Should We Learn from the Roll-Out of the ACA?

2nd Annual HIX Summit

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How the enrollment campaign went?

8.02 million actual enrollees

  versus target of 7 million…

  No, make that 6 million…

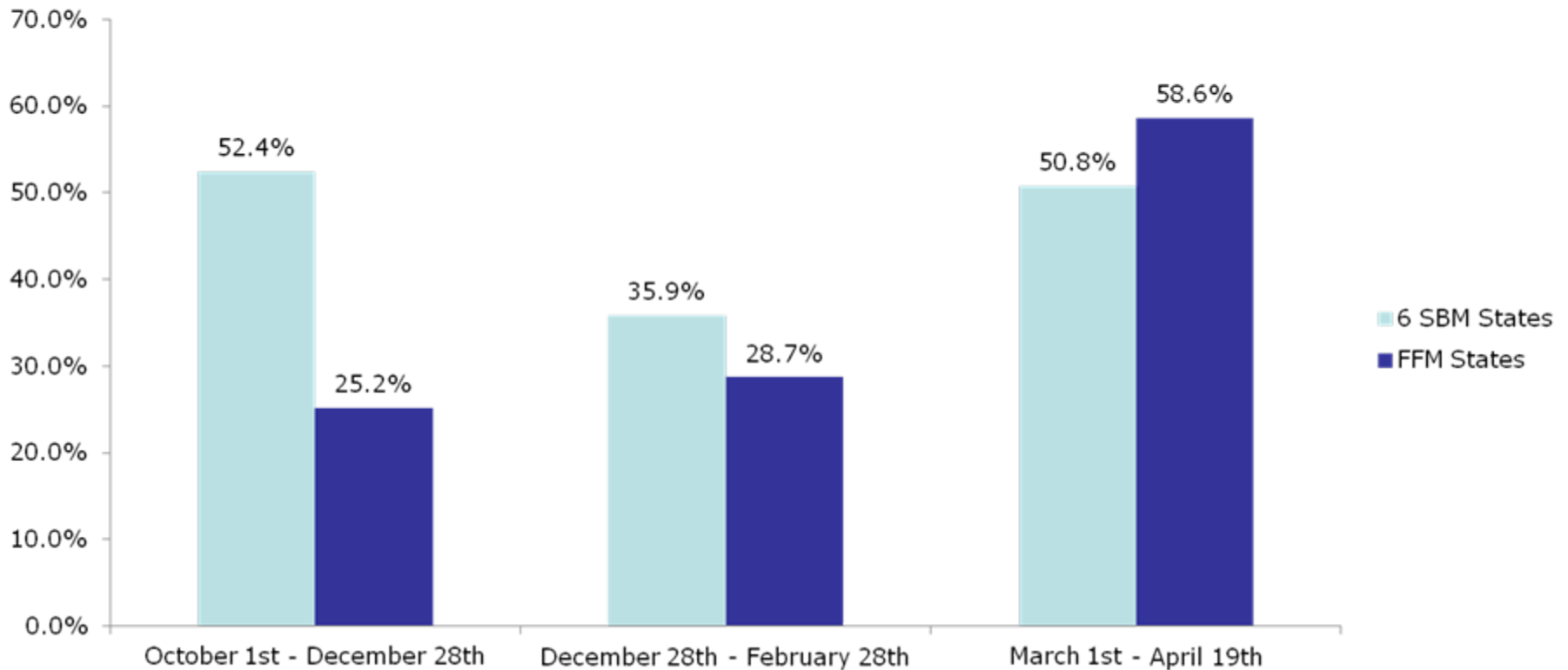 No, make that 7 million!

Enrollment is a marathon

CBO Projections: 17.5 million by 2016

Impact of the mandate deadline

Actual Enrollment as a Percent of 2014 Projected Enrollment for 6 SBM States and FFM States

It is a marathon to 17.5 million paid enrollees in 2016

April 19, 2014: 8.02mm selected a QHP

x .85 = 6.8mm paid enrollees

- (.04 x 9 months) x 6.8mm = **4.4mm** at Y-E

For 13mm paid, need by February 2015:

13/.85 = 15.3 mm lives

15.3 – 4.4 = **10.9mm** new lives

- (.04 x 10 months) x 13mm = 7.8mm

For 17.5mm paid, need by February 2016:

17.5/.85 = 20.6mm lives

20.6 – 7.8 = **12.8** new lives

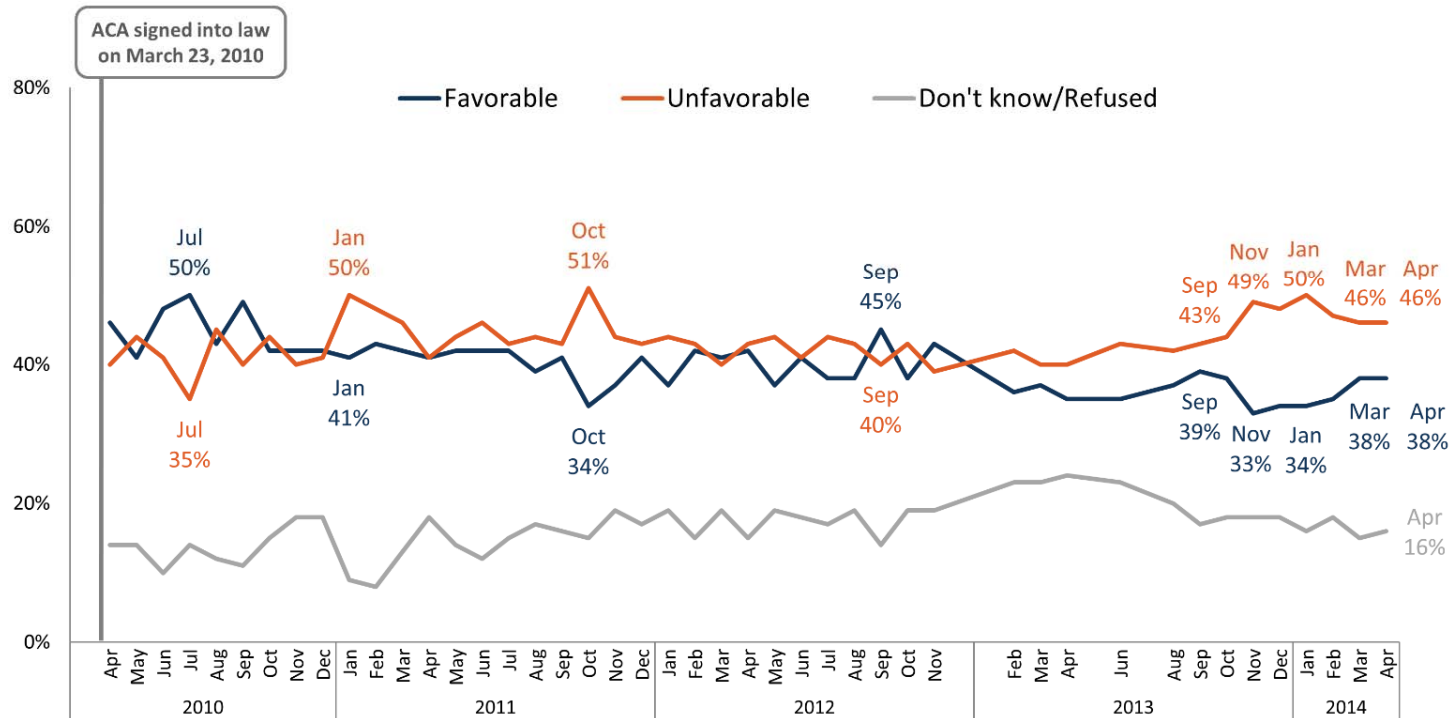# Enrollment is a growing challenge

Gross Adds Needed Each Year to Meet Enrollment Targets
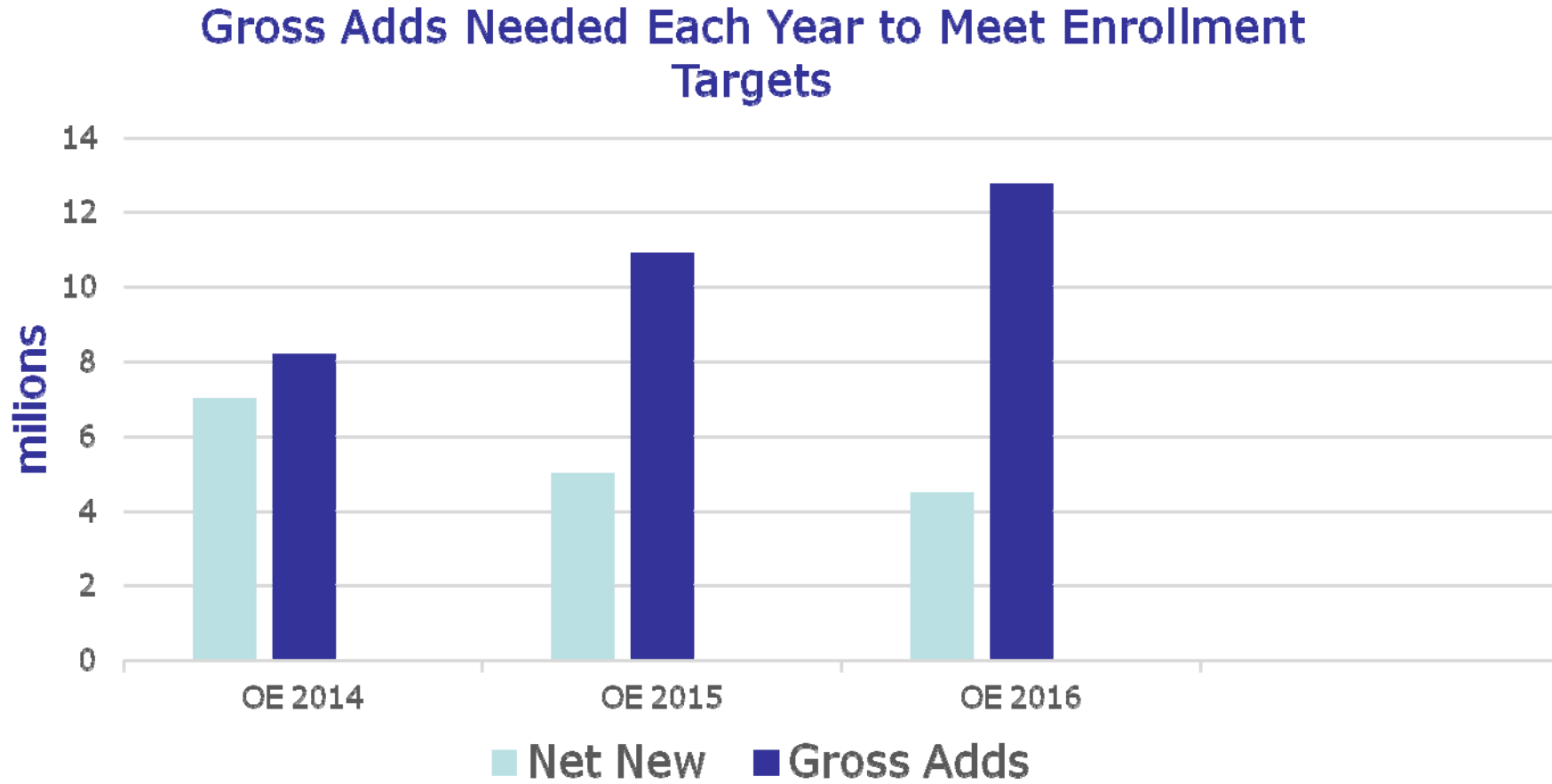
How's the other campaign going?

Opinion Of ACA Unchanged From March To April

As you may know, a health reform bill was signed into law in 2010. Given what you know about the health reform law, do you have a generally favorable or generally unfavorable opinion of it?
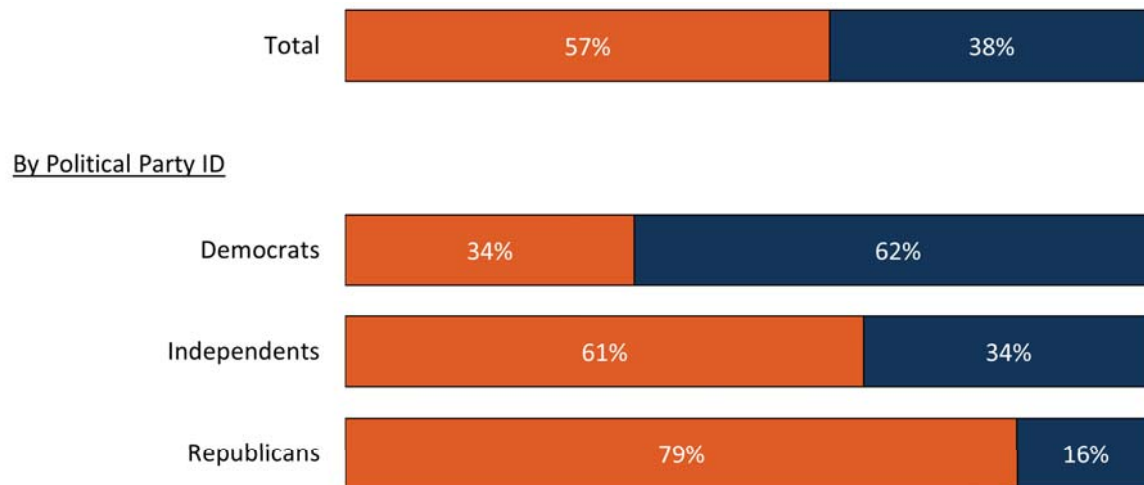
SOURCE: Kaiser Family Foundation Health Tracking Polls

Losing the political campaign on implementation

Majority Say Law Is Not Working As Planned

Based on what you've heard about the first open enrollment period, which comes closer to your view about implementation of the law so far?

■ There have been so many problems since the law's rollout that it's clear the law is not working as planned

■ There were some early problems that have been fixed and now the law is basically working as intended

Total	57%	38%

By Political Party ID

Democrats	34%	62%
Independents	61%	34%
Republicans	79%	16%

NOTE: Neither/Other and Don't know/Refused answers not shown.
SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted April 15-21, 2014)

Elizabethan Poor Laws: our social welfare framework for 400 years

Undeserving →

← Deserving

The framework for debating social welfare programs for last 30 years

If mistakes are a "learning opportunity," what have our Governors learned?

- "I learned that we should have hired Deloitte instead of IBM."

- "I'm very concerned about … CGI and whether we got what we paid for, and I think most of us feel we have not,"

- "I am going to hold Xerox's feet to the fire."

But it really is important to go beyond blaming IT vendors

- Only 6.4% of major government IT projects rated as successful!

- Assuming that the vendors can be faulted, how did CO manage to make CGI work?

- And why did so many different vendors perform so poorly?

Lesson #2: simplify

- The ACA is incredibly complex
  - FPL vs MAGI
  - Enhanced CSRs & Pedi-dental double the number of QHPs
  - Premium collections

- Federalism complicates everything

- The most ambitious IT projects failed most miserably

Or try these brain-teasers?

- Unmarried couple (same household): one member is lawfully present and the other is not, but they have children together – who is eligible for what?

- Parent claims a child, then the child turns 19 and moves out of state for school – is the child eligible for healthcare through? Does he need his own app?

- Household made up of a grandparents who claim a couple grandchildren and their mother – who is eligible for what?

Lesson #3: expertise

- CMS learning ACA & exchanges

- States learning ACA & exchanges

- State exchanges staffing & learning mission, where the bathrooms are, etc.

- A dearth of centralized gov't IT expertise!

Lesson #4: management & vendor accountability

- Too many chefs in the kitchen
- Need for systems integrator
- Effective, timely vendor selection
- Effective project governance & oversight
- Vendor selection & contracting
- Disciplining <u>and</u> rewarding vendors

IT is only one of several critical public-private "alliances"

- IT vendors will likely have long-term relationships with exchanges

- Issuers manufacture the products that the exchange markets

- Brokers, IPAs & call centers sell and support the exchange