



Countdown to 2014: Designing Navigator Programs to Meet the Needs of Consumers

by *Tricia Brooks and Jessica Kendall*

In 2014, when the health coverage expansions under the Affordable Care Act (ACA) are launched, millions of Americans are expected to enroll in Medicaid or receive financial assistance through advanced premium tax credits (APTCs) to purchase private insurance via new insurance marketplaces called Exchanges.¹ Many of those qualifying for subsidies to purchase Exchange-based coverage will also qualify for reduced out-of-pocket spending. To streamline the eligibility and enrollment process, the ACA calls for a consumer-friendly, web-based application and enrollment process that taps electronic data sources to verify income, citizenship, immigration status and other eligibility criteria. However, no matter how easy-to-use and straightforward the system is, some people will need personalized assistance in establishing eligibility, choosing a health plan and understanding the financial implications of tax credits.

To assist consumers, Exchanges must conduct outreach and public education, design and manage robust websites, operate a call center and establish a navigator program. This brief describes what is required of navigator programs and outlines the steps and considerations that are important as states design their own programs. Related briefs in our navigator resource series will provide more detail on the design elements that are described in this overview.

What are navigator programs?

Exchanges are required to establish a navigator program that provides grants to community or consumer-focused nonprofits and other organizations to conduct outreach and help consumers and small employers connect to health coverage. States have broad flexibility in designing their programs as long as minimum federal guidelines are met. While similar to existing models of consumer assistance in Medicaid and Medicare, navigator programs are newly created to specifically help consumers navigate the expanded health coverage options under the Affordable Care Act.

What are the duties and competencies of navigators?

Navigators are expected to conduct outreach and assist consumers and small employers with eligibility, enrollment and plan selection. They must demonstrate to the Exchange that they have existing relationships, or could readily establish relationships, with employers, employees, uninsured and underinsured consumers, and the self-employed who are likely to be eligible for enrollment in a qualified health plan (QHP). A key provision is that navigators must provide fair, accurate and impartial information and services in a manner that is culturally and linguistically appropriate and provides “meaningful access” for indi-

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viduals with limited English proficiency and people with disabilities.² Notably, Exchanges have the flexibility to allow or require navigators to assist with enrollment in the full spectrum of coverage options, including Medicaid and the Children's Health Insurance Program (CHIP). The duties and competencies of navigators will be addressed in more detail in our navigator resource series.

What are the criteria for selecting navigators?

Exchanges can have many navigators, but minimally, they must choose at least one community or consumer-focused nonprofit entity and at least one other entity from a different category of qualified entities. The types of entities that may serve as navigators include:

- Community or consumer focused nonprofit groups
- Trade, industry or professional associations
- Chambers of commerce
- Unions
- Resource partners of the Small Business Administration
- Licensed insurance agents and brokers
- Other public or private entities or individuals who meet the requirements of the program, including Indian tribes, tribal organizations, urban Indian organizations and state or local human services agencies.

Insurance companies, their subsidiaries and associations that include members, or lobby on behalf of the insurance industry are expressly prohibited from serving as navigators. Additionally, the law bars any entity or person who receives payment directly or indirectly from an insurer from being a navigator. This effectively means that insurance brokers or agents, or "producers" as they are collectively known, would have to give up their commercial insurance business to serve as navigators, making it very unlikely that they will

want to become navigators. The role of brokers and agents in the Exchange is discussed in more detail below.

What must states do in setting up navigator programs?

The state must develop and publicly disseminate standards for navigators. Federal guidance will provide model standards for navigator training and best practices for certification or licensure standards, but states have the flexibility to create their own as long as they meet the minimum federal standards.

- **Training standards** must minimally ensure that navigators have expertise in:
 - the needs of underserved and vulnerable populations;
 - eligibility and enrollment rules and procedures for Medicaid, CHIP and the Exchange programs;
 - the range of QHP options and insurance affordability programs (Medicaid, CHIP and the Basic Health Plan (if applicable) and coverage subsidized by APTCs in the Exchange);
 - proper handling of tax data and other personal information; and
 - all of the privacy and security standards applicable to the Exchange.

Training on the full range of responsibilities and the required skills of navigators, including cultural and linguistic competency, will help ensure that navigators fully understand and are capable of fulfilling their critical role in connecting consumers to coverage.

- **Certification or licensure standards** may be established by the Exchange, and may include credentialing, testing and other mechanisms to assure quality services. However, the Exchange may not require navigators to hold insurance broker or agent

An insurance agent or broker license is neither necessary nor sufficient to perform the duties of navigators as these licenses do not cover the full range of training needed.



licenses, or to carry errors and omissions insurance. The preamble to the federal regulations clarified that an agent or broker license is neither necessary nor sufficient to perform the duties of a navigator as these licenses do not cover the full range of training needed (i.e. public coverage options, APTCs, etc.).

- **Conflict of interest standards** for navigator conduct must prevent, minimize and mitigate any conflicts of interest, financial or otherwise, that may exist and ensure that all navigators have appropriate integrity. The conflicts of interest standards for navigator conduct must ensure that a navigator has no private or personal interest that will influence, or appear to influence, the impartiality of the information and assistance they provide to consumers.

How will navigators be funded?

The ACA calls for states to finance grants to navigators through the operational funds of the Exchange. Federal establishment grants, which can be used to support Exchange planning and start-up costs through 2014, can be used to help set up navigator programs (e.g. to assess populations needing assistance). Ultimately funding for navigators should be incorporated into the ongoing operating costs of the Exchange and potentially shared with other programs that benefit from navigator activities.

A variety of opportunities exist for funding navigators including but not limited to assessments on insurance carriers; provider fees or taxes; general funds; community benefits; and partnerships with corporations or foundations. Also, states that direct navigators to assist with all insurance affordability programs, including Medicaid and CHIP, can allocate the proportion of costs that can be attributed to those programs as an administrative expense, which qualifies for a 50% federal match.³ Funding and payment strategies will be addressed in more detail in our navigator resource series.

What lessons from other consumer enrollment assistance programs offer promising strategies for states to consider in designing their navigator programs?

Design navigator programs to meet the needs of consumers and small businesses.

Establishing a clear understanding of the needs of consumers and small businesses and creating a vision for the navigator program based on those needs will guide key operational decisions going forward. States can identify consumers and small businesses in need of assistance by examining demographic and geographic data regarding the uninsured and conducting special studies of likely enrollees, particularly low-income populations. States will also benefit from the experience of health safety net programs and organizations that currently assist consumers in accessing health coverage and by engaging all stakeholders in this process, including consumers, small businesses and consumer advocates.

Target navigator resources to the most vulnerable. Research indicates that the lowest income and rural consumers prefer the kind of high-touch in-person services offered by community-based organizations while more moderate-income individuals may be comfortable with using a website or applying over the telephone with assistance from the Exchange's call center.⁴ Given that resources are limited, it will be strategic to target navigator services through community-based groups that are best able to reach the most vulnerable, uninsured populations, focusing on those who are less likely to maneuver the eligibility and enrollment process on a self-service basis.

Build on existing infrastructures and assistance networks. By building on existing outreach and assistance activities, states can tap the knowledge, experience and relationships of organizations that currently help consumers

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to create a strong foundation for their navigator program.

Integrate assistance for all insurance affordability programs. Two key factors drive the need for integrated navigator programs. First, many families will be covered through multiple programs (i.e. 75% of parents in the Exchange will have children in Medicaid or CHIP)⁵ and a significant number of people with fluctuating incomes will transition back and forth between Medicaid and the Exchange.⁶ Second, the ACA's "no wrong door" approach requires that states provide access to all coverage options regardless of how and where consumers apply. Thus, consumers will best be served if navigators are highly trained and can provide assistance for all insurance affordability programs, while states will benefit from efficiency gains and economies of scale in consolidating navigator-type services.

Provide tools for navigators to assist consumers. States can design their websites to include a portal for navigators to login and complete the online application on behalf of consumers. This will enable navigators to take full advantage of the real-time eligibility and enrollment process while giving the Exchange an audit trail of navigator activity. Such portals can be designed to provide both Exchanges and navigators with key management tools such as reports summarizing outreach and enrollment activities and outcomes.

Provide tools for consumers to find navigators. The availability of navigators should be broadly promoted through outreach materials and on the Exchange website. One idea would be to set up an online search box where consumers can enter their zip code and easily click through drop-down boxes to identify local navigators with specific skills to meet their needs (for example, language translation services or accessibility aids to assist people with disabilities).

Use navigators as a feedback mechanism to assess how well policy and procedures are working. States will be well served to encourage

feedback from navigators and other assisters to assess how well policy and systems are working on the ground level for real people. By establishing ongoing two-way communications, states can provide policy updates and use feedback from the field to identify problems and opportunities to make program improvements.

Coordinate navigator and consumer assistance programs that assist with health coverage problems and concerns. The law requires navigators to make referrals to consumer assistance programs that assist consumers with grievances, complaints or more complex questions about their health plan, coverage or eligibility determination. Effective coordination between navigator and consumer assistance or health ombudsman programs will ensure that consumers have the best possible experience as they access the health care system.

Monitor performance to ensure that the navigator program is meeting its goals and reaching consumers in need of assistance. It is important to develop performance measures to evaluate the program's effectiveness and use these data to make improvements and re-target resources to persistent or new areas of need over time.

What is the role of insurance brokers and agents?

The law allows, but does not require, states to work directly through brokers and agents in their role as commissioned sales agents who assist consumers in applying for financial assistance to purchase QHPs through the Exchange.⁷ If a state elects to do so, there must be an agreement in place that requires producers to register with the Exchange in advance and comply with its privacy and security standards. They must receive training in the full range of QHP options and insurance affordability programs. If states do not require or permit producers to assist with the public programs, it will be important to develop an effective and seamless referral mechanism



between producers and navigators, or other assisters, to ensure that consumers receive the help they need.

The federal regulations stipulate that, if a state decides to use brokers, the brokers must work through the Exchange, including using the Exchange website, to establish eligibility for APTCs or enroll individuals in QHPs. Requiring all consumers to enroll through a broker will unnecessarily drive up the operating costs of the Exchange for people who are able to navigate the web-based enrollment system independently or with minimal assistance from the Exchange's call center.

While internet-based brokers (e-brokers) can help enroll consumers in Exchange coverage, the regulations require that they provide consumers with information on all QHPs and allow them to enroll directly through the Exchange at any point during the process. Furthermore, the regulations bar e-brokers from offering financial incentives like rebates and giveaways that can potentially be used to steer consumers toward a specific plan or insurer. One important note is that, while brokers can be allowed to assist consumers with applying for subsidies and enrolling into a QHP, the Exchange is the entity that makes the official eligibility determination and authorizes the final enrollment of consumers in the plan of their choice.

In terms of specific standards for brokers and agents in the Exchange, the federal regulations stop short of requiring that brokers and agents meet standards similar to those set for navigators. For example, agents and brokers are not required to show they are competent to assist people with language, literacy, cultural or physical barriers and are not subject to the navigator requirement to offer fair, accurate and impartial information and services. In general, brokers and agents must comply with state licensure standards, which vary from state to state. States and stakeholders may want to update state insurance broker licensure standards to meet the navigator standards

to ensure that consumers receive the same protections regardless of who assists them with eligibility, enrollment and plan selection. Alternatively, Exchanges have the flexibility to establish new standards for brokers and agents that go beyond the federal minimum requirements

Conclusion

Navigators are key members of the state's customer service team, and can extend consumer assistance in the most remote communities and to the most vulnerable consumers throughout a state. Effective deployment of navigators will help alleviate demand on call centers and may increase the use of the electronic eligibility and enrollment process by consumers unlikely to apply online on their own. Navigators can also serve as an important loopback mechanism, helping states identify how the new programs, systems, policies and procedures are working on the ground level. But most importantly, navigators can help states reach the most vulnerable uninsured and provide the personalized assistance they need to access health coverage.

Endnotes

1. M. Buettgens, J. Holahan, C. Carroll, "Health Reform Across the States: Increased Insurance Coverage and Federal Spending on the Exchanges and Medicaid," Urban Institute, March 2011. Roughly 33 million people are estimated to enroll in Medicaid or qualify for advanced premium tax credits to subsidize premiums and cost-sharing in Qualified Health Plans (QHPs) in the Exchange.
2. Meaningful access has legal meaning under Section 504 of the Rehabilitation Act. It is intended to prevent discrimination and ensure that all persons with disabilities have access to all programs and activities administered by federal agencies and organizations receiving federal funds.
3. Some costs may also be allocated to CHIP administrative costs, which provide a higher federal match that varies by states, starting at 65%.
4. Lakes Research Partners, "Informing CHIP and Medicaid Outreach and Education: Key Findings from a National Survey of Low-Income Parents," conducted for the Centers for Medicare and Medicaid Services, November 2011.

Requiring all consumers to enroll through a broker will unnecessarily drive up the operating costs of the Exchange for people who are able to navigate the web-based enrollment system with minimal assistance from the Exchange's call center.



5. S. McMorrow, G. Kenney, C. Coyer, "Addressing Barriers to Health Insurance Coverage Among Children: New Estimates for the Nation, California, New York, and Texas," The Urban Institute, May 2012.
6. P. Short, K. Swartz, N. Uberoi, D. Graefe, "Realizing Health Reform's Potential: Maintaining Coverage, Affordability and Shared Responsibility When Income and Employment Change," Commonwealth Fund, May 2011.
7. 45 CFR 155.220(a)(3)—Related to the ability of a State to permit agents and brokers to assist qualified individuals in applying for advance payments of the premium tax credit and cost-sharing reductions for QHPs was published as an interim final rule. Final rulemaking on this provision is pending as of June 26, 2012.

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Effective deployment of navigators can help states reach the most vulnerable uninsured, particularly those unlikely to use web-based enrollment services, and provide the personalized assistance they need to access health coverage.