

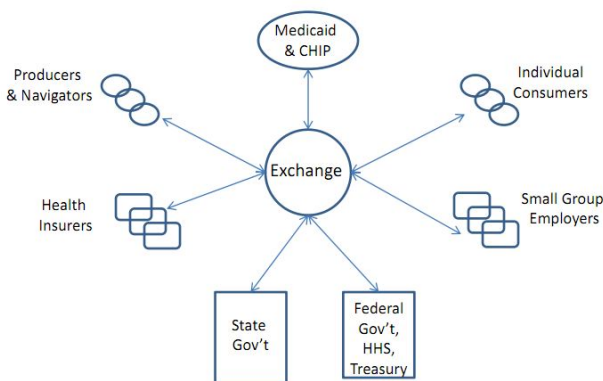
Idaho Reporter.com, Tuesday, Dec. 20, 2011 – by Dustin Hurst (2 pages)

## Officials struggle to define navigator role in health exchange

If the 2012 Legislature approves of creation of a state-based health exchange – an online portal for purchasing medical insurance – officials will have a number of decisions to make concerning its operation and funding.

One decision is what role the navigators will play in the exchange and how they will interact with potential insurance customers.

### Exchange Basics: Who makes it happen?



*Navigators and agents (called "producers") are lumped together in exchange functions*

Navigators will serve essentially as public information officers for the exchange. They are tasked with conducting outreach and education campaigns, particularly in more rural parts of the state. They must provide impartial information about health plans offered by the exchange and should also have some existing relationships that would help in conducting job duties.

Federal rules outline some tasks for navigators, but states are allowed some flexibility in the position. In Idaho, Department of Insurance officials have yet to define who can work as a navigator and how they will be paid.

Some aspects of the position are known, including one dealing with payment of navigators. According to federal rule, navigators cannot receive commissions from insurance companies for sales made through the exchange. Instead, navigators must be paid through grants directly from the exchange.

House Minority Leader John Rusche, D-Lewiston, told *IdahoReporter.com* Friday that payments might come in the form of hourly wages or fee-for-service agreements between the state and navigators, though he says the final determination has yet to be made. "I have no idea how the payment structure will be," Rusche said. "But, I doubt it will be a commission."

It's still not clear who will be receiving the money. Regulations state that potential navigators are "trade, industry, and professional associations, organizations involved in fishing, farming, and ranching industries, non-profit entities that are consumer-focused, chambers of commerce, unions, Small Business Administration resource partners, other licensed insurance agencies and brokers, and other entities capable of carrying out the federally-prescribed duties, meet federal standards and provide required information."

From that large group of possibilities, the state must narrow down the choices available for consumers. Rusche believes Idaho's navigators could include the AARP, local chambers of commerce, and Senior Health Insurance Benefits Advisors (SHIBA), a state-run senior health advisory group.

There has been some talk that health insurance agents could qualify as navigators, but Scott Leavitt, the legislative leader for the Idaho Association of Health Underwriters (IAHU), says that his understanding of the rules disqualify agents from working as navigators because they are paid by commissions from health insurance companies.

But where does this leave Idaho's 5,600 health insurance agents? Rusche says agents might see a drop in business, but notes that there is still an out-of-exchange insurance marketplace. "Clearly, what agents do now is what a navigator might do," Rusche said. "There will be products offered outside of the exchange as well as inside the exchange."

Leavitt told *IdahoReporter.com* that he also sees the navigators as very near to the role of agents. "We almost look at them as a duplicative role of what agents do," Leavitt explained.

Due to the newness and complexity of the exchange, Leavitt said, there could be even more work for agents. There is fear among his group, however, about the subsidies contained within the exchange. For an example, he said a family of four could make up to \$88,000 each year and still qualify for federal subsidies. Consumers only qualify for the subsidies if they purchase insurance through the exchange.

Leavitt worries that provision could prove fatal for agents. "It might kill the out-of-exchange market," he said.

Also up in the air is what training navigators might need to conduct their activities. Leavitt and IAHU are pushing for navigators to be licensed and/or certified by the Department of Insurance before going into business. Penny Schwiebert, program manager for the department, told *IdahoReporter.com* Monday she expects either certification or licensure to be adopted at some point in the process.

There is also no word on how many navigators might serve the state if the exchange is approved in the next legislative session.