



COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

REPORT OF THE HEALTH BENEFIT EXCHANGE DIVISION

TO SELECT COMMITTEES

OF THE

GENERAL ASSEMBLY OF VIRGINIA

November 1, 2025

COMMONWEALTH OF VIRGINIA
RICHMOND

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Report of the Virginia Health Benefit Exchange for

The State Corporation Commission

Pursuant to § 38.2-6516 of the Code of Virginia

November 1, 2025

Introduction

Chapter 65 of Title 38.2 of the Code of Virginia established the Virginia Health Benefit Exchange Division (the Exchange) within the State Corporation Commission (the Commission). The Exchange is responsible for the administration of Virginia's Insurance Marketplace. The purpose of the Marketplace is to facilitate the sale and purchase of Qualified Health Plans and standalone Qualified Dental Plans, to support the continuity of health coverage, and to reduce the number of uninsured Virginians.

The second Open Enrollment period for Virginia's Insurance Marketplace occurred from November 1, 2024-January 22, 2025. During this period the number of new enrollments increased by 21%, while overall enrollment decreased marginally, by 2.9%.

This year, several major federal policy developments have impacted the Exchange's preparation for plan year 2026 open enrollment. These include the Center for Medicare and Medicaid Services 2025 Marketplace Integrity and Affordability Rule, House Resolution 1, "One Big Beautiful Bill Act", and the pending expiration of federal enhanced premium tax credits on December 31, 2025. The Exchange has worked to implement operational and policy changes to comport with federal requirements and to prepare consumers and stakeholders for the upcoming eligibility and enrollment changes. If Congress does not extend the enhanced premium tax credits for plan year 2026, the Exchange expects to see substantial enrollment losses in Virginia and across the nation in the upcoming year.

As required by § 38.2-6516, the Exchange, in collaboration with the Secretary of Health and Human Resources, submits this report annually to the Chairs of the Senate Committees on Commerce and Labor and Finance and Appropriations and the House Committees on Labor and Commerce and Appropriations. It addresses:

1. Exchange operations and responsibilities,
2. An accounting of the Exchange's finances,
3. The effectiveness of the outreach and implementation activities of the Exchange in reducing the number of individuals without health insurance coverage; and
4. Other relevant information.

Exchange Operations and Responsibilities

Administrative Structure

The Exchange Division is led by Director Keven Patchett, who reports directly to the State Corporation Commission Commissioners. The Division employs 41 full-time employees.

Advice and Consultation

Advisory Committee

Established on October 1, 2020, the Exchange Advisory Committee provides guidance and recommendations to the Commission and Division Director in carrying out the purposes and duties of the Exchange. The Advisory Committee consists of 15 members appointed by the Governor and the Commission as set forth in [§ 38.2-6503](#) of the Code.

For the 2025 year, Lou Rossiter, Professor Emeritus of William and Mary served as Committee Chair and Doug Gray of the Virginia Association of Health Plans served as Committee Vice Chair.

Agendas, presentations, and transcripts of the quarterly Advisory Committee meeting proceedings are available at <https://www.marketplace.virginia.gov/about-us>.

Stakeholder Engagement

The Exchange continues to cultivate a strong affiliation with stakeholders who work across the Commonwealth to assist consumers with eligibility and enrollment in Marketplace coverage. Quarterly stakeholder information sessions, a regular email cadence, and job aids provided timely technical assistance in the areas of policy and operational updates to support agents, navigators, and assisters in their work to enroll Virginia consumers. The Exchange has solicited feedback from stakeholders and made improvements to Virginia's consumer enrollment platform based on the feedback received. These improvements are designed to enhance the user experience and improve consumer security.

The Exchange collaborated with other state agencies, community organizations, and local associations that serve consumers who would benefit from information about available health insurance coverage. It also provided key stakeholders—including local health departments, local Department of Social Services staff, local clinics, and community health centers—with updates on the Marketplace.

Consumer Assistance

The Exchange delivers direct consumer assistance through four channels: a comprehensive call center, a dedicated internal escalation team, community-based assister organizations, and health insurance agents.

Call Center

The Exchange oversees a call center that provides customer service through phone, chat, and email, operating during regular business hours with extended hours in the evenings and weekends during open enrollment periods. In the 2024 open enrollment period, the call center maintained average wait times well below one minute and achieved a 95% customer satisfaction score.

Escalation Team

The Exchange's internal escalation team offers specialized support to consumers, agents, and assisters when issues exceed the scope of the call center's services.

Assisters

Assisters work directly with consumers, offering free, impartial support in person, online, or by phone across the Commonwealth. These assisters are a vital component of the consumer assistance program, and include Navigators, Community Designated Organizations (CDOs), and Certified Application Counselors (CACs). Assisters receive annual, Virginia-specific training to help consumers seeking health insurance through the Exchange. From November 2024 through September 2025, Virginia navigators and assisters provided enrollment assistance for nearly 3,000 consumers, a nearly 45% increase from PY 24.

Designating CDOs and Certifying CACs

Effective January 1, 2021, the Commission adopted "[Rules Governing the Certified Application Counselor Program](#)" outlined in 14 VAC 7-10-10 through 14 VAC 7-10-80. These rules establish a process and criteria for the designation of CDOs, the certification of CACs, and the duties and obligations of both. CDOs seeking to operate in Virginia must register with the Exchange and obtain official designation. CACs are individual staff members or volunteers who are certified by a CDO and trained to help consumers review health coverage options through the Exchange and Virginia's Medicaid program. Their responsibilities include guiding consumers through eligibility determinations and the enrollment process. All services offered by CACs are offered to consumers free of charge.

Agents

Health insurance agents are licensed by the Bureau of Insurance and certified through the Exchange to provide consumer assistance with applications and enrollments. During PY 25 their enrollment assistance consisted of nearly 175,000 enrollments, a 37% increase from PY 24.

Navigator Grant Program

The Exchange manages a Navigator program designed to assist Virginians in navigating, shopping for, and enrolling in health insurance coverage through the Exchange. In June 2025, the Commission issued a Request for Applications for interested entities or individuals qualified under state and federal law to provide Navigator program services for plan year 2025. On September 4, 2025, the Commission awarded grants totaling approximately \$3.5 million to the Virginia Poverty Law Center, BoatPeople SOS, Inc., and Health Betterment Initiative.

Certification and Training

Beginning in August 2023, the Exchange introduced a new learning management system as part of its agent certification process. The training is customized for agents, navigators, and assisters operating within Virginia. The learning management system provides access to courses and resources designed to equip them with the skills needed to assist consumers in shopping for and enrolling in health plans through Virginia's Insurance Marketplace. To support the continuity of coverage, training is also provided on topics such as Medicaid, FAMIS, Privacy and Security, Small Employer Options, and Medicare. Agents, navigators and assisters will have until October 31 of each year to complete the required training to ensure certification or recertification for open enrollment on November 1.

Consumer Outreach and Education

The Exchange collaborates with a Virginia-based marketing and advertising firm to execute a comprehensive outreach and education program. This initiative aims to highlight the importance of health insurance coverage, inform Virginia consumers about Virginia's Insurance Marketplace, and educate them about available financial assistance programs.

In 2024 and 2025, the Exchange implemented a four-phase consumer outreach and education program:

Phase 1: Continuous Coverage Unwinding Campaign

This phase targeted consumers impacted by Medicaid's continuous coverage unwinding. It promoted coverage opportunities for eligible Virginians through the Marketplace and concluded on June 30, 2025.

Phase 2: Special Enrollment Campaign

This phase focused on educating consumers about qualifying life events that might make them eligible for a special enrollment period, allowing them to purchase a health plan outside of the standard enrollment period.

Phase 3: Brand Awareness Campaign

Designed to enhance visibility, this phase raised awareness of Virginia's Insurance Marketplace in every community throughout the state and provided information on the upcoming open enrollment period.

Phase 4: Open Enrollment Campaign

The final phase educated Virginians about their health insurance options and underscored the importance of maintaining health coverage, motivating eligible Virginians to enroll and maintain coverage through Virginia's Insurance Marketplace.

The Exchange partners with state and local agencies, community-based organizations, as well as colleges and universities to conduct consumer outreach and education activities state-wide. Our focus this year is consumer education about premium changes, benefits of marketplace coverage, and encouraging consumers to work with Marketplace assisters to find a plan that best meets their healthcare and budget needs.

CMS Reporting

SMART Report

The Exchange successfully completed a federally mandated audit of its operations, known as the SMART Report. This audit assesses compliance with federal program integrity standards and various operational and fiscal requirements. The Centers for Medicare & Medicaid Services (CMS) acknowledged the successful completion of its review, affirming the Exchange's compliance.

Open Enrollment Readiness

CMS conducts an annual Open Enrollment Readiness Review (OERR) with state-based marketplaces. The OERR evaluates the status of Exchange system functions and business processes, including consumer assistance, eligibility and enrollment, and plan management, as applicable, to ensure readiness for open enrollment. In addition to confirming operational preparedness, CMS utilizes the annual reviews to gather information necessary for coordinating activities during open enrollment. The Exchange successfully completed the OERR for PY2025 with no issues identified.

Exchange Finances

The Exchange is authorized through Chapter 65 of Title 38.2 of the Virginia Code to fund operations through special revenues generated by assessment fees. Exchange funds are used solely for its operations and the support necessary for fulfillment of its purpose, duties, and objectives. Assessment fees are based on the premiums charged by carriers offering health and dental plans on the Exchange. The state budget authorized \$39.3 million and \$51.4 million of non-general funds to support Exchange functions for fiscal years 2024 and 2025 respectively.

Results of Operations

For FY 2025, the Exchange generated approximately \$52.9 million in revenue. These revenues were collected through assessment fees levied on health and dental carriers offering plans through the Exchange in accordance with [§38.2- 6510](#) of the Code of Virginia. An [Assessment Order](#), issued on June 30, 2023, notified carriers of the Exchange assessment fee for plan years 2024 and 2025 and continuing thereafter until otherwise ordered by the Commission.

Total expenses for FY 2025 amounted to approximately \$43.5 million. The expenses are as follows:

Platform Development and Maintenance	\$26,523,711
Outreach, Education, and Marketing	\$3,266,100
Salaries and Benefits	\$5,286,430
Navigator Grants	\$3,191,960
Consultants and Professional Services	\$872,045
Building Rentals and Office Related Expenses	\$3,718,437
Other	\$683,752

The Exchange [Financial Report](#), including financial statements and the independent auditor's report are available for the fiscal year ending June 30, 2025.

Working Capital Advance

The Virginia Appropriations Act authorized the Secretary of Finance to approve a working capital advance of up to \$40 million over ten years to fund Exchange start-up and implementation costs, of which \$6 million was approved on June 5, 2020, and drawn down by the Commission on July 1, 2020. A second draw down request for \$14 million was approved on

July 14, 2023 and processed on July 26, 2023. The Exchange completed the first repayment of \$5 million towards the working capital advance in December 2024. A second payment of the same amount was submitted by the Exchange in August 2025.

Effectiveness of Outreach and Implementation Activities

For PY 2025, the second year of operation for Virginia's Insurance Marketplace as an Exchange, enhanced outreach efforts by the Exchange and its navigators, combined with various state and federal initiatives, led to significant success in reaching consumers in every region of the Commonwealth.

Total enrollment for open enrollment in PY 2025 was 388,856 reflecting a 2.9% decrease from the previous year after transition from the federal marketplace. Most significantly, the Exchange enrolled 69,335 new to Marketplace enrollees, meaning they had not held coverage through the Marketplace in the preceding plan year. This represents a 21.58% increase over the previous year.

Additionally, over 175,000 consumers received application support from certified agents or assisters, and 393,663 consumers who applied, qualified for financial assistance.

The total number of applications submitted during the PY 2024 Open Enrollment was 305,574, representing a total of 471,975 individuals applying for coverage.

More than 90% of Virginians eligible to enroll in a Marketplace plan were also eligible for financial assistance.

Thirty percent of health enrollees had a net premium of under \$10 per month. Forty thousand applicants were determined or assessed eligible for Medicaid or FAMIS.¹

Working with a Virginia based communications and marketing firm, the Exchange and the marketing firm received multiple national communications awards. This includes a Telly Award (Gold Winner) in the Campaign – Public Service & PSA category for a television commercial from the 2025 Virginia's Insurance Marketplace - Open Enrollment Campaign.

The Exchange also received a Communicator Award in the Campaign-Government & Municipal category for its Virginia's Insurance Marketplace Brand Launch and Open Enrollment Campaign

In addition, the Exchange, in partnership with its marketing firm, received the following awards:

- EHealthcare Leadership Award: Gold for Brand Launch and Open Enrollment Campaign
- NYX Awards:
 - Gold: Marketing Campaign/Brand Awareness Campaign
 - Gold: Video category- Medicaid commercial

¹ <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products>

- NY Digital awards
Silver: Strategy & Marketing – Brand Awareness Campaign
Vega Awards
Gold: digital marketing campaign for marketing effectiveness.

The foregoing represents the Exchange's Annual Report for 2025 pursuant to Code §[38.2-6516](#).