

Health Plan Benefits and Qualifications Advisory Committee Meeting

January 19, 2017

Agenda

- A. Call to Order and Introductions
- B. Public Comment
- C. 2017 Plans: 2018 Actuarial Value Calculator Results
- D. Plan Year 2018 - Plan Design Strategic Overview
- E. For Consideration - Plan Year 2018 Certification Standards
- F. Next Steps
- G. Adjournment

➤ *2017 Plans: 2018 Actuarial
Value Calculator Results*

2018 Actuarial Value Calculator (AVC)

Wakely Consulting Results: 2017 AHCT standardized plans entered into 2018 AVC

Individual Market

- Cost sharing for the following plans will continue to fall within the required AV range: Platinum, Silver 94% CSR, Bronze, Bronze HSA
- Cost sharing for the following plans will **NOT** continue to fall within the required AV range: Gold, Silver 70%, Silver 73% CSR, Silver 87% CSR

Small Group Market

- Cost sharing for the following plans will continue to fall within the required AV range: Platinum, Silver HSA, Bronze, Bronze HSA
- Cost sharing for the following plans will **NOT** continue to fall within the required AV range: Gold, Silver

Wakely Consulting: AHCT Standardized Plan Review

2018 Standard Plan Design Analysis - AVC Results

Individual Market	Platinum	Gold	Silver	Bronze	Bronze HSA
Acceptable AV Range*	88% - 92%	78% - 82%	68% - 72%	58% - 62%/65%	
2017 AVC Results	89.18%	81.05%	71.98%	61.98%	62.00%
2018 AVC Results	90.15%	84.11%	76.18%	61.93%	61.20%

Individual Market - CSR Plan Variations	Silver 73%	Silver 87%	Silver 94%
Acceptable AV Range*	72% - 74%	86% - 88%	93% - 95%
2017 AVC Results	73.98%	87.87%	94.97%
2018 AVC Results	78.07%	88.98%	93.95%

Small Group Market	Platinum	Gold	Silver	Silver HSA	Bronze	Bronze HSA
Acceptable AV Range*	88% - 92%	78% - 82%	68% - 72%		58% - 62%/65%	
2017 AVC Results	90.49%	80.80%	71.43%	70.93%	61.98%	61.56%
2018 AVC Results	89.97%	82.64%	76.07%	71.16%	61.93%	60.83%

*A 'de minimis' range of ± 2 percentage points is permitted for all plans (except the Silver CSR variants which have a range of ± 1 percentage point and for Bronze, the permitted range will be +5 percentage points for 2018 under certain conditions)

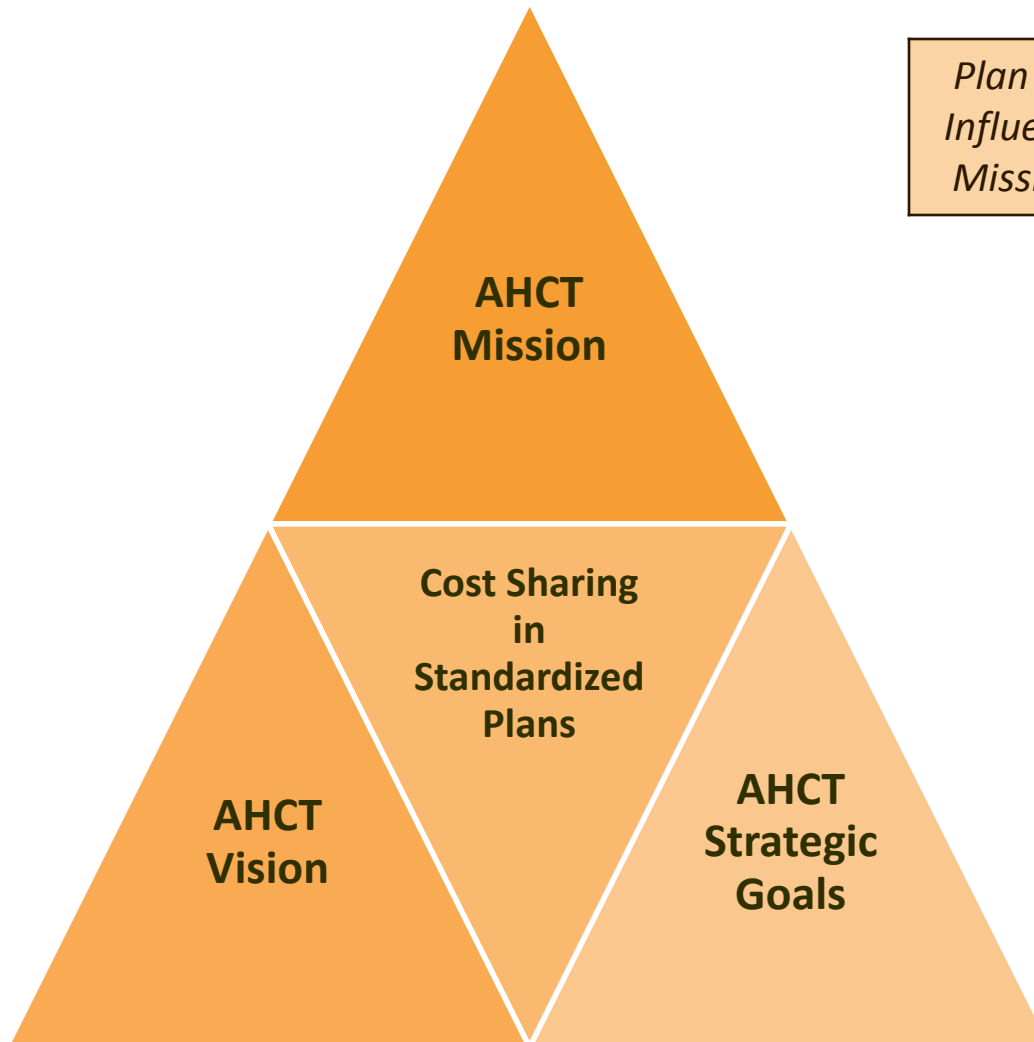
➤ *Plan Year 2018 - Plan Design
Strategic Overview*

AHCT Carrier Plan Offerings

Number of Plans Permitted per Carrier				
	Individual Market*		Small Group Market	
	Standardized	Non-Standard	Standardized	Non-Standard
Platinum	1 (Optional)	2	1	2
Gold	1	3	1	3
Silver	1	3	2	3
Bronze	2	3	2	3
Catastrophic	N/A	1 (Optional)	N/A	N/A
Total	4 Required / 1 Optional	12 Optional	6 Required	11 Optional
Maximum	17		17	

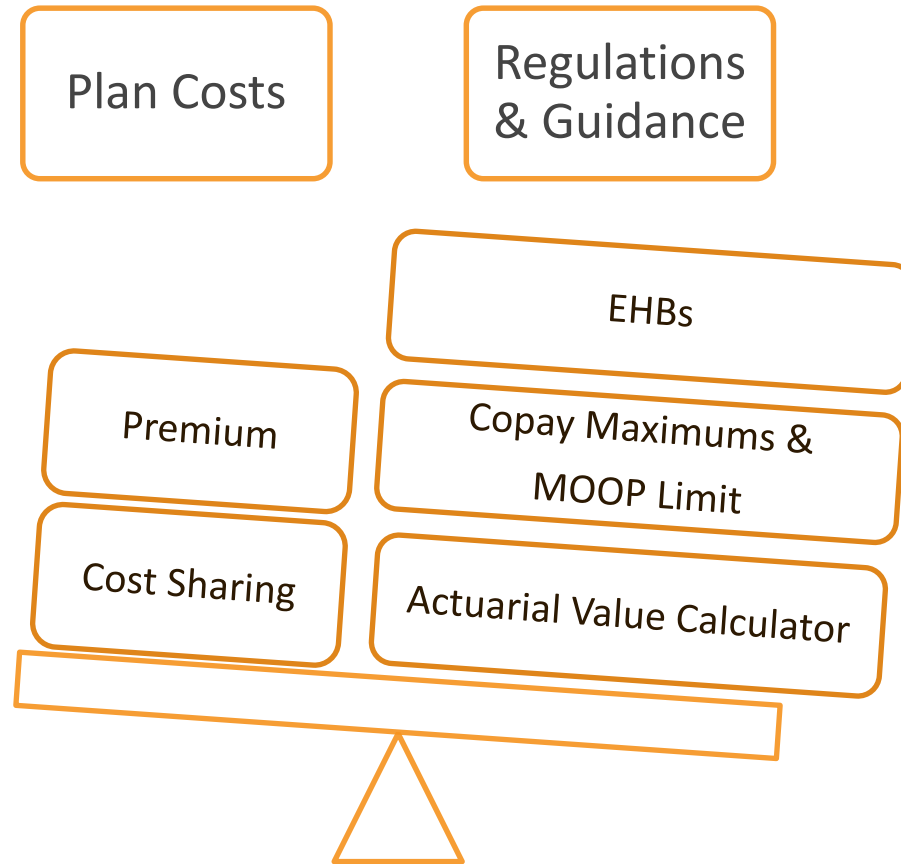
**Additionally, plan variants for American Indian/Alaskan Native and Silver Cost Sharing Reduction (CSR) plans are required for submission in the Individual Market.*

Cost Sharing in Standardized Plans



*Plan Design Cost Sharing:
Influenced by AHCT Vision,
Mission & Strategic Goals*

AHCT Standardized Plan Development Must Balance...



➤ *For Consideration - Plan Year
2018 Certification Standards*

2018 Certification Requirements: Executive Summary

- For a health insurance issuer to offer health plans through an Exchange, it must have received certification by the Exchange to demonstrate that each health plan to be offered is a Qualified Health Plan (QHP)
 - Creation of certification standards are referenced in the Affordable Care Act legislation and Connecticut Health Insurance Exchange enabling legislation
 - In November 2012, AHCT adopted a policy called: “Establishing Requirements for Certification, Recertification and Decertification* of Qualified Health Plans”
 - Policy outlines that members of the Exchange staff, in consultation with the Exchange’s Health Plan Benefits and Qualifications (HPBQ) Advisory Committee are charged with evaluating options and making recommendations to the AHCT BOD regarding the certification requirements
 - Consideration of recommendations provided by the Consumer Experience and Outreach Advisory Committee, federal and state regulations and guidance shall be taken into account by AHCT staff and the HPBQ Advisory Committee

**Certification, Recertification and Decertification will be referenced as “Certification” throughout this document unless otherwise stated*

Certification Requirements – 2018 Considerations

Agent / Broker Commission Payments

Should AHCT require inclusion of commission payments in QHPs for agents /brokers in a similar manner as required for issuers in Federally Facilitated Marketplaces (FFMs)?

Rating Factors: Tobacco Use Surcharge

Should AHCT permit a tobacco surcharge to premium rates for QHPs offered in the Individual Market?

**Premium adjustment for tobacco use is not permitted in the Small Group Market in Connecticut*

Formulary Review

Should AHCT modify the following requirement, as approved by AHCT BOD in April 2014:

“To require a QHP Issuer for the Standard Plan designs to provide a prescription drug formulary that offers the highest benefit level, whether it meets one of the standards set forth in 45 C.F.R. 156.122 or is equal in number and type to the formulary in the plan with the highest enrollment (representing a similar product) offered outside of the Marketplace.”

Certification Requirements – 2018 Considerations

Network Adequacy

Should AHCT modify the following requirement, as approved by AHCT BOD in April 2014:
“To require Qualified Health Plan (QHP) Issuers to develop and maintain provider networks for the standard plan designs offered for sale in the Marketplace that include at least 85% of those unique providers and unique entities that comprise the network of the most popular plan, of a similar type, actively sold by the Issuer or the Issuer’s affiliate if such affiliate has a larger provider network.”

Essential Community Providers (ECPs)

Should AHCT modify the current ECP contracting standards approved by the AHCT BOD in November, 2012 and updated in June 2013, requiring QHPs to have contracts with at least:
90% of FQHCs or “look alike” health centers in Connecticut, and 75% of all other designated ECPs, with consideration given for carriers that demonstrate good faith effort to accomplish these standards due to the potential challenges of implementation and contracting

Lowest Cost Individual Market Silver Plan Must be AHCT Standardized Silver Plan

Should AHCT modify the following provision as approved by the AHCT BOD in March, 2013:
The standard Silver plan must be the carrier’s lowest costing silver plan in the Individual market to guarantee the affordability of the standard Silver plan. AHCT has clarified that the calculation to derive this must take into account the cost of the plan after the EHB percent of total premium has been applied, as this value is used in calculating premium tax credits.

➤ *Next Steps*

➤ *Appendix*

Affordable Care Act - Health Plan Types

Metal Levels: Actuarial Value & Average Overall Cost of Providing Essential Health Benefits (EHBs)

