

DRAFT ANNUAL REPORT CONTENT

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Florida Health Choices Names Key Health Care and Insurance Leaders to Vendor Steering Committee

Tallahassee, Fla. – Florida Health Choices recently announced the members of its newly formed Vendor Steering Committee. Created by the Legislature to help small business owners in Florida make sense of the complex health insurance system, Health Choices is scheduled to launch Florida's Insurance Marketplace in 2012. When launched, the Marketplace will serve as a central web portal where small businesses can help their employees choose from a variety of health plans..

The Steering Committee is comprised of vendors who may elect in the future to offer their products and services in the Marketplace. These organizations have been selected to assist in the development of the Marketplace and provide guidance in the areas of vendor certification processes, terms and conditions of vendor participation, reporting requirements and effective data collection, proven marketing and outreach efforts for small employers, and development of effective consumer education materials.

Members of the Vendor Steering Committee are:

- Aetna, Inc. represented by Sherry R. Baker
- America's Health Insurance Plans represented by Joy Ryan
- Argus Dental Plan represented by Nicholas M. Kavouklis, DMD
- AvMed Health Plans represented by Javier Mendoza
- Blue Cross Blue Shield of Florida represented by V. Sheffield "Chip" Kenyon
- Broward Health represented by Joseph Rogers
- Capital Health Plan represented by Tom Glennon
- Centene Corporation and Sunshine State Health Plans represented by Holly Benson
- Consumer Health Alliance and Coverdell represented by Vincent DiBenedetto
- Coventry Health Care of Florida, Inc. represented by Darcey A. Gartner
- Delta Dental represented by Jeff Album
- Dentalplans.com represented by Josh Babyak
- DentaQuest, Inc. represented by Lourdes T. Rivas
- Florida Association of Health Plans represented by Michael W. Garner, Ph.D.
- Florida C.H.A.I.N. represented by Greg Mellowe
- Florida Health Care Plans represented by David C. Schandel
- Florida State University School of Medicine represented by Leslie M. Beitsch, MD, JD
- Liberty Dental Plan of FL represented by Scot Giambruno
- Humana represented by Tim Love
- MCNA Dental Plan represented by Carlos Lacasa and Glen Feingold
- Preferred Medical Plan represented by Alberto F. Arca
- United Healthcare of Florida, Inc. represented by Glenn Baker

"Florida Health Choices is pleased to work in partnership with a very strong caliber of representatives from the health care service and commercial insurance markets," said Aaron Bean, board chairman of Florida Health Choices. "We are seeking their input to ensure the services and products offered in Florida's Insurance Marketplace best meet our consumers' needs."

Vendors eligible to participate in the Marketplace include, but are not limited to insurers, health maintenance organizations, prepaid health clinics, health care providers, and provider organizations.

For more information about Florida Health Choices, visit www.myfloridachchoices.org.

Health Choices Sought Interested Vendors for Florida's Insurance Marketplace

In preparation for program launch in 2012, Florida Health Choices, Inc. sought interested vendors for Florida's Insurance Marketplace. A Solicitation of Interest was published and invited comments from vendors, insurance agents and other stakeholders interested in the innovative program.

Created by the Legislature to help small business owners in Florida with the purchase of health insurance and health care services, the Marketplace will serve as a central web portal where small businesses can choose from a variety of program options. By enrolling, employers will provide employees with access to a variety of health plans and services and a unique shopping experience.

The Solicitation of Interest provided a roadmap detailing how the program is expected to evolve over the next twelve months with three distinct phases planned. Each phase increases the number of options available to employers, populations targeted, types of vendors entering the Marketplace, and an ever increasing range of products and services that can be offered.

“A strong and involved vendor community with product offerings that are attractive to employers and consumers are the keys to a successful Marketplace”, said Aaron Bean, board chairman of Florida Health Choices. “I look forward to launching the program this summer with the top notch insurance products employers and their employees want to buy.”

Marketplace Will Launch Innovated Application Hub

While working with the Vendor Steering Committee to simplify the employer and employee experience when enrolling in a small group program, an idea was born: a common medical application will be used in the Marketplace and will be accepted by all participating vendors for underwriting and enrollment purposes.

Today in Florida, an insurance agent assists the small employer with filling out multiple forms for each company from which a group insurance quote is desired. The forms may vary depending on the size of the group and employees may be presented with a hundred different diagnosis questions. Many of the insurance forms used today in Florida are still paper-based and “smart form” technology is not widely used across the industry. To develop a smart form housed on a secure, web-based hub, the Corporation considered several companies and chose Connecture as the most qualified vendor.

Smart form technology will allow the Marketplace to simplify the user experience. Persons completing the application will be presented only with questions specific to their personal circumstances or medical history. For instance, an unmarried individual reporting a gender of male, will not be presented with questions related to a pregnancy. For all “yes” answer to a condition found under the diagnosis categories, the individual will be prompted by the smart form to provide additional information. Some diagnoses require specific sub-types, or other information unique to the particular diagnosis and this is customized in the smart form. Additional question about tobacco use, pending test results and prescription medicines are also posed. Flexible and adaptable, the smart form technology can accommodate future program changes.

Connecture is the nation's leading provider of online insurance distribution solutions for the health and benefits industry, implementing automated solutions for 12 years. Connecture is solely focused on delivering integrated web-based insurance shopping, enrollment, and administrative solutions for health plans and brokers, currently providing service to more than 50,000 brokers across multiple lines of business. They have facilitated more than 20 million individual and employee commercial enrollments, and supported more than one million employer enrollments. Connecture's health plan clients include 12 of the 20 largest health plans in the nation, including 64 percent of total Blues plans and many

regional plans. Connecture's StateAdvantage exchange solution is flexible and adaptable, and they continue to focus on innovative technology that brings carriers, brokers, navigators, and call centers together.

Connecture is a welcome addition to the Marketplace and will assist Florida Health Choices to simplify the employer and agent experience.

HOW DOES THE MARKETPLACE WORK (FAQ)

Q: What is the Marketplace?

A: Florida's Insurance Marketplace is a web-based shopping experience that allows easy access and side-by-side comparison of health care options for individuals, families and business.

Q: When will it open?

A: In 2012 when the Small Group Program is launched.

Q: What products will be offered?

A: Initially, the Marketplace will offer small group health insurance to eligible small business. Each phase of the program will increase the type of products available. Eventually, insurers and health maintenance organizations will offer insurance and limited benefit policies while provider organizations can participate with prepaid service contracts offered by health clinics, health providers, pharmacies, service networks, group practices, and professional associations. Other groups may offer health services for a specified amount and type of service or treatment. Payroll services, medical savings accounts and other insurance options that are helpful to employers can also be offered in the future.

Q: Which businesses can participate in the Small Group Program?

A: Eligible employers include Florida's small businesses with four to fifty employees at the time of enrollment. Eighty-five percent of the employees must live in the State of Florida and the employer must be willing to contribute at least fifty percent of the group premium.

Q: After an eligible small business joins, who in the business is eligible to participate?

A: All active employees working 25 hours or more per week can enroll. This includes self-employed individuals, a sole proprietor, a partner of a partnership, or an independent contractor. At least 70 percent of eligible employees must participate.

Q: How do employees sign up?

A: Enrolled employers will inform employees of the opportunity to shop for coverage and services by providing a web link allowing access to the employer's customized Marketplace home page. Employees will have up to 60 days to shop and compare their options.

Q: Usually my employer picks my plan and benefits for me. How does it work in the Marketplace?

A: Here, the small employer will choose one insurance company and up to four separate benefit packages offered by that company. Employees have more choice and you can pick the coverage that

best suits you and your family.

Q: How do I pay for the coverage and services I choose?

A: Your employer will collect your share of premium through payroll deduction. Each pay period, your employer will forward the employer contribution along with your payroll deducted amount. Your contribution may also be considered pre-tax depending on your employer's benefit plan and the options you pick.

Q: What is coming next?

In the next phase we will expand the number and type of products offered which will include discount medical plan organizations, dental coverage and other ancillary services. Other eligible groups designated by the State of Florida will also be added in the future. These may include: fiscally constrained counties and school districts, small municipalities, rural hospitals and employees of the State of Florida.

Q: How is this different from the insurance exchanges I have been hearing about?

A: The Patient Protection and Affordable Care Act mandates that each state have a health exchange in place by 2014. The differences between an American Health Benefit Exchange, as defined in the Act, and Florida's Marketplace are significant. In Florida's Marketplace, participation is voluntary for employers, employees, agents and the health care and insurance community. There are no mandates on individuals, no fines or penalties for employers and the products and benefits are voluntarily brought to you by the insurance and health care industry.