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**Health Insurance Exchanges Must be Accessible and Consumer Focused
in Order to be a Sustainable and Viable Option for Purchasers**

Leader of CHOICE Administrators, the Nation's Most Successful Health Insurance Exchange, Lays Out Formula for Success for States to Follow

(ORANGE, CA – Nov. 8, 2010) — As states around the country begin to assemble their own [health insurance exchanges](#) as mandated by healthcare reform, the nation's leading expert on such programs believes some fundamental essentials must be followed in order for these exchanges to be stable and sustainable.

“State exchanges need to be as welcoming to those currently insured as they are to the uninsured,” said Ron Goldstein, president of [CHOICE Administrators](#), the nation's leader in developing and administering employee-choice health benefit programs. “Exchanges will need to appeal every bit as much to individuals and small groups who do not qualify for subsidies or tax credits as they do to those who qualify for these incentives. Only by being inclusive to all individuals can a state exchange attract the type of balanced enrollment that will allow it to be a stable and sustainable force in the market.”

As the architect and president of CHOICE Administrators, Goldstein oversees the nation's oldest and most successful private health insurance exchange for small and mid-size groups – CaliforniaChoice. Launched in 1996 CaliforniaChoice currently works with more than 10,000 employers and covers 150,000 members. In August it became the first health insurance exchange in the nation to reach the 20 million member-month historical plateau.

Leveraging this experience, Goldstein believes that in order for state exchanges to be balanced and sustainable, they must focus on a three-pronged formula for success. “First, state exchanges must harness existing sales and enrollment channels such as brokers and general agents who already have established relationships in the market and who know how to get the

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job done,” he says. “It is vitally important that we don’t unnecessarily disrupt the market or force purchasers away from something that is already working.

“Second, state exchanges will need to make sure they are operationally and administratively excellent with a strong consumer focus,” Goldstein continues. “And third, they need to acknowledge that there will remain a market outside the exchange providing businesses and consumers choices in their healthcare decision making.”

Health insurance exchanges are a key feature in the Patient Protection and Affordable Care Act, which mandates that every state establish a health insurance exchange by January 1, 2014, or default to a federal “fallback” exchange. Exchanges are designed to promote choice and make health insurance purchasing more value based by allowing an individual or small business to compare the costs and benefits of various health plans and benefit options. With such information in hand, purchasers will be able to do a better job selecting a health plan that best fits their needs and budget.

“Exchanges may end up the yardstick by which health reform is judged for generations to come,” said Goldstein. “Making health insurance more accessible and affordable for all Americans is an awesome task and noble goal. If we all pull together, we can make it work.”

CHOICE Administrators[®] Exchanges is the nation’s leader in developing and administering health insurance exchanges. Currently serving more than 10,000 employers and more than 150,000 members, *CHOICE Administrators* is a member of The Word & Brown Companies, the nation’s leading developer and administrator of consumer choice exchange models. Among the products currently operated by *CHOICE Administrators* are the *CaliforniaChoice*[®] small group (2-50 employees) and mid-market (51-199 employees) private exchanges and Quotit, one of the nation’s largest individual/family proposal and online enrollment systems that generated 2.5 million individual health quotes nationally in 2009. Further information may be obtained at www.choiceadmin.com.

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