



Wisconsin Office of the
COMMISSIONER
OF INSURANCE

The ACA and Navigator Pre-Licensing

Wisconsin Insurance Law

Our Mission at OCI

The mission of the Office of the Commissioner of Insurance is leading the way in informing and protecting the public and responding to their insurance needs.



Statutes and Rules

- General Statutes and Rules
 - Commissioner Responsibilities
 - Licensing
 - Financial Solvency
 - Marketing
 - Insurance Contracts
- Health insurance Statutes
 - Key Policy Provisions
 - Mandated Benefits



Powers and Duties of the Insurance Commissioner

- Protect the Public
- Ensure insurance industry meets needs
 - Responsibly
 - Adequately
 - Even-handedly



General Powers

- Administer and enforce insurance laws and regulations
- Issue orders
- Require licensees to respond to inquiries and provide reports
- Power to examine licensees
- Rehabilitate and Liquidate Insurers



Enforcement Procedures

- Hearings
 - Before issuing rules
 - Following issuance of Notices of Hearing
 - Agents/Navigators have the right to hearing
- Enforcement Sanctions
 - Order to comply
 - Forfeitures
 - Restitution



Licensing Authority

- Insurance intermediaries or agents
- Navigators
- Nonnavigator entities
- Employee Benefit Plan Administrators
- Insurance companies



Key Navigator/ Assister Information

- Navigators are licensed by OCI and are required to submit an individual applicant and submit fingerprints. The individual navigator receives a license from our office.
- CACs are not licensed by OCI. The organization they work for submits a registration for to OCI. The individual CAC does not submit anything to OCI and does not need to be fingerprinted. The certification form that the CAC receives is provided by the CAC organization.
- CCIIIO has a web site with federal training information and other resources for navigators and assisters - <https://marketplace.cms.gov/>.



Navigator Licensing Requirements

- 18 years of age
- Resident of Wisconsin
- Completion of pre-licensing training
- Fingerprinting and background check
- Pass a written examination
- Affiliated with a navigator entity
- Complete federal training requirements



Polling Slide #1

- Which of the following is NOT a Navigator Licensing requirement:
 - A. Be fingerprinted and receive a background check
 - B. Be appointed with an insurance company
 - C. Be a resident of Wisconsin
 - D. Be affiliated with a navigator entity



Licensed Agents as Navigators

- Currently licensed insurance agents with accident and health lines of authority may apply to work as a navigator, however, they must comply with the following:
 - Must complete the Wisconsin and federal training
 - Submit a Navigator application to OCI
 - Be affiliated with an entity that received federal navigator grant funds.
- Licensed agents cannot have active appointments with health insurers
- Licensed agents cannot receive commission from the health insurance company.



Initial Application Requirements -Navigators

- <https://oci.wi.gov/Pages/Agents/NavigatorLicense.aspx>
- Initial Application Requirements for Navigators:
 1. Complete 16 hours of accident and health prelicensing. Course are available on the OCI website.
 2. Complete any federally mandated training required under the federal health care exchange.
 3. Schedule and pass a navigator exam through the PSI website at home.psiexams.com. Exam fee is \$75.
 4. Submit fingerprinting through www.fieldprintwisconsin.com. Use Fieldprint code FPWIOCIINSURANCE.
 5. Submit Individual Navigator Application.



Navigator License

- Fees - \$35 a year
- License is permanent
- Navigator must pay renewal fee each year
- Navigator must complete 8 credits of continuing education each year
- License is revoked if:
 - fail to pay fees or fail to complete continuing education
- If revoked, can reapply
 - Pay reinstatement fee
 - Complete continuing education



Initial Application Requirements - Assisters

- <https://oci.wi.gov/Pages/Agents/NavigatorLicense.aspx>
- **Registration Requirements for CACs:**
 1. Complete 16-hour prelicensing training requirement which can be in accident and health or navigator-specific training. Courses that are available on the OCI website. CACs should retain a copy of the documentation demonstrating successful completion of the prelicensing requirement for their own records.
 2. Complete any federally mandated training required under the federal health care exchange for CACs.
 3. Schedule and pass a navigator exam through the PSI website at home.psiexams.com. Exam fee of \$75.
 4. Provide evidence of certification with an organization (entity) designated by the federal exchange as a CAC organization.
 5. Organization CAC is affiliated with will notify OCI with your name.
 6. Certified application counselors must be registered with OCI by contacting ocialdocuments@wisconsin.gov.



Certified Application Counselors

- Complete pre-licensing training
- Pass the navigator examination
- Complete 8 credits of continuing education training each year
- Complete federal training
- Be affiliated with, or supervised by, a registered Nonnavigator Assister Entity. This entity is responsible to register the individual CAC with the OCI.
- CACs do not receive a license or certificate from OCI.



Navigator and CAC Permitted Practices

- Public education
- Distribute fair and impartial information
- Plans available on and off the exchange
- Facilitate enrollment in a QHP
- Describe the features and benefits of plans
- Provide information about provider networks, metal tiers
- Referrals to appropriate state/federal agency



Navigator Prohibited Practices

- Cannot receive compensation from an insurer
- Provide information about plans off exchange
- Recommend one plan over another
- Engage in deceptive acts or unfair methods of competition



Navigator Examination

- Total of 35 questions
- 10% Affordable Care Act (4 items)
- 15% Basic Health insurance concepts (5 items)
- 15% Health insurance exchange under the ACA (5 items)
- 10% Navigators and Non-navigator (3 items)
- 10% Brokers, Agents and Producers (3 items)
- 10% Public Assistance Programs (3 items)
- 15% General Wisconsin Insurance Statutes, Rules & Regulations (5 items)
- 20% Disability-specific Wisconsin Insurance Statutes, Rules and Regulations (7 items)



Navigator and CAC Questions

- Examination - Register online or by telephone
- Fee is \$75.00
- Examination – Bring pre-licensing course certificate
 - 800 733-9267
 - CE@psionline.com
- OCI Agent Licensing Questions
 - 800 236-8517 or 608 266-8699
 - ociagentlicensing@wisconsin.gov



2021 Open Enrollment Timeframe

- Open enrollment is the annual timeframe during which consumers can purchase individual health insurance plans, either on or off the federal Exchange
- November 1, 2020 through December 15, 2020
- Plans sold during open enrollment have an effective date of January 1, 2021
- Outside the Open Enrollment Period, a person generally can enroll in a health insurance plan only if s/he qualifies for a Special Enrollment Period (SEP)



Open Enrollment: SEPs

- Special Enrollment Periods (SEPs) are available for individuals to enroll outside of the open enrollment period
 - Examples:
 - Loss of coverage thru loss of employment or divorce/legal separation
 - Change in residence
 - No longer eligible for Medicaid
 - Newly obtained citizenship
 - Life event
 - Birth, marriage, adoption or child placed in foster care



Polling Slide #2

- Special Enrollment Periods are available for individuals when they:
 - A. Are no longer eligible for Medicaid
 - B. Receive a promotion at work
 - C. Find an insurance plan that they like better
 - D. Want to change their primary care doctor



2021 Open Enrollment: Plan Options

- WI has a very competitive individual health insurance market with 15 insurers offering plans on Exchange in 2020.
- On Exchange issuers must offer their plans off Exchange as well, so those same insurers plus 2 additional are offering plans available in the individual market off Exchange
- OCI has an interactive map on its Web site, including names and contact information for insurers offering coverage throughout the state:
 - <https://oci.wi.gov/Pages/Consumers/FindHealthInsurer.aspx>



Insurance Contracts

- Laws apply to policies sold in Wisconsin
- Notice to agent is notice to insurer
- Insurer bound by acts of the agent within scope of apparent authority
Representations – oral and written statements by applicant
- Privacy protections
- Right to file a complaint with Commissioner of Insurance



Insurance Contracts cont.

- Notice of claim
- Prompt settlement of claims
- Effect of a mistake in an insurance contract
- Unfair claim settlement practices
- Right to Return policy
- Grace periods
- Grievances
 - Internal Grievance procedure
 - Independent review



Health Insurance

- Principles of insurance
 - Definition of risk
 - Pooling concept
 - Types of insurance companies
- Contract law
 - Elements of a contract
 - Unique aspects of health insurance contracts



BREAK



Mandated Benefits 1 of 4

- Disabled children
- Home health care
- Skilled nursing care
- Kidney disease and transplants
- Coverage for newborns



Mandated Benefits 2 of 4

- Adopted children
- Coverage for grandchildren
- Diabetic supplies and equipment
- Maternity benefits
- Mammograms
- Drugs for Treatment of HIV



Mandated Benefits 3 of 4

- Lead Poisoning Screening
- Temporomandibular joint disorders (TMJ)
- Breast reconstruction
- Anesthesia for dental care
- Immunizations for children
- Autism spectrum disorders
- Student on medical leave



Mandated Benefits 4 of 4

- Hearing aids and cochlear implants
- Contraceptives and services
- Cancer clinical trials
- Dependents (children)
- Mental Health (group contracts)



Contingent Mandated Benefits

- Prescription Eye Drops
- Oral or injected chemotherapy
- Colorectal cancer screening
- Nurse practitioners
- Optometrists
- Chiropractic benefits
- COVID 19 testing



Marketing Practices

- Advertising rules
 - Advertisements must be truthful and not misleading
 - No disparaging statements
- Unfair marketing practices
 - Unfair inducements
 - Unfair discrimination
 - Misrepresentation
 - Unfair restraint of competition
 - Extra charges
 - Undue influence
 - Unfair use of official position
- Home solicitation and sales



Polling Slide #3

- The following are examples for Unfair Marketing Practices:
- A. Misrepresentation
- B. Unfair Inducements
- C. Extra Charges
- D. All of the above



Marketing Methods and Practices

- Insurer/agent are responsible for the suitability of sale
- Agents are appointed by an insurer to represent the insurer in sales and marketing. As a result of appointment the insurer is bound by the acts of its agents.
- Agent compensation. Typically commission fees paid by the insurer.



Short-term Limited Duration (STLD)

- A type of health insurance coverage that was originally designed to fill temporary gaps in coverage that occur when a person transitions from one plan to another.
- STLD duration coverage is exempt from individual market requirements because it is not considered individual health insurance coverage under the Public Health Service Act.



Healthcare Sharing Ministries (HCSMs)

What they are:

Health Care Sharing Ministries (HCSMs) are **non-insurance entities** in which members “share a common set of ethical or religious beliefs and share medical expenses among members in accordance with those beliefs.” The Affordable Care Act’s (ACA) rules regarding HCSMs are outlined in Section 1501/5000A(d)(2)(B) of the ACA. The ACA permits HCSMs to meet the individual mandate for coverage but there is no federal oversight under the ACA for HCSMs.

HCSMs are not a discounted insurance program and they are not traditional health insurance



Health Insurance Exchanges

- The ACA was based upon a premise that states would create a state-based exchange and the federal exchange would be the fall back. For many reasons, including IT costs and short time frame to set up an Exchange only a few states initially set up a state-based exchange.
- Currently states can still apply to become a state-based exchange or partner with the federal government for a State Partnership Exchange. In this form oversight responsibilities are split between the state and the federal government.
- Private exchange is not the same thing as the state-based, partnership or federal exchange. Private exchange is an exchange set up by an employer for employees to select health and other benefits typically funded by the employer or self-funded employer plan.



Qualified Health Plans for the ACA

- Qualified Health Plans (QHPs) is an insurance plans:
 - Certified by the Federal Health Insurance Marketplace
 - Provides essential health benefits
 - Follows established cost-sharing limits
 - Meets requirements of the ACA.
- QHPs that offer coverage on the federal exchange must also offer the product off the exchange.



Minimum Essential Coverage for the ACA

- Minimum Essential Coverage (MEC)
 - Under the ACA, individuals are to maintain at least MEC to avoid a tax penalty frequently referred to as the Individual Mandate.
 - Any insurance plan that meets the ACA requirements for having health coverage. This includes:
 - Insurance bought through the federal marketplace
 - Individual plans that meet standards for Qualified Health Plan (QHP)
 - Grandfathered plans including retiree coverage or COBRA
 - Medicare Parts A or C
 - Most Medicare coverage EXCEPT limited benefit or duration coverage
 - Children's Health Insurance Plan (CHIP)
 - VA or TRICARE plans



Essential Health Benefits (EHBs)

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorders services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services including oral and vision care



Assistance within the ACA

- Advance Premium Tax Credits (APTC)
- Cost sharing reduction
- American Indians and Alaska Natives



How to Navigate Selecting Health Insurance

Individual Federal Marketplace Plans

Start by creating an account at <http://www.Healthcare.gov> . Once your family information and current and estimated financial information are in the system, it will help guide you through the next steps.

- You may be found eligible for Medicaid, there will be a link provided or a phone number to contact so the Department of Health Services can assist you with signing up.
- You may be found to be eligible for the Marketplace with cost-sharing reduction for a silver level health insurance product with a reduce premium. Silver plans near where you live will be presented on the website for you to review and select a plan that works best for you.
- Federal Marketplace is **ONLY** place you can qualify for Advance Premium Tax Credits (APTC).



How to Navigate Selecting Health Insurance

- You may be found to be eligible for the Marketplace with Advance Premium Tax Credits. This credit can be taken in advance of filing taxes to help reduce your monthly premium. The amount of assistance is calculated based upon the second lowest cost silver level plan near where you live, but you may apply that credit to bronze, silver, gold or platinum level plans.
- d. You may be found to be eligible for the Marketplace but with no additional financial assistance. You can select from any metal level plan that meets your family's needs. You might also consider pricing options for insurance through licensed insurer in Wisconsin outside of the federal marketplace.



How to Navigate Selecting Health Insurance

B. Wisconsin insurers offer plans off the federal Exchange or marketplace. These may have similar coverage and can be less costly for similar coverage. If you have health care providers you regularly visit or prefer, a good starting point is asking what insurance they accept and if they are in a preferred network of an insurer. This may mean that you will have lower cost-sharing when visiting this “in-network” provider.

C. If you are looking for coverage due to a change of employer, loss of insurance coverage or have recently married or added a child to your family, you may be eligible for a special enrollment opportunity. You have 60-days to select an on Exchange or off Exchange plan.



How to Navigate Selecting Health Insurance

- Terminology: When selecting a policy for you or your family the following are terms that you will frequently see. An insurance policy is a contract. The insurance company agrees to provide health coverage in exchange for you paying a premium and out of pocket costs.

Some terms you will find in your policy are important to understand. Knowing these terms and how they work and affect your premium is valuable to ensure the plan you choose is affordable and meets your anticipated and unanticipated needs.



How to Navigate Selecting Health Insurance

- Cost sharing. Cost sharing mainly includes three different terms: coinsurance, copayments, and deductibles.
 - Coinsurance is the percent of a billed service that you will be responsible to pay. For instance, a 10% coinsurance for durable medical equipment like an orthopedic boot, means that you will be responsible for 10% of what the orthopedic boot is billed to your insurance company.
 - Copayment is a set or flat fee that you are required to pay. For instance, each time you take your child to the pediatrician there is a \$10.00 copayment that is frequently collected when you check in for your appointment.
 - Deductibles are fixed dollars amounts that you must pay before your insurance policy will begin to pay for covered services. You will need to read the policy or Summary of Benefit and Coverage to understand what payments count towards meeting your deductible. Sometimes copayments do not accumulate towards your deductible and sometimes they will.



How to Navigate Selecting Health Insurance

Cost Sharing

- The more you are able to pay from your own financial resources before your insurer is responsible to pay, typically lowers your premium.
- However, you need to be sure you understand exactly how much you will need to pay out of your own pocket or “out of pocket” and decide that in combination of the premium and cost sharing which policy is most affordable to you or your family.
- There will be a maximum out of pocket dollar amount identified in your policy.
- Once you have met your maximum the insurance plan should pay all costs of your care. However, it is important to know if copayments are counted in that amount or not. If not included, you may continue to pay a fee for a visit to your doctor even after the maximum has been met.
- This is important to know so you can determine before you buy your coverage how much money you will have to spend in addition to what the insurance policy will cover for you.
- You will also want to understand whether there is a single deductible for all care and prescriptions or if there is a medical deductible and a separate pharmacy benefit deductible. Knowing this can avoid surprises when you are planning which policy to purchase.



How to Navigate Selecting Health Insurance

Network.

Many insurers have preferred network of providers. Using these “preferred providers” typically lowers the level of cost sharing you are required to pay. Some insurers use a very narrow network of providers, frequently referred to as Exclusive Provider Organizations or EPOs. These products tend to be more affordable but also have the most restrictions on what providers you may see for care. Some health maintenance organizations or HMOs may also have a “closed” group or panel of providers. EPOs and HMOs may or may not provide insurance coverage if you end up visiting a provider that is not in their identified network.



How to Navigate Selecting Health Insurance

Covered items

- Insurers offering qualified health plans provide the most comprehensive coverage for you. This means once your cost sharing is met, you will have the broadest coverage in the event that you or someone in your family becomes ill.
- Qualified Health Plans or QHPs are compliant with the Federal Patient Protection and Affordable Care Act. These plans cover essential health benefits like preventive care visits with no cost sharing.
- They will include prescription drug coverage either directly or through a third-party sometimes a Pharmacy Benefit Manager or PBM. This is one area that you may find that the benefit provided under the policy are only covered when you visit preferred providers or exclusive providers.



How to Navigate Selecting Health Insurance

Limitations and Exclusions.

- Limitations in policies identify items that **may be** covered but only if conditions are met. For instance, maternity coverage is provided, however, some plans might not provide coverage for delivery of your baby if you travel away from your home during the last 2 to 3 months of your pregnancy. Read the limitations carefully.
- Exclusions are items or services that the plan **will not** cover, period. This may include particular types of treatment or therapies that the insurer has determined to not be effective. Knowing the exclusions will help you avoid paying a high medical bill or help you select a different insurance product that might provide coverage for a particular service you are seeking.



How to Navigate Selecting Health Insurance

Total Policy

- In combination, the premium, cost-sharing, network, coverage, limitation and exclusions need to be considered when selecting the right plan for you and its affordability.
- Taking time to understand each part of the policy and the various cost sharing options will minimize surprises during your plan year. This could save you money and frustration.



Polling Slide #4

- Which of the following should be considered when selecting a health insurance plan?
 - A. Premium
 - B. Cost-sharing
 - C. Network and coverage
 - D. All of the above



OCI Resources

- Policy form checklists
- Bulletins
- Publications
- Wisconsin Insurance Report
- WisCovered.com
- <https://oci.wi.gov/Pages/ConsumersHome.aspx>
- <https://oci.wi.gov/Pages/Agents/NavigatorLicense.aspx>

