

Supported State-Based Marketplace Model May Gain Traction

October 15, 2014

By HighRoads contributor

The supported state-based marketplace (SSBM) is not a new concept in 2015, but one that may gain increased traction among states going forward. The SSBM model was established in 2013 as a special marketplace arrangement for the state of Idaho, which desired a state-based marketplace but had not progressed far enough with its technology planning and implementation to go live in 2014.

Although Idaho is using the SSBM model for its first year of operation, the Centers for Medicare & Medicaid Services (CMS) has released little guidance on the specifications and requirements for compliance in this arrangement. However, as states like Nevada and Oregon transition to SSBM models for the 2015 open enrollment period, more information on the unique constructs of this relationship is being defined.

The SSBM model may represent a new option for states that are looking to play a more active role with marketplace operation, but may not be interested in procuring the necessary technology for a full state-based marketplace.

The SSBM is similar to the partnership model but allows for more state autonomy. The SSBM model is often confused with the state and federal partnership marketplace arrangement, a similar model in which the state can retain some level of administrative control while using the federal marketplace website, Healthcare.gov. Still, a primary point of difference between these two models is possession of final decision-making authority.

In CMS guidance outlining the details of the partnership marketplace, it states that "HHS (the Department of Health and Human Services) remains responsible for overall operation of the state partnership exchange and will review the activities of the state." To illustrate, partnership marketplaces are provided authority over the coordination of consumer-assistance entities and review of Qualified Health Plan (QHP) applications.

However, it is ultimately CMS that acknowledges the consumer-assistance entities, distributes the funds, and certifies the QHPs to be marketplace-eligible. Alternatively, the SSBM is given complete autonomy in developing a consumer assistance program and reviewing and certifying QHPs.