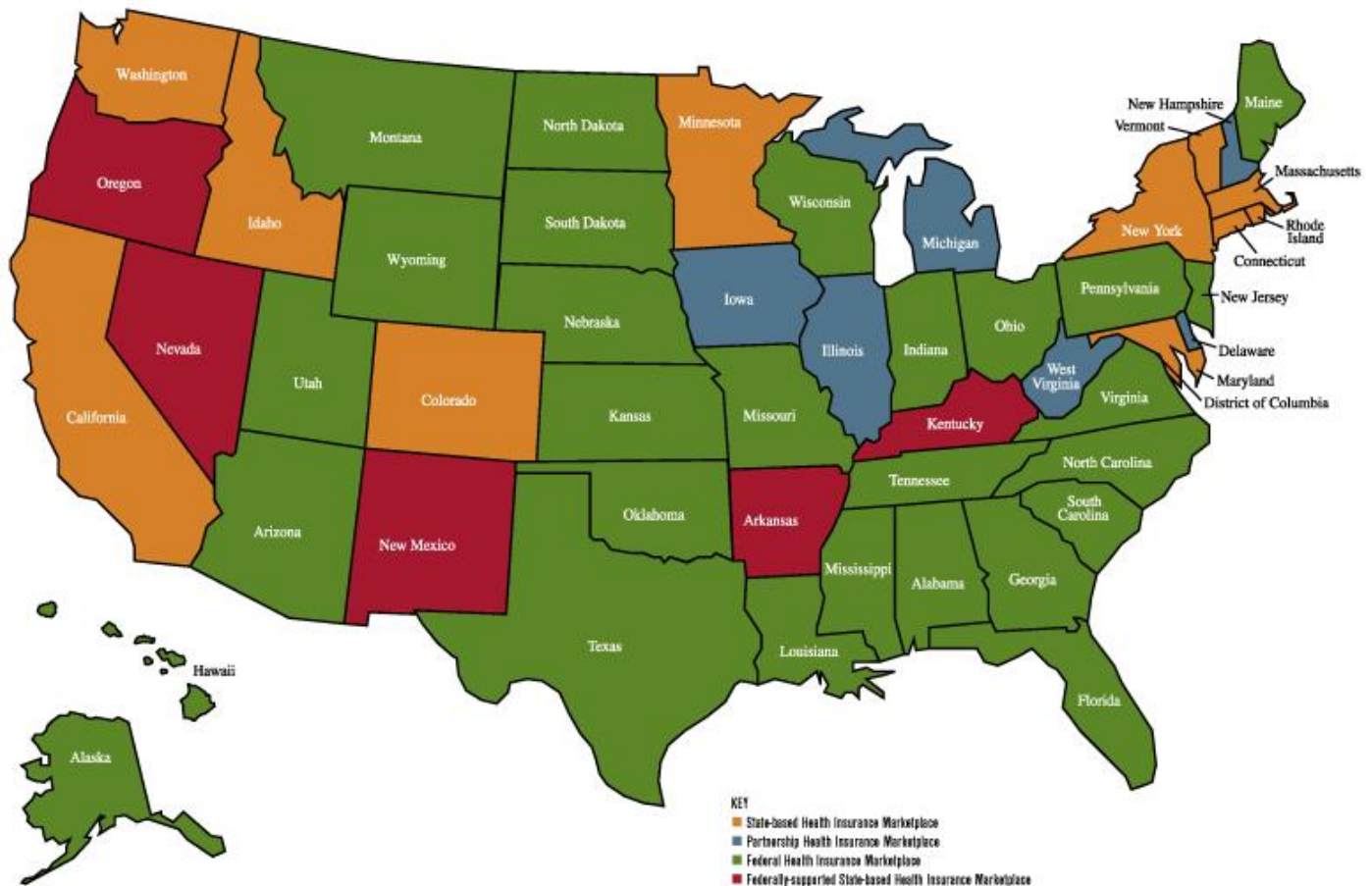




HEALTH INSURANCE MARKETPLACES



The *Affordable Care Act* (ACA) introduced a number of reforms to ensure greater access to health insurance for all Americans. The ACA's Health Insurance Marketplaces provide a comprehensive one-stop resource for consumers to research insurance plans, receive assistance, and purchase health insurance coverage. Plans offered on the Marketplaces include coverage protections, such as nondiscriminatory coverage of individuals with pre-existing conditions, no lifetime coverage limits, and options for individuals to stay on their parent's plan until age 26, all established under the ACA. In addition, all Marketplace plans are required to provide minimum levels of coverage, known as [essential health benefits](#).

Types of Marketplaces

States have been allowed significant flexibility in establishing their Health Insurance Marketplaces:

AAFP Headquarters
11400 Tomahawk Creek Pkwy.
Leawood, KS 66211-2680
800.274.2237 • 913.906.6000
fp@aafp.org

AAFP Washington Office
1133 Connecticut Avenue, NW, Ste. 1100
Washington, DC 20036-1011
202.232.9033 • Fax: 202.232.9044
capitol@aafp.org

State-Based Health Insurance Marketplaces

A state governmental agency (Department of Insurance, Department of Health, etc.) or non-profit entity established by the state operates these marketplaces and have significant flexibility in their choices related to insurance plan selection, additional essential health benefit designation, and marketplace administration. Eleven states (CA, CO, CT, ID, MD, MA, MN, NY, RI, VT, WA) and the District of Columbia operate State-Based Marketplaces.ⁱ Many of these states are broadly supportive of the Affordable Care Act's goal of increased coverage and have aggressive outreach budgets and open enrollment periods that extend beyond the December 15 Federal Marketplace deadline to sign up for coverage.

Partnership Health Insurance Marketplaces

Partnership Marketplaces involve cooperation between the states and the U.S. Department of Health and Human Services (HHS) to provide states with flexibility as they take on primary responsibility for marketplace activities. These states in a Partnership Marketplace can take on plan management activities, consumer assistance and outreach, or a combination of both, leading to significant variance in the structure of each individual Marketplace amongst the six states (DE, IL, IA, MI, NH, WV) operating Partnerships.ⁱⁱ States under this model have the option to transition to a State-Based Marketplace in the future.

Federally-Supported State-Based Health Insurance Marketplaces

States with this type of Marketplace are responsible for performing all Marketplace functions, but rely on the Federally-facilitated Marketplace information technology platform (healthcare.gov) to apply and enroll consumers in coverage. Five states (AR, KY, NV, NM, OR) currently use a state based Marketplace that is Federally-facilitated.ⁱⁱⁱ

Federal Health Insurance Marketplaces

States unable or unwilling to establish a State-Based or a State-Federal Partnership rely on HHS to operate their Marketplace management, consumer assistance and outreach, and eligibility and enrollment responsibilities. The Centers for Medicare and Medicaid Services (CMS) allows states to transition from the Federal Health Insurance Marketplace to a State-Based Marketplace by submitting a declaration letter to HHS and CMS. CMS conditionally approves these requests and since 2014, Federal grants to support these Marketplaces are no longer available to states. Federal Health Insurance Marketplaces operate in 28 states.^{iv}

Navigator Program

The ACA provides federal dollars to Navigator programs to assist consumers with education, outreach, eligibility, and enrollment issues in order to facilitate a streamlined transition into new insurance coverage through the Marketplace. Additionally, Navigators must have special expertise working with low-income populations, American Indian/Alaska Natives, people with disabilities, and individuals with limited English language proficiency. In 2017, CMS reduced Federal Navigator funding by 40%, with some states seeing no change in Navigator funding while other states having lost over 80% of their previous grant funding, making Navigator services difficult to find in some areas. Those seeking assistance with Marketplace enrollment can find Navigators through the Federal Marketplace's [Local Assistance page](#).^{v,vi}

ⁱ "Center for Consumer Information and Insurance Oversight: State-Based Exchanges." CMS. Web.

ⁱⁱ "Affordable Insurance Exchanges Guidance." CMS. Web.

ⁱⁱⁱ "Supported State-Based Marketplaces: The Point of Coverage?" Health Affairs, Web.

^{iv} "What is the Health Insurance Marketplace?" HHS. Web.

^v "In-Person Assistance in the Health Insurance Marketplaces." CMS. Web.

^{vi} "Data Note: Changes in 2017 Federal Navigator Funding." Kaiser Family Foundation. Web.