

Access Health CT

Health Plan Benefits & Qualifications (HPBQ) Advisory Committee

September 20, 2017





Today's Agenda

- A. Call to Order and Introductions
- B. Public Comment
- C. Vote: August 15, 2017 Meeting Minutes
- D. Certification Requirements: Overview
 - Plan Mix
 - Standardized Plans
 - AHCT Standardized Silver Plan: Lowest Cost Silver Plan in Individual Market
- E. Next Steps
 - Future Meetings / Agenda Items
- F. Adjournment



Public Comment

(2 Minutes per Commenter)



➤ **Vote**

- August 15, 2017 Meeting Minutes

➤ **Certification
Requirements**

Certification Requirements

Topics Reviewed by Board of Directors

Topic	Discussion Date
Broker Compensation	2017
Certification Requirements (Policy, Requirements & Procedures: Cert/Recert/Decert)	2012
Essential Community Provider (ECP) Contracting Standards	2012, 2013, 2017
Essential Health Benefits (EHB) Benchmark Plan	2012, 2015
<i>Lowest Cost Silver Plan in the Individual Market*</i>	2013
Network Adequacy Standards	2014, 2017
<i>Pediatric Dental Coverage in Medical Plans*</i>	2014
<i>Plan Mix (Standard/Non-Standard Plan Offerings)*</i>	2012, 2013, 2014, 2015
Plan Mix – Stand-Alone Dental Plans (SADPs)	2014
Prescription Drug Formulary Standards	2014, 2017
<i>Standardized Plan Design*</i>	2013, 2014, 2015, 2016, 2017
Tobacco Surcharge	2017

*Current discussion topics

Discussion Points

- Should AHCT consider removing the requirement for carriers to submit standardized plans?
- Should AHCT consider eliminating the option for carriers to submit non-standard plans in addition to standardized plans?
- Should AHCT continue to prescribe the number of plans that carriers can offer via the Exchange?
- Should AHCT continue to require that the lowest cost Silver plan in the Individual market be the AHCT Standardized Silver plan?
- Assuming standardized plans continue to be required, should AHCT consider modifying the approach regarding cost sharing design (e.g., flat copay vs coinsurance, benefits largely subject to deductible)?

Plan Mix - Medical

Current Guidelines: Number of Plans Permitted per Issuer				
	Individual Market		Small Group Market*	
	Standardized	Non-Standard	Standardized	Non-Standard
Platinum	1 (Optional)	2	0	4 (Optional)
Gold	1	3	0	Min 1 – Max 6
Silver	1	3	0	Min 2 – Max 6
Bronze	2	3	0	Min 2 – Max 4
Catastrophic	N/A	1	N/A	N/A
TOTAL	4 Required / 1 Optional	12 Optional	0 Required	5 Required / 15 Optional
Maximum	17		20	

2018 Submitted Plans

20 in Individual market (two issuers):

- 8 standardized plans (no Platinum)
- Non-standard plans: 1 Gold, 5 Silver, 4 Bronze and 2 Catastrophic

14 in Small Group market (two issuers):

- Non-standard plans:
- 1 Platinum, 3 Gold, 5 Silver, 5 Bronze

*Effective for the 2018 plan year, AHCT removed the requirement for Issuers to submit standardized plans for SHOP, however, the minimum count of plans are required to include out-of-network coverage and include pediatric dental EHBs

Overview: Standardized Plans

- Reasons to Consider Offering Standardized Plans
 - Promotes transparency, ease, and simplicity for comparison shopping
 - Cost-sharing for a key set of benefits is specified, including deductible, co-payment and/or co-insurance
 - Plans offered by multiple issuers can be differentiated through premium, network, formulary and 'other' features (e.g., adult vision, mail order drug, etc.)
 - Ensures plans include desired features, such as product, embedded pediatric dental, and lower upfront cost-sharing for some services
 - Inclusion of In-Network & Out-of-Network services and cost sharing can be specified
 - Inclusion of embedded pediatric dental in the medical plan results in assurance that an enrollee would have access to all 10 EHBs in a single plan
 - Plans including 'first dollar coverage' for some services (i.e., "patient-centered") may yield improved predictability of healthcare costs for consumers
 - Cost-sharing for high cost specialty medications can be structured so as not to discourage enrollment by consumers with serious medical conditions

Overview: Standardized Plans

- Additional Considerations

- Issuers have expertise in plan design development, incorporating changing market patterns quickly
- When creating ‘patient-centered’ designs, can result in increased premium rates due to ‘richer’ benefits compared to what might otherwise be available
 - Assess value of plans with higher premium and lower out-of-pocket (OOP) costs for covered services vs those with lower premium but higher OOP costs...consumers with low expected healthcare costs may prefer a lower premium plan
 - Determine whether a plan with higher premium/low OOP costs can deliver upon AHCT Vision of providing residents with “...health care experience at a reasonable, predictable cost”
- Requiring standardized plans could impact an issuer’s decision to participate ‘On-Exchange’
- Requiring standardized plans might result in fewer plan choices offered per carrier, which may or may not be favorable (dependent on number of available plans at a specific metal level)
- If non-standard plans are not also offered, may hinder competition and differentiators among participating carriers
- As fewer issuers participate, need for standardized plans may diminish (i.e., fewer issuers to compare across)

Second Lowest Cost Silver Plan (SLCSP) Benchmark

- Premium Tax Credit (PTC) is currently calculated using the SLCSP
- March 2013: AHCT BOD voted to approve a requirement that the AHCT standard Silver plan must be the carrier's lowest costing silver plan in the Individual market
 - Intent was to guarantee the affordability of the standardized Silver plan
 - Results in consumers eligible for PTCs able to select a standardized Silver plan from at least one carrier at the lowest possible monthly premium (as premium would be lower than that of the SLCSP)
 - Consistent with Connecticut General Statutes (CGS) Section 38a-1084, "Duties of exchange" (24) (A): *'Seek to include the most comprehensive health benefit plans that offer high quality benefits at the most affordable price in the exchange'*
 - AHCT has historically designed the standardized Silver plan to include many services not subject to the in-network deductible, ensuring consumers obtain value from the plan

AHCT Standardized Silver Plan in Individual Market

- Removing this requirement could result in more diverse plan components such as the following:
 - Different product type (i.e., ‘in-network only’)
 - HSA compatible
 - Many/most services subject to the annual plan deductible
 - Exclusion of pediatric dental coverage from medical (when a stand-alone dental plan is available)
- These components may result in a lower priced SLCSP
- Cost-driven consumers may move from current plan in order to minimize monthly premium payments

SLCSP: Modeling

	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham
Existing SLCSP (2017)	CBI Passage Silver Alternative PCP POS	CBI Passage Silver Alternative PCP POS	CBI Passage Silver Alternative PCP POS	CBI Passage Silver Alternative PCP POS	CBI Passage Silver Alternative PCP POS	Anthem Silver PPO Pathway X	CBI Silver Choice POS	CBI Silver Choice POS
Assuming all 'off-exchange' Silver plans submitted by ConnectiCare & Anthem are considered for SLCSP	CICI Choice SOLO HSA Coins. \$3000/\$6000 ded.	CBI Passage Silver Alternative PCP POS	CICI Choice SOLO Copay/Coins. \$4500/\$9000 ded.	CICI Choice SOLO HSA Coins. \$3000/\$6000 ded.	Anthem Silver HMO BlueCare 4000/0%	Anthem Silver HMO BlueCare 4000/0%	Anthem Silver HMO BlueCare 4000/0%	Anthem Silver HMO BlueCare 4000/0%
Premium Rate Difference	-1.14%	No change	-6.49%	-0.93%	-5.13%	-8.03%	-7.85%	-7.85%
Notable Plan Differences	HSA compatible plan	No change	Higher Deductible; Inpatient Hospital 20% Coinsurance	HSA compatible plan	HMO plan	HMO plan	HMO plan	HMO plan

SLCSP: Modeling

Assumptions	Example 1: Current Requirement - Std Silver Plan must be lowest cost plan	Example 2: Requirement eliminated – <i>assume add'l plans offered & SLCSP lower than current by appx 1.14%</i>	Example 3: Current Requirement - Std Silver Plan must be lowest cost plan	Example 4: Requirement eliminated – <i>assume add'l plans offered & SLCSP lower than current by 8%</i>
County of Residence	Fairfield		New London	
SLCSP Benchmark	CBI Passage Silver Alternative PCP POS	<i>CICI Choice SOLO HSA Coins. \$3000/\$6000 ded.</i>	Anthem Silver PPO Pathway	<i>Anthem Silver HMO BlueCare 4000/0%</i>
Expected Annual Benchmark Plan Cost	\$6,079.08	\$6,009.96	\$5,557.56	\$5,111.64
Annual APTC	\$4,774.08	\$4,704.96	\$4,252.56	\$3,806.64
Monthly APTC	\$397.46	\$392.00	\$354.00	\$317.00
Monthly Premium for AHCT Standard Silver Plan*	\$508.10	\$508.10	\$464.97	\$464.97
Consumer Responsibility (per month)	\$110.64	\$116.10	\$110.97	\$147.97
% Change in Responsibility	N/A	105%	N/A	133%
\$ Change in Responsibility (per month)	N/A	\$5.46	N/A	\$37.00

Additional Assumptions: 1 person household; Age 45; Expected Annual Income of \$22,500; 187% of Federal Poverty Level; Contribution Percentage of 5.80%; Expected Annual Contribution of \$1,305

***Offered by carrier with lowest cost standardized Silver plan in the applicable county**

Next Steps

- Agenda Items for Next Meeting

Future Agenda Items

Certification Review Topics	2017/2018 Discussion Date	Board Decision
Standardized Plan Design Decision	September & October	November, 2017
Plan Mix (Standard/Non-Standard Plan Offerings)	September & October	November, 2017
Pediatric Dental Coverage in Medical Plans	September & October	November, 2017
Lowest Cost Silver Plan in the Individual Market	September & October	November, 2017
Essential Health Benefits (EHB) Benchmark Plan	November	January, 2018
Network Adequacy Standards	November	January, 2018
Essential Community Provider (ECP) Contracting Standards	November	January, 2018
Prescription Drug Formulary Standards	November	January, 2018
Tobacco Surcharge	December	January, 2018
Broker Compensation	December	January, 2018
Certification Requirements (Policy, Requirements & Procedures)	December – January	January, 2018
<i>Standardized Plan Development - Medical</i>	<i>December – February</i>	<i>February, 2018</i>
Plan Mix – Stand-Alone Dental Plans (SADPs)	January - February	February, 2018
Standardized Plan Development – SADP	January - February	February, 2018

*May need to meet more frequently than once per month to review all of these topics

➤ Appendix

2017 AHCT Plan Enrollment: Standardized/Non-Standard Plans

Enrollment data of Individual AHCT plans as of 5/15/2017

Metal Level	Enrollment	Percent
Gold	9,642	9.66%
Silver	62,653	62.75%
Bronze	25,915	25.95%
Catastrophic	1,636	1.64%
TOTAL	99,846	100.00%

Metal Level	Standardized Plans	Non-Standard Plans	Total	Percent in Standardized Plans
Gold	7,574	2,068	9,642	78.55%
Silver	53,191	9,462	62,653	84.90%
Bronze*	23,036	2,879	25,915	88.89%
Catastrophic	0	1,636	1,636	0.00%
TOTAL	83,801	16,045	99,846	83.93%

*Bronze Plans	Standardized Plans	Non-Standard Plans	Total	Percent in Standardized Plans
Non-HSA Bronze	8,052	821	8,873	90.75%
HSA Compatible	14,984	2,058	17,042	87.92%
Total	23,036	2,879	25,915	88.89%

SLCSP: Modeling

		Individual Market Enrollee: Age 45, Fairfield County							
		2017: SLCSP = Connecticare Passage Silver Alternative PCP POS				ASSUMES NON-STANDARD SILVER PLAN IS SLCSP WITH RATES 1.14% LESS THAN ACTUAL AHCT SLCSP			
		Monthly	Estimated Net Premium per Month after Max PTC – Using 2017 Rates			Monthly	Estimated Net Premium per Month after PTC – Using 2017 Rates for Carrier with Std Plans at Lowest Premium		
Annual Income	Subsidy Category / FPL Range	Maximum Premium Tax Credit	AHCT Standardized Bronze*	AHCT Standardized Silver*	AHCT Standardized Gold*	Maximum Premium Tax Credit	AHCT Standardized Bronze*	AHCT Standardized Silver*	AHCT Standardized Gold*
\$80,000	Not Eligible for Subsidy	\$0	\$407.93	\$508.10	\$615.06	\$0	\$407.93	\$508.10	\$615.06
\$36,500	APTC Eligible (251% - 400%)	\$211.84	\$196.09	\$296.26	\$403.22	\$206	\$202	\$302	\$409
\$27,500	APTC & 73% CSR Eligible (201% - 250%)	\$336.31	\$71.62	\$171.79	\$278.75	\$331	\$77	\$177	\$284
\$22,500	APTC & 87% CSR Eligible 151% - 200%	\$397.46	\$10.47	\$110.64	\$217.60	\$392	\$16	\$116	\$223
\$17,500	APTC & 94% CSR Eligible 138% - 150%	\$451.46	\$4.69	\$56.64	\$163.60	\$446	\$4.69	\$62	\$169

*Offered by carrier with lowest cost standardized Bronze, Silver & Gold plans

SLCSP: Modeling

		Individual Market Enrollee: Age 45, Fairfield County							
		2017: SLCSP = Connecticare Passage Silver Alternative PCP POS				ASSUMES NON-STANDARD SILVER PLAN IS SLCSP WITH RATES 1.14% LESS THAN ACTUAL AHCT SLCSP			
		Monthly	Estimated Net Premium per Month after Max PTC – Using 2017 Rates			Monthly	Estimated Net Premium per Month after PTC – Using 2017 Rates for Carrier with Std Plans at Highest Premium		
Annual Income	Subsidy Category / FPL Range	Maximum Premium Tax Credit	AHCT Standardized Bronze*	AHCT Standardized Silver*	AHCT Standardized Gold*	Maximum Premium Tax Credit	AHCT Standardized Bronze*	AHCT Standardized Silver*	AHCT Standardized Gold*
\$80,000	Not Eligible for Subsidy	\$0	\$415.44	\$566.05	\$756.57	\$0	\$415.44	\$566.05	\$756.57
\$36,500	APTC Eligible (251% - 400%)	\$211.84	\$203.60	\$354.21	\$544.73	\$206	\$209	\$360	\$551
\$27,500	APTC & 73% CSR Eligible (201% - 250%)	\$336.31	\$79.13	\$229.74	\$420.26	\$331	\$84	\$235	\$426
\$22,500	APTC & 87% CSR Eligible 151% - 200%	\$397.46	\$17.98	\$168.59	\$359.11	\$392	\$23	\$174	\$365
\$17,500	APTC & 94% CSR Eligible 138% - 150%	\$451.46	\$1.04	\$114.59	\$305.11	\$446	\$1.04	\$120	\$311

*Offered by carrier with highest cost standardized Bronze, Silver & Gold plans

SLCSP: Modeling

		Individual Market Enrollee: Age 45, New London County							
		2017: SLCSP = Anthem Silver PPO Pathway X				ASSUMES NON-STANDARD SILVER PLAN IS SLCSP WITH RATES 8% LESS THAN ACTUAL AHCT SLCSP			
		Monthly	Estimated Net Premium per Month after Max PTC – Using 2017 Rates			Monthly	Estimated Net Premium per Month after PTC – Using 2017 Rates for Carrier with Std Plans at Lowest Premium		
Annual Income	Subsidy Category / FPL Range	Maximum Premium Tax Credit	AHCT Standardized Bronze*	AHCT Standardized Silver*	AHCT Standardized Gold*	Maximum Premium Tax Credit	AHCT Standardized Bronze*	AHCT Standardized Silver*	AHCT Standardized Gold*
\$80,000	Not Eligible for Subsidy	\$0	\$381.37	\$475.03	\$575.03	\$0	\$381.37	\$475.03	\$575.03
\$36,500	APTC Eligible (251% - 400%)	\$168.38	\$212.99	\$306.65	\$406.65	\$131	\$250	\$344	\$444
\$27,500	APTC & 73% CSR Eligible (201% - 250%)	\$292.85	\$88.52	\$182.18	\$282.18	\$256	\$125	\$219	\$319
\$22,500	APTC & 87% CSR Eligible 151% - 200%	\$354.00	\$27.37	\$121.03	\$221.03	\$317	\$64.37	\$158	\$258
\$17,500	APTC & 94% CSR Eligible 138% - 150%	\$408.00	\$4.39	\$67.03	\$167.03	\$371	\$4.39	\$104	\$204

*Offered by carrier with lowest cost standardized Bronze, Silver & Gold plans

SLCSP: Modeling

		Individual Market Enrollee: Age 45, New London County							
		2017: SLCSP = Anthem Silver PPO Pathway X				ASSUMES NON-STANDARD SILVER PLAN IS SLCSP WITH RATES 8% LESS THAN ACTUAL AHCT SLCSP			
		Monthly	Estimated Net Premium per Month after Max PTC – Using 2017 Rates			Monthly	Estimated Net Premium per Month after PTC – Using 2017 Rates for Carrier with Std Plans at Highest Premium		
Annual Income	Subsidy Category / FPL Range	Maximum Premium Tax Credit	AHCT Standardized Bronze*	AHCT Standardized Silver*	AHCT Standardized Gold*	Maximum Premium Tax Credit	AHCT Standardized Bronze*	AHCT Standardized Silver*	AHCT Standardized Gold*
\$80,000	Not Eligible for Subsidy	\$0	\$341.25	\$464.97	\$621.47	\$0	\$341.25	\$464.97	\$621.47
\$36,500	APTC Eligible (251% - 400%)	\$168.38	\$172.87	\$296.59	\$453.09	\$131	\$210	\$334	\$490
\$27,500	APTC & 73% CSR Eligible (201% - 250%)	\$292.85	\$48.40	\$172.12	\$328.62	\$256	\$85	\$209	\$365
\$22,500	APTC & 87% CSR Eligible 151% - 200%	\$354.00	\$0.85	\$110.97	\$267.47	\$317	\$24	\$148	\$304
\$17,500	APTC & 94% CSR Eligible 138% - 150%	\$408.00	\$0.85	\$56.97	\$213.47	\$371	\$0.85	\$94	\$250

*Offered by carrier with highest cost standardized Bronze, Silver & Gold plans

➤ **Adjournment**