

# *Board of Directors Meeting*

*September 22, 2016*

# Agenda

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- A. Call to Order and Introductions
- B. Public Comment
- C. Votes
  - July 14, 2016 Board of Directors Special Meeting Minutes
  - Election of the Vice-Chair
- D. CEO Report
- E. Carrier Membership
  - Anthem
  - ConnectiCare Benefits, Inc.
- F. CID Rate Review Process
- G. Wakely Review of 2017 Rates
- H. 2017 Open Enrollment Update
  - Call Center Vendor Update
- I. Adjournment

# *Votes*

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- July 14, 2016 Board of Directors Special Meeting Minutes
- Election of the Vice-Chair

# *CEO Report*

# *Carrier Membership*

## *Anthem*

# AHCT Carrier Board Meeting September 2016

Anthem Population Overview - Exchange Customer Preferences, Profile, & Utilization Trends

## ■ **Health Care Costs – Drivers & Trends**

- ✓ Top Health Issues driving costs are:
  - Chronic illness (Heart Disease, Diabetes, Asthma)
  - Increase in uptake of high cost injectable therapies and pharmaceuticals to treat select conditions (Cancer, MS, RA, Hepatitis C)
  - Behavioral health conditions (Major Depressive Disorders, Drug Dependence, etc.)
- ✓ Primary contributors to trend acceleration in 2016 are ER, Professional - Specialist and Pharmacy costs
- ✓ Utilization rates vary by On vs. Off Exchange membership with lower utilization levels observed for Off Exchange members in all cost categories (IP, ER, Pharmacy, etc.)

## ■ **Recommended AHCT Mitigation Strategies**

- ✓ Greater flexibility for carriers to innovate and provide solutions that meet customer needs and control costs
- ✓ Optimizing SEP verification process presents additional cost mitigating opportunities

*Carrier Membership*

*ConnectiCare Benefits, Inc.*



## **View of AHCT Healthcare Utilization**

September 22, 2016

### **Contents:**

Page 2: ConnectiCare's Promise to AHCT

Page 3: Observations on Exchange Members' Healthcare Utilization

Page 4: Helping members with Severe Conditions

Page 5: Overcoming Barriers to Preventive Care

Page 6-8: New ConnectiCare Solutions



## Our promise

We make it easy for you to get the care you need



## Because you're our neighbor, we do more for you

Which means we are providing new, better and easier ways to access care on the phone, around the corner and beyond



# Observations on Exchange Members' Healthcare Utilization

## Exchange Members use Less Preventive Care, Have Lapses in Coverage, and Ask More Questions about Benefits

Members obtaining preventive care: 46.1%

- 15% lower than Off-Exchange members

Members accessing PCP: 64%

- 8% lower than Off-Exchange members

Length of Stay in Plan: 5.3 month average for 2016

Members with questions on benefits: 30%

- 10% more than Off-Exchange members

## Result: Exchange Members more Often Delay Care until Condition is Severe

Health issues driving cost:

- Cardiovascular (a treatable condition)
- Maternity & NICU with increasing severity
- Oncology with higher utilization and cost

8 of top 10 prescriptions are specialty drugs treating acute conditions

Inpatient DRG index: 15% higher sickness burden than Off-Exchange members resulting in higher admits and length of stay

Members with Emergency room visits: 8.1%

- 1.8% higher than Off-Exchange members

# Helping Members with Severe Conditions

ConnectiCare partners with Provider Collaborations to improve members' health

## ConnectiCare Clinical Resources

- Care Management Nurse educates members
- Field Care Manager visits members in home
- Community Health Educators coordinate access to local resources
- Coordinate care after hospital discharge
- Utilization Management for complex health issues
- Behavioral Health / Substance Abuse support

## Coordinate with Local Doctors and Hospitals



PCPs



Specialists



Hospitals  
and  
Facilities

## To Collaborate on Improving Member Health



# Overcoming Barriers to Preventive Care

## Barriers Preventing Exchange Members from using Preventive Care

**Cost:** High deductibles make physician visit costs hard to predict or unaffordable

**No PCP Connection:** don't understand value of a PCP or preventive care

**Inexperience:** Members new to health insurance don't understand how to get full benefit of PCP and preventive care



## Solutions which Overcome Barriers to Preventive Care

**Benefits** that are easy to understand and make physician visit costs affordable

**Primary Care Physicians and Nurses** who explain the importance of preventive care using a member's language and culture

**Advice** on using health benefits to visit physicians that prevent health issues

# ConnectiCare Solution: Passage

Provides easy to understand and affordable options

Silver

ConnectiCare's alternative Silver plan

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HMO design with \$5 copay for primary care

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High quality primary care network helps members navigate

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PCPs collaborate deeply with ConnectiCare clinicians

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Full access to specialty care and hospitals throughout Connecticut

# ConnectiCare Solution: ConnectiCare Centers

Helping members make the most of their plan



Shop  
and enroll



Member  
services



Billing  
and  
payment



Health  
assessments  
and wellness



Community  
and  
educational  
events



## Location:

Manchester (flagship)  
Newington  
Bridgeport  
Orange

ConnectiCare

# ConnectiCare Solution: CliniSanitas

Patient centered multi-specialty care in a culturally relevant setting



Primary care:  
family  
medicine,  
internal  
medicine,  
pediatrics and  
gynecology



Specialists:  
cardiology,  
dermatology,  
orthopedics  
and more



Urgent  
care/walk-in  
including  
observation  
units



Onsite  
laboratory  
and  
diagnostics



Care  
programs:  
diabetes,  
COPD, asthma,  
weight  
management  
and more



Locations:  
Bridgeport  
Orange  
Newington



# *CID Rate Review Process*





# CID Review

## *Of 2017 Health Insurance Rates*

PRESENTED BY:  
PAUL LOMBARDO  
INSURANCE DEPARTMENT ACTUARY  
TO:  
ACCESS HEALTH CT  
SEPTEMBER 22, 2016



# 2017 Health Insurance Rates

## SCOPE OF REVIEW

- 13 companies
- 18 rate filings on individual & small group
- Approx. 300,000 covered lives in Connecticut





# 2017 Health Insurance Rates

## Items Contributing to 2017 Rate Increases

- Annual Trend – cost of services, utilization of services, severity of services and Rx (high single digits, low double digits)
- Experience Adjustment - significantly higher utilization and severity of services than anticipated and previously priced for (ranges from single digits to low double digits)
- Federal Reinsurance program sun setting 12/31/2016 (5% to 6%)
- Risk Adjustment volatility (significant payments and receipts)



# 2017 Health Insurance Rates

## ON EXCHANGE - INDIVIDUAL

COMPANY	Original Average Request	Original Range	Revised Request	Revised Range	Approved Ave. Request	Approved Range	Covered Lives
*Anthem Health Plans	26.80%	16.5% to 39.8%	n/a	n/a	22.4%	10.8% to 35.2%	56,700
CTCare Benefits Inc.	14.3%	13.0% to 19.2%	27.1%	26.5% to 33.7%	17.4%	15.4% to 24.8%	47,597
HealthyCT, Inc.	n/a	n/a	n/a	n/a	n/a	n/a	16,274



# 2017 Health Insurance Rates

## ON EXCHANGE – SMALL GROUP

COMPANY	Original Average Request	Original Range	Revised Request	Revised Range	Approved Ave. Request	Approved Range	Covered Lives
*Anthem Health Plans	11.6%	6.8% to 20.4%			4.9%	0.1% to 13.1%	42,200
HealthyCT, Inc.	n/a	n/a	n/a	n/a	n/a	n/a	16,274





# 2017 Health Insurance Rates

## OFF EXCHANGE – INDIVIDUAL

COMPANY	Original Average Request	Original Range	Revised Request	Revised Range	Approved Ave. Request	Approved Range	Covered Lives
Aetna Life Insurance Co.	27.90%	25.8% to 31.5%	n/a	n/a	27.90%	25.8% to 31.5%	6,346
Cigna Health and Life Ins. Co.	6.60%	(-)10.4% to 17.1%	n/a	n/a	6.60%	(-)10.4% to 17.1%	568
CTCare Inc.	26.10%	26.10%	53.8%	53.8%	48.1%	48.1%	435
CTCare Insurance Co.	24.3%	11.1% to 29.7%	43.3%	27.6% to 58.9%	38%	22.9% to 53%	37,142
Golden Rule Ins. Co.	32.0%	23.8% to 36.2%	n/a	n/a	2.0%	(-)4.3% to 5.1%	1,256



# 2017 Health Insurance Rates

## OFF EXCHANGE – SMALL GROUP

COMPANY	Original Average Request	Original Range	Revised Request	Revised Range	Approved Ave. Request	Approved Range	Covered Lives
Aetna Life Insurance Company	28.20%	9.9% to 38.4%	n/a	n/a	23.4%	5.7% to 33.1%	36,067
CTCare Inc.	17.0%	17.0%	17.9%	17.9%	17.2%	17.2%	48
CTCare Insurance Co.	14.70%	8.1% to 35.9%	15.6%	12.4% to 39.9%	14.9%	11.8% to 39.0%	47,883
Harvard Pilgrim Health Care of CT	8.2%	4.8% to 11.6%	11.3%	6.9% to 15.5%	15.4%	10.8% to 19.8%	986
HPHC Insurance Company, Inc.	4.90%	(-) 6.5% to 10.8%	8.1%	(-)6.7% to 12.9%	12.0%	(-)3.3% to 17.0%	8,251
Oxford Health Plans (CT), Inc.	2.60%	(-)11.0% to 20.4%	n/a	n/a	2.6%	(-)11.0% to 20.4%	1,748
Oxford Health Insurance, Inc.	2.10%	(-)15.9% to 17.0%	n/a	n/a	(-)2.5%	(-)19.8% to 11.7%	15,912
UnitedHealthcare Insurance Co.	5.20%	(-)6.9% to 29.3%	n/a	n/a	5.20%	(-)6.9% to 29.3%	207



# 2017 Health Insurance Rates

## Average Rate Changes Approved by CID

Plan Type	2014 (2015 coverage year)	2015 (2016 coverage year)	2016 (2017 coverage year)	3-Year Average
Individual	(-) 1.6%	3.53%	24.8%	8.77%
Small Group	5.36%	(-)2.92%	12.88%	4.91%



# *Wakely Review of 2017 Rates*



# Access Health CT

## 2017 Rate Review and Analysis

### September 22, 2016 Presentation

Julia Andrews FSA, MAAA  
Senior Consulting Actuary

Ronald D Burkhart, ASA, MAAA  
Consulting Actuary

# Introduction

- Wakely was retained by Access Health CT to perform the following services related to 2017 rates and rate filings
  - **Rate Filing Review:** Review of initial and final health insurance rate filings for carriers on the exchange; submit public comments to CID on initial filings
  - **Consumer Impact Analysis:** Summarize rate changes before and after federal subsidies by rating area and plan type
  - **Rate Outlier Analysis:** Perform a rate outlier analysis to assess the variance in rates by rating area and metal level
- Wakely relied on rate filings, templates, plan cross-walks and individual market enrollment data, provided by AHCT; results are subject to change
- See Wakely's full report for additional details and a complete listing of disclosures, limitations and reliances

# Individual Market Plan Selections and Price Sensitivity

Metal Level	Distribution by Metal			% of Enrollees in Lowest Cost Plan in Metal Level		
	2014	2015	2016	2014	2015	2016
Platinum	N/A	1%	1%	N/A	100%	100%
Gold	16%	16%	12%	28%	7%	10%
Silver	64%	59%	63%	62%	43%	65%
Bronze	17%	22%	22%	45%	36%	41%
Catastrophic	3%	2%	1%	72%	68%	63%

- Some enrollment shift from Gold to Silver in 2016.
- Almost 2/3 of Silver enrollees and more than 1/3 of Bronze enrollees are selecting the lowest cost plans available.
- More enrollees are in the lowest cost plans in each metal level in 2016 (except for catastrophic plans). This is partially due to inertia/choice as the lowest cost silver plans in 2016 are generally the same as they were in 2014.

# Comparison of 2016 & 2017 Plan Offerings

- The number of plan offerings is decreasing in the individual market and SHOP due to carrier exits from the exchange
- Persisting carriers reduced their individual market offerings by 5 plans

	Individual Market			SHOP		
	2015	2016	2017	2015	2016	2017
Platinum	1	1	0	0	3	1
Gold	11	12	4	5	5	2
Silver	11	10	7	6	8	2
Bronze	15	14	6	10	7	3
Catastrophic	3	3	2	N/A	N/A	N/A
Total	41	40	19	21	23	8

# Final Rate Changes

- Before subsidies, rate changes are as follows:
  - Individual market: Average 18.2% rate increase weighted by 2016 AHCT enrollment; changes vary by plan and rating area combination from a 7.9% increase to a 35.1% increase
  - Small group market: Changes vary by plan and rating area combination from a 1% decrease to a 13% increase
  - Rate changes are consistent across areas for most plans
- See Appendix A for more information

# Proposed and Final Rate Filings

## Individual Market:

Carrier	Initial Filing		Revised Filing		Final Filing	
	Average Change	Range by Plan	Average Change	Range by Plan	Average Change	Range by Plan
Anthem	26.8%	16.5% to 39.8%	n/a	n/a	22.4%	10.8% to 35.2%
ConnectiCare	14.3%	13.0% to 19.2%	27.1%	26.5% to 33.7%	17.4%	15.4% to 24.8%

## Small Group Market:

Carrier	Initial Filing		Revised Filing		Final Filing	
	Average Change	Range by Plan	Average Change	Range by Plan	Average Change	Range by Plan
Anthem	11.6%	6.8% to 20.4%	n/a	n/a	4.9%	0.1% to 13.1%

Source: <http://www.ct.gov/cid/lib/cid/RateChart2017-Final.pdf>

Note: Range by Plan may include some off-Exchange plans

# Rate Filing Observations

- Final rates for all carriers were lower than initially proposed
  - Carriers proposed revisions and CID required changes that generally further reduced rates
- Many of Wakely's comments were addressed in revised and final filings
- Expiration of 2 of the 3 Premium Stabilization Programs
  - The Federal Transitional Reinsurance Program and Risk Corridor Program end in 2016 4.0% to 7.0% impact (Note: Risk Corridor impact inconsequential)
- Base Experience
- Utilization & Cost Trends
  - Medical & Pharmacy Trends were approximately 9.0%
- 2017 Moratorium on Health Insurer Provider Fee (9010)
  - -2.5% to - 3.5% impact
- Elimination of Sales Compensation on Exchange
- See Appendix B for potential state initiatives for controlling cost



# Relative Rates – Individual Market

- Fairfield is highest cost area and Hartford is the lowest cost
- In 2016, Anthem and ConnectiCare generally had the lowest rates in the state, replacing HealthyCT as the lowest cost some areas
- In 2017, the general rate position of the remaining carriers has remained relatively the same.

Carrier	Approx. 2015 Market Share	Current Market Share
Anthem	37.4%	28.47%
ConnectiCare (CBI)	43.0%	60.50%
HealthyCT (HCT)	16.9%	8.95%
UnitedHealthcare	2.7%	2.08%

# Relative Rates – SHOP

- Fairfield is the highest cost area and Hartford is the lowest
- After the withdrawal of United and HealthyCT, Anthem is the only remaining carrier offering plan on SHOP
- Anthem is offering the 6 Standard Plans and 2 non-standard plans.
- Annual assumed medical & pharmacy trends in final filings were approximately 7.7%

# Change in Benchmark Plan and Premium

- The second lowest cost silver (benchmark) plan carrier is changing in one of the counties
- The benchmark plan is changing in five counties
- Benchmark premium changes vary by county from 15.6% to 19.5%

County	Enrollment Distribution by County	Benchmark Premium Change	2016 Benchmark Plan		2017 Benchmark Plan	
			Issuer	Plan Name	Issuer	Plan Name
Fairfield	30%	15.6%	CBI	Silver Choice POS	CBI	Passage Silver Alternative PCP POS
Hartford	23%	15.6%	CBI	Silver Choice POS	CBI	Passage Silver Alternative PCP POS
Litchfield	7%	16.7%	Anthem	Silver PPO Pathway X, a Mult-State Plan	CBI	Passage Silver Alternative PCP POS
Middlesex	5%	15.6%	CBI	Silver Choice POS	CBI	Passage Silver Alternative PCP POS
New Haven	22%	15.6%	CBI	Silver Choice POS	CBI	Passage Silver Alternative PCP POS
New London	7%	19.5%	Anthem	Silver PPO Pathway X, a Mult-State Plan	Anthem	Silver PPO Pathway X, a Mult-State Plan
Tolland	4%	19.5%	Anthem	Silver PPO Pathway X, a Mult-State Plan	Anthem	Silver PPO Pathway X, a Mult-State Plan
Windham	3%	19.5%	Anthem	Silver PPO Pathway X, a Mult-State Plan	Anthem	Silver PPO Pathway X, a Mult-State Plan

# Impact for Hypothetical Household

- The next slide illustrates the change in the benchmark premium and premium subsidy amounts by county for a single adult, age 27 (turning 28 in 2017) with household income of 200% FPL
- Key take-aways include
  - Subsidies for this hypothetical household are increasing the most in New London, Tolland, and Windham, and the least in Fairfield
  - The average subsidy change across all areas of the state is 36% for this household scenario
  - Benchmark premium increases are higher here than in the prior slide due to the impact of aging
- Impact will vary by household scenario (see Appendix C for an additional hypothetical household)

# Change in Benchmark Premiums/Subsidies for Hypothetical Household

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016).

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy			
		2016	2017	\$ Change	% Change	2016	2017	\$ Change	% Change
Fairfield	30%	\$321	\$384	\$64	20%	\$191	\$251	\$61	32%
Hartford	23%	\$260	\$312	\$52	20%	\$132	\$180	\$50	38%
Litchfield	7%	\$282	\$345	\$63	22%	\$156	\$212	\$57	37%
Middlesex	5%	\$283	\$340	\$56	20%	\$154	\$207	\$54	35%
New Haven	22%	\$293	\$352	\$58	20%	\$164	\$219	\$56	34%
New London	7%	\$282	\$349	\$67	24%	\$156	\$221	\$66	43%
Tolland	4%	\$282	\$349	\$67	24%	\$156	\$221	\$66	43%
Windham	3%	\$282	\$349	\$67	24%	\$156	\$221	\$66	43%
<b>TOTAL</b>	100%	\$291	\$351	\$60	21%	\$162	\$219	\$58	36%

# Rate Impact for Enrollees in Lowest Cost Silver Plan

- The following slide shows the rate impact before and after subsidies for the lowest cost Silver plan in each county for our hypothetical household
- The first panel of numbers shows the monthly rate change before subsidies for the 2016 lowest cost Silver plan compared to the 2017 plan members are auto-renewed into
- The second panel of numbers shows the after-subsidy monthly rate change for the 2016 lowest cost Silver plan compared to the 2017 plan members are auto-renewed into
- The third panel of numbers shows the monthly after-subsidy rate change for the 2016 lowest cost Silver plan compared to the 2017 lowest cost Silver plan assuming the individual moves to that plan if it is different from their current plan (plan name is in the third column)
  - The lowest cost Silver plan is changing in all counties except New London, Tolland, and Windham, creating savings opportunities
- Results will vary for different household scenarios, see Appendix C for more information

# Lowest Cost Silver Impact for Hypothetical Household

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016).

County	Lowest Cost Silver Plan		Lowest Silver Before Tax Credit - Auto Renew			Lowest Silver After Tax Credit - Auto Renew			Lowest Silver After Tax Credit - Switch to 2017 Lowest		
	2016	2017	2016	2017	Change	2016	2017	Change	2016	2017	Change
Fairfield	CBI, Silver Standard POS	CBI, Silver Standard POS	\$319	\$381	19%	\$129	\$130	0%	\$129	\$130	0%
Hartford	CBI, Silver Standard POS	CBI, Silver Standard POS	\$259	\$310	19%	\$129	\$130	0%	\$129	\$130	0%
Litchfield	Anthem, Silver PPO Standard Pathway X	CBI, Silver Standard POS	\$278	\$350	26%	\$124	\$138	11%	\$124	\$130	5%
Middlesex	CBI, Silver Standard POS	CBI, Silver Standard POS	\$282	\$337	19%	\$129	\$130	0%	\$129	\$130	0%
New Haven	CBI, Silver Standard POS	CBI, Silver Standard POS	\$292	\$349	19%	\$129	\$130	0%	\$129	\$130	0%
New London	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$278	\$350	26%	\$124	\$129	5%	\$124	\$127	3%
Tolland	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$278	\$350	26%	\$124	\$129	5%	\$124	\$127	3%
Windham	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$278	\$350	26%	\$124	\$129	5%	\$124	\$127	3%

# Average Impact for Hypothetical Household

- The next slide illustrates the change in average premium by area (weighted by AHCT enrollment by plan in each area) before and after subsidy for the same hypothetical household
- Premium changes are based on auto-renewal into the plan based on mappings provided by AHCT
- Averages represent the impact if all enrollees in the county had the same household characteristics as our example
- Key take-aways include
  - Enrollees in New London (for this hypothetical household) will see the most benefit from increasing subsidies, with the base premium increase of 27% reducing to 9% after considering subsidies
  - All enrollees (for this hypothetical household) will see at least a 4% improvement due to the change in subsidies
- Impact will vary by household scenario, see Appendix C for an additional household scenario and more information



# Average Premium Changes Before and After Subsidies for Hypothetical Household

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016).  
Premiums are weighted by 2016 enrollment in all plans within a county.

County	Enrollment Distr. By County	Change in Subsidy	Wtd Avg Premium Before Subsidy			Wtd Avg Premium After Subsidy		
			2016	2017	Change	2016	2017	Change
Fairfield	20%	\$61	\$323	\$393	21%	\$124	\$146	17%
Hartford	18%	\$50	\$259	\$317	22%	\$122	\$140	15%
Litchfield	5%	\$57	\$273	\$346	27%	\$115	\$137	20%
Middlesex	4%	\$54	\$282	\$346	23%	\$121	\$143	19%
New Haven	17%	\$56	\$290	\$349	20%	\$122	\$134	10%
New London	7%	\$66	\$270	\$342	27%	\$115	\$125	9%
Tolland	3%	\$66	\$271	\$343	26%	\$114	\$127	11%
Windham	2%	\$66	\$274	\$347	27%	\$114	\$129	13%
<b>TOTAL</b>	<b>75%</b>	<b>\$58</b>	<b>\$287</b>	<b>\$352</b>	<b>23%</b>	<b>\$121</b>	<b>\$138</b>	<b>14%</b>

# Average Impact for Household in Discontinuing Plan

- The next slide illustrates the change in average premium by carrier and metal tier (weighted by AHCT enrollment by plan for each carrier) before and after subsidy for the same hypothetical household
- Premium changes are based moving to the lowest cost plan in the same metal tier (Platinum enrollees move to the lowest cost Gold plan)
- Averages represent the impact if all enrollees had the same household characteristics as our example
- Key take-aways include
  - Enrollees (for this hypothetical household) will see lower than average increases in base premiums before subsidies
  - Enrollees (for this hypothetical household) can achieve material decreases in after subsidy premiums

# Average Premium Changes for Hypothetical Household in Discontinuing Plans

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016). Premiums are weighted by 2016 enrollment in all plans within a county.

Carrier	Level of Coverage	% of Total Enrollment	Wtd Avg Premium Before Subsidy Current plan in 2016 Lowest Cost plan in 2017			Wtd Avg Premium After Subsidy Current plan in 2016 Lowest Cost plan in 2017		
			2016	2017	Change	2016	2017	Change
CBI	Platinum	1.4%	\$392	\$374	-5%	\$231	\$156	-32%
CBI	Gold	1.7%	\$320	\$373	17%	\$161	\$158	-2%
CBI	Bronze	9.5%	\$186	\$233	25%	\$25	\$15	-38%
HealthyCT	Gold	1.6%	\$347	\$389	12%	\$173	\$155	-10%
HealthyCT	Silver	5.0%	\$321	\$350	9%	\$147	\$116	-21%
HealthyCT	Bronze	3.4%	\$216	\$242	12%	\$45	\$11	-76%
HealthyCT	Catastrophic	0.1%	\$162	\$189	17%	\$162	\$189	17%
UnitedHealthCare	Gold	0.7%	\$382	\$400	5%	\$202	\$160	-21%
UnitedHealthCare	Silver	1.0%	\$327	\$353	8%	\$150	\$116	-22%
UnitedHealthCare	Bronze	0.2%	\$264	\$243	-8%	\$90	\$10	-88%

# Questions?

# Appendix A

## 2017 Rate Changes

## Background

- Rate changes in this section reflect premium changes from 2016 to 2017 based on carrier plan mappings provided to Wakely by AHCT
- Weighted averages are based on enrollment by plan and county provided to Wakely by AHCT (individual market only)

# Individual Market Observations

- The weighted average rate increase for AHCT enrollees (before premium subsidies) is 18.2%
- Rate changes across all plan and area combinations range from an 7.9% increase to an 35.1% increase
- By metal level, rate changes are highest on average for Gold plans (25.2%) and lowest for Silver plans (16.5%)
- No Platinum plans are offered in 2017; current enrollees will have to shop
- By county, rate changes are highest on average for New London and Windham (22.4%) and lowest for New Haven (16.1%)
- By carrier, rate changes are highest for Anthem(21.5%) and lowest for ConnectiCare (15.5%)
- For any given plan, rate changes are fairly consistent across the counties

## Appendix A

# Summary of Individual Rate Changes-by Metal Tier

County	Metric	Issuer		
		Anthem	ConnectiCare	Total
Platinum	Min	NA	NA	NA
	Max	NA	NA	NA
	Wtd Avg	NA	NA	NA
Gold	Min	7.9%	16.5%	7.9%
	Max	35.1%	16.5%	35.1%
	Wtd Avg	28.2%	16.5%	25.2%
Silver	Min	12.8%	15.1%	12.8%
	Max	21.9%	15.7%	21.9%
	Wtd Avg	18.8%	15.2%	16.5%
Bronze	Min	11.2%	20.9%	11.2%
	Max	32.7%	21.7%	32.7%
	Wtd Avg	22.0%	21.1%	21.8%
Catastrophic	Min	21.5%	20.0%	20.0%
	Max	29.2%	20.0%	29.2%
	Wtd Avg	25.5%	20.0%	23.3%
Total	Min	7.9%	15.1%	7.9%
	Max	35.1%	21.7%	35.1%
	Wtd Avg	21.5%	15.5%	18.2%



## Appendix A

# Summary of Individual Rate Changes - by County

County	Metric	Issuer		
		Anthem	ConnectiCare	Total
Fairfield	Min	9.9%	15.1%	<b>9.9%</b>
	Max	29.4%	21.7%	<b>29.4%</b>
	Wtd Avg	20.4%	15.5%	<b>17.1%</b>
Hartford	Min	14.1%	15.1%	<b>14.1%</b>
	Max	34.4%	21.7%	<b>34.4%</b>
	Wtd Avg	24.6%	15.5%	<b>17.9%</b>
Litchfield	Min	14.1%	15.1%	<b>14.1%</b>
	Max	34.4%	21.7%	<b>34.4%</b>
	Wtd Avg	23.2%	15.8%	<b>22.0%</b>
Middlesex	Min	14.8%	15.1%	<b>14.8%</b>
	Max	35.1%	21.7%	<b>35.1%</b>
	Wtd Avg	25.1%	15.6%	<b>18.5%</b>
NewHaven	Min	7.9%	15.1%	<b>7.9%</b>
	Max	27.1%	21.7%	<b>27.1%</b>
	Wtd Avg	17.1%	15.4%	<b>16.1%</b>
NewLondon	Min	14.1%	15.1%	<b>14.1%</b>
	Max	34.4%	21.7%	<b>34.4%</b>
	Wtd Avg	23.0%	15.8%	<b>22.4%</b>
Tolland	Min	14.1%	15.1%	<b>14.1%</b>
	Max	34.4%	21.7%	<b>34.4%</b>
	Wtd Avg	23.0%	15.8%	<b>21.8%</b>
Windham	Min	14.1%	15.1%	<b>14.1%</b>
	Max	34.4%	21.7%	<b>34.4%</b>
	Wtd Avg	23.0%	15.9%	<b>22.4%</b>

## Observations - SHOP

- Rate changes across all plan and area combinations range from a 1% decrease to a 13% increase
- Rate changes are fairly consistent across the counties, except for a small decrease in Fairfield
- Rate changes vary by plan within each metal level

## Appendix A

# Summary of SHOP Rate Changes

Metal Level	Carrier	2016 Plan Name	2017 Plan Name	Min	Max	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham
Platinum	Anthem	Platinum Standard Pathway X PPO	Platinum Standard Pathway X PPO	12%	13%	12%	13%	13%	13%	13%	13%	13%	13%
Gold	Anthem	Anthem Gold Standard Pathway X PPO	Anthem Gold Standard Pathway X PPO	1%	2%	1%	2%	2%	2%	2%	2%	2%	2%
Gold	Anthem	Anthem Gold Pathway X HMO Plus	Anthem Gold Pathway X HMO Plus	1%	2%	1%	2%	2%	2%	2%	2%	2%	2%
Silver	Anthem	Anthem Silver Standard Pathway X PPO	Anthem Silver Standard Pathway X PPO	-1%	0%	-1%	0%	0%	0%	0%	0%	0%	0%
Silver	Anthem	Silver Standard Pathway X PPO w/ HSA	Silver Standard Pathway X PPO w/ HSA	10%	11%	10%	11%	11%	11%	11%	11%	11%	11%
Bronze	Anthem	Anthem Bronze Standard Pathway X PPO	Anthem Bronze Standard Pathway X PPO	5%	6%	5%	6%	6%	6%	6%	6%	6%	6%
Bronze	Anthem	Anthem Bronze Standard Pathway X PPO w HSA	Anthem Bronze Standard Pathway X PPO w HSA	10%	11%	10%	11%	11%	11%	11%	11%	11%	11%
Bronze	Anthem	Anthem Bronze Pathway X HMO Plus w HSA	Anthem Bronze Pathway X HMO Plus w HSA	5%	6%	5%	6%	6%	6%	6%	6%	6%	6%

# Appendix B

## Approaches to Reducing Rates

# Examples of Approaches to Reduce Rates

- **Examples of approaches states have taken or are considering to impact rates include**
  - State-specific reinsurance program (OR, AK, CMS\*)
  - Risk Adjustment Stabilization Pool (NY)
  - All-payer rate setting for hospital services (MD)
  - Promoting delivery system reform (e.g., ACOs, provider risk sharing)
  - Setting growth caps in rates and/or provider reimbursements (MA/RI)
  - Consumer driven plan design approaches
  - Increased competition / competitive bidding / active purchasing (CA)
  - Regulatory support for narrow networks
  - State loss ratio requirements
  - Other data driven strategies (i.e., to identify and address cost drivers)
- **It is important to note that lowering rates in the individual market will have little impact on subsidized enrollees who pay a fixed amount, based on income, toward the Second Lowest Cost Silver plan**

# Appendix C

## Consumer Impact Analysis

# Background

- This section outlines the premium changes to consumers in the individual market after reflecting federal premium subsidies
- Impacts are calculated based on carrier plan mappings provided to Wakely by AHCT
- Weighted averages are based on enrollment by plan and county provided to Wakely by AHCT

# Background

- Premium impact for individuals and households vary based on:
  - Member age(s)
  - The number of family members
  - Geographic region
  - Eligibility for subsidies, i.e. advanced premium tax credit (“APTC”)
  - Income and household size
  - Plan selection



# Subsidy Calculation

- Subsidy eligible households receive a premium subsidy that is equal to difference between
  - The full premium for the second lowest cost silver (benchmark) plan available for the covered family members
  - A portion of their household income as defined on the next slide

# Subsidy Calculation

Income % Poverty	Income Range in Dollars for a single individual in 48 states + DC		Premium Cap Max % of Income for 2nd Lowest Silver	
	2016 benefit year	2017 benefit year (estimated)	2016	2017
Under 133%	Less than \$15,800	Less than \$15,960	2.03%	2.04%
133% - 150%	\$15,800 - \$17,820	\$15,960 - \$18,000	3.05% - 4.07%	3.06% - 4.08%
150% - 200%	\$17,820 - \$23,760	\$18,000 - \$24,000	4.07% - 6.41%	4.08% - 6.43%
200% - 250%	\$23,760 - \$29,700	\$24,000 - \$30,000	6.41% - 8.18%	6.43% - 8.21%
250% - 300%	\$29,700 - \$35,640	\$30,000 - \$36,000	8.18% - 9.66%	8.21% - 9.69%
300% - 400%	\$35,640 - \$47,520	\$36,000 - \$48,000	9.66%	9.69%
Over 400%	More than \$47,520	More than \$48,000	No Cap	No Cap

## Consumer Premiums

- **Benchmark plan:** Subsidy eligible households pay up to the defined % of income for the Essential Health Benefits (EHB) portion of benchmark premium
- **Non-Benchmark plan:** Consumers pay the amount above, plus/minus the difference between their selected plan and the benchmark
- **Advanced payment (APTC):** federal government pays APTC directly to carrier, reducing consumer premium

# Drivers of After Subsidy Rate Changes

- Change in Second Lowest Silver plan/premium
- Change in plan premium relative to Second Lowest Silver premium
- Change in income, household size
- Updates to FPL
- Consumer stays in same plan or shops

# Change in Benchmark Plan and Subsidies

- The next slide illustrates the change in the benchmark (second lowest cost silver plan) by county for an age 21 individual, assuming no aging
- Key observations include:
  - The benchmark carrier is changing in one of the eight counties
  - Benchmark premium changes vary by county from 15.6% to 19.5%
  - New London, Tolland, and Windham have the highest rate increase / subsidy increase

# Change in Benchmark Plan

County	2015 Enrollment in County	Benchmark Premium Change	2016 Benchmark Plan		2017 Benchmark Plan	
			Issuer	Plan Name	Issuer	Plan Name
Fairfield	30,136	15.6%	CBI	Silver Choice POS	CBI	Passage Silver Alternative PCP POS
Hartford	22,451	15.6%	CBI	Silver Choice POS	CBI	Passage Silver Alternative PCP POS
Litchfield	6,959	16.7%	Anthem	Silver PPO Pathway X, a Mult-State Plan	CBI	Passage Silver Alternative PCP POS
Middlesex	4,828	15.6%	CBI	Silver Choice POS	CBI	Passage Silver Alternative PCP POS
New Haven	21,709	15.6%	CBI	Silver Choice POS	CBI	Passage Silver Alternative PCP POS
New London	7,253	19.5%	Anthem	Silver PPO Pathway X, a Mult-State Plan	Anthem	Silver PPO Pathway X, a Mult-State Plan
Tolland	3,502	19.5%	Anthem	Silver PPO Pathway X, a Mult-State Plan	Anthem	Silver PPO Pathway X, a Mult-State Plan
Windham	2,889	19.5%	Anthem	Silver PPO Pathway X, a Mult-State Plan	Anthem	Silver PPO Pathway X, a Mult-State Plan

# Change in Benchmark Premium and Subsidies – Sample Households

- The next slides illustrate the change in the benchmark premium and premium subsidy amounts by county for three hypothetical households assuming auto-renewal
  - Household 1: single, age 27 adult with income of 200% FPL
  - Household 2: family of four, two adults age 37, two children under age 21 with income of 350% FPL
  - Household 3: single, age 41 adult with income of 300% FPL
- Results for other household scenarios will vary
- Key observations for sample household 1 include
  - Benchmark premiums are increasing by 21% on average, ranging by county from 20% to 24%
  - Average subsidies for this household are increasing by 36% across all counties and range from 32% to 43% by county
  - New London, Tolland, and Windham have the highest rate increase / subsidy increase

## Appendix C

# Change in Benchmark Premiums/Subsidies – Sample Household 1

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016).

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy			
		2016	2017	\$ Change	% Change	2016	2017	\$ Change	% Change
Fairfield	30%	\$321	\$384	\$64	20%	\$190	\$251	\$61	32%
Hartford	23%	\$260	\$312	\$52	20%	\$131	\$180	\$50	38%
Litchfield	7%	\$282	\$345	\$63	22%	\$155	\$212	\$57	37%
Middlesex	5%	\$283	\$340	\$56	20%	\$153	\$207	\$54	35%
New Haven	22%	\$293	\$352	\$58	20%	\$163	\$219	\$56	34%
New London	7%	\$282	\$349	\$67	24%	\$155	\$221	\$66	43%
Tolland	4%	\$282	\$349	\$67	24%	\$155	\$221	\$66	43%
Windham	3%	\$282	\$349	\$67	24%	\$155	\$221	\$66	43%
<b>TOTAL</b>	<b>100%</b>	<b>\$291</b>	<b>\$351</b>	<b>\$60</b>	<b>21%</b>	<b>\$162</b>	<b>\$219</b>	<b>\$58</b>	<b>36%</b>



## Appendix C

# Change in Benchmark Premiums/Subsidies – Sample Household 2

For family of four with income of 350% FPL, adults age 37 (38 in 2017) and two children under age 21

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy			
		2016	2017	\$ Change	% Change	2016	2017	\$ Change	% Change
Fairfield	30%	\$1,146	\$1,331	\$185	16%	\$448	\$622	\$174	39%
Hartford	23%	\$931	\$1,081	\$150	16%	\$236	\$375	\$139	59%
Litchfield	7%	\$1,008	\$1,193	\$185	18%	\$322	\$486	\$164	51%
Middlesex	5%	\$1,012	\$1,175	\$163	16%	\$316	\$468	\$152	48%
New Haven	22%	\$1,049	\$1,218	\$169	16%	\$352	\$510	\$158	45%
New London	7%	\$1,008	\$1,208	\$200	20%	\$322	\$515	\$193	60%
Tolland	4%	\$1,008	\$1,208	\$200	20%	\$322	\$515	\$193	60%
Windham	3%	\$1,008	\$1,208	\$200	20%	\$322	\$515	\$193	60%
<b>TOTAL</b>	<b>100%</b>	<b>\$1,041</b>	<b>\$1,216</b>	<b>\$175</b>	<b>17%</b>	<b>\$347</b>	<b>\$510</b>	<b>\$163</b>	<b>47%</b>

## Appendix C

# Change in Benchmark Premiums/Subsidies – Sample Household 3

For single age 41 year old (42 in 2017) with income of 300% FPL (approximately \$35,640 in 2016)

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy			
		2016	2017	\$ Change	% Change	2016	2017	\$ Change	% Change
Fairfield	30%	\$398	\$469	\$70	18%	\$107	\$173	\$66	62%
Hartford	23%	\$324	\$381	\$57	18%	\$33	\$86	\$53	160%
Litchfield	7%	\$350	\$420	\$70	20%	\$63	\$125	\$62	98%
Middlesex	5%	\$352	\$414	\$62	18%	\$61	\$118	\$58	95%
New Haven	22%	\$365	\$429	\$64	18%	\$73	\$133	\$60	82%
New London	7%	\$350	\$426	\$75	21%	\$63	\$135	\$72	114%
Tolland	4%	\$350	\$426	\$75	21%	\$63	\$135	\$72	114%
Windham	3%	\$350	\$426	\$75	21%	\$63	\$135	\$72	114%
<b>TOTAL</b>	<b>100%</b>	<b>\$362</b>	<b>\$428</b>	<b>\$66</b>	<b>18%</b>	<b>\$72</b>	<b>\$133</b>	<b>\$62</b>	<b>86%</b>

## Weighted Average Premium Changes - Sample Households

- The following slides show the change in average premium by area (weighted by AHCT enrollment by plan in each area) before and after subsidy for three different household scenarios (defined at the top of each page)
- Averages are weighted by enrollment in continuing plans based on 2016 distribution by county and plan provided by AHCT
- The table shows rate changes before and after subsidy assuming the household auto-renews in 2017 based on its 2016 plan
- Averages represent the impact if all enrollees in the county had the same household characteristics as the example
- Impact will vary for other household scenarios

# Weighted Average Premium Changes - Sample Household 1

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016). Premiums are weighted by 2016 enrollment in continuing plans within a county.

County	Enrollment Distr. By County	Change in Subsidy	Wtd Avg Premium Before Subsidy			Wtd Avg Premium After Subsidy		
			2016	2017	Change	2016	2017	Change
Fairfield	20%	\$61	\$323	\$393	21%	\$124	\$146	17%
Hartford	18%	\$50	\$259	\$317	22%	\$122	\$140	15%
Litchfield	5%	\$57	\$273	\$346	27%	\$115	\$137	20%
Middlesex	4%	\$54	\$282	\$346	23%	\$121	\$143	19%
New Haven	17%	\$56	\$290	\$349	20%	\$122	\$134	10%
New London	7%	\$66	\$270	\$342	27%	\$115	\$125	9%
Tolland	3%	\$66	\$271	\$343	26%	\$114	\$127	11%
Windham	2%	\$66	\$274	\$347	27%	\$114	\$129	13%
<b>TOTAL</b>	<b>75%</b>	<b>\$58</b>	<b>\$287</b>	<b>\$352</b>	<b>23%</b>	<b>\$121</b>	<b>\$138</b>	<b>14%</b>

# Weighted Average Premium Changes - Sample Household 2

For family of four with income of 350% FPL, adults age 37 (38 in 2017) and two children under age 21. Premiums are weighted by 2016 enrollment in continuing plans within a county.

County	Enrollment For County	Change in Subsidy	Wtd Avg Premium Before Subsidy			Wtd Avg Premium After Subsidy		
			2016	2017	Change	2016	2017	Change
Fairfield	20%	\$174	\$1,156	\$1,359	18%	\$673	\$748	11%
Hartford	18%	\$139	\$925	\$1,096	18%	\$663	\$728	10%
Litchfield	5%	\$164	\$977	\$1,198	23%	\$638	\$720	13%
Middlesex	4%	\$152	\$1,008	\$1,199	19%	\$659	\$740	12%
New Haven	17%	\$158	\$1,037	\$1,209	17%	\$663	\$709	7%
New London	7%	\$193	\$964	\$1,185	23%	\$640	\$678	6%
Tolland	3%	\$193	\$969	\$1,186	22%	\$635	\$682	7%
Windham	2%	\$193	\$978	\$1,202	23%	\$635	\$692	9%
<b>TOTAL</b>	<b>75%</b>	<b>\$163</b>	<b>\$1,025</b>	<b>\$1,217</b>	<b>19%</b>	<b>\$660</b>	<b>\$722</b>	<b>9%</b>

# Weighted Average Premium Changes - Sample Household 3

For single age 41 year old (42 in 2017) with income of 300% FPL (approximately \$35,640 in 2016).  
Premiums are weighted by 2016 enrollment in continuing plans within a county.

County	Enrollment For County	Change in Subsidy	Wtd Avg Premium Before Subsidy			Wtd Avg Premium After Subsidy		
			2016	2017	Change	2016	2017	Change
Fairfield	20%	\$66	\$402	\$479	19%	\$282	\$309	10%
Hartford	18%	\$53	\$322	\$386	20%	\$278	\$302	8%
Litchfield	5%	\$62	\$340	\$422	24%	\$270	\$299	11%
Middlesex	4%	\$58	\$350	\$422	21%	\$277	\$306	10%
New Haven	17%	\$60	\$360	\$426	18%	\$279	\$295	6%
New London	7%	\$72	\$335	\$417	25%	\$271	\$285	5%
Tolland	3%	\$72	\$337	\$418	24%	\$269	\$286	6%
Windham	2%	\$72	\$340	\$423	25%	\$269	\$290	8%
<b>TOTAL</b>	<b>75%</b>	<b>\$62</b>	<b>\$356</b>	<b>\$428</b>	<b>20%</b>	<b>\$278</b>	<b>\$300</b>	<b>8%</b>

# After Subsidy Rate Impact - Sample Households

- The following slides show rate impact before and after subsidies for the lowest cost silver and lowest cost bronze plans in each county for our three sample households
- The first panel of numbers shows the monthly rate change before subsidies for the 2016 lowest cost plan compared to the 2017 plan members are auto-renewed into
- The second panel of numbers shows the after-subsidy monthly rate change for the 2016 lowest cost plan compared to the 2017 plan members are auto-renewed into
- The third panel of numbers shows the monthly after-subsidy rate change for the 2016 lowest cost plan compared to the 2017 lowest plan assuming the individual moves to that plan (plan name is in the third column)
  - The lowest cost Silver plan is changing in Fairfield, Litchfield, New Haven and Tolland, creating savings opportunities by switching plans
- Results will vary for other household scenarios

## Appendix C

# Lowest Cost Silver Impact - Sample Household 1

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016).

County	Lowest Cost Silver Plan		Lowest Silver Before Tax Credit - Auto Renew			Lowest Silver After Tax Credit - Auto Renew			Lowest Silver After Tax Credit - Switch to 2017 Lowest		
	2016	2017	2016	2017	Change	2016	2017	Change	2016	2017	Change
Fairfield	CBI, Silver Standard POS	CBI, Silver Standard POS	\$319	\$381	19%	\$129	\$130	0%	\$129	\$130	0%
Hartford	CBI, Silver Standard POS	CBI, Silver Standard POS	\$259	\$310	19%	\$129	\$130	0%	\$129	\$130	0%
Litchfield	Anthem, Silver PPO Standard Pathway X	CBI, Silver Standard POS	\$278	\$350	26%	\$124	\$138	11%	\$124	\$130	5%
Middlesex	CBI, Silver Standard POS	CBI, Silver Standard POS	\$282	\$337	19%	\$129	\$130	0%	\$129	\$130	0%
New Haven	CBI, Silver Standard POS	CBI, Silver Standard POS	\$292	\$349	19%	\$129	\$130	0%	\$129	\$130	0%
New London	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$278	\$350	26%	\$124	\$129	5%	\$124	\$127	3%
Tolland	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$278	\$350	26%	\$124	\$129	5%	\$124	\$127	3%
Windham	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$278	\$350	26%	\$124	\$129	5%	\$124	\$127	3%



## Appendix C

# Lowest Cost Silver Impact - Sample Household 2

For family of four with income of 350% FPL, adults age 37 (38 in 2017) and two children under age 21.

County	Lowest Cost Silver Plan		Lowest Silver Before Tax Credit - Auto Renew			Lowest Silver After Tax Credit - Auto Renew			Lowest Silver After Tax Credit - Switch to 2017 Lowest		
	2016	2017	2016	2017	Change	2016	2017	Change	2016	2017	Change
Fairfield	CBI, Silver Standard POS	CBI, Silver Standard POS	\$1,141	\$1,319	16%	\$693	\$698	1%	\$693	\$698	1%
Hartford	CBI, Silver Standard POS	CBI, Silver Standard POS	\$927	\$1,072	16%	\$692	\$697	1%	\$692	\$697	1%
Litchfield	Anthem, Silver PPO Standard Pathway X	CBI, Silver Standard POS	\$995	\$1,211	22%	\$673	\$726	8%	\$673	\$697	4%
Middlesex	CBI, Silver Standard POS	CBI, Silver Standard POS	\$1,008	\$1,165	16%	\$692	\$697	1%	\$692	\$697	1%
New Haven	CBI, Silver Standard POS	CBI, Silver Standard POS	\$1,045	\$1,207	16%	\$693	\$697	1%	\$693	\$697	1%
New London	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$995	\$1,211	22%	\$673	\$697	4%	\$673	\$688	2%
Tolland	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$995	\$1,211	22%	\$673	\$697	4%	\$673	\$688	2%
Windham	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$995	\$1,211	22%	\$673	\$697	4%	\$673	\$688	2%

## Appendix C

# Lowest Cost Silver Impact - Sample Household 3

For single age 41 year old (42 in 2017) with income of 300% FPL (approximately \$35,640 in 2016).

County	Lowest Cost Silver Plan		Lowest Silver Before Tax Credit - Auto Renew			Lowest Silver After Tax Credit - Auto Renew			Lowest Silver After Tax Credit - Switch to 2017 Lowest		
	2016	2017	2016	2017	Change	2016	2017	Change	2016	2017	Change
Fairfield	CBI, Silver Standard POS	CBI, Silver Standard POS	\$397	\$465	17%	\$290	\$292	1%	\$290	\$292	1%
Hartford	CBI, Silver Standard POS	CBI, Silver Standard POS	\$322	\$378	17%	\$289	\$292	1%	\$289	\$292	1%
Litchfield	Anthem, Silver PPO Standard Pathway X	CBI, Silver Standard POS	\$346	\$427	23%	\$283	\$302	7%	\$283	\$292	3%
Middlesex	CBI, Silver Standard POS	CBI, Silver Standard POS	\$350	\$410	17%	\$290	\$292	1%	\$290	\$292	1%
New Haven	CBI, Silver Standard POS	CBI, Silver Standard POS	\$363	\$425	17%	\$290	\$292	1%	\$290	\$292	1%
New London	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$346	\$427	23%	\$283	\$292	3%	\$283	\$289	2%
Tolland	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$346	\$427	23%	\$283	\$292	3%	\$283	\$289	2%
Windham	Anthem, Silver PPO Standard Pathway X	Anthem, Silver Core PPO Pathway X 5300	\$346	\$427	23%	\$283	\$292	3%	\$283	\$289	2%

## Appendix C

# Lowest Cost Bronze Impact - Sample Household 1

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016).

County	Lowest Cost Bronze Plan		Lowest Bronze Before Tax Credit - Auto-Renew			Lowest Bronze After Tax Credit - Auto Renew			Lowest Bronze After Tax Credit - Switch to 2017 Lowest		
	2016	2017	2016	2017	Change	2016	2017	Change	2016	2017	Change
Fairfield	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$201	\$265	32%	\$11	\$14	26%	\$11	\$14	26%
Hartford	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$163	\$215	32%	\$33	\$35	8%	\$33	\$35	8%
Litchfield	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$180	\$238	32%	\$25	\$25	0%	\$25	\$25	0%
Middlesex	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$177	\$234	32%	\$24	\$27	11%	\$24	\$27	11%
New Haven	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$184	\$243	32%	\$21	\$23	13%	\$21	\$23	13%
New London	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$188	\$248	32%	\$33	\$27	-18%	\$33	\$27	-18%
Tolland	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$185	\$244	32%	\$30	\$23	-22%	\$30	\$23	-22%
Windham	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$185	\$244	32%	\$30	\$23	-22%	\$30	\$23	-22%

## Appendix C

# Lowest Cost Bronze Impact - Sample Household 2

For family of four with income of 350% FPL, adults age 37 (38 in 2017) and two children under age 21.

County	Lowest Cost Bronze Plan		Lowest Bronze Before Tax Credit - Auto-Renew			Lowest Bronze After Tax Credit - Auto Renew			Lowest Bronze After Tax Credit - Switch to 2017 Lowest		
	2016	2017	2016	2017	Change	2016	2017	Change	2016	2017	Change
Fairfield	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$718	\$917	28%	\$270	\$295	10%	\$270	\$295	10%
Hartford	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$583	\$745	28%	\$347	\$370	7%	\$347	\$370	7%
Litchfield	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$643	\$822	28%	\$322	\$337	5%	\$322	\$337	5%
Middlesex	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$634	\$810	28%	\$318	\$342	8%	\$318	\$342	8%
New Haven	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$657	\$839	28%	\$305	\$329	8%	\$305	\$329	8%
New London	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$671	\$857	28%	\$349	\$343	-2%	\$349	\$343	-2%
Tolland	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$660	\$844	28%	\$339	\$329	-3%	\$339	\$329	-3%
Windham	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$660	\$844	28%	\$339	\$329	-3%	\$339	\$329	-3%

## Appendix C

# Lowest Cost Bronze Impact - Sample Household 3

For single age 41 year old (42 in 2017) with income of 300% FPL (approximately \$35,640 in 2016).

County	Lowest Cost Bronze Plan		Lowest Bronze Before Tax Credit - Auto-Renew			Lowest Bronze After Tax Credit - Auto Renew			Lowest Bronze After Tax Credit - Switch to 2017 Lowest		
	2016	2017	2016	2017	Change	2016	2017	Change	2016	2017	Change
Fairfield	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$249	\$323	30%	\$143	\$150	6%	\$143	\$150	6%
Hartford	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$203	\$262	29%	\$170	\$177	4%	\$170	\$177	4%
Litchfield	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$224	\$290	30%	\$161	\$165	3%	\$161	\$165	3%
Middlesex	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$220	\$285	30%	\$159	\$167	5%	\$159	\$167	5%
New Haven	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$228	\$296	30%	\$155	\$162	5%	\$155	\$162	5%
New London	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$233	\$302	29%	\$170	\$167	-2%	\$170	\$167	-2%
Tolland	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$230	\$297	29%	\$167	\$162	-3%	\$167	\$162	-3%
Windham	CBI, Bronze Select POS HSA	CBI, Bronze Standard POS HSA	\$230	\$297	29%	\$167	\$162	-3%	\$167	\$162	-3%

## Weighted Average Premium Change by County and Metal Tier – Sample Households

- The following slides show average premium changes by county and metal tier before and after subsidies for three different household scenarios (defined at the top of each page)
  - Averages are weighted by enrollment based on 2016 distribution by county and continuing plan provided by AHCT
- Assumes the household auto-renews in 2017 based on its 2016 plan.
- Counties with higher increases in benchmark plan rates have lower after subsidy rate increases.

## Appendix C

# Weighted Average Premium Change by County and Metal Tier – Household 1

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016). Premiums are weighted by 2016 enrollment in continuing plans within a county and metal tier.

		Gold		
County	% Change in Benchmark Premium (no aging)	2016 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	15.6%	4,097	29%	26%
Hartford	15.6%	2,576	30%	24%
Litchfield	16.7%	1,036	34%	30%
Middlesex	15.6%	537	31%	28%
New Haven	15.6%	2,418	26%	19%
New London	19.5%	827	36%	29%
Tolland	19.5%	432	33%	24%
Windham	19.5%	357	35%	29%

## Appendix C

# Weighted Average Premium Change by County and Metal Tier – Household 1

For single age 27 year old (28 in 2017) with income of 200% FPL (approximately \$23,760 in 2016).  
Premiums are weighted by 2016 enrollment in continuing plans within a county and metal tier.

		Silver			Bronze		
County	% Change in Benchmark Premium (no aging)	2015 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium	2015 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	15.6%	18,148	20%	2%	7,061	25%	1%
Hartford	15.6%	14,290	20%	3%	4,833	28%	8%
Litchfield	16.7%	4,208	24%	9%	1,543	29%	1%
Middlesex	15.6%	3,031	21%	4%	1,115	28%	10%
New Haven	15.6%	14,048	19%	0%	4,613	23%	-12%
New London	19.5%	4,670	25%	3%	1,588	29%	-17%
Tolland	19.5%	2,146	25%	2%	827	29%	-16%
Windham	19.5%	1,838	25%	3%	652	29%	-18%



## Appendix C

# Weighted Average Premium Change by County and Metal Tier – Household 2

For family of four with income of 350% FPL, adults age 37 (38 in 2017) and two children under age 21. Premiums are weighted by 2016 enrollment in continuing plans within a county and metal tier.

		Gold		
County	% Change in Benchmark Premium (no aging)	2016 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	15.6%	4,097	25%	18%
Hartford	15.6%	2,576	26%	17%
Litchfield	16.7%	1,036	29%	21%
Middlesex	15.6%	537	27%	20%
New Haven	15.6%	2,418	22%	14%
New London	19.5%	827	31%	20%
Tolland	19.5%	432	29%	17%
Windham	19.5%	357	31%	20%

## Appendix C

# Weighted Average Premium Change by County and Metal Tier – Household 2

For family of four with income of 350% FPL, adults age 37 (38 in 2017) and two children under age 21. Premiums are weighted by 2016 enrollment in continuing plans within a county and metal tier.

		Silver			Bronze		
County	% Change in Benchmark Premium (no aging)	2016 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium	2016 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	15.6%	18,148	16%	2%	7,061	21%	3%
Hartford	15.6%	14,290	17%	2%	4,833	24%	6%
Litchfield	16.7%	4,208	21%	6%	1,543	25%	3%
Middlesex	15.6%	3,031	17%	3%	1,115	24%	7%
New Haven	15.6%	14,048	15%	1%	4,613	19%	-3%
New London	19.5%	4,670	21%	3%	1,588	25%	-4%
Tolland	19.5%	2,146	21%	2%	827	25%	-3%
Windham	19.5%	1,838	21%	3%	652	24%	-4%

## Appendix C

# Weighted Average Premium Change by County and Metal Tier – Household 3

For single age 41 year old (42 in 2017) with income of 300% FPL (approximately \$35,640 in 2016).  
Premiums are weighted by 2016 enrollment in continuing plans within a county and metal tier.

		Gold		
County	% Change in Benchmark Premium (no aging)	2016 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	15.6%	4,097	26%	17%
Hartford	15.6%	2,576	27%	15%
Litchfield	16.7%	1,036	31%	19%
Middlesex	15.6%	537	29%	18%
New Haven	15.6%	2,418	24%	12%
New London	19.5%	827	33%	18%
Tolland	19.5%	432	30%	15%
Windham	19.5%	357	33%	18%

## Appendix C

# Weighted Average Premium Change by County and Metal Tier – Household 3

For single age 41 year old (42 in 2017) with income of 300% FPL (approximately \$35,640 in 2016).  
Premiums are weighted by 2016 enrollment in continuing plans within a county and metal tier.

		Silver			Bronze		
County	% Change in Benchmark Premium (no aging)	2016 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium	2016 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	15.6%	18,148	17%	2%	7,061	23%	2%
Hartford	15.6%	14,290	18%	2%	4,833	26%	5%
Litchfield	16.7%	4,208	22%	5%	1,543	26%	2%
Middlesex	15.6%	3,031	19%	3%	1,115	26%	5%
New Haven	15.6%	14,048	17%	1%	4,613	20%	-2%
New London	19.5%	4,670	23%	2%	1,588	26%	-3%
Tolland	19.5%	2,146	22%	2%	827	27%	-3%
Windham	19.5%	1,838	23%	2%	652	26%	-3%

# Simplified AHCT Example

- Ted is 27, single, lives in Fairfield and has an annual income of roughly \$23,760, or 200% FPL
  - Subsidy calculation is based on household contribution of 6.41% of income, or \$127 / month toward the 2<sup>nd</sup> lowest cost silver plan (benchmark)

# Simplified AHCT Example

- Ted wanted to enroll in a low cost silver plan in 2016 so he could get cost sharing reductions
  - Monthly rates for the two lowest cost options (before subsidy) were \$319 and \$321, both CBI plans
  - Monthly subsidy is \$190
  - After subsidy monthly costs are \$129 and \$131 for the two CBI plans
  - Ted picks the lowest cost plan

# Simplified AHCT Example - 2016

		Lowest Silver 2016	2nd Lowest Silver 2017
		CBI	CBI
<b>Rates Before Subsidy</b>	<b>2016</b>	\$319	\$321
<b>Subsidy</b>	<b>2016</b>	\$190	
<b>Rates After Subsidy</b>	<b>2016</b>	\$129	\$131

## Example - Changes for 2017

- The two lowest cost silver plans are still offered by CBI
- Benchmark monthly premium changes from \$321 in 2016 to \$384 in 2017
- Subsidy goes up by roughly \$61 / month



## Example - Changes for 2017

- The CBI plan Ted enrolled in is still the lowest cost silver plan, so he can stay in the CBI plan, and had an increase in the base rate of \$62
- After subsidies, the monthly rate for Ted's plan increases less than \$1 from \$129.37 to \$129.74
- The increase in the subsidies tracked with the base premium increase so Ted enjoys very stable premiums from 2016 to 2017

# Example - Changes for 2017

		Lowest Silver 2016	2nd Lowest Silver 2016
		CBI	CBI
<b>Rates Before Subsidy</b>	<b>2016</b>	\$319	\$321
	<b>2017</b>	\$381	\$385
	<b>\$ Increase</b>	\$62	\$64
	<b>% Increase</b>	19%	20%
<b>Subsidy</b>	<b>2016</b>	\$190	
	<b>2017</b>	\$251	
	<b>\$ Increase</b>	\$61	
	<b>% Increase</b>	32%	
<b>Rates After Subsidy</b>	<b>2016</b>	\$129.37	\$131
	<b>2017</b>	\$129.74	\$133
	<b>\$ Increase</b>	\$0.40	\$3
	<b>% Increase</b>	0.3%	2%

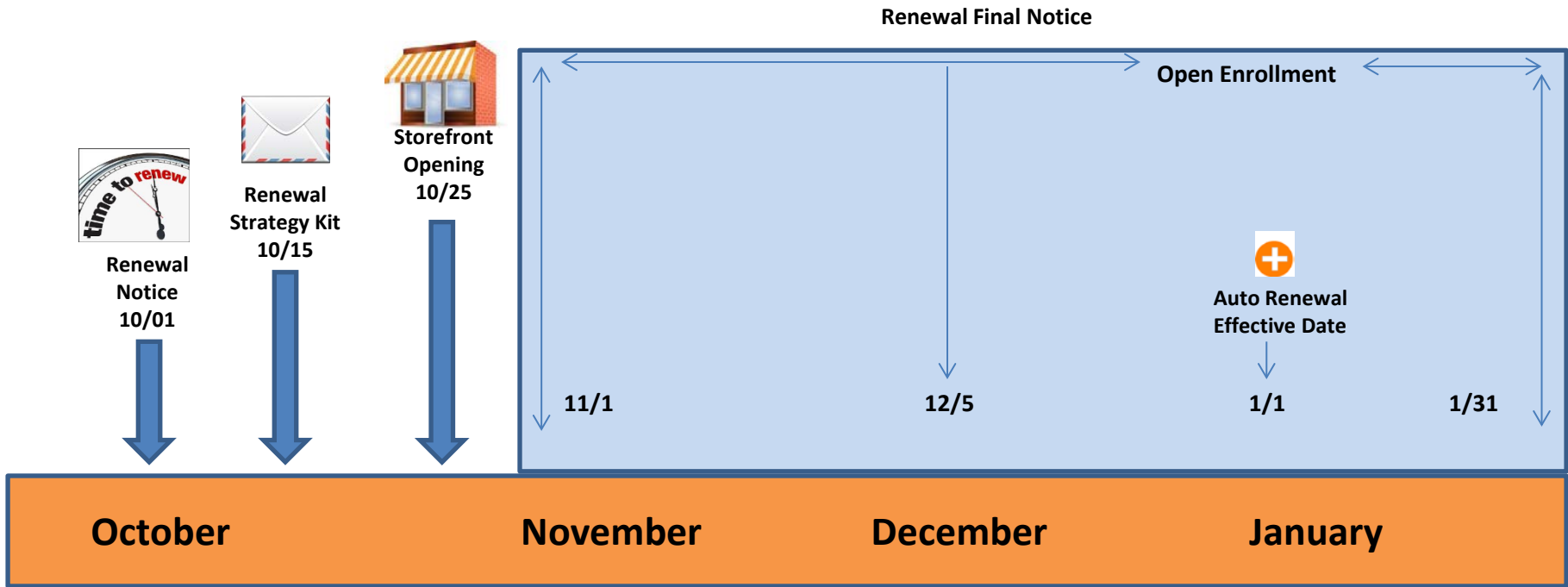
# *2017 Open Enrollment Update*

# 2017 Open Enrollment & Renewals Process

(Open Enrollment November 1, 2016 through January 31, 2017)

Pre OE Renewal Projections	
Non-Renewals Due to Plan Discontinuance	12.7%
Non-Renewals due to Carrier Attrition	11.8%
Non-Renewals Due to Application Selections	19.1%
<b>Projected Manual Renewals</b>	<b>43.6%</b>
<b>Projected Auto Renewals</b>	<b>56.4%</b>

**Qualified Health Plan  
(Annual Open Enrollment Period)**



# *Call Center Vendor Update*



# Operations Update

## New Call Center Vendor Faneuil, Inc.

# Call Center Training – 7/11/16 to Present



Faneuil Call Center Representatives (CCRs) were trained for eight weeks: Six weeks of classroom training and two weeks of on the job training (“nesting”).



Affordable Care Act (ACA), AHCT organization, eligibility, subsidies, insurance concepts & health plan offerings



Hands on AHCT system training – Consumer Portal and Worker Portal



Hands on Customer Relationship Management (CRM) training to capture customer information



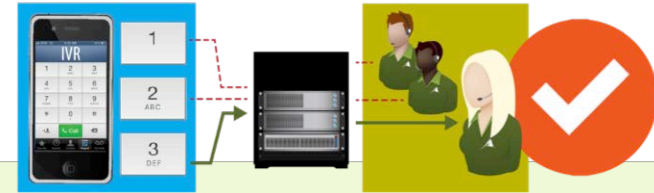
Role Playing – answering customer questions, completing applications, and problem solving



Daily assessment of role playing to adjust training



# Call Center Transition



Faneuil began taking calls on September 12<sup>th</sup> utilizing a phased approach.



Maximus and Faneuil are jointly answering calls until end of business September 23, 2016. For a 10-day period, Faneuil's percentage of calls increases.



AHCT, the Department of Social Services (DSS) and Faneuil meet 3 times a day to assess call center performance on a variety of quality metrics to discuss corrective action for the next day.



Quality monitoring of CCR performance is completed hourly for assessment to adjust training when necessary.

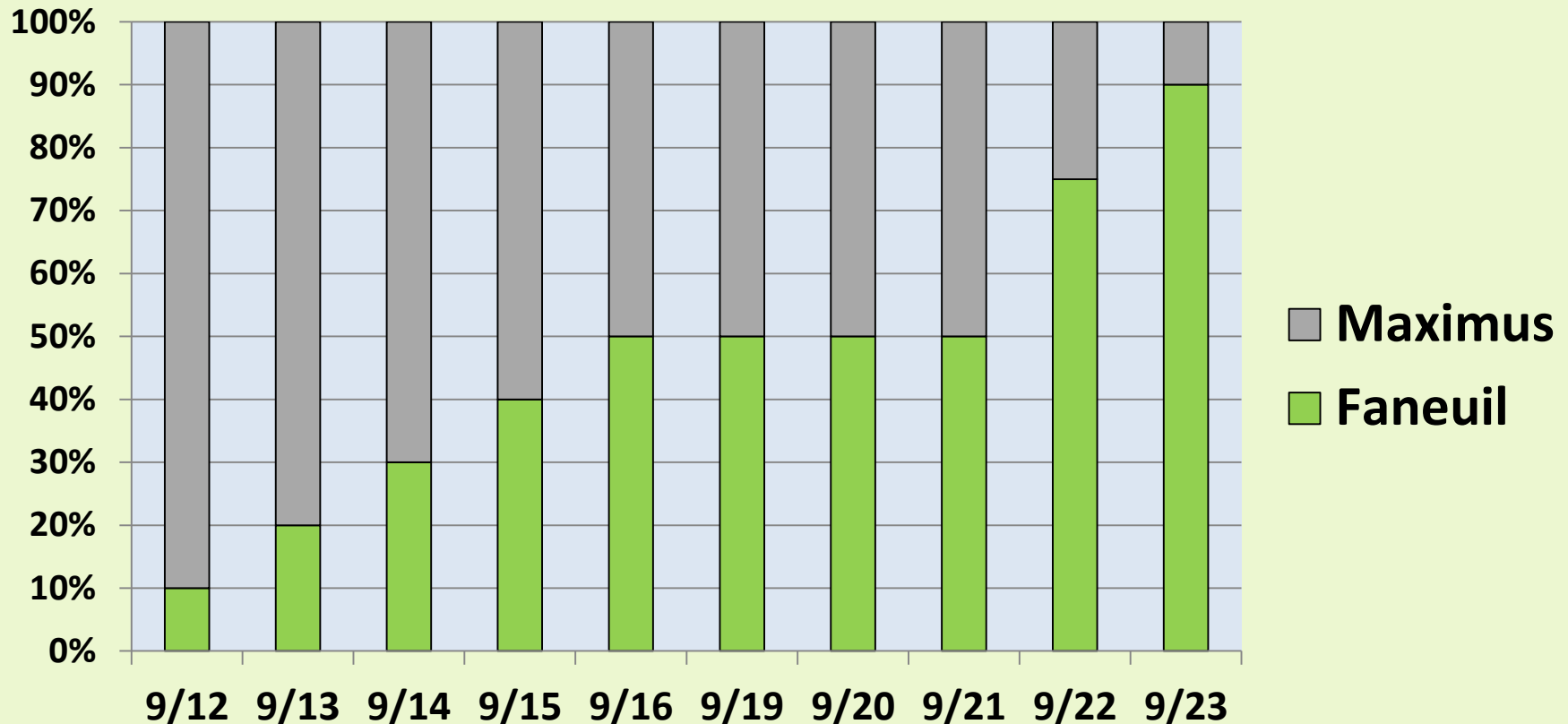


# Call Volume

## Phased Cut-Over Glide Path



Faneuil will assume full call center responsibility on Monday 9/26/2016.  
by taking 100% of incoming call volume.



# Faneuil, Inc.

## Quick Facts



# FANEUIL

### Pricing Model

- Per Member Per Month cost structure (versus per minute)
- Aligned with AHCT's strategy
- Incentivizes the improvement of our Customer's Experience and the quality of service provided

### Locations

- Bristol, CT (Primary)
- Hampton, VA (Overflow)

### Staffing

- 140 CCRs currently available
- 230 CCRs available 9/26
- Additional CCRs for Open Enrollment:  
**286** by 11/1  
**339** by 11/21

### Training

- Faneuil, AHCT and DSS will continue to assess quality performance measures and adjust training accordingly

### Current Exchange Customers

- State of CA
- State of WA

# *Adjournment*