

Delaware Health Insurance Exchange Planning

Frequently Asked Questions

- **What is a Health Insurance Exchange?**

A Health Insurance Exchange is an online marketplace for health insurance. Individuals can compare insurance products based on cost, benefits, quality ratings, and provider networks to find the best coverage option. For additional information: <http://dhss.delaware.gov/dhss/dhcc/files/exchangeoverview.pdf> .

- **Will there still be coverage available for purchase outside of the Exchange?**

Yes, coverage will still be available for purchase outside of the Exchange.

- **How many plans will be offered through the Exchange?**

The number of plans offered through the Exchange depends on 1) the rules that the Exchange sets for plan participation, and 2) the willingness of carriers to offer plans on the Exchange. The Exchange may decide to limit the number of plans offered in order to make the shopping experience simpler and easier.

- **Will coverage in the Exchange be the same from state to state?**

Some elements of coverage will be the same from state to state, such as general coverage of the essential health benefits. Other elements, such as specific plan design and additional state mandate coverage, will vary.

- **Will all insurance plans include the essential health benefits?**

Yes. However, the specific details regarding coverage of each of the essential health benefits have not been finalized.

- **What are the governance and administrative options for the Exchange?**

A state may choose from a single state-run Exchange, a multi-state Exchange, or an Exchange run by the Federal Government. If the state chooses a single state-run Exchange, the Exchange may be run by an existing government agency, a quasi-government agency, or a non-profit.

- **Will the Affordable Care Act requirements apply to all plans, or just the plans sold through the Exchange?**

Some ACA provisions, such as certification standards for qualified health plans, only apply to plans sold through the Exchange. The health plans sold through the Exchange must provide comprehensive coverage that includes at least a minimum set of services. Other ACA provisions, such as rating rules, will apply to plans inside and outside of the Exchange. These rating rules will be imposed on all health plans and will prevent health insurers from denying coverage to people based on health status, and from charging higher premiums based on health status and gender.

- **Do the Exchange rules apply to individuals who are 65 or older?**

Most of the 65 and older population will be enrolled in Medicare, not the Exchange. However, if someone who is over 65 continues to work and receives employer sponsored insurance purchased through the Exchange, then Exchange rules will apply.

- **What does the law require employers to contribute to their employees' health insurance premiums?**

There are no final regulations requiring a specific contribution from employers toward their employees' health insurance.

- **Will there be information available through the Exchange regarding how many clients are being denied by carriers?**

After 2014, the individual and small group insurance markets will be guaranteed issue, meaning that no individual may be denied coverage based on health

status. The Exchange will provide information about claim denial rates and other quality ratings to help the consumer make a well informed purchase decision.

- **Will information on the rating of plans be available to consumers?**

Yes, the rates approved by the Department of Insurance, as well as plan quality ratings, will be available through the Exchange.

- **What happens if you live in a different state than the state in which you work?**

Delaware residents who do not have employer sponsored insurance will be able to purchase insurance through carriers that are licensed to sell insurance in Delaware. Coverage through the Small Business Health Options Program “SHOP” Exchange will be available for small businesses with principle place of business in Delaware, or with employees who work in an office in Delaware.

- **What if an employer does not pay for dependent coverage?**

If an employer does not pay for dependent coverage, the spouse and children can purchase insurance through the Exchange, or they could be eligible for Medicaid.

- **Is it possible for the SHOP Exchange to increase from 50 to include 100 or fewer employees**

Yes. The Exchange will include employers with fewer than 100 employees after 2016. However, the State has the option to expand the SHOP Exchange to include employers with fewer than 100 employees as early as 2014.

- **How and when will Delaware decide whether or not it will combine the individual and small group market into one Exchange?**

The State is analyzing how premiums in the individual and small group markets may be affected if the markets are combined. The State will then weigh the costs and benefits before making any decision.

- **Will associations be allowed to purchase insurance in the small group market?**

Association plans are generally not included in SHOP Exchanges, but may still be an option in the outside market.

- **What role do brokers and agents play in the Exchange?**

Brokers and agents can still act as brokers and agents for Exchange plans. The State expects that brokers and agents will be key players in the Exchange, providing quality advice to individuals, small business owners, and employees as they currently do.

- **What is the fine for not purchasing insurance?**

For most individuals, the fine for not purchasing insurance will be 2% of income. However, there are exceptions if an individual can prove that they have a financial hardship or if they object based on religious beliefs.

- **How do children fit into the Exchange?**

If a child qualifies for coverage under CHIP or Medicaid, the Exchange will direct the child's family to enroll in that coverage. If the child's family purchases commercial coverage through the Exchange, the child will be considered a dependent in that plan. Additionally, the Essential Health Benefits will include child dental coverage.

- **How are Navigators funded?**

Navigators will be paid through Exchange-funded grants on a flat fee basis. Navigators will not receive commission based on how many individuals they enroll.