ENGROSSED

ORIGINAL HOUSE BILL NO. 0203

ENROLLED ACT NO. 119, HOUSE OF REPRESENTATIVES

SIXTY-SECOND LEGISLATURE OF THE STATE OF WYOMING 2013 GENERAL SESSION

AN ACT relating to the administration of government and health insurance exchanges and related functions under federal law; providing for a select legislative committee and a study and report; providing duties of the select committee and specified state agencies; limiting expansion of Medicaid as specified; providing an appropriation; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1.

(a) There is created the select committee on health benefit exchanges consisting of the following members:

(i) Three (3) members of the Wyoming senate appointed by the president of the senate and three (3) members of the Wyoming house of representatives appointed by the speaker of the house of representatives. The president and the speaker shall each designate a cochairman unless they jointly designate a chairman.

(b) Members of the select committee shall be paid salary, per diem and mileage as provided in W.S. 28-5-101 for their official duties as members of the committee. Payment for expenses and authorized expenditures other than salary, per diem and mileage for in-state meetings shall be made first from any grant monies available for that purpose and then from the appropriation provided by this act.

(c) The select committee shall be staffed by the legislative service office. The Wyoming insurance department, the department of health and other state agencies shall provide technical and analytical assistance to the select committee as requested. Grant monies, if

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available, may be used to contract with experts and consultants as may be useful in performing the analysis required by this act.

(d) The department of insurance shall apply for grants to fund any or all of the analysis and activities required by this act. However, no grant shall be accepted which, in the judgment of the attorney general, commits the state of Wyoming to operate a state-based benefit exchange.

(e) The select committee shall terminate December 31, 2014.

Section 2.

(a) In performing the analysis of the federal exchange or its alternatives required by section 3 of this act, the following principles shall guide the select committee:

(i) Improvement in the quality and availability of information necessary to make informed purchasing decisions between health insurance policies;

(ii) Expansion in the number and quality of health insurance options in Wyoming;

(iii) Reduction in administrative overhead
costs;

(iv) Improvement in the buying experience and efficient delivery of health insurance policies to consumers;

(v) The provision of health insurance coverage in Wyoming at a reasonable cost;

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(vi) Measures to control the cost of operating an exchange and revenue generation measures which make an exchange self-sustaining;

(vii) Other factors which enhance the availability, quality and cost of health insurance policies in Wyoming.

Section 3.

(a) The following topics and issues shall be analyzed by the select committee:

(i) То the extent an Affordable Insurance Exchange ("exchange") is operated in Wyoming under the Patient Protection and Affordable Care Act, Public Law 111-148, and the Health Care and Education Reconciliation Act of 2010, Public Law 111-152 ("ACA"): study the operation of the exchange in all its parts and functions in order to determine the processes by which the exchange is operated; summarize the operation of the exchange; analyze the efficiency of its operation and determine if the assumption of any exchange function would be to the advantage of the state of Wyoming; indicate the benefits and detriments of having the state assume the function, the means by which the function could be performed and estimate the cost of assuming the function; in analyzing the state's assumption of any function, analyze those factors identified in the Centers for Medicare and Medicaid Services' Application for Approval of Affordable State-based and State Partnership Insurance Exchanges ("Exchange Blueprint") which relate to that function;

(ii) To the extent an exchange is operated by the federal government in Wyoming under the ACA, identify

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any benefits or detriments which may result or have resulted from the operation of the exchange, including benefits or detriments to health insurance purchasers, employers, health insurance companies, health insurance sellers and the state, including the state Medicaid program. In addition to other matters, the committee shall analyze:

(A) Changes in health insurance premium rates for policies both within and outside of a health insurance exchange that occur following January 1, 2014;

(B) The characteristics of those persons who purchased insurance or otherwise participated in the exchange;

(C) The risk pool created within the exchange and the adequacy of the pool;

(D) The types of benefit plans that were offered in the exchange and whether the state employees' health plan, created pursuant to the State Employees' and Officials' Group Insurance Act, was included in the exchange;

(E) The impact of the exchange on selfinsurance plans.

(iii) The number of people enrolled in Medicaid via application through the portal for Medicaid enrollment in the exchange, the cost per enrollee incurred and the error rate in the enrollment process. The department of health shall conduct an in depth audit of a random sample of those enrolled via the exchange portal and those enrolled via other means and compare the results. The audit shall be completed by September 1, 2014;

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(iv) Consider alternative exchange methods that could provide benefits equal to or greater than those provided by any exchange operated by the federal government in Wyoming under the ACA. Among any other potential exchange methods, consider all methods available under the ACA, including a state-based exchange, a state-partnership exchange and a federally facilitated exchange. Consider the use of private/public partnerships in operating an exchange;

(v)Study the possibility of the state entering into an interstate compact or agreement with one (1) or more other states for the purpose of offering health insurance to employers and individual residents of this state in cooperation with another state or states, either with or without the combination of risk pools among the The committee shall summarize the extent to which states. any interstate agreement or compact could function as part of an exchange operated under the ACA. The select committee may arrange for and host a health symposium to promote partnerships with other likeminded states to explore compacts and partnerships including shared information technology or insurance risk pools. The committee may also apply to appropriate foundations and interest groups for necessary to host multi-state cooperative qrants as presentations in the state regarding interstate compacts on health insurance exchanges, combination of risk pools and interstate sales of health insurance policies;

(vi) Study the availability of any grants offered by the United States department of health and human services or otherwise which would be available to fund any activity authorized by this act or the assumption of any exchange function identified pursuant to this act.

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Identify any time limits and limitations on expenditures associated with each grant;

(vii) Identify any function necessary in planning for the operation of an exchange or in the operation of an exchange which could not or should not be conducted by the state. The committee shall identify vendors or other entities that could conduct the function;

(viii) Whether the state could improve the Medicaid application and enrollment process through the exchange in a state operated or partnership exchange.

Section 4.

The select committee shall make a preliminary (a) report to the governor, the joint appropriations interim committee and the joint labor, health and social services interim committee by December 1, 2013. The report shall make a recommendation as to whether Wyoming should operate or participate in an exchange and, if so, what exchange functions should be conducted by the state. The report shall include a summary of the work and conclusions reached on each of the study topics required by section 3. The report shall make a preliminary assessment as to the availability and desirability of interstate compacts or agreements in operating an exchange in Wyoming. The preliminary report shall include a draft of any suggested legislation for sponsorship by the joint labor, health and social services interim committee for introduction during the 2014 budget session.

(b) Following the 2014 budget session, the select committee shall continue to study any exchange operated for Wyoming residents pursuant to the ACA according to section 3 of this act.

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(C)The select committee shall make a final report by October 1, 2014 to the governor, the joint appropriations interim committee and the joint labor, health and social interim committee regarding the committee's services activities during the 2014 interim and the committee's final recommendations concerning those subjects required to be covered in the preliminary report. The final report shall include a draft of any suggested legislation for sponsorship by the joint labor, health and social services interim committee and introduction during the 2015 general session.

Section 5. No further expansion of eligibility for Medicaid shall occur without prior approval from the legislature.

Section 6. There is appropriated from the general fund thirty-seven thousand six hundred dollars (\$37,600.00) to the legislative service office for payment of salary, per diem and mileage for members of the select committee on health benefit exchanges and for costs associated with conducting the study and activities authorized by this act. Any unexpended, unobligated funds remaining from this appropriation shall revert on June 30, 2015.

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ORIGINAL HOUSE BILL NO. <u>0203</u>

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Section 7. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED:

I hereby certify that this act originated in the House.

Chief Clerk