

# Minnesota Health Insurance Exchange: SHOP

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# What is SHOP?

Online health insurance marketplace for small business owners and their employees



The screenshot shows the 'STATE OF MINNESOTA HEALTH EXCHANGE' website. The navigation bar includes icons for 'exchange configuration', 'EMPLOYER EXPERIENCE', 'employee enrollment', and 'eligibility reporting'. The main heading is 'Small Business'. Below this, the text reads: 'Welcome to Ceridian's Demonstration of Employer Eligibility & Enrollment. There are 4 options to see the employer experience'. Four options are listed, each with a 'VIEW' button:

- 1. Learn about the Exchange**  
Use the exchange as a small business would. Explore how the exchange can help your business register to be in the exchange, set up your company options and simulate how your company would interact with the exchange on an ongoing basis.
- 2. Registration Experience**  
Jump directly to employer registration experience. Determine if your company is eligible for the exchange and create your company profile.
- 3. Set up Your Company Options**  
Through a series of questions you will find out how easy it is to set up your company rules, enrollment dates, billing, plan selection and loading your employees into the system.
- 4. Ongoing Administration Experience**  
This section of the demonstration displays how your company would interact with the exchange on an ongoing basis. Manage employees, see enrollment status, and use our exchange tool kit.

The 'Coffee Cafe' logo is visible next to the second option. At the bottom, the Ceridian logo and a disclaimer are present.

Business owner can:

- Choose a plan
- Define a contribution

# SHOP Criteria

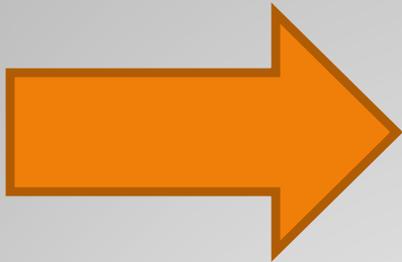
Be a small employer

Cover all employees

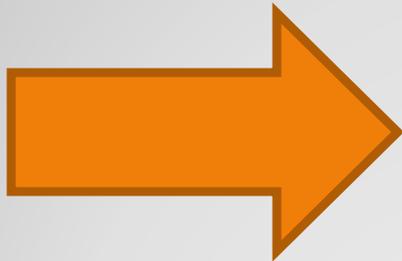
Be in the Exchange  
service area



# How SHOP Differs



**Small Group Marketplace**



**Incentives to Participate**

# SHOP Examples

	Massachusetts	Utah	Private (i.e. CT, CA)
<b>Started</b>	2006	2009	mid 1990s
<b>Market</b>	public, individual, and small group	small group (testing larger groups)	small and larger groups
<b>Governance</b>	public/private entity	agency	private
<b>Role</b>	<ul style="list-style-type: none"> <li>• negotiate terms</li> <li>• comparison of standard tiered plans</li> <li>• facilitate subsidy for those &lt; 300% FPL</li> </ul>	<ul style="list-style-type: none"> <li>• defined contribution</li> <li>• voluntary insurer participation</li> <li>• transparency of comparison info</li> <li>• aggregate contributions</li> </ul>	<ul style="list-style-type: none"> <li>• defined contribution</li> <li>• contractual requirements for insurers</li> <li>• human resources functions and other benefits</li> </ul>
<b>Rating and Risk Sharing</b>	<ul style="list-style-type: none"> <li>• CR and GI inside and outside</li> <li>• merged individual and small group pools</li> <li>• risk adj for public</li> </ul>	<ul style="list-style-type: none"> <li>• group rated</li> <li>• same rating rules inside and outside</li> <li>• risk adj inside</li> </ul>	<ul style="list-style-type: none"> <li>• group rated</li> <li>• same general rules inside and outside</li> </ul>
<b>Enrollment</b>	200,000 (160K public, < 5K sm grp)	< 3,000	75,000 – 150,000

# SHOP Challenges

Streamlining small business enrollment and billing

Coordinating employee enrollment with existing state/federal systems

Developing efficient premium aggregation and account maintenance processes

Employee verification

Incorporating a navigator function

Making SHOP self-sustaining

# Key Considerations

- Should the risk pools of the individual & small group markets be merged?
- Size of the small group market – trend towards self-funding
- Defined contribution and “true” portability for individuals
- Large employer participation in 2017



# Work Group Timeline

**2012**  
Design &  
Development

**June/July 2012**  
Task Force  
Recommendations

**Fall 2013**  
Enrollment

**January 1,  
2014**  
Launch

# Questions?

## Minnesota Health Insurance Exchange

<http://mn.gov/commerce/insurance/topics/medical/exchange/>

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