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Affordable Care Act

Consumer Protections for Web Brokers that Participate in the Health Insurance Marketplace

The new health insurance marketplaces give consumers easy-to-understand information about their health insurance options and help consumers enroll in the plans that best meet their needs.

On marketplace websites, consumers can see unbiased comparisons of plans that are guaranteed to meet quality and consumer protection standards. Marketplaces also allow consumers to apply for and enroll in financial assistance with premiums and out-of-pocket costs.¹

In addition to the official marketplace websites, federal regulations allow “web brokers” to sell marketplace health plans and to help consumers enroll in financial assistance for coverage. These sites receive commissions from health insurance companies for enrolling people in coverage.

Marketplaces are not required to allow web brokers to sell marketplace plans and help consumers enroll in financial assistance. But any marketplace that does

What are web broker sites?

Web broker sites are privately run websites that consumers can use to view plans from multiple insurance companies and to enroll in plans. These sites are operated by companies or individual brokers that are licensed to sell coverage on behalf of insurance companies.

should implement protections so that consumers are not adversely affected. This brief outlines recommended consumer protections for marketplaces that allow web brokers to sell marketplace coverage and help consumers apply for financial assistance.

Protecting Consumers in Marketplaces that Permit Web Broker Participation

Federally facilitated marketplaces currently permit web brokers to sell marketplace coverage and to help consumers apply for financial assistance. If state marketplaces are considering whether to allow web broker sites to perform these functions, they should weigh the pros and cons.

Pros: Web brokers may help raise awareness of marketplace coverage options, which can increase the number of consumers who enroll.

Cons: Because web brokers receive compensation from insurance companies for enrolling people, those financial incentives could influence how web brokers market to and enroll consumers.

Insurance companies may also have their own websites through which they exclusively enroll individuals in their own plans, including plans sold through the marketplaces. For the purposes of this brief, web brokers are those broker sites that offer plans from multiple insurers. However, many of the protections described in this brief should be applied to individual insurer websites as well.

Some marketplaces allow “web brokers” to sell marketplace health insurance plans, help consumers enroll in them, and help consumers apply for financial assistance.

This brief outlines recommendations to protect consumers if their marketplaces allow web broker participation.

How does marketplace enrollment through a web broker work?

Federal rules permit web brokers to allow consumers to complete the entire eligibility and enrollment process for marketplace health plans, including applying for financial assistance, through their sites. This process is called enrollment “through the marketplace” by a web broker. To sell coverage through the marketplace, a web broker must register with and have a formal agreement with the marketplace, and it must follow a number of federal requirements. (For more on the federal rules governing web broker participation, see the Appendix on page 11.)

When a web broker conducts enrollment through the marketplace, consumers never have to directly visit the official marketplace site to enroll in a marketplace plan or apply for financial assistance. To make this possible, web brokers may directly exchange personal consumer information with the official marketplace. The fact that federal rules grant web brokers this level of authority and access makes consumer protections for web brokers in the marketplace all the more important.

Here is more detail on how enrollment through the marketplace with a web broker works:²

STEP 1 A consumer enters his or her basic personal information on a web broker’s site.

STEP 2 The web broker’s site uses a secure connection to redirect the consumer to the official marketplace website to determine the consumer’s eligibility for marketplace coverage and financial assistance.

STEP 3 The marketplace securely transmits the consumer’s eligibility determination to the web broker. If the marketplace finds that the consumer is eligible for Medicaid or the Children’s Health Insurance Program (CHIP), the marketplace notifies the consumer and directs him or her to the appropriate state agency to complete enrollment.

STEP 4 If the consumer is found eligible for marketplace coverage, either with or without financial assistance, the consumer is redirected back to the web broker’s site to view qualified health plans (see the definition on page 4). The consumer chooses a plan, and the web broker securely submits that plan selection to the marketplace. The marketplace then conveys that information to the applicable insurance company so the consumer can be enrolled.

Web brokers may sell marketplace plans without registering and creating formal agreements with the marketplace. But in that case, they are not considered to be selling coverage “through the marketplace” and cannot directly connect consumers to the financial assistance that is available for marketplace plans.

Consumers who use web brokers to complete the entire enrollment process for marketplace coverage must use a web broker that is registered to sell coverage through the marketplace if they want to receive premium tax credits and cost-sharing reductions.

Key Consumer Protections

If a marketplace allows the participation of web brokers, it is important for the marketplace to put several key consumer protections in place. The sections that follow discuss each of these protections in more detail.

- Make consumers aware of web brokers' financial incentives
- Require web brokers to provide consumers with complete and accurate health plan information
- Limit marketing on web broker sites
- Protect consumer information collected by web brokers from misuse
- Establish formal systems for monitoring web brokers, enforcing consumer protections, and terminating web brokers

Make Consumers Aware of Web Brokers' Financial Incentives

Because web brokers receive compensation from insurers for enrolling consumers in health plans, web brokers may have a financial incentive to steer consumers into certain plans. Therefore, marketplaces that permit web broker participation should take steps to ensure that consumers are aware of web brokers' financial ties to insurers.

Below we list policy options that marketplaces should consider enacting. Some of these measures are now required for *federally facilitated marketplaces*. But to adequately protect consumers, *all marketplaces* that permit web broker participation should consider enacting these measures.

Marketplaces should require web brokers to post a **standardized disclaimer** at the top of any of their web pages that include information about the marketplace, qualified health plans (QHPs), and/or financial assistance for marketplace coverage. Federal rules (and corresponding preamble text) require web brokers who've been approved to sell coverage through *federally facilitated marketplaces* to display a disclaimer containing this information:³

1. The web broker's site is **not an official marketplace website**.
2. The web broker's site **may not contain all of the information on qualified health plans** that is available on the official marketplace website. (In certain circumstances, web brokers are not required to display comprehensive information for all marketplace plans.)
3. The web broker **must meet federal requirements regarding how it enrolls consumers** in coverage [under 45 C.F.R. §155.220 (c) and (d)].
4. The web broker must comply with **privacy and security standards** regarding consumer information.

All marketplaces should require a standardized disclaimer for web brokers that includes the content described in the bullets above, and in addition, that explicitly states the following:

1. Web brokers receive financial compensation from insurance companies for enrollment.
2. Consumers may discontinue enrolling through the web broker site at any time and can enroll through the official marketplace website instead.

What is a "qualified health plan"?

A qualified health plan (or QHP) is a health plan that is certified to be sold in the marketplace. Qualified health plans must meet certain quality and consumer protection standards.

Marketplaces should require web brokers to post information on how they are compensated.

Marketplaces should require web brokers to publicly post their actual compensation rates from each insurance company, or, at a minimum, to describe how they are paid by insurance companies and whether their compensation rates differ by insurance company.⁴ This disclosure should include compensation information for any sales of non-marketplace plans by the web broker as well.⁵

Marketplaces should not permit web brokers to charge a separate transaction or service fee to consumers who enroll in marketplace coverage through their sites. Guidance from the Department of Health and Human Services (HHS) for web brokers that participate in the *federally facilitated marketplaces* prohibits such fees,⁶ and that same prohibition should be in place for *all marketplaces*.

Require Web Brokers to Provide Consumers with Complete and Accurate Health Plan Information

Official marketplace websites provide comprehensive information about every health plan that has been certified for sale in the marketplace. However, federal rules require web brokers to display this information only when it is provided directly to the web broker by the marketplace or an insurance company. If neither the marketplace nor the insurance company does this for a particular qualified health plan, federal rules require the web broker to list only the name of the

qualified health plan. As a result, consumers who visit web broker sites may see incomplete information.

In addition, federal rules do not specify the order in which web brokers must display the health plans they sell or the format they must use to list plan details. And because web brokers might be influenced by the financial incentives they receive, concerns arise that web broker sites may order or display plan information in ways that maximize their own financial benefit at the expense of consumers. For example, web brokers could list plans for which they receive the highest compensation at the top of their pages.

To address these concerns, marketplaces should consider these steps:

Require web brokers to display comprehensive information for all qualified health plans that appear on the official marketplace site. Displaying only plan names should never be considered sufficient plan information.

- » **Displaying comprehensive plan information:** Web brokers should not be permitted to sell coverage through the marketplace unless they have obtained and can display all of the comprehensive plan information that is publicly available on the official marketplace site. Web brokers can obtain this information from the marketplace or insurers.

What information are marketplaces required to list for qualified health plans?

Federal rules require marketplace websites to display detailed information for each qualified health plan, including the following:⁷

- Monthly premiums
- Cost-sharing requirements, including for out-of-network services
- Identification of plan metal level (platinum, gold, silver, bronze, or catastrophic)
- Summary of Benefits and Coverage (SBC)⁸
- Consumer satisfaction and quality ratings
- Provider directory
- Medical loss ratio information⁹
- Certain plan data, including, but not limited to, enrollment and disenrollment figures and the number of claims that the plan denies

- » **Using technology to display comprehensive plan information:** Technological solutions may be able to help web broker sites easily obtain and display this information in a timely manner. For example, web brokers could consider using inline frames—called “iFrames”—to display all qualified health plan information directly from a marketplace website. An iFrame allows a website to directly embed and display content from another site. The website that uses the iFrame is updated in real time as the source site is updated. So, a web broker site that uses an iFrame to capture and display marketplace plan information would be updated in real time as the official marketplace site is updated.

Require web brokers to follow guidelines for the sorting order and filtering options for qualified health plans, and the display format for benefit and cost-sharing information for each health plan, as follows:

- » **Preventing biased sorting:** Marketplaces should prohibit web brokers from sorting plans in ways that give priority to plans based on web brokers’ financial relationships with insurance companies.¹⁰ For example, web brokers should not be permitted to display plans in order of “best seller” or “most popular” designations, which could promote the plans for which web brokers receive the highest commissions.

Marketplaces should prohibit web brokers from sorting plans in ways that give priority to plans based on web brokers’ financial relationships with insurance companies.

- » **Preventing misleading displays of information:** Web brokers should be required to let consumers filter out plans based on the same factors as those used on the official marketplace website, such as the maximum premium the consumer wants to pay, or the plan metal level the consumer wants. In addition, marketplaces should not allow web brokers to use filtering factors, sorting orders, or display formats for plan benefits and cost-sharing information that differ from those used by the official marketplace unless they are beneficial to consumers and the marketplace explicitly grants permission.
- » **Preventing the posting of other misleading information:** Marketplaces should prohibit web brokers from providing additional information about qualified health plans that conflicts with information on the official marketplace website or steers consumers to plans for reasons that are not in consumers’ best interest. For example, web brokers should not be able to design and use their own quality ratings for qualified health plans that are inconsistent with the official marketplace quality ratings.

- » **Requiring approval for use of special tools or features:** Marketplaces should require web brokers to get prior approval from the marketplace before providing any special “tools” or “features” that are not available on the official marketplace website.¹¹
- » **Requiring differentiation of marketplace plans from non-marketplace plans:** Consumers should be able to easily distinguish between marketplace and non-marketplace plans on web broker sites.

To ensure that consumers do not inadvertently enroll in plans that are not eligible for financial assistance or that do not meet all consumer protection and quality standards that are required for marketplace plans, marketplaces should prohibit web brokers from offering non-marketplace plans directly alongside marketplace plans. Guidance from HHS for web brokers that participate in the *federally facilitated marketplaces* outlines an expectation that those web brokers will display marketplace qualified health plans separately from other plans they may sell.¹²

- » **Requiring compliance with marketplace rules on accessibility:** Web brokers should always be required to follow the federal accessibility requirements for marketplaces [under 45 C.F.R. §155.205(c)] described in the Appendix on page 11, including accommodations for individuals with limited English proficiency and for people with disabilities.

Require web brokers to provide sufficient information about the financial assistance that is available for premiums and cost-sharing:

- » **Providing a calculator:** Web brokers should be required to comply with the same requirement that marketplaces must meet [under 45 C.F.R. §155.205(b) (6)] to make an online calculator available that allows consumers to estimate the value of the tax credits and cost-sharing assistance for which they may be eligible. This calculator should use the same methodology to estimate tax credit and cost-sharing assistance amounts as the official marketplace calculator.
- » **Displaying premiums that reflect tax credit discounts:** When a consumer is “window shopping” for a plan, if a web broker displays plan premiums based on the consumer’s estimated costs after the consumer’s tax credit is considered, this estimated premium should be calculated using the same methodology that the marketplace uses to estimate tax credit amounts. Once a web broker receives a consumer’s official tax credit eligibility determination from the marketplace, the web broker should be required to display the actual premium that the consumer would pay for each plan after the premium tax credit discount.
- » **Designating plans with reduced cost-sharing:** For people who qualify for cost-sharing assistance,¹³ web brokers should be required to indicate which qualified health plans are silver-level plans that provide reduced cost-sharing and should show the resulting cost-sharing amounts that would apply.

Marketplaces should prohibit web brokers from offering non-marketplace plans directly alongside marketplace plans.

Limit Marketing on Web Broker Sites

Consumers who are looking for a marketplace health plan should be provided with information that helps them make the best selection based on their needs. They should not see any additional information, including marketing information, that could be confusing, distracting, or misleading.

Marketplaces must consider whether or not to permit any marketing or ancillary product sales on web broker sites that enroll consumers through the marketplace. If a marketplace does permit these practices, it should consider implementing these consumer protections:

- » Marketplaces should prohibit web brokers from displaying advertisements for health insurance products on their sites, whether they are marketplace plans or health insurance products that are sold outside the marketplace. These advertisements could steer individuals into plans that are not in their best interest.

Guidance from HHS for web brokers that participate in the *federally facilitated marketplaces* outlines an expectation that those web brokers will “provide a QHP plan selection experience that is free from advertisements or information for other health insurance-related products and sponsored links advertising health insurance-related products (e.g., an advertisement for a QHP issuer).”¹⁴

Marketplaces should prohibit web brokers from displaying advertisements for health insurance products on their sites.

- » Marketplaces should prohibit web brokers from offering or advertising ancillary products (such as life insurance, disability insurance, or other products) to consumers while they are learning about or enrolling in health plans. If web brokers are permitted to offer or advertise ancillary products, they should be permitted to do so only after consumers have finalized enrolling in health plans. Otherwise, consumers may be confused or distracted from enrolling in a marketplace plan.

Guidance from HHS for web brokers that participate in the *federally facilitated marketplaces* permits those web brokers to offer additional products or services only after a consumer has selected a plan and enrolled. The guidance also says that HHS expects web brokers to make these offers in a separate section of their site.¹⁵

Protect Consumer Information Collected by Web Brokers from Misuse

There are already federal and state laws and regulations that protect consumers' personal health information [including under 45 C.F.R §155.260(2013)]. However, additional privacy and confidentiality protections, including those listed below, may be necessary to guarantee that any consumer information collected by web brokers will not be misused:

- » Marketplaces should require web broker sites to allow consumers to browse the sites without being asked for personal information beyond what is needed to generate a list of plans available in their area.
- » Marketplaces should not allow web browsers to save information while consumers are merely “window shopping” before they’ve consented to begin enrollment. For example, browsers should not save income estimates that consumers enter in the online subsidy calculator, or zip code and age information that consumers enter to window shop available health plans.¹⁶

Web browsers often use “cookies” to save information about which websites people have visited or what information they have entered. (Browsers save this information to be able to quickly load those pages and information when the same people return to those websites.) But collecting personal consumer information on web broker sites before consumers consent to begin enrollment creates the potential for the information to be improperly disclosed or mined.

- » Marketplaces should require web brokers to disclose to consumers how the web brokers will use consumers' personal information.¹⁷ Consumers should not be prompted to enter any personal information on a web broker site until they proactively agree to the terms of use for their personal information.
- » Marketplaces should prohibit web brokers from saving and using personal consumer information that is obtained from the enrollment process, including information on income or age, for immediate or future marketing purposes.
- » Marketplaces must have procedures in place to monitor for breaches of confidentiality on web broker sites. They should also formally require web brokers to immediately report any breaches to the marketplace so that the web brokers and marketplaces can together address the breaches.
- » Marketplaces should be cautious about allowing other (additional) agents or brokers to use web broker sites to enroll consumers in marketplace coverage. If marketplaces do allow additional agents or brokers to do this, they should put formal procedures in place to ensure that those agents or brokers are registered and have formal agreements with the marketplace, and that marketplaces and web brokers have measures in place to address security breaches or misconduct related to those agents or brokers. Such procedures are required for the *federally facilitated marketplace*, as described in the Appendix on page 12.

Consumers should not be prompted to enter any personal information on a web broker site until they proactively agree to the terms of use for their personal information.

Establish Formal Systems for Monitoring Web Brokers, Enforcing Consumer Protections, and Terminating Web Brokers

Marketplaces that allow web broker participation must put in place formal systems to monitor for web broker violations of federal or state consumer protections. For example, marketplaces should implement systems to monitor enrollment data from web broker sites to identify any patterns that indicate web brokers are steering consumers into plans inappropriately. Marketplaces should also regularly review web broker sites throughout the year to monitor for compliance.

Marketplaces should ensure that they have the authority to implement corrective action plans for any web broker violations and to terminate participation of non-compliant web brokers when necessary.

- » Federal rules detail a process for terminating a broker's relationship with the *federally facilitated marketplaces* based on broker misconduct, as described in the Appendix on page 13. State-based marketplaces should implement similar processes.
- » In addition, all marketplaces should have systems in place to immediately terminate web broker agreements when sufficiently egregious violations are found. Web brokers should not be allowed to continue to enroll consumers in coverage through the marketplace when the web brokers are doing so in ways that could put consumers at risk.

- » State-based marketplaces that permit web broker participation should also have formal processes for when web brokers choose to terminate their relationships with the marketplace. Federal rules include such a required process for brokers that participate in *federally facilitated marketplaces*, as described in the Appendix on page 12. A formal termination process is necessary so that the marketplace and affected consumers receive enough advance notice of a web broker's termination to prepare appropriate transitions for those who are being served by the terminating broker.

Conclusion

Because it is not yet clear what impact web brokers will have on marketplace enrollment, marketplaces should thoroughly consider all possible implications of permitting web brokers to enroll consumers in coverage through the marketplace. Some marketplaces may conclude that allowing web brokers to participate in enrollment is unnecessary and that consumers are best served by enrolling directly through the marketplace.

Marketplaces that do permit the participation of web brokers must establish ample consumer protections. And these marketplaces should continue to examine the impact of web brokers over time and update their policies to ensure that consumers' best interests are always at the forefront of marketplace activities.

Families USA would like to recognize the leadership of Lynn Quincy, Senior Health Policy Analyst at Consumers Union, on the issue of consumer protections for web brokers. As an additional resource, please see:

Consumers Union, *Recommended Consumer Protections for Web-Based Agents and Brokers Offering Exchange Coverage* (Yonkers, NY: Consumers Union, September 13, 2012), available online at <http://consumersunion.org/wp-content/uploads/2013/03/Web-Based-Brokers-Recommendations-9-5-12.pdf>.

Appendix

What do federal regulations require for web brokers that sell coverage through the marketplace?

45 C.F.R. §155.220 contains the requirements for agents and brokers (including web brokers) that assist individuals with enrollment in plans through the marketplace.

Under federal rules, these web brokers must do the following:

- » Facilitate consumers' eligibility and enrollment determinations through official marketplace systems. (For details on how this process works, see "How does marketplace enrollment through a web broker work?" on page 3.)
- » If provided by the marketplace or an insurer, post detailed information on qualified health plans, including:
 - › premiums and cost-sharing
 - › the standardized Summary of Benefits and Coverage (SBC)
 - › identification of plan metal level (platinum, gold, silver, bronze, or catastrophic)
 - › the results of enrollee satisfaction surveys
 - › quality ratings
 - › the plan's medical loss ratio
 - › a provider directory
- › information to ensure transparency of plan business processes (claims payment policies and practices, periodic financial disclosures, data on enrollment and disenrollment, data on the number of claims that are denied, data on rating practices, information on cost-sharing and payments with respect to out-of-network services, and information on enrollee rights)¹⁸
- » If a web broker does not receive all of this information from the marketplace or insurers, the web broker must still allow consumers to view the names of all qualified health plans that are offered through the marketplace. In addition, the web broker must display a standardized disclaimer provided by the Department of Health and Human Services (HHS) stating that all information on qualified health plans is available on the official marketplace website, and it must provide a link to the site.
- » If provided by the marketplace or insurers, present information in plain language and in a way that is accessible to people with disabilities and people with limited English proficiency, in a timely manner and at no cost to individuals. Specifically, this includes:
 - › providing accessible websites and auxiliary aids and services in accordance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act
 - › providing oral interpretations, written translations, and taglines in non-English languages indicating that language services are available
- » Provide consumers with a way to withdraw from the process and use the official marketplace website at any time.
- » Complete an agreement and register with the marketplace (or with HHS for federally facilitated marketplaces).

- » Receive training in the range of qualified health plan options and insurance affordability programs.
- » Comply with marketplace privacy and security standards for personally identifiable information [outlined in 45 C.F.R §155.260(2013)].
- » Not provide financial incentives, such as rebates or giveaways, to consumers.
- » Maintain audit trails and records in an electronic format for a minimum of 10 years.
- » Comply with applicable state laws regarding agents and brokers, including applicable state laws related to conflicts of interest and confidentiality.

Federal rules under 45 C.F.R. §155.220 also include requirements that are specifically for web brokers in federally facilitated marketplaces:

- » Web brokers in federally facilitated marketplaces must prominently display a standardized disclaimer provided by HHS (described on page 4) and provide a link to the official marketplace website. (Unlike the disclaimer described in the previous section, this disclaimer must be displayed even if a web broker’s site shows detailed information for all marketplace plans.)
- » Web brokers in federally facilitated marketplaces that allow other agents or brokers to use their sites to help consumers enroll in coverage through the marketplace must follow certain procedures outlined in 45 C.F.R. §155.220(c)(4). These include the following:
 - › Web brokers must provide information about those agents and brokers to HHS when requested and verify that those agents or brokers are licensed by the state, and that they have an agreement and are registered with the marketplace.

- › Web brokers must ensure that their name and any HHS-required identifier appear prominently on the website and on any materials about qualified health plans that can be printed from the website, even if other agents or brokers can customize the appearance of the web broker’s site for their own use.
- › Web brokers must terminate access to their sites for any agents or brokers that HHS determines are violating federal rules or for any agents or brokers whose agreements with the marketplace are revoked by HHS.
- › Web brokers must report to HHS and applicable state insurance departments any breaches of federal web broker standards, including privacy and security standards, that were caused by other agents or brokers using their sites to help enroll consumers in coverage through the marketplace.
- » Web brokers in federally facilitated marketplaces must follow a formal termination process if they wish to end their agreement with HHS to enroll consumers in coverage through the marketplace.
 - › A broker may terminate such an agreement by sending HHS a written notice at least 30 days before the intended termination date.
 - › If no intended date of termination is provided, or if HHS finds the provided termination date to be unacceptable, HHS may set the date of termination. The date HHS sets will be no less than 30 days from the date on the agent’s or broker’s notice of termination.

- › Prior to the date of termination, the agent or broker should:
 - › Notify applicants, qualified individuals, or enrollees the agent or broker is assisting about the agent or broker's intended date of termination.
 - › Continue to assist such individuals with marketplace-related eligibility and enrollment services up until the date of termination.
 - › Provide individuals with information about the alternatives available for obtaining additional assistance with coverage, including the official marketplace website.
- › After termination, brokers and agents must continue to protect any personally identifiable consumer information they obtained during the term of their agreements with the marketplace.
- » HHS may terminate brokers, including web brokers, for cause based on a specific finding of noncompliance or a sufficiently severe pattern of noncompliance with regard to a federal law, state law, applicable regulations, or the broker's agreement with HHS.
 - › In instances of termination for cause, HHS will issue a notice to the broker identifying the specific finding or pattern of noncompliance and indicating that, if the matter is not resolved to the satisfaction of HHS within 30 days of the date of the notice, HHS may terminate the broker's agreement and the broker's ability to exchange information with the marketplace.
 - › Brokers may request reconsideration of termination for cause within 30 calendar days of the date of the written termination notice from HHS. HHS will respond within 30 days of receiving the request for reconsideration, and this response will constitute a final determination.
- » The preamble to the rules under 45 C.F.R. §155.220 indicates that HHS retains the right to bypass the termination process described above and terminate a broker immediately when noncompliance is sufficiently egregious.

In addition to regulatory requirements, web brokers that sell coverage through the marketplace must comply with relevant guidance from the Department of Health and Human Services (HHS). On May 1, 2013, HHS released guidance on the *Role of Agents, Brokers, and Web-Brokers in Health Insurance Marketplaces* that provides further standards for web brokers. This guidance is available online at <http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/agent-broker-5-1-2013.pdf>.

Endnotes

1 Marketplaces also have toll-free call centers and in-person helpers that can provide impartial information about coverage options and walk consumers through the eligibility and enrollment process.

2 Department of Health and Human Services, *Role of Agents, Brokers, and Web-Brokers in Health Insurance Marketplaces* (Washington: HHS, May 1, 2013), available online at <http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/agent-broker-5-1-2013.pdf>.

3 *HHS Exchange Establishment Standards and other Related Standards under the Affordable Care Act*, 45 C.F.R. § 155.220(c)(3)(vii)(2013).

4 Guidance from the Department of Health and Human Services (HHS) indicates that web brokers that are authorized to enroll consumers in coverage through the federally facilitated marketplaces must disclose to consumers the “specific source and nature” of their compensation. See Department of Health and Human Services, op. cit.

5 Consumers Union, *Recommended Consumer Protections for Web-Based Agents and Brokers Offering Exchange Coverage* (Yonkers, NY: Consumers Union, September 13, 2012), available online at <http://consumersunion.org/wp-content/uploads/2013/03/Web-Based-Brokers-Recommendations-9-5-12.pdf>.

6 Department of Health and Human Services, op. cit.

7 *HHS Exchange Establishment Standards and other Related Standards under the Affordable Care Act*, 45 C.F.R. § 155.205(b)(1)(2013).

8 A Summary of Benefits and Coverage (SBC) is a four-page, plain-language summary of a health plan’s benefits and coverage that all health plans must make available. For detailed requirements for these forms, see *HHS Summary of Benefits and Coverage and Uniform Glossary—Templates, Instructions, and Related Materials under the Public Health Service Act*, 45 C.F.R. §147 (2011).

9 A plan’s medical loss ratio (MLR) is the share of consumers’ premiums that the plan spends on medical care and quality improvement efforts, as opposed to salaries, marketing, profits, and other costs. Under the Affordable Care Act, plans in the individual and small group markets must have an MLR of at least 80 percent, and plans in the large group market must have an MLR of at least 85 percent.

10 Guidance from the Department of Health and Human Services (HHS) indicates that web brokers that participate in the federally facilitated marketplace are expected to not implement plan sorting orders that would steer consumers to particular plans based on the web broker’s financial incentives. See Department of Health and Human Services, op. cit.

11 Consumers Union, op. cit.

12 Department of Health and Human Services, op. cit.

13 People are eligible for cost-sharing assistance if they earn less than 250 percent of the federal poverty level, or \$28,725 for an individual.

14 Department of Health and Human Services, op. cit.

15 Ibid.

16 Consumers Union, op. cit.

17 Ibid.

18 *HHS Exchange Establishment Standards and other Related Standards under the Affordable Care Act*, 45 C.F.R. § 155.205(b)(1)(2013).

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