

# Policy Brief

Building Quality, Affordable Health Care for ALL New Yorkers



Health Care For All New York

No. 60 January 2014

## A Consumer-Friendly Health Insurance Marketplace

### A new route to coverage

The NY State of Health (NYSOH) Marketplace has created new opportunities for New Yorkers to find quality, affordable health insurance. NYSOH is already showing signs of success; by the end of 2013, over 240,000 New Yorkers had enrolled in public and private coverage. Yet some New Yorkers still meet with challenges when trying to enroll and others, such as people with disabilities, are unable to enroll directly through NYSOH.

### Ensuring the marketplace serves New Yorkers

In 2014, the State must pass legislation for NYSOH. HCFANY urges New York to take the following steps to ensure that NYSOH is consumer-friendly through this legislation and administratively:

### Provide sustainable funding for a robust consumer assistance program

New York's health insurance system is notoriously challenging for consumers to navigate.

Research shows that the majority of Americans struggle to grasp basic insurance concepts, such as premiums, co-insurance, and deductibles.<sup>1</sup> Consumer assistance programs are therefore a critical resource to protect consumers and help them find, maintain and understand their health care coverage. However, there is currently no sustainable funding mechanism for these programs. The State should identify stable resources to fund consumer assistance, both to support New Yorkers attempting to enroll in new coverage, and to help consumers navigate their existing plans once enrolled.

### Expand out-of-network coverage

Last year, the State removed from New York's insurance law a long-standing requirement that insurers offer out-of-network coverage on the Marketplace.

As a result, very few plans on NYSOH offer this coverage. This hurts New Yorkers, particularly a large number of sole proprietors who are losing coverage that

currently includes these benefits. People receiving vital and often life-saving treatments from trusted providers—HIV and cancer specialists, for example—should retain the right to see these providers without bearing the full cost of services.

New York should reinstitute this vital protection for consumers on NYSOH. The best way to accomplish this is by merging the individual and small group markets.

*(Continued on reverse →)*



**All New Yorkers should have the right to see an out-of-network provider, without bearing the full cost of services**

Photo: National Cancer Institute



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## Ensure that Marketplace financing does not hurt consumers

It is critical that the State identify a strong financing mechanism to maintain NYSOH. HCFANY recommends NYSOH be financed through a “covered lives” assessment on insurers, or general funds, rather than a user fee or tax assessed on consumers. This will help promote enrollment, particularly among low-income consumers who are more likely to be uninsured. For these consumers, even a small fee or tax is likely to be a barrier to enrollment.

## Ensure outreach and enrollment strategies are inclusive, comprehensive, and accessible

Despite the strong start of the Marketplace, more work is needed to ensure that all New Yorkers experience the benefits of the ACA. To ensure that all New Yorkers benefit from NYSOH:

- NYSOH should be able to enroll all Medicaid populations directly, including people with disabilities and certain cancer diagnoses who currently must enroll separately.
- The enrollment process should be streamlined and simplified as much as possible.

- The website and informational materials must meet the needs of English-language learners and people with disabilities.
- Individual consumers and small businesses should receive adequate, culturally and cross-disability competent assistance from the call center and quality consumer assistance and Navigator programs.
- Outreach programs should be comprehensive enough to reach the State’s major demographic groups, particularly communities of color, low-income New Yorkers, and immigrants.

## Provide adequate opportunities for consumer input

Consumer engagement is vital to the success of the ACA in New York. The State should provide consumers with easy opportunities to give input on:

- Marketplace operations and financing;
- Design of the state’s outreach and enrollment plans;
- Rate review process; and
- Other decisions and programs that directly impact consumers.

The State should use multiple methods to engage consumers, such as public meetings, written comments from the public, newsletter updates, and others.<sup>2</sup>

## Provide monthly, public data reports on enrollment, including demographics information

While New York’s enrollment numbers are impressive, we don’t yet know the makeup of enrollees. Without this, we can’t know if the ACA is helping those who need it most. Starting in 2014, the State should provide monthly reports to the public with data on age, gender, race/ethnicity, disability status, income, and other important factors.

1. Long, SK, Kenney, GM, et. al. (2013). The Health Reform Monitoring Survey: Addressing data gaps to provide timely insights into the Affordable Care Act. *Health Affairs*. Retrieved from

<http://content.healthaffairs.org/content/early/2013/12/13/hlthaff.2013.0934.full.html>

2. Participants in HCFANY’s 2012 Listening Tour expressed strong support for these and other methods: see, C. Tracy and A. Slagle, “Health Coverage that Works for New Yorkers: Health Care for All New York’s 2012 Listening Tour,” Community Service Society, June 2013.