community partners, and consumers. As a result of the collective focus to ensure a successful transition, the Exchange was able to produce an on-time, under-budget technology project - no small feat for a state agency.

As the Exchange moves into the Maintenance and Operations phase of the transition project, the focus will be on establishing best practices for contract monitoring for both the technology and call center vendor with a focus on defect resolution, while also seeking opportunities to improve and enhance the Exchange's configuration for efficiency and effectiveness. The Exchange will also continue to build and refine policy in-line with federal and state laws and in sync with national best practices and ensure security privacy standards remain in compliance. The Exchange will continue to coordinate with insurance carriers to align reconciliation efforts while also monitoring consumer specific data to ensure effective outreach and marketing tactics.

While the transition project can be counted as a success, there remains a significant opportunity for improvement. The Exchange is working to survey and engage stakeholders in an effort to identify and prioritize opportunities for advancement both in the Special Enrollment Period and for the plan year 2021 Open Enrollment Period (OEP).

### **OPEN ENROLLMENT PLAN YEAR 2020**

The Exchange enrolled 77,410 Nevadans during its seventh OEP ending December 15, 2019, including an extension for consumers who started the enrollment process on or before December 15, and allowing them to complete their application by Friday, December 20<sup>th</sup>.

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As part of the transition to an SBE, the Exchange migrated a total of 65,563 Nevada consumers from Healthcare.gov onto the SBE platform at NevadaHealthLink.com. As a result of the successful transition off of the federal enrollment platform, the Exchange has established a new and accurate baseline for reporting enrollment figures, highlighted below. This highlight focuses on active enrollees that took action to interact with the enrollment and eligibility system.

Total Enrollees = 77,410

Average Net Premium Amount = \$281

Eligible for APTC = 61,920 or 80% of all enrollees

New Enrollees Since 11/1/19 = 20,111

Active Re-Enrollees Since 11/1/19 = 25,587

Total Active Enrollees (New +Active Re-Enrollees) Since 11/1/19 = 45,698

Active Enrollees Since 11/1/19 by Metal Tier

Gold = 1,650

Silver = 26,064

Bronze = 1,150

Expanded Bronze = 16,533

Catastrophic = 301

Active Enrollees Since 11/1/19 by Submitter Type:

Broker Designated Enrollees – 26,110

Self Service Enrollees – 19,590

## **MARKETING & OUTREACH**

The Exchange, which oversees the online marketplace, Nevada Health Link, began operations as a fully operational SBE for Plan Year 2020 enrollment and beyond. As a result, Nevadans did not enroll on the federal marketplace platform, Healthcare.gov – instead, eligibility was determined, and enrollment was conducted, on the state’s platform, NevadaHealthLink.com.

In preparing for the Exchange’s seventh OEP, Nevada Health Link communications team and marketing partner, Penna Powers (P2), introduced a new creative look and strategy for the marketing and advertising campaign for plan year 2020. The goal of the final marketing package was to promote the OEP (November 1 – December 15), enforce Nevada Health Link’s position as the trusted resource for health insurance, and promote the benefits of Nevada’s SBE platform. The strategy was to understand who the pool of potential Nevada enrollees were and use the migrated data from Healthcare.gov to help determine the pool of uninsured and underinsured throughout the state.

The primary campaign goal was to retain current enrollees with a secondary goal to recruit new enrollees. Access to real-time consumer enrollment data provided the marketing team with better

insight into consumer demographics which clarified the target audience focus for a more optimized marketing campaign.

The advertising campaign, entitled “Peace of Mind” focused on three main scenarios: “Sick Kid,” “Body Cast,” and “Anthem” promoting the consumer question: *How do people describe their health coverage through Nevada Health Link?* And compelling Nevada consumers to visit NevadaHealthLink.com to learn more, see if they qualify, and enroll. The spots ran as TV advertisements and online videos in 15-second formats while the Anthem spot—which represented Nevada’s consumer diversity—was promoted in both 15- and 30-second formats. Campaign media vehicles included: television, radio and out-of-home, print, outdoor, and content marketing (social media) and were targeted by age, ethnicity, interests, and more.

The campaign’s media buys were strategized based on their ability to reach specific audiences, which was not a “one size fits all” approach. Even mass channels, such as television, radio and out-of-home that have traditionally been used to “blast” all audiences, were targeted by network, genre, and zip code. Content (social media) channels and placement were targeted by age, ethnicity, interests and more. Paid campaigns were designed to complement owned and earned media efforts.

The media campaign was designed with a three pronged approach (see below). Having access to enrollee data provided an opportunity for P2 to precisely target Nevadan’s most likely to enroll, if they have already enrolled once, they’re not afraid of the process, and they understand the benefits. In addition to the traditional pre-enrollment and open enrollment messages, Nevada Health Link reached out to existing enrollees to encourage and experience the ease of the transition.

1. Transition - Plan Year 2019 Enrollees Data-Driven Niche Campaign (estimated timeframe: Sept. 4 – Dec. 15)
2. Pre-Enrollment - General Advertising Campaign (Sept. 23 – Oct. 31)
3. Open Enrollment - General Advertising Campaign (Nov. 1 – Dec. 15)

The target audiences were defined as:

- Millennials (26-34) - Least likely to buy any insurance or do not think they need it.
- Adults 35-50ish – Aware they need it, but do not think they can afford it, or it’s not a priority.
- Adults 50-64 (unemployed, under-employed, self-employed). Aware they need it and it is a priority.
- Current Enrollees (via data-driven niche campaign)
- Varied Ethnic Groups -
  - Whites account for more than 46% of enrollees.
  - Hispanics account for 24-31% of the population, but 15% of enrollees.
  - Asians only 10% of the Las Vegas population, but 17% of enrollees

## **Open Enrollment Period Campaign Metrics Through December 2019**

With the push to increase scope and budget in Search Engine Optimization (SEO) paid search marketing, website traffic to NevadaHealthLink.com noticed a significant spike in users, sessions, pages/session, and session duration on specific pages. There was a noticeable jump at the start of Dec. 2019 through the final enrollment date. The page visits to NevadaHealthLink.com shows significant improvement in acquisition and behavior. Paid search drove 10,000 plus more sessions, had a lower bounce rate, and significantly higher session durations. Moreover, the SBE enrollment portal brought a significant increase in referral traffic.

### **Other campaign metrics:**

Facebook Always-On Promoted Posts:

- 778,366 reach, 2,904,633 impressions
- 1,013 link clicks

Facebook:

- 306,945 reach, 1,537,569 impressions
- 8,566 link clicks

Search:

- 102,334 impressions, 17,109 clicks (16.72% Click through Rate)
- 43% overall impression share; branded increased to 53% impression share; extension period impression share rose to 91.5%

Native Articles:

- 1,567,386 impressions, 3,332 clicks
- Most viewed article: Frequently Asked Questions

Over the Top (OTT) Video:

- 1,569,443 impressions, 98% video completion rate

Display Ads:

- 7,477,772 impressions, 5,922 clicks

Twitch:

- 909,560 impressions, 2,257 clicks

### **Public and Media Relations**

In collaboration with its marketing vendors, the Exchanged developed and implemented a robust transition-focused public relations (PR) campaign which included the development of a media wish list to identify and prioritize the top media targets and pitched angles to local and national reporters. On the day of the soft launch of the platform (Sept. 4, 2019), Nevada Health Link pushed out a press release announcing the go-live of the website and call center that provided

consumers with detailed information on how to claim their migrated user account. Both state and nation-wide interest remained focused on the transition initiative and provided significant opportunities for the Exchange to engage in meaningful conversations about the benefits and efficiencies of its own SBE.

Consumer and stakeholder messaging points served as an aid in background for scheduled editorial board meetings and op-eds attributed to key Exchange staff and Executive Board Members provided further opportunities to talk about the transition and open enrollment to the public. Nevada Health Link hosted a press conference in Las Vegas to kick-off the start of open enrollment on Friday, Nov. 1st. Governor Sisolak attended and spoke at the presser. On Nov. 7, Nevada Health Link hosted a press conference in Carson City, NV and invited key legislators to speak on this bipartisan message and the importance getting covered.

In addition to the kickoff of OEP press conferences, the marketing team collaborated with the UMC Trauma Center in Las Vegas to host a close out press conference on Dec. 13 where Dr. Douglas Fraser, Head of Trauma, spoke on the importance of having health insurance. The team was also successful in securing multiple interviews with key Hispanic media outlets throughout Southern Nevada and issued seven press releases/media advisories in Spanish.

**Other Public Relations highlights:**

- 1) Presentations at city council member meetings (Henderson City Council, City of Las Vegas, and Clark County Commission as well as the Washoe County Commissioners Meeting and the City of Reno meeting.
- 2) Execution of the third annual Prep Sessions that were hosted in both Las Vegas and Reno. Nevada Health Link offered three sessions times for guest convenience and resulted in increased stakeholder and community partner turn-out versus prior years.

**State Based Exchange Transition Project: Communications**

Transitioning away from HealthCare.gov to a SBE was a massive, in-depth project that required an immense amount of communication coordination. The Exchange developed a comprehensive communications plan; within the communications plan are campaign phases, audiences, and strategic goals.

The Exchange worked closely with GI to develop a detailed consumer messaging plan as it relates specifically to the transition period. This plan included alignment of NevadaHealthLink.com website with the GI portal (enroll.nevadahealthlink.com), content language for triggered notifications that will be generated from the platform to the consumer's secure inbox, and confirmation that Nevada Health Link's brand and messaging remains consistent throughout.

Within the Exchange's comprehensive communications plan, and for the reported timeframe of this report, the Exchange embarked on a campaign phase for June-August entitled "Preparing the Frontlines: Prepping the Assister Network," with a goal to ensure a successful rollout with

consumers. The Exchange and the project management office (PMO) developed training modules for navigators, brokers, and call center employees; and provided training for new and existing brokers and assister. Nevada Health Link equipped enrollment professionals with the necessary communication tools to co-brand and handle inquiries from consumers and media.

From August to October 2019, the Exchange implemented its next phase titled “Prepping Consumers” which detailed how the Exchange would operate as a standalone SBE and how to enroll on the new enrollment platform starting Nov. 1, 2019. The last phase: “Enroll at Nevada Health Link, ensured that consumers understood how to enroll on the Nevada Health Link enrollment platform.

The existing Nevada Health Link informational website remained as is, however it included some embedded redirects for consumers to login, claim their account, verify information, designate a broker, opt-in to auto reenrollment and eventually enroll. Further updates included content edits, menu navigation shifts, new campaign images, inclusion of the platform updates and reference manuals. The marketing team designed and implemented a Nevada Health Link Brand and a Welcome Transition video all to ensure a friendly, streamlined user process and experience for both stakeholders and consumers.

Email SBE transition-related messaging was supported for the month of October letting all Nevadans know that window shopping was available via the platform where consumers could view and compare plans and prices before open enrollment began. Email pre-enrollment messaging was pushed out in September and October with the message focus: “It’s almost time to enroll, learn more at NevadaHealthLink.com. The Exchange and the PR team were careful not to bombard consumers or confuse the general public with transition related messaging until a call to action to view the website and access the call center were available.

In addition to the comprehensive communication plan, the Exchange worked very closely with key stakeholders to identify four types of communications by which current insurance carriers communicate with consumers: 1) Direct mail 2) Email 3) Call Center 4) Website. The Exchange met with carriers and their respective communication teams and provided suggested language for transition communication. Carriers were willing to collaborate on messaging about Nevada Health Link’s transition.

The Exchange also coordinated communication strategy meetings with a key stakeholder group, the Office of Communications (OC) with CMS. The Exchange provided the OC with Nevada Health Link’s comprehensive communications plan and timeline; and solidified a timeline outlining CMS’ Nevada transition communication plan. The Exchange worked with CMS to provide suggested content when redirecting Nevadans from HealthCare.gov to Nevada Health Link via website, mail, email, and call center.

### **Nevada Health Link Outreach**

Nevada Health Link continued to place a significant investment in strategizing and conducting year-round, statewide outreach activities with the following primary goals:

1. Build continued awareness of Nevada Health Link (NevadaHealthLink.com).
2. Educate targeted communities and help shape and change behaviors toward the importance of having health insurance.

Nevada Health Link concentrated activities to areas and groups where such behavior changes are warranted and most potential consumers would qualify for subsidies. These areas include:

- Specific zip codes with poverty levels above 25% throughout the state which include key rural areas
- Hispanic/Latino populations throughout the state
- Asian/Pacific Islander populations throughout the state
- Children in underserved populations (indirectly through sponsorships such as with the Discovery Children's Museum, Halloween and Back to School events and through alliances including Immunize Nevada and Boys & Girls Clubs of Truckee Meadows and Southern Nevada).

Outreach remains a critical component in the Exchange's communications strategy year-round and will continue to work closely with stakeholder groups throughout the state to identify key influencers and community partnerships statewide in order to pursue cross promotional opportunities. The Exchange develops creative content and prints educational literature for distribution via statewide Chamber organizations, school districts and universities—to name a few—providing the opportunity to reach Nevadans we have not been able to communicate to in years past.

In focusing on the strategy to shaping and changing behaviors, The Exchange shifted some event and sponsorship focus toward children's activities to plant the seed of understanding the value and importance of having health insurance at a younger age so the message is received by both children and their parents. Nevada Health Link continues to align with underserved community recreation centers and libraries to sponsor, promote, and attend events and functions. The trained Exchange Enrollment Facilitators (EEFs), serve as the primary staff at each tabling event and provide an outcome event report that indicates data about the size and make-up of the audience who attended, quantity and quality of Nevada Health Link booth engagement, type of questions asked by consumers and capture/opt-in of email address for ongoing Nevada Health Link communications. Some examples include:

- Immunize Nevada
- Boys & Girls Clubs
- Southern Nevada Health District
- Food Bank of Northern Nevada
- Roseman University
- Opportunity Village

The Exchange continues to engage with community partners by participating in a robust literature distribution program involving well over 200 partners statewide. This year, the Exchange updated all educational literature and distributed those resources (printed in English and Spanish) localized for Northern Nevada and Southern Nevada.

The Exchange is mindful that outreach and community relations are a critical component to not only reaching Nevadans, but to understanding and addressing their concerns. The Exchange engages in these efforts year-round and remains committed to our job in connecting Nevadans to qualified health plans.

## **STATE BASED EXCHANGE OPERATIONS**

The Exchange's biannual budget included an additional nine (9) classified full time employees to assist with the operationalization of State-Based Exchange functionality. Between the months of August and December the Exchange coordinated with the Division of Human Resource Management to recruit, interview, and hire all nine employees. Hiring was an enormous task that took place in the middle of a complicated project. The Exchange has immediately employed new team members with developing processes, policies, and work flows for their respective positions. While the Exchange understood what functionality would be necessary to operationalize the SBE, the exact flow remains to be completely known.

### **Policy & Compliance**

The Policy and Compliance unit consists of one (1) Management Analyst III (MAIII), the Policy and Compliance Manager, and one (1) Management Analyst I (MAI), the Policy and Compliance Coordinator. The MAIII had a hire date of August 26th, 2019, and the MAI had a hire date of November 12th, 2019. The policy unit is considered to be content experts in released guidance and policy manuals to internal staff, external stakeholders, and to the public. The policy unit also oversees the librarianship of all documents to ensure documents are being updated appropriately and schedules reviews of documents.

The MAIII is required to oversee and ensure that the Exchange's vendor system is in compliance with all applicable state Nevada Revised Statutes, Nevada Administrative Code, and federal law and rule changes. This position serves as the Program Manager over the policy team, and the appeals staff. The MAIII oversees the development, implementation, and training of internal and external vendor staff related to the system and eligibility. The MAIII also assists and engages with compliance related to User Acceptance Testing (UAT) and is required to report potential defects or issues to vendor staff accordingly. Measurable metrics which the MAIII, Policy and Compliance Manager are still being defined, but will be reportable no later than one (1) year after service. Analysis of metrics will be related to the assistance and testing of implementation of rule and law changes applicable to system eligibility, reporting operational impacts based on rule and law changes, engaging with various stakeholder groups for future policy discussions, in addition to creating content for discussion of future policy within each applicable group.

The MAI conducts research on policy related matters that impact operations and works collaboratively with the MAIII to counsel management and staff on policy impacts to business

operations. The MAI is required to assist in the creation and revision of guidance and policy manuals for internal and external use. The MAI assists in UAT with the MAIII, and is learning eligibility related policy changes that require to be implemented. The MAI assists in librarianship and document control related to all policy manuals, and guides on the use of the platform. Measurable metrics which the MAI, Policy and Compliance Coordinator, are still being defined as the position has only been filled for two (2) months at this point in time. Metrics will be reportable no later than one (1) year after service in which will assist in workload and revision of duties as necessary. Analysis of workload related to document control, revision history, and training internal staff, and external stakeholders will be taken into consideration when reviewing workloads related to the Policy and Compliance Coordinator position.

### **Appeals**

Since becoming a SBE the Exchange has assumed the duties of consumer appeals as they relate to plan year 2020 and ongoing. The Exchange oversees first level appeals, and if applicable sends hearing requests to the Division of Welfare and Supportive Services (DWSS) for adjudication. Below highlights appeals metrics received during 2019 for plan year 2020. The information includes, the number of appeals the Exchange has received by month, the resolution rate by the end of each month, and the average number of days appeals were open during the given month.

Month	Number of Appeals Received	Resolution Rate At the End of the Month	Average Number of Days Open
November	20	100%	12.4
December	33	87.8%	8

### **Security & Reconciliation**

The two (2) new full time employees hired in the newly developed Security and Reconciliation Unit were the last of the nine (9) to be hired because the Reconciliation functions could not begin until after Open Enrollment was complete. This unit is directed by the Exchange’s Information Systems Manager and oversees the coordination, transfer and analysis of information systems and insurance plan data between the Exchange and insurance carrier’s databases. The positions plan, develop, and administer automated reconciliation programs and correlate policies affecting the Exchange’s reconciliation efforts. The Security and Reconciliation Unit worked with carriers in late December to develop timelines and processes for reconciliation which are set to begin on January 17, 2020.

### **Consumer Assistance**

A newly established Quality Assurance unit was assembled starting in September of 2019. In building the unit, the Exchange hired three (3) Program Officer positions as Quality Assurance Analysts. These positions report directly to the Quality Assurance Manager and are overseen by the Chief Operations Officer. Each of the positions are cross-trained to ensure daily coverage and to assist with increased workloads requiring additional assistance.

The Quality Assurance Analyst Carrier Support Specialist is a subject matter expert working directly with Health and Dental Insurance Carriers (Carriers) who offer products through the Exchange. Under the direction of the Quality Assurance Officer, this position is the single point-of-contact to Carriers on Exchange policies, practices, and systems. Since starting, this position has been responsible for researching and confirming complex payment transaction processes, enrollment and eligibility verifications with carriers, and system interactions amongst consumers and carriers. This position is responsible for identifying trends and defects and reporting them as appropriate.

The Quality Assurance Analyst Enrollment Partner Support Specialist is the liaison and subject matter expert supporting Navigators, Enrollment Counselors (EC), Certified Application Counselors and licensed agents and brokers (Enrollment Partners) for the Exchange. Under the direction of the Quality Assurance Officer, this position is responsible for program development and implementation, general operations support, case management, policy research and analysis, reporting and analytics, consumer assistance program coordination, consumer support services, and related functions. Since starting, this position has been instrumental in resolving all types of enrollment professional process, eligibility, enrollment, system behavior, and payment questions in support and coordination of the Broker Liaison based in the Exchange's Henderson office. This position is responsible for identifying trends and defects and reporting them as appropriate.

The Quality Assurance Analyst Consumer Support Specialist is a subject matter expert working directly with Exchange consumers and performs quality assurance analyst responsibilities in support of the Exchange's operational goal of consumer experience maximization and operational excellence. Under the direction of the Quality Assurance Officer, this position receives, researches, and responds directly to consumer communications regarding concerns and complaints. Additionally, this position acts as a Tier 3 receiver of complex issues that cannot be handled by Tier 1 or 2 call center agents at the GI call center, or cases requiring extended research. Since starting, this position has coordinated consumer issue resolution both independently and in coordination with the GI call center to provide exceptional support to consumers as they formulate solutions to support operational goals of the Exchange and consumer assistance center. This position is responsible for identifying trends and defects and reporting them as appropriate.

For reference, preliminary workload statistics of the Quality Assurance unit include: response to approximately 800 emails and resolution efforts for nearly 600 Consumer Assistance Portal (CAP) tickets. The Quality Assurance team has also supported and worked closely with the GI call center team, which has independently fielded over 42,700 calls since their operational start for the broker support line on July 26, 2019, and the Consumer Assistance support line on September 4, 2019. Since their opening day, the call center has maintained a 90% or greater customer satisfaction rate.

## **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):
  - Lynnette Aaron – Governor’s Office of Finance for Susan Brown, Director
  - Barbara Richardson– Commissioner, Division of Insurance
  - Suzanne Bierman – Department of Health & Human Services, for Richard Whitley, Director

Since the Exchange’s last Fiscal & Operational report, there have been two 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.

## **BROKERS**

During the last six months of calendar year 2019, the Exchange embarked on a new process for training and certifying brokers to sell qualified health and dental plans on the Exchange. The first step in this process was to create an online training program. The Exchange, through its Project Management Office (PMO), designed a course curriculum and online instructional program utilizing a training platform called Mindflash. The interactive training program, based on the Center for Medicare and Medicaid Services (CMS) annual training, offered returning brokers an abbreviated training; and new brokers, a longer more robust training. Whether a broker takes the abbreviated or longer training, each course taught brokers Affordable Care Act Basics, Privacy Security and Fraud Prevention Standards, and Marketplace Assister Essentials. In addition to providing instruction, each course offered frequent “knowledge checks” to ensure content was being absorbed, as well as a final exam. Additionally, incorporated into this training and certification process were attestations ensuring compliance with the Nevada Health Link Privacy Policy, Acceptable Use Policy, Code of Conduct Agreement, and Marketplace Privacy and Security Agreement. As of the January 2020, the Exchange has 779 resident and non-resident brokers trained and certified on its platform. Of this number, 271 have opted into availability in the telephonic Broker Connect referral system, which is an automated telephony system that will

search the phone number of a broker within a specified mile radius of a caller's location and call multiple agents until a connection is made or a message is left on the desired broker's phone. The Exchange's broker liaison continues to travel to various areas of the state meeting with licensed brokers and agents individually to promote the benefits of selling plans on the Exchange, new features regarding the enrollment and eligibility on the GI system, and features of the Broker Portal and Broker Book of Business features. Furthermore, the broker liaison is continually discussing with the broker community how changes to Short-Term Limited Duration (STLD) plans and Association Health Plans (AHPs) will impact the individual market, and taking time to educate and review important ACA requirements. A substantial amount of time this open enrollment was spent by the Broker Liaison and the broker/Exchange Enrollment Facilitator (EEF) Quality Assurance Specialist on fielding broker enrollment and eligibility questions, system questions, and policy questions. These two Exchange staff members also coordinated broker questions with the GI call center to ensure consistent policy application and broker/consumer messaging. Since the Exchange is now able to provide a dedicated broker/EEF support line, the Exchange was able to increase call center coverage hours for the broker (and EEF) community throughout open enrollment. The broker liaison is steadfast in 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), and chamber of commerce events.

Following up on a successful RFA grant released in May of 2018 which solicited applications for a maximum of six Broker/Agent Storefront programs for plan year 2019, the Exchange awarded five grantees for Plan Year 2020. The Exchange released a Request for Application (RFA) on May 8, 2019, and five grants of \$10,000 each were awarded on July 1, 2019 to insurance professionals to assist with marketing, outreach and operational costs related to enrolling consumers in qualified health plans. 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 consumers' questions and concerns, comparatively shop plans, as well as directly assist with the enrollment process during the November 1 through December 15 OEP. Because of the Exchange's success with the program, the Exchange is enthusiastically planning to continue the grant program for PY20 and is looking for geographical diversity across the state as to its grantees.

Based off of end of open enrollment data from the Exchange's new state-based system, 33 percent of active applications were assisted by brokers, which is a 9% increase compared to PY2019 Open Enrollment data from CMS. These grants have had a direct impact in providing over 2,500 consumers with assistance in convenient locations throughout southern Nevada (i.e. malls, shopping centers and broker offices.) The grants have allowed brokers to hire additional employees, offer a more robust outreach and marketing program, and improve office efficiencies.

#### **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 has allocated \$1.5 million dollar budget for the year round work performed by Navigators, In Person Assisters' (IPAs) and continues to operate with two awarded entities to serve as statewide Navigators and six IPA entities. Navigator and IPA organizations are responsible for outreach, education, and enrollment for Nevada's uninsured and underinsured populations. Certified Application Counselors (CACs) are comprised of private entities that are licensed by the Department of Insurance and have been trained by Nevada Health Link and work closely with the Exchange to educate consumers on the resources available in the health insurance marketplace. Exchange Navigators and IPAs attended over 580 events between July and December of 2019 and remain the primary event staff when attending statewide community outreach events which continue to be a vital part of the marketing campaign. Navigators and IPAs attend community outreach events to promote the upcoming OEP while providing consumers with education of the health insurance marketplace. Navigators and IPAs have also continued to educate consumers on SEPs for any consumer who may experience a qualifying life event throughout the year along with promoting the next open enrollment cycle which began November 1, 2019.

#### **Navigators Entities**

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

#### **IN-Person Assistance Entities**

- Asian Community Development Council (Southern Nevada)
- Asian Community Resource Center (Southern Nevada)
- Consumer Assistance Resource Center (Southern Nevada)
- Nevada Outreach Training Organization (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 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.

#### **FEDERAL UPDATES**

The Exchange monitors and tracks federal rule changes, court cases, and proposed legislation that may impact the way that Nevada Health Link operates.

### **Individual Health Reimbursement Account (ICHRA) Rule**

In June of 2019 the Internal Revenue Service, Department of the Treasury; Employee Benefits Security Administration, Department of Labor; CMS, and Department of Health and Human Services issued a final rule to be put in effect August 2019 that allow individuals who receive an HRA account from their employer to potentially utilize those benefits to purchase a subsidize individual health plan, or opt out of the option of the HRA and purchase a subsidize individual health plan. Individuals would need to meet all other eligibility standards to receive subsidies to use on Exchange. Due to the time this rule was released many states including Nevada, and the federal government, CMS, was unable to create the technology in the currently platform build to accommodate this rule. Moving forward the Exchange is working with GI to incorporate this feature beginning plan year 2021.

### **Quality Star Rating Transparency**

In August of 2019 the CMS released a rule requiring all SBEs to incorporate quality star ratings on plans sold on Exchange when consumers are shopping. This rule was established to help provide consumers transparent ratings on the plans they choose to enroll in. Due to the timeframe in which this rule was released, and with permission from CMS, Nevada did not have appropriate time to publish star ratings while shopping for plan year 2020, however ratings were posted on the Exchange's [website](#). The Exchange is working with GI to incorporate this feature beginning plan year 2021.

### **Program Integrity Rule**

In December of 2019 the CMS enhanced a published a final rule related to program integrity. The rule requires a SBE to begin bi-annual periodic data matching (PDM) in time for plan year 2021. The additional requirements may have a financial impact for the Exchange as they will require updates to our technology platform and an additional administrative burden that were not been previously budgeted for. The Exchange is working closely with CMS and other states who use the GI platform to determine the necessary timeline and the potential for shared costs.

### **FINANCE**

The Legislatively Approved State Fiscal Year 2020 budget is as follows:

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<b>B/A 1400</b>		<b>Silver State Health Insurance Exchange</b>	
<b>Legislatively Approved SFY 2020 Budget</b>			
<b>Total FTE Count</b>	<b>22</b>		
		<b>RGL 3601</b>	
<b>Revenue</b>		<b>QHP Fees</b>	<b>TOTAL</b>
2511	Balance Forward From Prior Year	\$ 10,554,595	\$ 10,554,595
3601	QHP Fees	\$ 14,565,209	\$ 14,565,209
		<b>\$ 25,119,804</b>	<b>\$ 25,119,804</b>
<b>Expenditures</b>			
Cat 01	Personnel	\$ 2,174,182	\$ 2,174,182
Cat 02	Out-of-State Travel	\$ 14,752	\$ 14,752
Cat 03	In-State Travel	\$ 26,076	\$ 26,076
Cat 04	Operating (supplies and other, less IT)	\$ 505,632	\$ 505,632
Cat 05	Equipment	\$ 21,447	\$ 21,447
Cat 11	Transfer to CMS	\$ 6,545,879	\$ 6,545,879
Cat 12	Exchange Platform	\$ 6,390,194	\$ 6,390,194
Cat 26	Information Services	\$ 65,744	\$ 65,744
Cat 30	Training	\$ 17,978	\$ 17,978
Cat 50	Marketing and Outreach	\$ 3,249,004	\$ 3,249,004
Cat 71	Navigators	\$ 1,499,164	\$ 1,499,164
Cat 75	Transfer to DWSS	\$ 14,060	\$ 14,060
Cat 82	DHRM Cost Allocation	\$ 10,351	\$ 10,351
Cat 85	Cash Reserve	\$ 4,573,619	\$ 4,573,619
Cat 87	Purchasing Assessment	\$ 3,169	\$ 3,169
Cat 88	SWCAP	\$ 8,553	\$ 8,553
Cat 89	AG Cost Allocation Plan	\$ -	\$ -
	<b>Total Expenditures</b>	<b>\$ 25,119,804</b>	<b>\$ 25,119,804</b>

**Note:**

In August 2019, the Interim Finance Committee (IFC) approved the transfer of \$32,500 from Operating Category 04 to the Exchange Platform Category 12, to correct the budget for both categories and allow the Exchange to fund necessary transition related costs.

### **Balance Forward**

State Fiscal Year (SFY) 2019 closed with the Exchange carrying forward \$10,554,595 in cash reserves into SFY 2020. This is an increase of \$1,323,281 from the projected carry forward balance of \$9,231,314 in the Legislatively (L01) Approved Budget. The adjustment to L01 was made via Work Program C48405 at budget closing.

### **Budget Building for SFY 2022 & 2023**

The budget building process for SFY 2022 and 2023 is in the early planning stages, with an anticipated agency request submittal date of August 31, 2020.

### **Revenue/Carrier Premium Fees (CPE)**

As of December 31, 2019 the Exchange collected \$12,922,825 in CPF for Plan Year (PY) 19. This amount is slightly under the projected total of \$13,083,638 used in the L01 budget. This \$90,813 difference has not resulted an impact to the Exchange's budget or reserve levels as the transition to a SBE has resulted in finding greater efficiencies and cost savings in the overall budget.

PY 20 revenues are projected to remain level at \$12,922,825, with future plan years remaining fairly constant. This is due to several factors, including a modest 1.6% increase in premiums for plans sold on the Exchange in PY 20, coupled with the establishment of baseline enrollment numbers as a result of fully transitioning to a SBE.

The CPF for PY 20 was approved by the Exchange's Board in February 2019 and was set at 3.15% of premiums. As the Exchange has realized efficiencies and cost savings, the Exchange is proposing a reduction in CPF to 3.05% of premiums for PY 21. This reduction will ensure the sustainability of continued Exchange operations, while providing lower assessment to carriers, who have the option of passing the savings on to consumers in the form of lower premiums.

### **CMS User Fee**

As of December 31, 2019, the Exchange paid \$12,319,349 in CMS user fees to utilize healthcare.gov for PY 19. The projected SFY 20 year-end total will be approximately \$5, 681, 66, which is \$864,220 under the L01 budgeted total of \$6,545,879.

This amount may change slightly through the end of SFY 20 and into SFY 21 because CMS processes adjustments for previous plan year premiums each month. These adjustments are final reconciliations of premiums that were either not reported by Carriers and the Exchange is responsible for paying the CMS User Fee, or not the plan was never effectuated, but the Exchange paid the CMS User Fee on the reported premium amount. Even though the Exchange has fully transitioned to a SBE for PY 20, adjustments from previous plan years, when the Exchanged utilized healthcare.gov, will continue.

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Using an average of premium adjustments for PY 17 and PY 18, it is projected that in PY 20, the Exchange will realize an estimated net refund of \$75,032 in CMS User Fees for PY 19.

**Transition From Healthcare.gov to a State-Based Exchange**

In August 2018, the State Board of Examiners approved the contract with GI to begin the Exchange’s transition away from the federal platform. The total not to exceed amount of the contract is \$24,404,401.93 and runs through January 31, 2024. The breakdown of the contract by fiscal year is illustrated below:

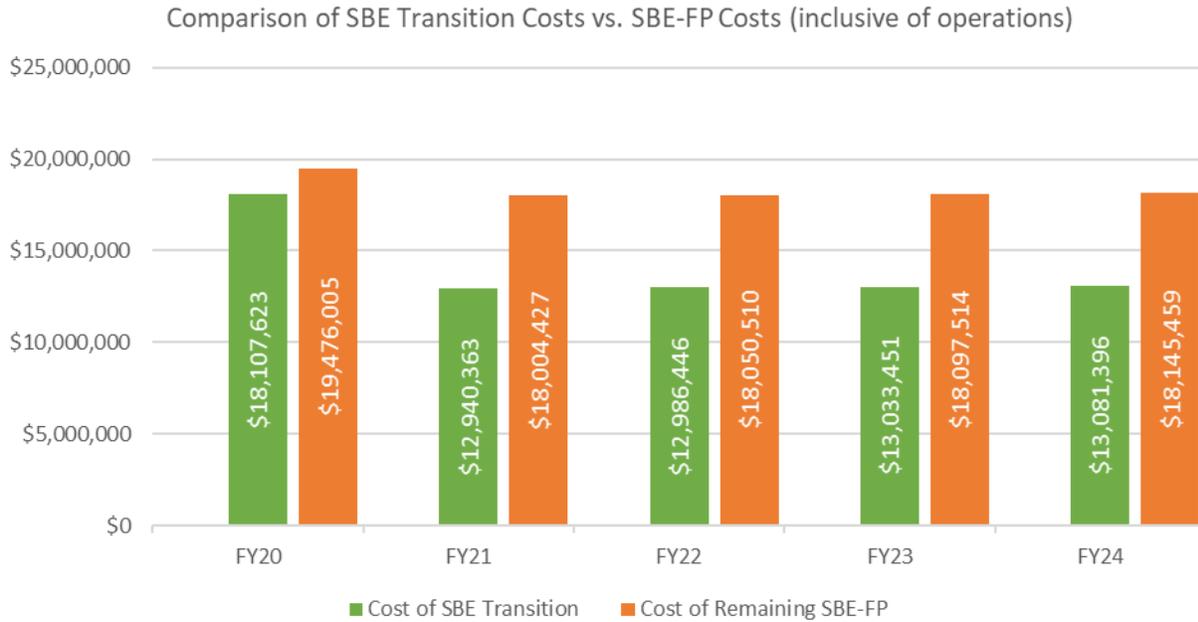
Technology Platform	SFY 19	SFY 20	SFY 21	SFY 22	SFY 23	SFY 24	Total
Tech Phase One	400,628.57	146,571.43					547,200.00
Tech Phase Two		974,517.00					974,517.00
M&O		1,549,209.67	3,098,419.34	3,098,419.34	3,098,419.34	1,549,209.67	12,393,677.36
<b>Total Tech</b>	<b>400,628.57</b>	<b>2,670,298.10</b>	<b>3,098,419.34</b>	<b>3,098,419.34</b>	<b>3,098,419.34</b>	<b>1,549,209.67</b>	<b>13,915,394.36</b>
<b>Consumer Assistance</b>							
Center (CAC)	SFY 19	SFY 20	SFY 21	SFY 22	SFY 23	SFY 24	Total
CAC Phase One	272,400.00	-					272,400.00
CAC Phase Two		1,288,063.00					1,288,063.00
M&O		1,028,568.08	2,057,136.16	2,057,136.15	2,057,136.12	1,028,568.06	8,228,544.57
<b>Total CAC</b>	<b>272,400.00</b>	<b>2,316,631.08</b>	<b>2,057,136.16</b>	<b>2,057,136.15</b>	<b>2,057,136.12</b>	<b>1,028,568.06</b>	<b>9,789,007.57</b>
<b>Total per FY</b>	<b>673,028.57</b>	<b>4,986,929.18</b>	<b>5,155,555.50</b>	<b>5,155,555.49</b>	<b>5,155,555.46</b>	<b>2,577,777.73</b>	<b>23,704,401.93</b>

Phase One costs, associated with design, development and implementation (DD&I) of the technology platform, totalled \$547,200 in SFY 19 and SFY 20. Phase Two costs, associated with the transition from healthcare.gov, implementation of the technology platform and PY 20 Open Enrollment, totalled \$974,517. The implementation and transition of the Consumer Assistance Center, which began in June 2019 and continued through December 2019, totalled \$1,560,463. Notably, through the course of the transition from healthcare.gov and through the conclusion of the Exchange’s first OEP as a SBE, the Exchange has been able to stay within the approved budget as outlined in the contract with GI.

In SFY20, and inclusive of the administrative costs for the additional functions that the Exchange absorbed from the federal platform, the Exchange expects to achieve an annual cost savings of approximately 7% versus the federal fees associated with operation as a hybrid State Based Exchange using the Federal Platform (SBE-FP), even when factoring in the one-time implementation and transition costs during SFY19-SFY20. This cost savings is being realized a full fiscal year earlier than previously projected, and is attributable to the greater efficiencies available to the Exchange now that it is operating as a SBE. Beginning in SFY 21, the Exchange expects to realize an annual recurring cost savings of approximately 28% year over year, with

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total cost savings through SFY24 projected to exceed \$21M.



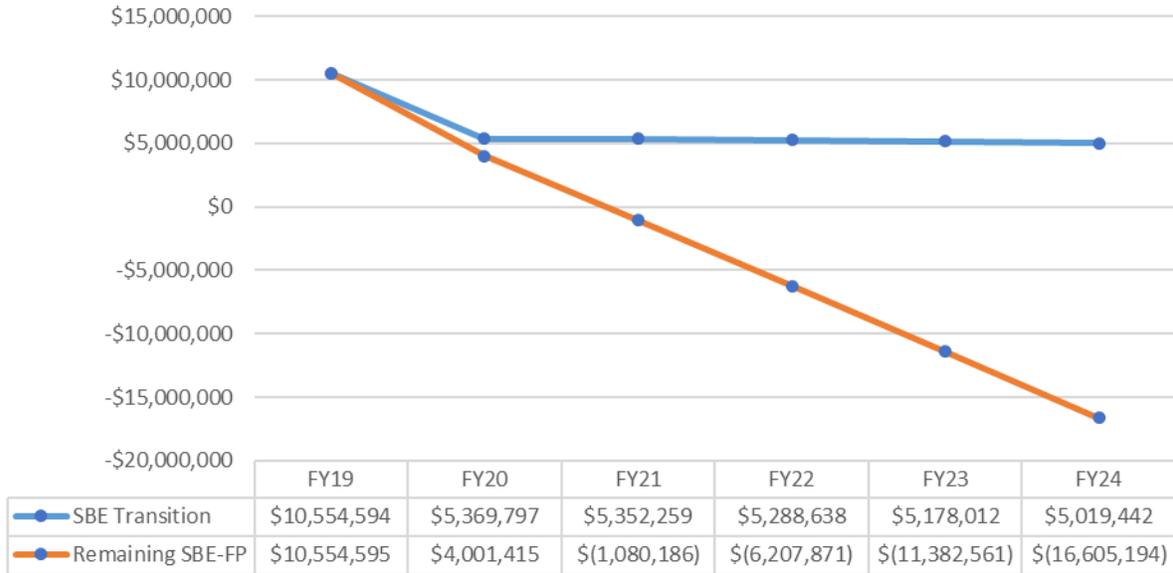
Total Annual Cost Savings (inclusive of operations) - SBE vs. SBE-FP						
	FY20	FY21	FY22	FY23	FY24	Total Through FY24
*Annual Cost of Remaining SBE-FP	19,476,004.84	18,004,427.02	18,050,509.92	18,097,514.48	18,145,459.13	109,730,842.05
Annual Cost of SBE Transition	18,107,622.63	12,940,363.00	12,986,446.38	13,033,450.94	13,081,395.59	88,106,205.38
<b>Cost Savings of SBE vs. SBE-FP</b>	<b>1,368,382.21</b>	<b>5,064,064.02</b>	<b>5,064,063.54</b>	<b>5,064,063.54</b>	<b>5,064,063.54</b>	<b>21,624,636.68</b>
Percentage	7.03%	28.13%	28.05%	27.98%	27.91%	19.71%

### Reserve Projections

The impact of the transition on the Exchange’s reserve levels has been similarly favorable. While continued reliance on the federal platform would have fully depleted the Exchange’s reserves before the close of SFY21, even while considering the reduction of the CMS User Fee to 2.5% of premiums in PY 20, the SBE transition will allow the Exchange to maintain between 90 and 180 days of operational expenses in its reserves (or \$5. 3M) throughout the duration of the contract.

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Comparison of Closing Reserve Levels



The projections illustrated above include the actual implementation and transition costs which overlapped with the payment of CMS User Fees during SFY19 and SFY20. The Exchange continues to anticipate a net decrease in Nevada’s ACA administration costs over the life of the contract, and contingent upon the continued stability of the ACA marketplace, the Exchange plans to be able to sustain operations from a lower assessment of carrier premiums than the current 3.15%, and is proposing a 3.05% assessment for PY 21.