

NEW JERSEY STATE-BASED EXCHANGE OVERVIEW PLAN YEAR 2020 & 2021

Advancing ACA Infrastructure in NJ

On June 27, 2019, Governor Phil Murphy signed legislation to establish a State-Based Health Exchange in New Jersey. The law is part of the state's work to improve access to health coverage and care for New Jersey residents by building upon the progress made through the Affordable Care Act. New Jersey has already taken significant action – it established a reinsurance program, implemented a requirement to have coverage, and took over plan management of the exchange in New Jersey. As a result of the state's work, rates in the individual market went down by 9.3 percent in 2019.

The Murphy Administration is continuing its work to advance the ACA and support additional efforts to stabilize and strengthen the market. As part of its efforts, the administration intends to operate a State-Based Exchange (SBE) for 2021 and, as part of its transition, to operate a State-Based Exchange on the Federal Platform (SBE-FP) for 2020. On August 1, 2019, the Department submitted to the Centers for Medicare and Medicaid Services its Blueprint to operate an SBE for Plan Year 2021 and an SBE-FP for Plan Year 2020.

State-Based (SBE) for Plan Year 2021

The development of a State-Based Exchange (SBE) is vital to stabilizing New Jersey's individual market and protecting residents' access to more affordable and comprehensive coverage options. Transitioning to an SBE will give the state more control over the open enrollment period, access to data that can be used to better regulate the market, conduct targeted outreach and inform policy decisions, and allow user fees to fund exchange operations, consumer assistance, outreach and advertising. By redirecting the assessment on premiums, currently paid to the federal government to utilize a Federally-Facilitated Exchange (FFE), New Jersey can operate an exchange that is tailored and efficient for New Jersey residents.

State-Based Exchange on the Federal Platform (SBE-FP) for Plan Year 2020

The New Jersey Department of Banking and Insurance is seeking to establish a State-Based Exchange on the Federal Platform (SBE-FP) for plan year 2020. This will allow the state to better transition to a State-Based Exchange (SBE) for plan year 2021, while providing additional outreach and enrollment assistance to New Jersey residents for the upcoming open enrollment period, beginning Nov. 1.

Benefits of a Transitioning to a State-Based Exchange on the Federal Platform (SBE-FP)

Under a State-Based Exchange on the Federal Platform (SBE-FP), consumers will continue to enroll in coverage through Healthcare.gov, the federal exchange platform which New Jersey has used since implementation of the Affordable Care Act. An SBE-FP model provides numerous benefits to the state including allowing the state access to federal data and to increase its investment in outreach and enrollment efforts.

Navigator Program and Certified Application Counselor Program

As per the requirements of the SBE-FP, the state will establish a state-funded and state-operated navigator program (the New Jersey State Navigator Program) for plan year 2020 operated by the Department of Banking and Insurance. The department will also establish a Certified Application Counselors program for plan year 2020. State operation of a Navigator Program and Certified Application Counselors program will allow for increased outreach and engagement to New Jersey consumers including hard-to-reach populations.

Navigator Program Funding

The Department of Banking and Insurance anticipates making available \$2 million in grant funding for the New Jersey State Navigator Program for Plan Year 2020. The program will be funded through a state assessment applied to health benefits plans sold in the individual market, as provided by P.L.2019, c.141. The Department anticipates issuing a Request for Applications for funding for the New Jersey State Navigator Program in the coming weeks, which will replace the federal program in New Jersey.

State Partners

In addition to the operation of a New Jersey State Navigator Program and a Certified Application Counselors Program, New Jersey will enlist the assistance of additional state and advocacy partners to broaden its reach into communities across the state.