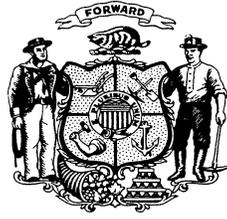


State of Wisconsin

SENATE CHAIR
Alberta Darling

317 East, State Capitol
P.O. Box 7882
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Phone: (608) 266-5830



ASSEMBLY CHAIR
John Nygren

308 East, State Capitol
P.O. Box 8593
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Phone: (608) 266-2343

Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: September 25, 2019

Re: s. 16.515/16.505(2), Stats. Request

Attached is a copy of a request from the Department of Administration, received September 24, 2019, pursuant to s. 16.515/16.505(2), Stats., on behalf of the Office of the Commissioner of Insurance.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Friday, October 11, 2019** if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.



STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Joel Brennan, Secretary

Date: September 24, 2019

To: The Honorable Alberta Darling, Co-Chair
Joint Committee on Finance

The Honorable John Nygren, Co-Chair
Joint Committee on Finance

From: Joel T. Brennan, Secretary
Department of Administration

Subject: s. 16.515/16.505(2) Request(s)

Enclosed are request(s) that have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>2019-20</u> <u>AMOUNT</u>	<u>FTE</u>	<u>2020-21</u> <u>AMOUNT</u>	<u>FTE</u>
OCI 20.145(1)(g)	General program operations	\$541,300		\$541,300	

As provided in s. 16.515, the request(s) will be approved on October 15, 2019, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Kirsten Grinde at 266-1353, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

Date: September 16, 2019
To: Brian Pahnke
From: Cindy Dombrowski
Subject: Section 16.515/16.505(2) Request(s)

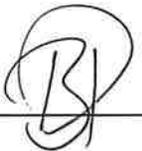
Attached is a s. 16.515/505(2) request analysis for your approval and processing. Listed below is a summary of each item:

DOA RECOMMENDATION:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>2019-20</u>		<u>2020-21</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
OCI 20.145(1)(g)	General program operations	\$541,300		\$541,300	

AGENCY REQUEST:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>2019-20</u>		<u>2020-21</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
OCI 20.145(1)(g)	General program operations	\$541,300		\$541,300	

BP APPROVAL  (FORWARD TO GAIL TAPPEN)



STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Joel Brennan, Secretary
Brian Pahnke, Administrator

Date: September 16, 2019

To: Joel Brennan, Secretary
Department of Administration

From: Cindy Dombrowski
Executive Policy and Budget Manager

Subject: Request Under s. 16.515 from the Office of the Commissioner of Insurance for release of funds for health care navigator grants

Request:

Under the statutory provision of s. 16.515, the Office of the Commissioner of Insurance requests a supplement of \$541,300 PR in each fiscal year for health care navigator grants.

Revenue Sources for Appropriation(s):

The general program operations appropriation under s. 20.145(1)(g) is funded by assessments levied on insurance companies and fees paid by insurance intermediaries. There will be sufficient cash in the appropriation to support the expenditure authority increase.

Background:

Starting in October 2013, consumers in all states were able to access affordable health insurance options through the Health Insurance Marketplace, also called Health Care Exchange, under the Affordable Care Act (ACA). Beginning in 2016, the federal government granted funds to states to provide consumer assistance in understanding and enrolling in healthcare. These navigators play a vital role in helping consumers establish eligibility, understand insurance concepts and enroll in coverage. Navigators also provide outreach and education to raise awareness about the Health Care Exchange and refer customers to health insurance ombudsman support or other consumer assistance programs.

Navigators are funded through federal grants and are required to complete comprehensive training and, in Wisconsin, obtain an individual navigator license. For licensure, an individual must meet certain requirements such as be 18 years of age or older; be a Wisconsin resident or maintain a principal place of business in the state; complete all required training; pass a written examination; and pay the applicable fee. Presently, the state requires 16 hours of approved prelicensing training and any federally mandated exchange training. The National Association of Insurance Commissioners maintains a list of approved courses for navigator training.

Open enrollment under ACA runs from November 1 to December 15 of each year. During this time, individuals are able to purchase or renew health insurance through the exchange.

Analysis:

Beginning in 2016, the federal government began awarding funding to states to provide navigator services to consumers. Table 1 demonstrates the total federal funding awarded, along with Wisconsin's share, and the change over the prior year. Nationally, for the 2017 plan year, there were 104 navigator programs serving 34 federal marketplace states, compared to 40 for the 2019 plan year, and three states – Iowa, Montana and New Hampshire – had no navigators. In 2018, one navigator entity provided service in Wisconsin and no county had more than one navigator serving consumers.

Table 1: Navigator Funding 2016-2018

	2016	2017	2018	Percent Change 2016-18
Total Funding	\$62,885,140	\$36,113,230	\$10,000,000	-84%
Wisconsin Funding	\$1,338,306	\$749,215	\$200,000	-85%

In Wisconsin, one organization, Covering Wisconsin, is formally the grant recipient of federal navigator funds. Covering Wisconsin, which is affiliated with the University of Wisconsin System, works with local organizations to provide navigator assistance statewide, with a particular focus on rural populations, and low-income populations who are uninsured or have low literacy.

The Centers for Medicare and Medicaid Services have argued that the need for continued navigator assistance has declined as public awareness and knowledge of the health care exchange has increased and individuals are more familiar with understanding health insurance options.

According to the Kaiser Family Foundation, although marketplaces have been in place since 2013, most people, and particularly those who are uninsured, have a limited knowledge and awareness of open enrollment. Further, the foundation found that consumers seeking assistance possess limited understanding of the eligibility and enrollment process.

According to the Office of the Commissioner of Insurance, urban areas such as Milwaukee or Dane counties have extensive outreach and enrollment networks, whereas rural areas lack sufficient resources to provide sufficient outreach and assistance. If approved, the grant funding increase would enable an expansion of the existing outreach and enrollment activities, especially in underserved rural communities.

The office has outlined that there are three periods of basic need in the state: pre-open enrollment, during open enrollment and post-open enrollment. During the

pre-open enrollment phase, navigators receive certification and training, engage in outreach planning and coordinate with plans, providers agents and other organizations with the goal of helping consumers make informed decisions about health insurance coverage.

During open enrollment, navigators provide direct support to consumers and coordinate with other support entities to maximize outreach and consumer support. After the open enrollment period, navigators assist individuals who require assistance due to qualifying life events and help consumers understand coverage requirements.

Given the uncertainty of federal funding, some states, including Wisconsin, have provided state funding for navigator support. Minnesota for example announced \$4 million in state support for community-based outreach, enrollment and coverage support efforts. In Wisconsin, the recently passed biennial budget included \$541,300 annually in the Joint Committee on Finance's program revenue supplemental appropriation to make grants for outreach.

Given the open enrollment window is approaching, the office is requesting the release of the supplemental funding in order to expand existing outreach and education activities, especially in rural areas of the state.

If the Committee chooses to approve the request under 14-day passive approval, under s. 16.515(2), the supplement would be provided from the appropriation under s. 20.865(8)(g). If, however the Committee acts upon the request, the supplemental authority, if approved, would be provided from the supplemental appropriation under s. 20.865(4)(g).

Recommendation:

Approve the request.



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tony Evers, Governor
Mark V. Afable, Commissioner

Wisconsin.gov

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ociinformation@wisconsin.gov
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August 8, 2019

TO: Members, Joint Committee on Finance

FROM: Commissioner Mark Afable
Office of the Commissioner of Insurance

SUBJECT: Release of Funds for Health Insurance Education and Outreach

This request is for the release of expenditure authority from the Joint Finance Committee's program supplements appropriation for health insurance education and outreach as included in 2019 Wisconsin Act 9 (the 2019-2021 state biennial budget). The Office of the Commissioner of Insurance (OCI) is submitting this plan for expenditure of the \$541,300 grant funds for Fiscal Year 2020. Grants for this fiscal year will focus on strengthening and enhancing existing activities around education, outreach, and enrollment activities, as well as expanding those activities to rural and under-served parts of the state.

Open Enrollment for individual market coverage through in 2020 through the Federally Facilitated Exchange runs from November 1 to December 15, 2019. Expediting the release of the grant funds will provide the best opportunity to support outreach and education efforts prior to and during Open Enrollment for the upcoming year.

Overview:

Wisconsin has been experiencing a decline in individual market enrollment in recent years. From 2016 to 2019, there was a 14.2% decline in the number of plans selected during open enrollment in Wisconsin, including a 9% decrease from 2018 to 2019 alone. Lower-income Wisconsin residents have seen an even greater decrease in individual market enrollment, with a 33% decrease

occurring between 2016 and 2019 for those making 100% to 150% of the federal poverty level.

A decrease in individual market enrollment, and a resulting increase in the number of uninsured residents in Wisconsin, has a negative ripple effect on costs in the broader health care market as uncompensated care costs increase.

With a focus on reducing the number of uninsured individuals in Wisconsin, OCI is proposing to utilize the \$541,300 to expand capacity for consumer education, outreach, and enrollment services for the upcoming open enrollment period beginning November 1. By leveraging and enhancing the existing consumer outreach and assistance network, as described in more detail below, the grant funds can be deployed efficiently with a focus on getting Wisconsin residents enrolled in the coverage that is right for them and, consequently, reducing the cost shift associated with an increased uninsured population.

Background:

Under federal law, navigator organizations administer the delivery of enrollment and outreach services throughout the state. In Wisconsin, there is one navigator organization. This organization has the primary responsibility of identifying vulnerable and hard-to-reach populations and engaging with community partners to train enrollment assisters, who are trusted members of the communities where they engage in outreach and enrollment activities. The navigator organization develops and implements an outreach plan for each unique geographic service area to ensure a coordinated, efficient, and strategic effort among its public and private sector partners in communities across the state.

The navigator organization oversees the network of partner organizations across the state and provides training and support through workshops, webinars, and an annual conference for insurers, agents and navigators prior to open enrollment beginning in November. The organization also provides a website,

access to an appointment scheduling tool, and relevant health insurance literacy materials for distribution by the enrollment partners and others.

In addition to its work prior and during open enrollment, the navigator organization administers a program of statewide outreach and enrollment assistance throughout the year including the following:

- Assisting consumers with enrollment/reenrollment in a Qualified health plan (QHP) during open enrollment.
- Assisting consumers in applying for Medicaid/CHIP.
- Holding education and outreach activities for consumers including one on one assistance with understanding and using health insurance.
- Providing assistance with tax planning, and assistance identifying life changes that may result in eligibility for special enrollment periods.

While Milwaukee and Dane Counties have extensive outreach and enrollment networks, many rural areas of the state lack sufficient capacity to reach individuals for enrollment. There is a statewide enrollment directory that lists organizations that can provide assistance in making appropriate referrals for enrollment services in both public and private insurance programs. The Milwaukee enrollment network has its own directory of navigators and certified application counselors, as well as clinics, social service agencies, and government programs.

Grant funding will enable an expansion of the existing outreach and enrollment activities to other parts of the state, especially many under-served communities in rural Wisconsin. This expansion will allow rural and under-served communities to receive outreach and enrollment assistance similar to the infrastructure that has been developed in Milwaukee.

Pre-open enrollment (July to November 1):

The following provides a high-level overview of the activities that occur throughout the year relating to pre-Open Enrollment planning, outreach during Open Enrollment, and post-Open Enrollment education and outreach.

Training and Education

Navigator entities and certified application counselor organizations complete annual registration and certification with the Centers for Medicare & Medicaid Services. Individual navigators and certified application counselors complete federal annual training and state-required annual continuing education training.

Outreach planning

The organizations involved in enrollment work together to develop outreach plans. In areas beyond Dane and Milwaukee Counties, where developed plans currently exist, a number of agencies and organizations have been identified that have in-depth knowledge of the communities and their regions where they operate, such as the Partnership Community Health Center in the Fox Valley, Portage County Human Services, Wisconsin Association of Free and Charitable Clinics serving southwestern counties, Northwest Concentrated Employment Program serving northern western counties, Racine-Kenosha Community Action Agency, and the Gerald Ignace Indian Health Center, among others.

Grant funding can be utilized to provide valuable financial resources to help these organizations, as well as others, expand outreach and education efforts in their communities to ensure that more Wisconsin residents in more parts of the state can find and enroll in coverage. Grant applicants will be assessed for their ability to provide methods for identifying target populations, planning outreach strategies for assisting under-served communities, engaging local agents, partnering with private and public sector partners, participating in community events, and other community-focused activities that can ensure effective outreach, education, and enrollment assistance.

Better coordination with health plans, providers, insurance agents, and other organizations can increase enrollment in rural and under-served parts of Wisconsin and help consumers across the state make informed decisions about coverage.

Open enrollment (November 1 – December 15):

Consumers can use the connector tool on the navigator entity website to locate enrollment assistance as well as the Find Local Health option on Healthcare.gov. Assistants and insurance agents can work together to provide consumers with information about the best coverage options for their families.

Communication plans need to be coordinated between all involved parties to reach more consumers. Resources are needed to develop and implement effective, community-specific strategies to promote the Open Enrollment period and to reach consumers in all parts of Wisconsin. In addition to the community-focused activities described above, this can include earned media, paid media, social media and direct outreach through United Way, local libraries, community centers, job centers, and community events.

Post open enrollment (December 15 and beyond):

The navigator organization provides support throughout the year to help people who experience a qualifying life event enroll under special enrollment periods, to report changes and to retain coverage.

Navigators and assistants communicate with enrollees outside of open enrollment to provide information about tax filing requirements, assist them in updating their account to report life changes, provide advice about eligibility for medical assistance or Medicare, and to remind consumers about important dates for renewing coverage. They provide follow-up calls to help consumers use their coverage. If a consumer's income changes, navigators assist consumers in updating their information to avoid tax problems or to determine if the change makes them eligible for BadgerCare. They also help with filing

marketplace eligibility appeals and understanding and applying for exemptions from marketplace coverage.

After Open Enrollment ends in mid-December, additional resources can be used to support these ongoing activities throughout the year to ensure more Wisconsin residents in all areas of the state can get and keep quality health coverage.

Health insurance education:

There is a need to provide better information for consumers across Wisconsin about health insurance, how to enroll in coverage, and how to access health care services. Information can be tailored to specific groups or demographic categories. Materials can be developed for targeted communities, high school and college students, young adults in the workforce, small business owners, veterans, families, retirees, single individuals or those with disabilities or special circumstances.

Health insurance education can also be tailored to specific ethnic groups and can be provided through various distribution channels including in-person meetings, through materials made available to agents, webinars, websites, social media as well as printed and written materials.

Summary of request:

OCI requests the release of \$541,300 from the Joint Finance Committee's program supplements appropriation to provide financial assistance to enhance and expand the existing education and outreach activities focused on getting more Wisconsin residents enrolled in health care coverage.

This funding will increase the capacity of the existing enrollment networks and allow those networks to leverage their private and public sector partnerships to expand services to rural and under-served communities throughout the state.