



2013 FLORIDA HEALTH CHOICES Annual Report

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About Florida Health Choices

With a goal of increasing access to affordable, quality health care, Florida Health Choices is working to create a competitive market for purchasing health insurance and health services.

We will provide employers and consumers with a single point of access to compare multiple insurance products and enable them to enroll in the product that best meets their needs.



Our Mission Statement

Florida Health Choices: Removing barriers between employees who deserve quality health care and the providers who want to make sure they get it. Easily and accurately.

Florida Health Choices Partners with Careington to Discount and Enhance Health Plans

A contract approved by the Florida Health Choices Board of Directors at its December 2013 meeting paves the way for consumers to start exploring an array of health care options via Florida’s Health Insurance Marketplace starting in 2014. The board selected Careington International Corporation to provide the platform for offering health service options that are often purchased either as enhancements to health insurance plans or as lower-cost alternatives.



Careington

As a Florida-licensed Third Party Administrator and Discount Medical Plan Organization, Careington serves over nine million members worldwide, including 936,000 consumers in Florida.

The addition of Careington rounds out the team of Marketplace platform providers that also includes Xerox HealthCare Services, LLC and Choice Administrators, Inc. Each member

of the platform team brings specialized functionality and product experience to the corporation’s planning and operations.

FACTS ABOUT CAREINGTON INTERNATIONAL CORPORATION

- Currently serving 1 million Floridians
- Over 9 million customers worldwide
- Partners with more than 40 leading companies to deliver substantial discounts on a variety of health care and lifestyle services
- Experienced platform designer serving discount and limited benefit plans
- A founding member of the Consumer Health Alliance

Florida Health Choices, Inc. was created by the Florida Legislature in 2008 as a not-for-profit corporation. The Corporation was established with the goal of increasing access to quality health care by creating a competitive marketplace for purchasing health insurance and health services. Preview the Health Insurance Marketplace at www.floridahealthchoices.com.

Pathfinder Compass Helps Small Businesses Navigate New Health Care Landscape



In 2013, as businesses across Florida struggled to find their place in the changing health care landscape, Florida Health Choices stepped up to help them find the right path.

Located at www.myfloridachchoices.org, the “Pathfinder Compass” walks users through a series of questions that help determine eligibility and available options for small business owners shopping for health insurance.

Florida Health Choices staff spoke to associations and business organizations around the state to help their members understand the new requirements. The digital tool acts as a compass for small business owners who may be lost while searching for health care plans for their employees and need guidance toward the best options for their business.

The “Pathfinder Compass” is one way that Florida Health Choices helped Floridians prepare for federal health care reform implementation in 2013.

Bridging Coverage Gaps: Marketplace Expands Supplemental Options



Although comprehensive, the new options available under the Affordable Care Act do not insure everyone — or everything — a Florida family may want to have covered. Florida Health Choices will bring supplemental options to the Marketplace and help employers and families fill gaps when they have other health insurance. At the same time, the offerings may be the only affordable choices for those who remain uninsured.

In September 2013, the Florida Health Choices Board of Directors approved the expansion of services that will be available at Florida’s Insurance Marketplace. The expansion will offer consumers a broad array of purchasing options.

To secure the plans and make them available through the Marketplace web portal, the board issued an invitation and solicitation for vendors. Fourteen vendors applied for certification and are expected to bring 20-25 offerings to employers and individuals.

This expansion includes entities that are regulated by the Florida Office of Insurance Regulation, such as discount medical plan organizations, pre-paid health clinics and pre-paid limited health service organizations. Offerings will include dental, vision, chiropractic, telemedicine, prescription drugs and fitness options.

This phase of program implementation has long been included in Marketplace planning. Recognizing the continuing gaps in coverage and eligibility that will exist after January 1, 2014, Florida Health Choices accelerated this segment of the program roll-out to help Floridians bridge gaps in their coverage.

How Does the Marketplace Work?

FREQUENTLY ASKED QUESTIONS ABOUT THE MARKETPLACE PROGRAM

Q: Is this the same as “HealthCare.gov” operated by the federal government?

A: No. Florida’s Health Insurance Marketplace is not the same as “HealthCare.gov.” HealthCare.gov launched in October 2013 as a result of the Affordable Care Act (ACA). Florida’s Marketplace was created by the State of Florida and is not affiliated with the federal government.

Q: Does Florida’s Marketplace have an essential set of benefits?

A: No. There are no mandates as to the products and plans that an insurer is allowed or required to offer in the Marketplace, such as an essential set of benefits. There are no requirements for a small business to participate. The Marketplace is completely voluntary.

Q: When will Florida’s Marketplace be available to consumers?

A: Florida Health Choices will open the Marketplace in 2014 with a variety of discount plans and insurance products to fill gaps in other health care coverage.



Board of Directors Names Dr. Durell Peaden as New Chairman

At the annual meeting on January 22, 2013, the Florida Health Choices board unanimously elected former state Senator Durell Peaden, M.D., J.D., as the new chairman. Dr. Peaden replaced Senator Aaron Bean, who resigned as chairman in December 2012 after being elected to the Florida Senate.

Will Weatherford, Speaker of the House of Representatives, appointed two members to the Board of Directors during 2013. Daniel Diaz Leyva began his three-year term in February, bringing a strong background in finance and law to the board. Myron Rolle, Rhodes Scholar, athlete and philanthropist, was also appointed by the Speaker and is currently enrolled as a medical student at Florida State University.

Designated by Secretary Craig Nichols, Jeff Dykes will serve during 2014 representing the Florida Department of Management Services as an ex-officio member of the board.

2014 Board of Directors

OFFICERS & MEMBERS

Durell Peaden, Chair
Sherri Meadows, Vice-Chair
Walter Nason, Treasurer/Secretary
Becky Cherney

Daniel Diaz Leyva
Myron Rolle
Gordon Thames
Theresa Wells

EX-OFFICIO

Jeff Dykes, Designee, Department of Management Services
Liz Dudek, Secretary, Agency for Health Care Administration
Cynthia Fuller, Designee, Office of Insurance Regulation

Small Group Pilot Project Undergoes Re-Planning



The many requirements dictated by the Affordable Care Act brought significant changes to health insurance markets and participating insurers.

In 2013, insurers were tasked with revising their rating methodologies, meeting new benefit requirements, altering actuarial assumptions that were previously based on experience, and adjusting to an evolving regulatory environment. Ever-changing requirements and late rulemaking further challenged the industry as it strove for federal compliance by a January 1, 2014, target date.

The establishment of a one-size-fits-all supermarket administered by the federal government also challenged insurers who had to retool internal business processes related to enrollment, fulfillment, management of premiums, suspension of claims during elongated grace periods, and more if they planned to participate in this market segment.

It is not hard to imagine all of this revisionist activity consuming most of the industry's attention and resources in Florida. And consider the complications that may exist for a multi-state company striving to adjust on a state-by-state basis with differing participation rules and unique state-run exchanges.

The same challenges certainly affected Florida Health Choices and the Small Group Pilot phase of its program. Currently, this phase of program implementation is undergoing a re-planning exercise that began in 2013 with an expected completion in early spring 2014. With its partners Xerox and Choice Administrators, the Corporation is considering the best way to serve Florida's small employers, employees and individuals in this new environment. Options for moving forward include retooling the small group platform already built, developing a new platform that will support Florida's health insurance industry under the new rules, or cloning a 2014-compliant health insurance platform that has a proven record of performance in another state. Repurposing the 2013 platform to serve large, self-insured groups is also an option.



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