

The Wisconsin Medical Society's Principles for Development of a Health Insurance Exchange

The Wisconsin Medical Society (Society) believes that Health Insurance Exchanges can provide access to comprehensive, affordable health insurance for Wisconsin residents who would otherwise lack insurance coverage. Therefore, the Society supports the following principles in the development of an Exchange:

- The Wisconsin Health Insurance Exchange should be user-friendly for consumers, employers, providers and insurers. It should present choices and product information in a clear and efficient interface.
- The Exchange should be governed by a quasi-public entity that is accountable to but also independent of state government, similar in structure to Wisconsin's Health Insurance Risk-Sharing Plan (HIRSP) Authority. Such a structure can incorporate the expertise of Wisconsin's health care community, provide transparency and accountability to citizens, and maintain freedom from undue political influence. Meetings of the governing entity should be open to the public.
- The Exchange must proactively work to avoid adverse selection, by 1) using its negotiating power to influence the coverage offered by Exchange plans participating on the Exchange; 2) managing the number of plans allowed to participate on the Exchange; 3) requiring that insurance products sold outside the Exchange meet the same minimum standards as those sold on the Exchange; and 4) using careful risk adjustment mechanisms.
- The Exchange should offer catastrophic, bronze, silver, gold and platinum coverage as outlined by the Patient Protection and Affordable Care Act.
- The governing entity of the Exchange should promote robust competition and encourage innovation among insurers and products while assuring a commitment to value and coordinated care. The Commissioner of Insurance should have the power to limit unjustified rate increases for products offered on the Exchange.
- The Exchange should help administer and coordinate health care subsidies and mandates, and communicate with other government programs to determine eligibility. It should ensure insurance portability and continuity of coverage amid consumers' changing incomes, Medicaid and other program eligibility, and significant life events.
- The governing entity of the Exchange should recognize the Exchange's potential as a portal to health information, and use it to promote value, wellness and population health for the State of Wisconsin.

