

**Kentucky Health Insurance Exchange**  
**A New Coverage Marketplace for Kentuckians**



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**KENTUCKY YOUTH ADVOCATES**



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**Kentucky Voices for Health Priorities**  
*Building a Healthy Kentucky Together*

1. Assure that all Kentuckians have access to high-quality, affordable health care
2. Make prevention a priority for Kentucky's health policies and programs
3. Improve the efficiency and effectiveness of health care for Kentuckians
4. Improve the health of Kentucky's children



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**Health Reform making a difference**  
**for Kentuckians**

- **Providing new coverage options for young adults**  
As of December 2011, 48,000 young adults in Kentucky gained insurance coverage as a result of the health care law.
- **Making prescription drugs affordable for seniors**  
69,438 Kentuckians with Medicare received a \$250 rebate to help cover the cost of their prescription drugs when they hit the donut hole in 2010. Kentucky residents with Medicare have saved a total of \$68,860,588 on their prescription drugs. In the first five months of 2012, 15,909 people with Medicare received a 50 percent discount on their covered brand-name prescription drugs when they hit the donut hole. This discount has resulted in an average savings of \$554 per person, and a total savings of \$8,811,333 in Kentucky.



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## Health Reform making a difference for Kentuckians

- **Covering preventive services with no deductible or co-pay**  
In 2011, 538,544 people with Medicare in Kentucky received free preventive services – such as mammograms and colonoscopies – or a free annual wellness visit with their doctor. And in the first six months of 2012, 298,945 people with Medicare received free preventive services.
  - 732,000 Kentuckians with private health insurance accessed preventive services with no copay.
  - As of August 1, women in Kentucky can now get coverage of even more preventive services they need. Approximately 650,425 women in Kentucky will now have guaranteed access to additional preventive services without cost-sharing for policies renewing on or after August 1, 2012.



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## Health Reform making a difference for Kentuckians

- **Providing better value for your premium dollar through the 80/20 MLR Rule**  
249,275 Kentucky residents with private insurance coverage will benefit from \$15,326,103 in rebates from insurance companies this summer. These rebates will average \$114 for the 134,000 families in Kentucky covered by a policy.
- **Scrutinizing unreasonable premium increases**  
Insurance companies are now required to publicly justify their actions if they want to raise rates by 10 percent or more. Kentucky has received \$3.7 million under the new law to help fight unreasonable premium increases.



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## Health Reform making a difference for Kentuckians

- **Removing lifetime limits on health benefits**  
The law bans insurance companies from imposing lifetime dollar limits on health benefits – freeing cancer patients and individuals suffering from other chronic diseases from having to worry about going without treatment because of their lifetime limits. Already, 1,414,000 residents, including 528,000 women and 362,000 children, are free from worrying about lifetime limits on coverage.
- **Creating new coverage options for individuals with pre-existing conditions**  
As of April 2012, 727 previously uninsured residents of Kentucky who were locked out of the coverage system because of a pre-existing condition are now insured through a new Pre-Existing Condition Insurance Plan.



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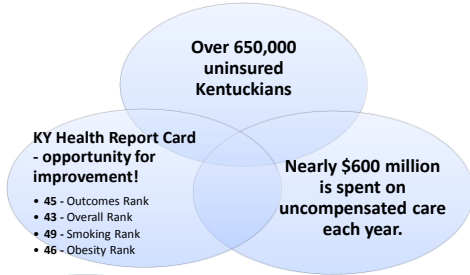
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## Need for Coverage



Addressing the Changing Landscape of Healthcare in Kentucky

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## What is an exchange?

- A health benefit exchange is an organized marketplace for individuals and employees of small businesses to shop for health insurance based on price and quality. Individuals will also be able to apply for Medicaid coverage through the Exchange.



Addressing the Changing Landscape of Healthcare in Kentucky

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## How will buying insurance be different under the exchange?

- Online web portal with shop and compare tools
- Call center for assistance with eligibility and subsidies
- Navigators and Agents offer face-to face customer support



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Why is the Exchange good for Kentuckians?

AFFORDABILITY  
TRANSPARENCY  
ACCESSIBILITY  
QUALITY  
ACCOUNTABILITY  
ASSISTANCE  
COMPETITION



Addressing the Changing Landscape of Healthcare in Kentucky

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Why is the Exchange good for Kentuckians?

- Offer coverage choices for all, regardless of place of work (Create a safety net for job loss)
- Subsidies to help families
- Tax credits to help small businesses
  - Tax Calculator: <http://www.smallbusinessmajority.com/>
- State-based Exchange can better respond to Kentucky's needs
  - High low income population
  - Poor health rankings



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### Progress to Date

- KY has received 3 federal grants for planning and implementing an exchange
- Governor Beshear issued an Executive Order to create the Kentucky Health Benefit Exchange – July 2012
- Governor Beshear appoints 19 member Advisory Board – September 2012
- KY DOI selects Benchmark Plan for Essential Health Benefits – October 2012
- Exchange selects DELOITTE CONSULTING LLP for \$101.5 million for the development and implementation of two IT systems that will comprise Kentucky's Health Benefit Exchange IT Solution – October 2012



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## KY Exchange Timeline

- Blueprint submitted November 2012
- Outreach and Education throughout 2013
- Open-enrollment October 2013
- Exchange goes live January 1, 2014

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## Community Engagement Needed

Kentuckians need to be  
**INFORMED AND ACTIVE**  
to ensure  
That health reform is properly  
implemented  
and responsive to consumers  
and community needs.

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## Kentucky Health Benefit Exchange Website

- Bookmark this site for updates on the development of the Exchange in Kentucky and opportunities to stay engaged in the process. Meeting of the Exchange Advisory Board and its committees are open to the public. See <http://healthbenefitexchange.ky.gov/Pages/home.aspx>

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For More Information:

**HealthCare.gov**

KY Dept. of Insurance  
Consumer Assistance  
Program – KY Health  
Insurance Advocate  
877-587-7222



[www.kyvoicesforhealth.org](http://www.kyvoicesforhealth.org)



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