

Access Health CT

# **Board of Directors Meeting**

November 16, 2017





# Today's Agenda

- A. Call to Order and Introductions
- B. Public Comment
- C. Review and Approval of Minutes
- D. CEO Report
- E. 2018 Open Enrollment Update
- F. Plan Management
  - Health Plan Benefits & Qualifications (HPBQ) Committee Update
  - 2019 HHS Proposed Rule - Essential Health Benefits (Wakely)
- G. Consumer Impact Study (Wakely)
- H. Adjournment



# Public Comment

*(2 Minutes per Commenter)*



## ***Vote***

- October 19, 2017 Meeting Minutes



# CEO Report

# 2018 Open Enrollment Update



# 2018 Open Enrollment Progress\*



## ENROLLMENT

To date, 13.3k enrollees bought a 2018 plan.\*



## WEBSITE

Over 71k website visitors. 16% higher than last year.



## CALL CENTER

48,681 calls answered. 6% greater than last year.



## IN-PERSON

Nearly 1k visitors to enrollment centers. Stamford and Danbury are busiest locations.



## UPCOMING

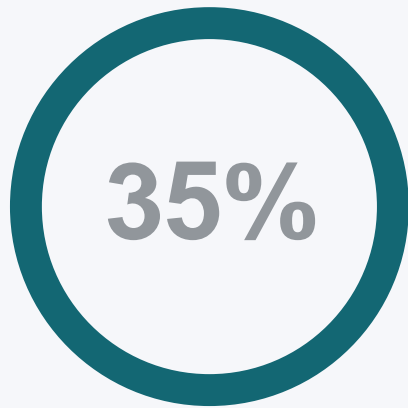
73.3k scheduled to automatically renew into a 2018 plan. Starting Nov. 20 (to be completed by Nov. 25).

\*Report results as of 11/13/2017

# 2018 Policy – Acquisition/Retention Results To Date\*

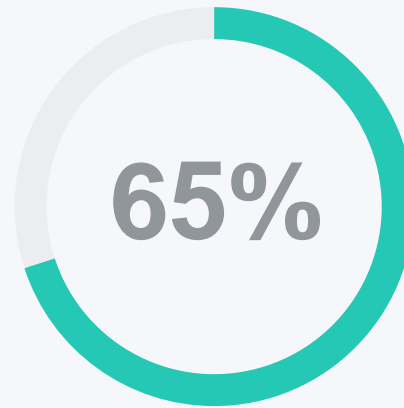


OVER 13,300 ENROLLMENTS INTO 2018 PLANS SO FAR...



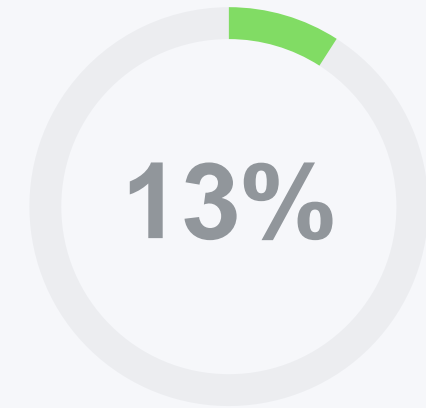
## Acquisition

4.7k Newly Acquired Customers Who Bought a 2018 Plan



## Retention

8.6k Retained Customers Who Currently Have a 2017 Plan and Bought a 2018 Plan



## Active Renewals Retained

1.5k enrollees not eligible for automatic renewal, have actively purchased a 2018 plan.

\*Report results as of 11/13/2017



## 2018 OPEN ENROLLMENT UPDATE

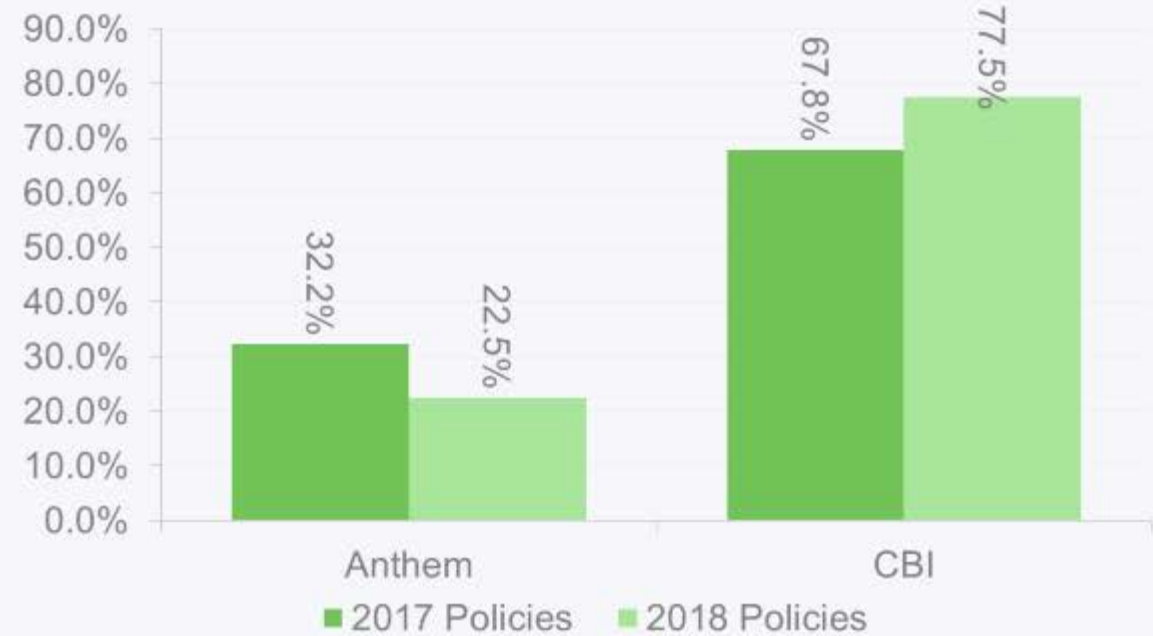
# Product Selections to Date



### FINANCIAL HELP ELIGIBILITY



### CARRIER ENROLLMENTS



- Renewed enrollees receiving financial help are picking products that are comparable to their 2017 selections.
- Renewed enrollees not eligible for financial help are purchasing products in lower metal tiers. 49% of renewals enrolled in a 2017 silver plan have selected a bronze plan in 2018. 24% increase in enrollment in Bronze plans.

Note: Results as of 11/13/17

APTC: Advanced Premium Tax Credit

CSR: Cost Sharing Reduction

F.A: Financial Assistance

# **Health Plan Benefits and Qualifications Advisory Committee (HPBQ AC) Update**

# HPBQ AC Agenda Items

Certification Review Topics	2017/2018 Discussion Date	Status
Requirement to submit Standardized Plan Designs	September & October	Completed
Plan Mix (Standard/Non-Standard Plan Offerings)	September & October	2 outstanding items
Pediatric Dental Coverage in Medical Plans	September & October	Deferred to 12/13/17
Lowest Cost Silver Plan in the Individual Market	September & October	Pending additional review
Essential Health Benefits (EHB) Benchmark Plan	November	Scheduled (11/29/17)
Network Adequacy Standards	November	
Essential Community Provider (ECP) Contracting Standards	November	
Prescription Drug Formulary Standards	November	
Tobacco Surcharge	December	Scheduled (12/13/17)
Broker Compensation	December	
Certification Requirements Policy	December - January	Scheduled (12/13/17, 1/10/18)
<i>Connecticut Insurance Department (CID) Recommendations</i>	<i>December</i>	Scheduled (12/13/17)
<i>Standardized Plan Development - Medical</i>	<i>December – February</i>	Scheduled (12/13/17, 1/10/18, 2/7/18)
Plan Mix – Stand-Alone Dental Plans (SADPs)	January - February	Scheduled (1/10/18, 2/7/18)
Standardized Plan Development – SADP	January - February	

# Plan Mix - Medical

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

## 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; The minimum count of plans are required to include out-of-network coverage and include pediatric dental EHBs

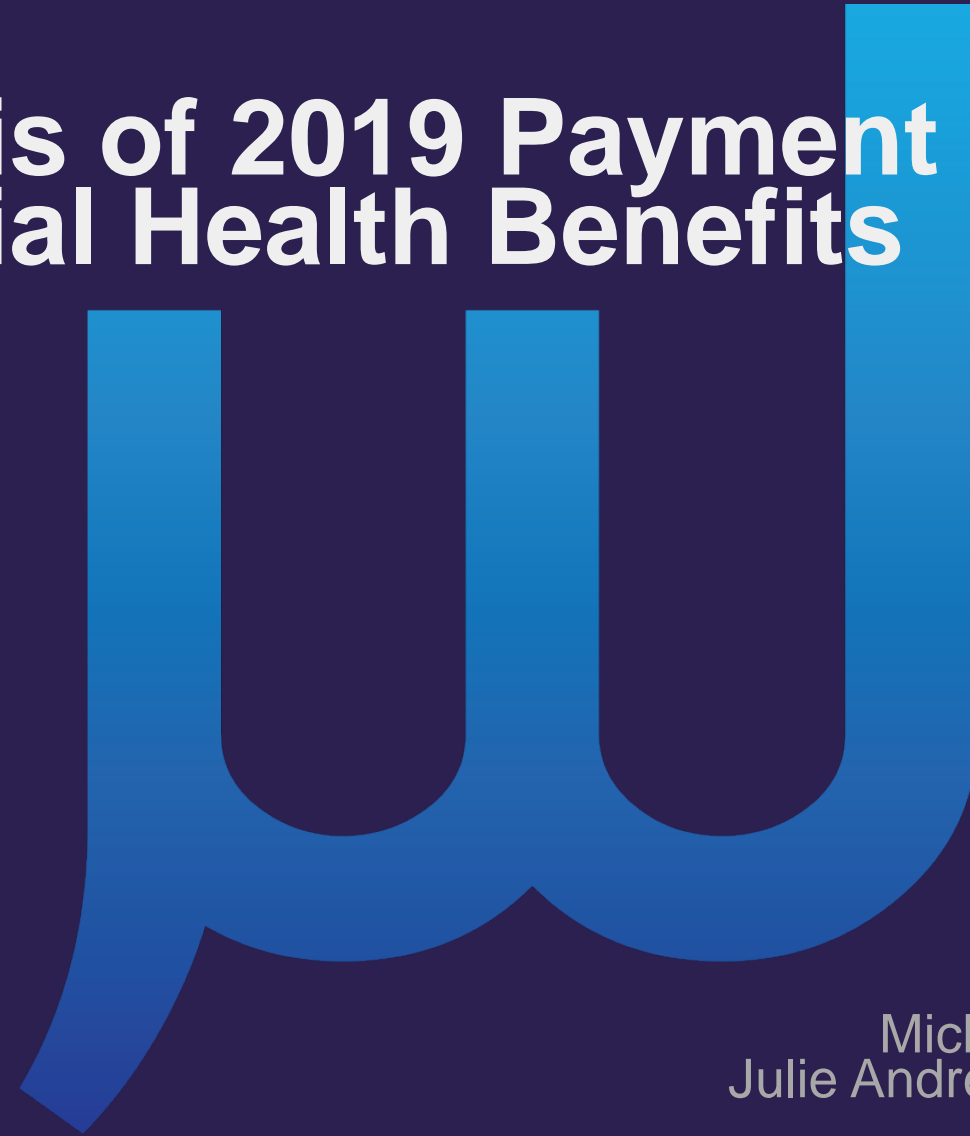
# October 2017 HPBQ AC Meeting Summary

Discussion Topics	Disposition
Should AHCT remove the requirement for carriers to submit standardized plans in the Individual Market?	Maintain the requirement for standardized plans in the Individual market to promote transparency, ease, and simplicity for comparison shopping
Should AHCT continue to permit carriers to submit non-standard plans in the Individual Market?	Continue to permit submission of non-standard plans in the Individual market in order to provide additional, innovative plan options for consumers, with the prospect of lower costs resulting from increased competition
Should AHCT continue to prescribe the maximum number of plans that carriers can offer via the Exchange?	Retain a maximum number of plans that can be submitted by each carrier participating with AHCT, as this can: <ul style="list-style-type: none"> <li>• ensure that an excessive amount of plan choices will not be available, which could be burdensome for consumers in plan selection</li> <li>• allow for a broad array of plan options and metal tiers to accommodate consumers with varying income levels and health needs across the spectrum</li> </ul>
How should AHCT structure requirements for number of plans that can be submitted (“Plan Mix”)?	Continue the current prescribed mix of standard and non-standard plans in the Individual market, with the exception of: <ul style="list-style-type: none"> <li>• Platinum plan: the Committee intends to vote to determine if it should recommend that AHCT discontinue developing a standardized, optional Platinum plan;</li> <li>• Silver non-standard plans: additional discussion was requested to determine whether AHCT should consider eliminating the option to submit non-standard plans at the Silver metal level</li> </ul>
Should AHCT eliminate the requirement that the lowest cost Silver plan in the Individual Market be the AHCT standardized plan?	Discussion was pended for additional information, including enrollment information for the 2018 plan year; this will be discussed further during the November HPBQ AC meeting 

# November 2017 – Potential Agenda Items

- Follow-ups from October 2017 meeting
  - Plan Mix remaining items
    - Standardized, optional Platinum plan
    - Non-standard Silver plans
    - SHOP plan requirements
  - Lowest cost Silver plan in the Individual market
- Network Adequacy Standards
- Essential Community Provider (ECP) Contracting Standards
- Prescription Drug Formulary Standards
- Essential Health Benefits (EHB) Benchmark Plan

# Analysis of 2019 Payment Notice: Essential Health Benefits



November 2017

PRESENTED BY  
Michael Cohen, PhD  
Julie Andrews, FSA ,MAAA

Essential Health Benefits (EHB) are a group of 10 benefit categories that must be offered:

- Ambulatory patient services (Outpatient care)
- Emergency Services (Trips to the emergency room).
- Hospitalization (Treatment in the hospital for inpatient care).  
Maternity and newborn care.
- Mental health services and addiction treatment.
- Prescription drugs
- Rehabilitative services and devices
- Laboratory services
- Preventive services, wellness services, and chronic disease treatment
- Pediatric services



States could select EHB benchmarks among a group of 10 plans including

- 1) Any of the three largest small group insurance products by enrollment
- 2) Any of the largest three employee health benefit plan
- 3) Any of the largest three national Federal Employees Health Benefits Program
- 4) Coverage plan with the largest insured commercial non-Medicaid enrollment offered by a health maintenance

# Payment Notice: EHB Proposed Changes

## Considerations

- Proposal (nothing final)
- Starting in 2019 states can update their benchmarks annually (question on if it should be 2020 instead)
- States have a wider array of benchmarks to select from
- Issuers have greater flexibility at substituting
- Future Guidance on potential national standard

- State Flexibility
  - States could maintain current (2017) benchmark
  - States could select another state's benchmark
    - E.g., Georgia could use Alabama's benchmark
  - States could select another state's EHB category and replace existing categories
    - E.g., Georgia could use Alabama's Maternity benefits and South Carolina's Prescription Drugs
  - States could select a new-EHB benchmark plan so long as its scope is less generous than the most generous comparison plan
    - Comparison plans are the 2017 EHB benchmark plan and the state's three largest small group health plans (identified in 2017 EHB benchmark selection process)
  - Materials Due to Department of Health and Human Services (HHS) on March 16 for 2019 plan year and July 2018 for 2020

- States Must
  - Demonstrate defrayal of any excess costs
    - Costs for mandates in excess of those as of December 2011 must be defrayed
  - Provide for Public Comment on any proposed changes
  - Demonstrate that new requirements won't discriminate and won't inappropriately tip benefit weights toward any one category
  - Demonstrate benefits meet certain emergency service coverage requirements.
  - Certify that the scope of benefits are similar to those provided under a "typical employer plan"

- Typical Employer Plan Defined As
  - “An employer plan within a product (as these terms are defined in §144.103 of this subchapter) with substantial enrollment in the product of at least 5,000 enrollees sold in the small group or large group market, in one or more States, or a self-insured group health plan with substantial enrollment of at least 5,000 enrollees in one or more States.”
  - Open for Comment on definitions
    - What is a Typical Employer?
    - What type of plan?
    - Should it include self-insured?

# Payment Notice: EHB Proposed Changes

## Issuer Flexibility

- Issuer currently allowed to substitute benefits within categories as long as they are actuarially equivalent (except Rx)
- Proposed rule issuers could substitute benefits across categories (except Rx) assuming actuarial equivalence
- Plans must still maintain balance
- States in charge of enforcement and have ability to prohibit

# Payment Notice: EHB Proposed Changes

- Federal Standard?
  - Specifically Mention Prescription Drugs
- For plan years further in the future, Centers for Medicare and Medicaid Services (CMS) is considering establishing a Federal default definition of EHB.
- Considering allowing States flexibility to adopt their own EHB-benchmark plans, provided they defray costs that exceed the Federal default.
  - (e.g., Costs of Advance Premium Tax Credits)

# Payment Notice: EHB Proposed Changes

## Connecticut Specific Details

- **Essential Health Benefit Plans (Bulletin HC-90-17)**
  - All plans in the individual and small employer group markets both inside and outside of the exchange are required to provide coverage for the essential health benefits.
  - <https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb.html#Connecticut>
- **Must continue to provide State Mandated benefits in Statute:**
  - Mandates prior to December 31, 2011
  - [https://downloads.cms.gov/cciio/State%20Required%20Benefits\\_CT.pdf](https://downloads.cms.gov/cciio/State%20Required%20Benefits_CT.pdf)



# Payment Notice: EHB Proposed Changes

## Option 2 Examples: Replace one or more EHB categories

- EHB: Skilled Nursing Facility (SNF)
  - Connecticut: Limited to 90 Days per Year
  - Georgia: Limited to 60 Days per Year
- Changing EHB for Drugs
  - Could add/restrict drug counts by category & class
- Substitution – Actuarially Equivalent within a category
  - Example, a plan could offer coverage consistent with a benchmark plan offering up to 20 covered physical therapy visits and 10 covered occupational therapy visits by replacing them with up to 10 covered physical therapy visits and up to 20 covered occupational therapy visits, assuming actuarial equivalence and the other criteria are met.
- Substitution – Actuarially Equivalent between categories
  - Example, increase visit limits for habilitative care, while reduce day limits for SNF

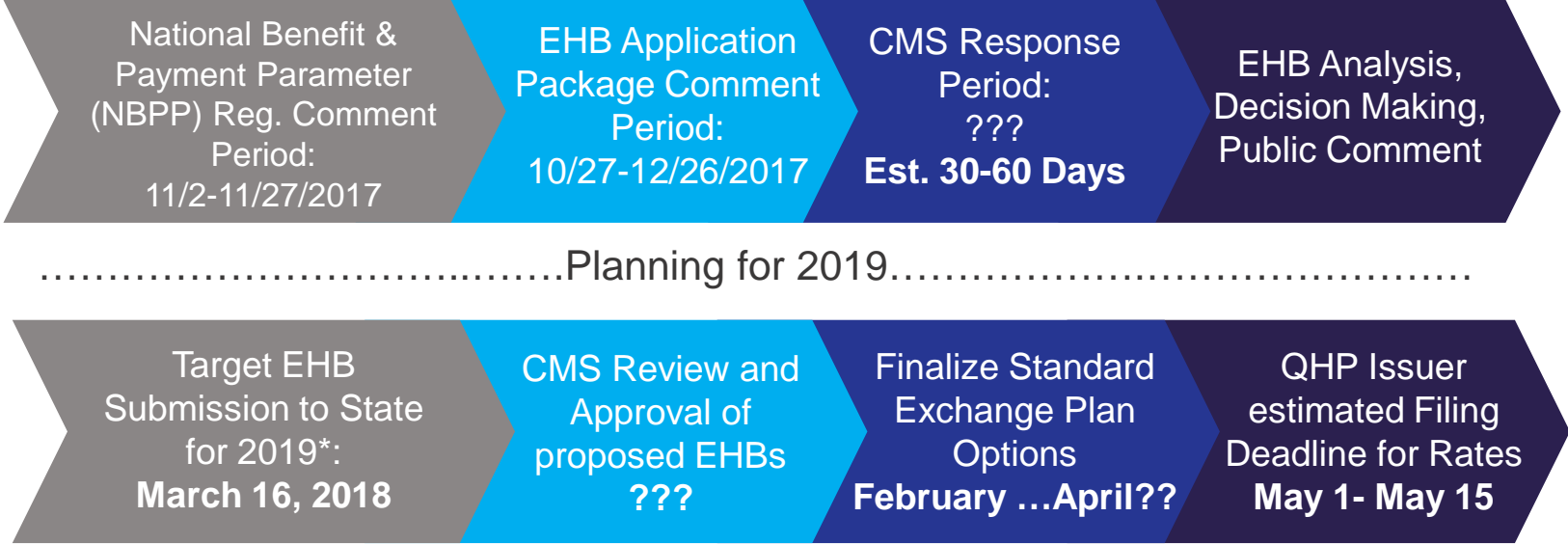
# Payment Notice: EHB Proposed Changes

## Stand Alone Dental Plan (SADP) Dental EHB

- Rule proposes to remove the high & low Actuarial Value (AV) requirements for SADPs
- Annual cost sharing will continue to apply
- No longer an AV Level requirement for EHBs
  - Opportunity to provide more flexible designs for customers

# Concluding Thoughts

- **Timeline Concerns**



- **Challenges Along the Way**
  - New Information
  - Objections or Legal Issues

\*Deadline for 2020: July 1, 2018

BEYOND THE NUMBERS

Access Health CT

# Rate Review and Rate Analysis Report



November 2017

PRESENTED BY  
Julie Andrews, FSA, MAAA

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- I. Introduction
- II. Plan Offerings and Enrollment
- III. 2018 Rate Changes
- IV. Rate Analysis
- V. Consumer Impact Analysis

# Introduction

Wakely was retained by AccessHealth CT (AHCT) to perform the following services related to 2018 rates and rate filings

- Rate Filing Review: Review of initial and final health insurance rate filings for carriers on the exchange
- Consumer Impact Analysis: Summarize rate changes before and after federal subsidies by rating area and plan type
- Rate Analysis: Perform a rate analysis to assess the variance in rates by rating area and metal level

Wakely relied on rate filings and templates, as well as enrollment data, provided by AHCT by September 29, 2017

# Plan Offerings and Enrollment

# Plan Offerings and Enrollment

## Summary of 2018 Plan Offerings - Individual

- The same two issuers are participating on the exchange in 2018, with 20 proposed plans (up from 19 in 2017).
- There continue to be no Platinum plans offered.
- Both issuers offer plans in all other metal tiers, including catastrophic.
- No Multi-State Plans are offered in 2017.
- Two new Silver HMOs are offered.
- One new Bronze plan from each issuer are offered.
- All plans are available statewide.



# Plan Offerings and Enrollment

## Summary of 2018 Plan Offerings – Small Group

- There are two issuers participating and 17 plans proposed (up from 8 in 2017)
  - Connecticare Benefits, Inc. (CBI) is a new entrant to the SHOP Market
- All plans are available statewide
- For 2018, standardized plan designs were eliminated to encourage variability on the exchange.

# Plan Offerings and Enrollment

## Comparison of Plan Offerings by Year

	Individual Market				SHOP			
	2017	Disc.	New	2018	2017	Disc.	New	2018
Catastr.	2	0	0	2	N/A	N/A	N/A	N/A
Bronze	6	0	2	8	3	2	4	5
Silver	7	2	2	7	2	2	5	5
Gold	4	2	1	3	2	1	2	3
Platinum	0	0	0	0	1	1	1	1
Total	19	4	5	20	8	6	12	14

# Plan Offerings and Enrollment

## Enrollment Distribution by Carrier and Metal Level

- The following summarizes the distribution of enrollment by issuer and metal level as provided to Wakely by AHCT (as of September 2017)
  - ConnectiCare has the largest market share
  - The Silver metal level attracts the most enrollees, albeit at a lower rate than the national average of 74%\*

Issuer	Catastrophic	Bronze	Silver	Gold	Total
Anthem	0.6%	9.0%	17.3%	4.8%	31.8%
ConnectiCare	1.0%	16.7%	45.7%	4.9%	68.2%
Total	1.6%	25.8%	62.9%	9.7%	100.0%

\* Source: <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2017-Fact-Sheet-items/2017-03-15.html?DLPage=1&DLEntries=10&DLFilter=enrollment&DLSort=0&DLSortDir=descending>

# Plan Offerings and Enrollment

## Enrollment Distribution by Metal Level

Metal Level	Distribution by Metal			% of Enrollees in Lowest Cost Plan		
	2015	2016	2017	2015	2016	2017
Platinum	1%	1%	0%	100%	100%	N/A
Gold	16%	12%	10%	7%	10%	18%
Silver	59%	63%	63%	43%	65%	63%
Bronze	22%	22%	26%	36%	41%	51%
Catastrophic	2%	1%	2%	68%	53%	70%

- There was some shift in 2017 of enrollees to lower metal tiers, with most growth in the Bronze tier.
- The percent of enrollees in the lowest Silver plans dropped slightly, while other tiers showed more enrollees choosing the lowest cost plan.

# 2018 Rate Changes

# 2018 Rate Changes

## Background

- Rate changes in this section reflect premium changes from 2017 to 2018 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)

# 2018 Rate Changes

## Individual Market Observations

- The weighted average rate increase for AHCT enrollees (before premium subsidies) is 28.9%
- Rate changes across all plan and area combinations range from an 5.4% increase to an 47.2% increase
- By metal level, rate changes are highest on average for Silver plans (32.2%) and lowest for Catastrophic plans (12.7%)
- By county, rate changes are highest on average for New Haven (31.3%) and lowest for Tolland (27.6%)
- By carrier, rate changes are about the same for the two carriers, with Anthem averaging 29.4% and CBI averaging 28.8%
- For any given plan, rate changes are fairly consistent across the counties
  - When there is variation, New Haven generally received the highest rate increases and Fairfield received the lowest
- Enrollees under age 21 will have higher rate increases by 20-50% due to changes in the age factors between 2017 and 2018

# 2018 Rate Changes

## Summary of Individual Rate Changes – by Metal Tier

Metal	Metric	Issuer		
		Anthem	ConnectiCare	Total
Gold	Min	33.4%	23.2%	<b>23.2%</b>
	Max	47.2%	23.3%	<b>47.2%</b>
	Wtd Avg	38.5%	23.3%	<b>29.4%</b>
Silver	Min	27.2%	31.3%	<b>27.2%</b>
	Max	41.9%	32.1%	<b>41.9%</b>
	Wtd Avg	32.5%	32.1%	<b>32.2%</b>
Bronze	Min	9.4%	17.1%	<b>9.4%</b>
	Max	28.7%	20.4%	<b>28.7%</b>
	Wtd Avg	18.8%	19.6%	<b>19.3%</b>
Catastrophic	Min	5.4%	14.1%	<b>5.4%</b>
	Max	16.4%	14.1%	<b>16.4%</b>
	Wtd Avg	10.4%	14.1%	<b>12.7%</b>
Total	<b>Min</b>	5.4%	14.1%	<b>5.4%</b>
	<b>Max</b>	47.2%	32.1%	<b>47.2%</b>
	<b>Wtd Avg</b>	29.4%	28.8%	<b>28.9%</b>



# 2018 Rate Changes

## Summary of Individual Rate Changes – by County

County	Metric	Issuer		
		Anthem	ConnectiCare	Total
Fairfield	Min	5.4%	14.1%	<b>5.4%</b>
	Max	33.4%	32.1%	<b>33.4%</b>
	Wtd Avg	24.2%	28.7%	<b>27.8%</b>
Hartford	Min	12.0%	14.1%	<b>12.0%</b>
	Max	41.7%	32.1%	<b>41.7%</b>
	Wtd Avg	31.3%	28.8%	<b>29.2%</b>
Litchfield	Min	8.5%	14.1%	<b>8.5%</b>
	Max	37.3%	32.1%	<b>37.3%</b>
	Wtd Avg	28.2%	28.5%	<b>28.4%</b>
Middlesex	Min	9.5%	14.1%	<b>9.5%</b>
	Max	38.5%	32.1%	<b>38.5%</b>
	Wtd Avg	28.2%	28.4%	<b>28.4%</b>
NewHaven	Min	16.4%	14.1%	<b>14.1%</b>
	Max	47.2%	32.1%	<b>47.2%</b>
	Wtd Avg	36.4%	29.3%	<b>31.3%</b>
NewLondon	Min	8.5%	14.1%	<b>8.5%</b>
	Max	37.3%	32.1%	<b>37.3%</b>
	Wtd Avg	28.4%	26.8%	<b>28.1%</b>
Tolland	Min	8.5%	14.1%	<b>8.5%</b>
	Max	37.3%	32.1%	<b>37.3%</b>
	Wtd Avg	28.2%	26.7%	<b>27.6%</b>
Windham	Min	8.5%	14.1%	<b>8.5%</b>
	Max	37.3%	32.1%	<b>37.3%</b>
	Wtd Avg	29.0%	26.5%	<b>28.4%</b>

# 2018 Rate Changes

## Individual Market Rate Changes by Plan and Area\*

Metal	Carrier	Plan Name	Min	Max	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham
Gold	Anthem	Gold PPO Standard Pathway X	33%	47%	33%	42%	37%	38%	47%	37%	37%	37%
Gold	CBI	Choice Gold Standard POS	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Silver	Anthem	Silver Core PPO Pathway X	29%	42%	29%	37%	32%	33%	42%	32%	32%	32%
Silver	Anthem	Silver PPO Standard Pathway X	27%	40%	27%	35%	31%	32%	40%	31%	31%	31%
Silver	CBI	Passage Silver Alternative PCP POS	31%	31%	31%	31%	31%	31%	31%	31%	31%	31%
Silver	CBI	Choice Silver Alternative POS	32%	32%	32%	32%	32%	32%	32%	32%	32%	32%
Silver	CBI	Choice Silver Standard POS	32%	32%	32%	32%	32%	32%	32%	32%	32%	32%
Bronze	Anthem	Bronze HMO Pathway X Enhanced	13%	24%	13%	20%	16%	17%	24%	16%	16%	16%
Bronze	Anthem	Bronze HMO Pathway X Enhanced for HSA	9%	21%	9%	16%	13%	14%	21%	13%	13%	13%
Bronze	Anthem	Bronze PPO Standard Pathway X	17%	29%	17%	24%	20%	21%	29%	20%	20%	20%
Bronze	Anthem	Bronze PPO Standard Pathway X for HSA	12%	24%	12%	19%	15%	16%	24%	15%	15%	15%
Bronze	CBI	Choice Bronze Standard POS	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%
Bronze	CBI	Choice Bronze Standard POS HSA	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Cat.	Anthem	Catastrophic HMO Pathway X Enhanced	5%	16%	5%	12%	9%	9%	16%	9%	9%	9%
Cat.	CBI	Choice Catastrophic POS	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%

\* Plans that are offered in both 2017 and 2018

# 2018 Rate Changes

## Observations - SHOP

- For 2018, the standardized plan requirement was waived leaving plans the opportunity to provide new options.
- Rate changes in the Bronze and Silver Anthem plans are higher than those for Gold and Platinum plans.
- CTCare Benefits Inc. (CBI) a new entrant for 2018, is offering 5 plans.

# 2018 Rate Changes

## Summary of SHOP Rate Changes

Metal Level	Carrier	2017 HIOS ID - Crosswalk*	2018 HIOS ID	2017 Plan Name	2018 Plan Name	Min	Max	Fairfield	Hartford	Litchfield
Platinum	Anthem	86545CT1260010	86545CT1260011	Platinum Standard Pathway X PPO	Platinum Pathway X PPO	-4%	0%	-4%	0%	-4%
Gold	Anthem	86545CT1260001	86545CT1260012	Anthem Gold Standard Pathway X PPO	Gold Pathway X PPO	0%	4%	0%	4%	0%
Gold	Anthem	86545CT1270001	86545CT1270001	Anthem Gold Pathway X HMO Plus	Gold Pathway X HMO	5%	9%	5%	9%	6%
Gold	CBI	NA	76962CT0020001	NA (New in 2018)	Passage Gold POS PCP Choice Silver POS					
Silver	Anthem	86545CT1260002	86545CT1260013	Anthem Silver Standard Pathway X PPO	Silver Pathway X PPO	7%	11%	7%	11%	8%
Silver	Anthem	86545CT1260009	86545CT1260014	Silver Standard Pathway X PPO w/ HSA	Silver Pathway X PPO w/ HSA	30%	35%	30%	35%	31%
Silver	Anthem	NA	86545CT1270006	NA (New in 2018)	Silver Pathway X HMO w/HSA					
Silver	CBI	NA	76962CT0020002	NA (New in 2018)	Choice Silver POS					
Silver	CBI	NA	76962CT0020003	NA (New in 2018)	Choice Silver POS HSA					
Bronze	Anthem	86545CT1260008	86545CT1260015	Anthem Bronze Standard Pathway X PPO w HSA	Bronze Pathway X PPO w/HSA	20%	25%	20%	25%	21%
Bronze	Anthem	86545CT1260003	86545CT1260016	Anthem Bronze Standard Pathway X PPO	Bronze Pathway X PPO	12%	16%	12%	16%	12%
Bronze	Anthem	86545CT1270002	86545CT1270002	Anthem Bronze Pathway X HMO Plus w HSA	Bronze Pathway X HMO w/HSA	17%	21%	17%	21%	18%
Bronze	CBI	NA	76962CT0020004	NA (New in 2018)	Choice Bronze POS HSA					
Bronze	CBI	NA	76962CT0020005	NA (New in 2018)	Choice Bronze POS					

\*Crosswalk does not represent official crosswalk for enrollees in plans to be terminated in 2018. Change in pricing include rate changes as well as the impact of benefit changes.

# 2018 Rate Changes

## Summary of SHOP Rate Changes

Metal Level	Carrier	2017 HIOS ID - Crosswalk*	2018 HIOS ID	2017 Plan Name	2018 Plan Name	Middlesex	New Haven	New London	Tolland	Windham
Platinum	Anthem	86545CT1260010	86545CT1260011	Platinum Standard Pathway X PPO	Platinum Pathway X PPO	-2%	-2%	-4%	-4%	-4%
Gold	Anthem	86545CT1260001	86545CT1260012	Anthem Gold Standard Pathway X PPO	Gold Pathway X PPO	2%	2%	0%	0%	0%
Gold	Anthem	86545CT1270001	86545CT1270001	Anthem Gold Pathway X HMO Plus	Gold Pathway X HMO	8%	8%	6%	6%	6%
Gold	CBI	NA	76962CT0020001	NA (New in 2018)	Passage Gold POS PCP Choice Silver POS					
Silver	Anthem	86545CT1260002	86545CT1260013	Anthem Silver Standard Pathway X PPO	Silver Pathway X PPO	10%	10%	8%	8%	8%
Silver	Anthem	86545CT1260009	86545CT1260014	Silver Standard Pathway X PPO w/ HSA	Silver Pathway X PPO w/ HSA	34%	34%	31%	31%	31%
Silver	Anthem	NA	86545CT1270006	NA (New in 2018)	Silver Pathway X HMO w/HSA					
Silver	CBI	NA	76962CT0020002	NA (New in 2018)	Choice Silver POS					
Silver	CBI	NA	76962CT0020003	NA (New in 2018)	Choice Silver POS HSA					
Bronze	Anthem	86545CT1260008	86545CT1260015	Anthem Bronze Standard Pathway X PPO w HSA	Bronze Pathway X PPO w/HSA	24%	24%	21%	21%	21%
Bronze	Anthem	86545CT1260003	86545CT1260016	Anthem Bronze Standard Pathway X PPO	Bronze Pathway X PPO	15%	15%	12%	12%	12%
Bronze	Anthem	86545CT1270002	86545CT1270002	Anthem Bronze Pathway X HMO Plus w HSA	Bronze Pathway X HMO w/HSA	20%	20%	18%	18%	18%
Bronze	CBI	NA	76962CT0020004	NA (New in 2018)	Choice Bronze POS HSA					
Bronze	CBI	NA	76962CT0020005	NA (New in 2018)	Choice Bronze POS					

\*Crosswalk does not represent official crosswalk for enrollees in plans to be terminated in 2018. Change in pricing include rate changes as well as the impact of benefit changes.

# 2018 Rate Changes

## Proposed and Final Rate Changes

Individual Market:

### Individual

COMPANY	AVERAGE REQUEST	RANGE	APPROVED AVG.	APPROVED AVG. RANGE	COVERED LIVES
Anthem Health Plans*	33.8%	***18.9 to 52.2%	****31.7%	11.2% to 42.7%	35,000
CTCare Benefits Inc.	**17.5%	***13.2 to 24.0%	****27.7%	14.1% to 32.1%	50,907

\*Anthem participating in both on and off exchange. Rates are the same for both.

\*\*Revised May 15, 2017

\*\*\*Revised May 24, 2017

\*\*\*\*Reflects lack of CSR Funding

Small Group Market:

### Small Group

For employers with 50 or fewer workers

COMPANY	AVERAGE REQUEST	RANGE	APPROVED AVG.	APPROVED AVG. RANGE	COVERED LIVES
Anthem Health Plans*	31.6%	1.7 to 43.6%	25.4%	5.6% to 37.9%	45,000
CTCare Benefits Inc.	New Product	New Product	New Product	New Product	0

\*Anthem participating in both on and off exchange. Rates are same for both.

# Rate Analysis

# Rate Analysis – Individual Market

## Changes for 2018

- The ranges in premium vary by metal level and rating area
  - Catastrophic and Silver plans have the narrowest premium range
  - The most variation is in the Gold level plans
- There is now very limited overlap of premiums across all metal levels and rating areas. Rate increases at the Silver level for the defunding of CSRs narrowed the differential with Golds in some regions.
- Fairfield continues to be a higher cost county while Middlesex and Litchfield continue to be lower cost counties



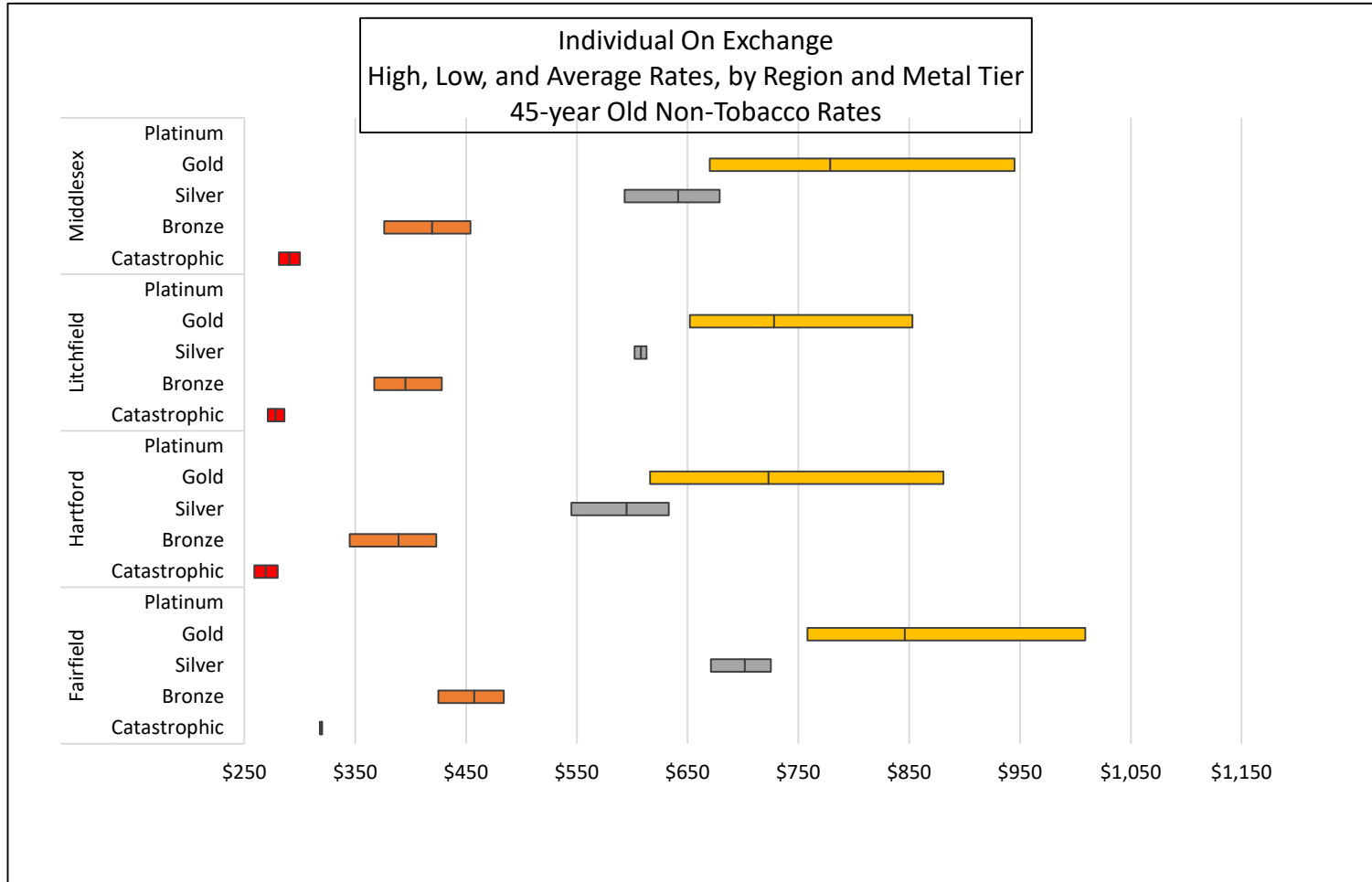
# Rate Analysis – Individual Market

## On & Off Exchange Plan Offerings

Rating Areas 1-8			
Individual	On & Off	On	Off
Catastrophic	3	2	1
Bronze	14	8	6
Silver	16	7	9
Gold	5	3	2
Platinum	0	0	0
<b>Total</b>	<b>38</b>	<b>20</b>	<b>18</b>

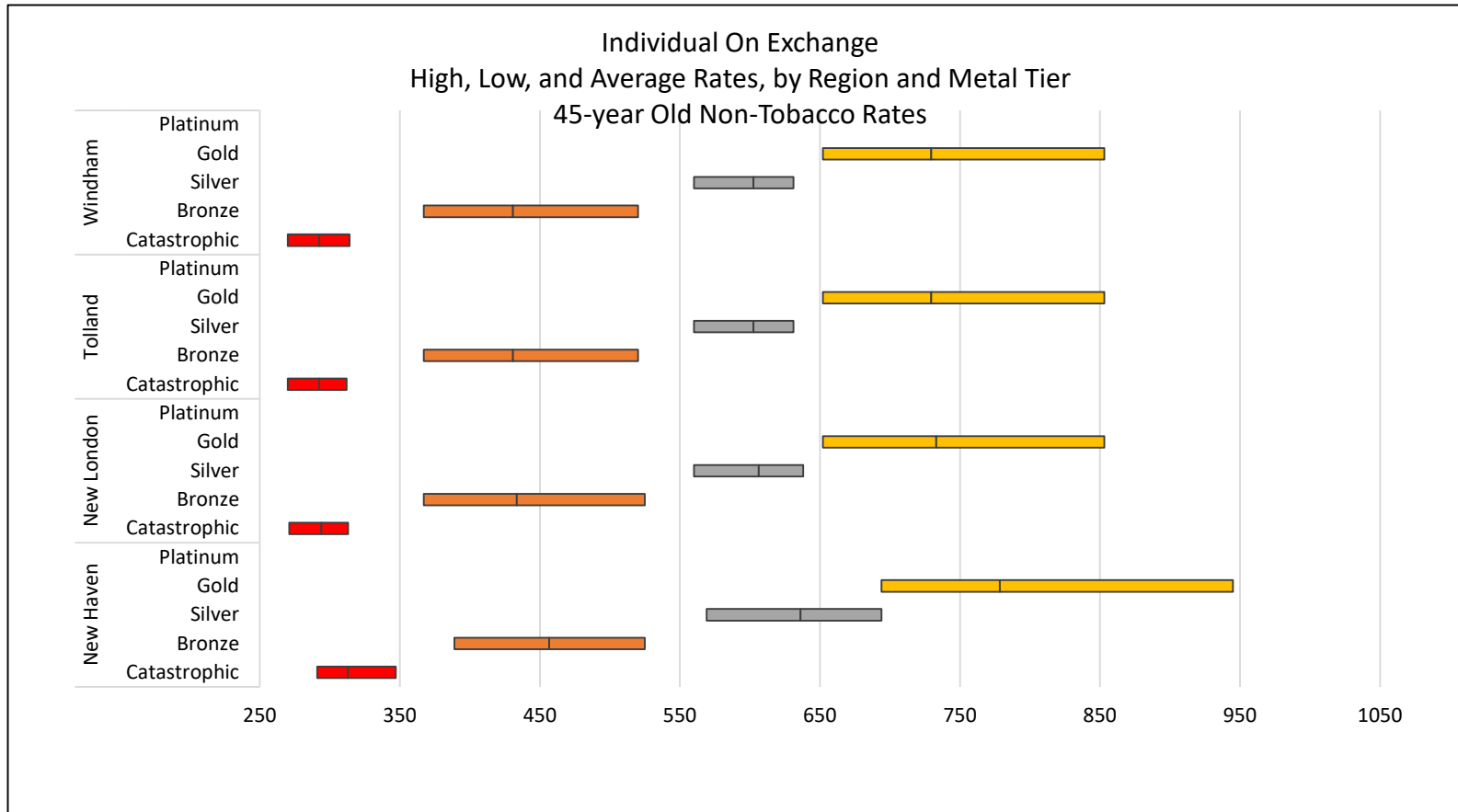
# Rate Analysis – Individual Market

## On Exchange Rate Comparison



# Rate Analysis – Individual Market

## On Exchange Rate Comparison (contd.)



# Rate Analysis – Individual Market

## On & Off Exchange Rate Comparison (contd.)

Rating Area Metal Level		Off Exchange				On Exchange			
		Plan Count	Rate range	High/Low -1	Average	Plan Count	Rate range	High/Low -1	Average
Fairfield	Catastrophic	1	\$370 - \$370	0%	\$370.31	2	\$318 - \$320	1%	\$319.40
	Bronze	6	\$498 - \$578	16%	\$541.60	8	\$425 - \$484	14%	\$457.45
	Silver	9	\$627 - \$741	18%	\$678.32	7	\$671 - \$725	8%	\$701.50
	Gold	2	\$783 - \$876	12%	\$829.81	3	\$758 - \$1009	33%	\$845.92
	Platinum	0	N/A	N/A	N/A	0	N/A	N/A	N/A
Hartford	Catastrophic	1	\$323 - \$323	0%	\$323.18	2	\$259 - \$280	8%	\$269.17
	Bronze	6	\$435 - \$503	16%	\$472.03	8	\$345 - \$423	23%	\$389.16
	Silver	9	\$546 - \$646	18%	\$591.15	7	\$545 - \$633	16%	\$594.86
	Gold	2	\$682 - \$765	12%	\$723.31	3	\$616 - \$881	43%	\$723.05
	Platinum	0	N/A	N/A	N/A	0	N/A	N/A	N/A
Litchfield	Catastrophic	1	\$313 - \$313	0%	\$313.07	2	\$271 - \$286	6%	\$278.20
	Bronze	6	\$421 - \$505	20%	\$465.78	8	\$367 - \$428	17%	\$395.33
	Silver	9	\$548 - \$626	14%	\$583.79	7	\$602 - \$613	2%	\$607.86
	Gold	2	\$684 - \$741	8%	\$712.52	3	\$652 - \$853	31%	\$728.13
	Platinum	0	N/A	N/A	N/A	0	N/A	N/A	N/A
Middlesex	Catastrophic	1	\$313 - \$313	0%	\$313.07	2	\$281 - \$300	7%	\$290.61
	Bronze	6	\$428 - \$505	18%	\$465.78	8	\$376 - \$454	21%	\$419.44
	Silver	9	\$548 - \$626	14%	\$583.79	7	\$593 - \$679	15%	\$641.52
	Gold	2	\$680 - \$741	9%	\$712.52	3	\$670 - \$945	41%	\$778.65
	Platinum	0	N/A	N/A	N/A	0	N/A	N/A	N/A

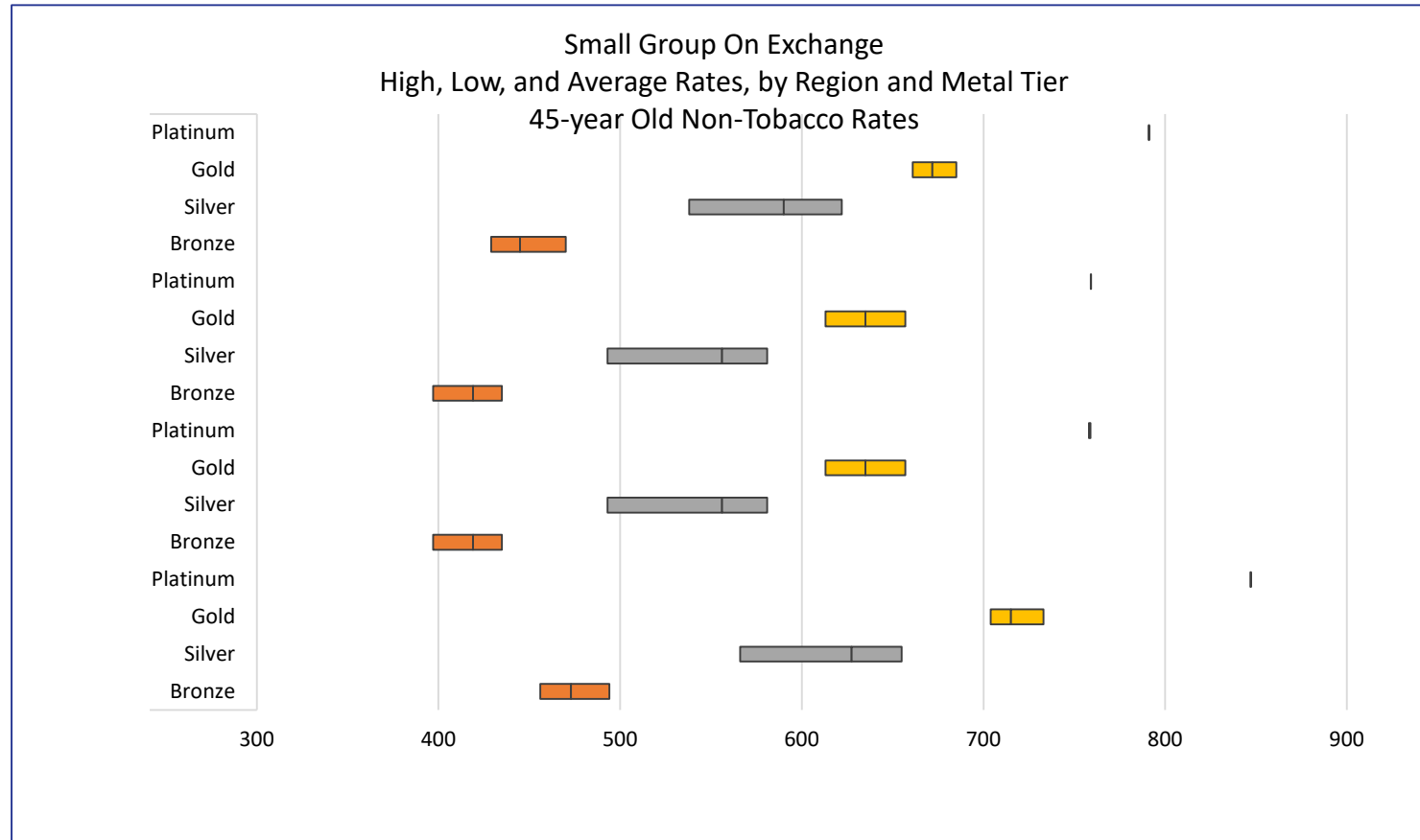
# Rate Analysis – Individual Market

## On & Off Exchange Rate Comparison (contd.)

Rating Area Metal Level		Off Exchange				On Exchange			
		Plan Count	Rate range	High/Low -1	Average	Plan Count	Rate range	High/Low -1	Average
New Haven	Catastrophic	1	\$313 - \$313	0%	\$313.07	2	\$291 - \$300	3%	\$295.71
	Bronze	6	\$428 - \$505	18%	\$465.78	8	\$389 - \$454	17%	\$424.81
	Silver	9	\$548 - \$626	14%	\$583.79	7	\$614 - \$679	11%	\$650.77
	Gold	2	\$680 - \$741	9%	\$712.52	3	\$694 - \$945	36%	\$786.75
	Platinum	0	N/A	N/A	N/A	0	N/A	N/A	N/A
New London	Catastrophic	1	\$313 - \$313	0%	\$313.07	2	\$271 - \$298	10%	\$284.28
	Bronze	6	\$421 - \$505	20%	\$465.78	8	\$367 - \$447	22%	\$401.73
	Silver	9	\$548 - \$626	14%	\$583.79	7	\$609 - \$631	4%	\$618.90
	Gold	2	\$684 - \$741	8%	\$712.52	3	\$652 - \$853	31%	\$737.79
	Platinum	0	N/A	N/A	N/A	0	N/A	N/A	N/A
Tolland	Catastrophic	1	\$313 - \$313	0%	\$313.07	2	\$271 - \$293	8%	\$281.97
	Bronze	6	\$421 - \$505	20%	\$465.78	8	\$367 - \$440	20%	\$399.29
	Silver	9	\$548 - \$626	14%	\$583.79	7	\$609 - \$621	2%	\$614.69
	Gold	2	\$684 - \$741	8%	\$712.52	3	\$652 - \$853	31%	\$734.11
	Platinum	0	N/A	N/A	N/A	0	N/A	N/A	N/A
Windham	Catastrophic	1	\$347 - \$347	0%	\$346.75	2	\$271 - \$293	8%	\$281.97
	Bronze	6	\$454 - \$512	13%	\$492.66	8	\$367 - \$440	20%	\$399.29
	Silver	9	\$555 - \$694	25%	\$616.25	7	\$609 - \$621	2%	\$614.69
	Gold	2	\$722 - \$821	14%	\$756.93	3	\$652 - \$853	31%	\$734.11
	Platinum	0	N/A	N/A	N/A	0	N/A	N/A	N/A

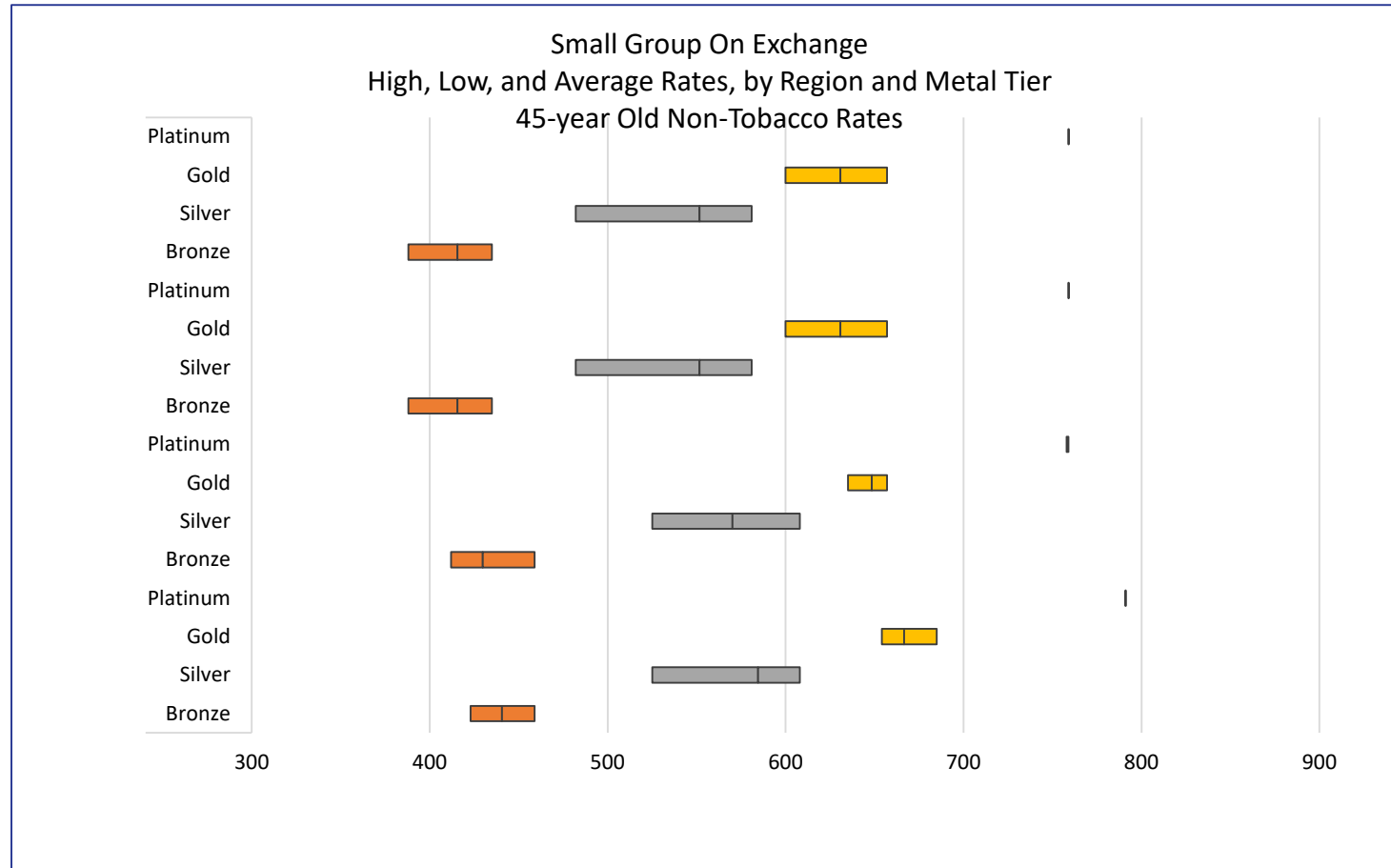
# Rate Analysis – Small Group

## On Exchange Rate Comparison



# Rate Analysis – Small Group

## On Exchange Rate Comparison



# Rate Analysis – Small Group

## On Exchange Rate Comparison

Rating Area	Metal Level	On Exchange		
		Rate range	High/Low -1	Average
Fairfield	Bronze	\$456 - \$494	8%	\$472.88
	Silver	\$566 - \$655	16%	\$627.36
	Gold	\$704 - \$733	4%	\$715.11
	Platinum	\$847 - \$847	0%	\$846.79
Hartford	Bronze	\$397 - \$435	10%	\$419.01
	Silver	\$493 - \$581	18%	\$556.09
	Gold	\$613 - \$657	7%	\$634.98
	Platinum	\$759 - \$759	0%	\$758.92
Litchfield	Bronze	\$397 - \$435	10%	\$419.01
	Silver	\$493 - \$581	18%	\$556.09
	Gold	\$613 - \$657	7%	\$634.98
	Platinum	\$759 - \$759	0%	\$758.92
Middlesex	Bronze	\$429 - \$470	10%	\$444.83
	Silver	\$538 - \$622	16%	\$590.02
	Gold	\$661 - \$685	4%	\$671.82
	Platinum	\$791 - \$791	0%	\$790.88



# Rate Analysis – Small Group

## On Exchange Rate Comparison (contd.)

Rating Area	Metal Level	On Exchange		
		Rate range	High/Low -1	Average
New Haven	Bronze	\$423 - \$459	9%	\$440.55
	Silver	\$525 - \$608	16%	\$584.52
	Gold	\$654 - \$685	5%	\$666.53
	Platinum	\$791 - \$791	0%	\$790.88
New London	Bronze	\$412 - \$459	11%	\$429.88
	Silver	\$525 - \$608	16%	\$570.06
	Gold	\$635 - \$657	3%	\$648.41
	Platinum	\$759 - \$759	0%	\$758.92
Tolland	Bronze	\$388 - \$435	12%	\$415.55
	Silver	\$482 - \$581	21%	\$551.64
	Gold	\$600 - \$657	10%	\$630.70
	Platinum	\$759 - \$759	0%	\$758.92
Windham	Bronze	\$388 - \$435	12%	\$415.55
	Silver	\$482 - \$581	21%	\$551.64
	Gold	\$600 - \$657	10%	\$630.70
	Platinum	\$759 - \$759	0%	\$758.92

# Consumer Impact Analysis

# 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

# Consumer Impact Analysis

## 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 Essential Health Benefits 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

# Consumer Impact Analysis

## Subsidy Calculation

Income % Poverty	Income Range in Dollars *		Premium Cap	
	for a single individual in 48 states + DC		Max % of Income for 2nd Lowest Silver	
	2017 benefit year	2018 benefit year	2017	2018
<b>Under 133%</b>	Less than \$15,800	Less than \$16,040	2.04%	2.01%
<b>133% - 150%</b>	\$15,800 - \$17,820	\$16,040 - \$18,090	3.06% - 4.08%	3.02% - 4.03%
<b>150% - 200%</b>	\$17,820 - \$23,760	\$18,090 - \$24,120	4.08% - 6.43%	4.03% - 6.34%
<b>200% - 250%</b>	\$23,760 - \$29,700	\$24,120 - \$30,150	6.43% - 8.21%	6.34% - 8.10%
<b>250% - 300%</b>	\$29,700 - \$35,640	\$30,150 - \$36,180	8.21% - 9.69%	8.10% - 9.56%
<b>300% - 400%</b>	\$35,640 - \$47,520	\$36,180 - \$48,240	9.69%	9.56%
<b>Over 400%</b>	More than \$47,520	More than \$48,240	No Cap	No Cap

\*For purposes of the premium tax credit, eligibility for a certain year is based on the most recently published set of federal poverty guidelines on the first day of the annual open enrollment period.

## 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 individual over age 21, assuming no aging
- Key observations include:
  - The benchmark carrier is changing in two of the eight counties
  - Benchmark premium are increasing for all counties
  - Benchmark premium increases vary by county from 31.3% to 32.6%

# Consumer Impact Analysis

## Change in Benchmark Plan

County	2017 Enrollment in County	Benchmark Premium Change	2017 Benchmark Plan		2018 Benchmark Plan	
			Issuer	Plan Name	Issuer	Plan Name
Fairfield	29,813	32.6%	CBI	Passage Silver Alternative PCP POS	CBI	Passage Silver Alternative PCP POS
Hartford	21,559	32.6%	CBI	Passage Silver Alternative PCP POS	CBI	Passage Silver Alternative PCP POS
Litchfield	6,759	32.6%	CBI	Passage Silver Alternative PCP POS	CBI	Passage Silver Alternative PCP POS
Middlesex	4,773	32.6%	CBI	Passage Silver Alternative PCP POS	CBI	Passage Silver Alternative PCP POS
New Haven	20,451	32.6%	CBI	Passage Silver Alternative PCP POS	CBI	Passage Silver Alternative PCP POS
New London	6,629	31.3%	Anthem	Silver PPO Pathway X	Anthem	Silver Core PPO Pathway X
Tolland	3,424	31.6%	CBI	Choice Silver Standard POS	Anthem	Silver Core PPO Pathway X
Windham	2,601	31.6%	CBI	Choice Silver Standard POS	Anthem	Silver Core PPO Pathway X

# Consumer Impact Analysis

## 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 28 adult with income of 200% FPL
  - Household 2: family of four, two adults age 38, two children age 5 and 8 with income of 350% FPL
  - Household 3: single, age 42 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 35% on average
  - Average subsidies for this household are increasing by 57% across all counties and range from 55% to 62% by county
  - Hartford county has the highest subsidy increase

# Consumer Impact Analysis

## Change in Benchmark Premiums/Subsidies – Sample Household 1

For single age 28 year old (29 in 2018) with income of 200% FPL (approximately \$23,760 in 2017).

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy			
		2017	2018	\$ Change	% Change	2017	2018	\$ Change	% Change
Fairfield	31%	\$386	\$522	\$136	35%	\$254	\$393	\$139	55%
Hartford	22%	\$313	\$424	\$110	35%	\$183	\$296	\$113	62%
Litchfield	7%	\$346	\$468	\$122	35%	\$215	\$339	\$125	58%
Middlesex	5%	\$341	\$461	\$120	35%	\$209	\$332	\$123	59%
New Haven	21%	\$353	\$477	\$124	35%	\$222	\$349	\$127	57%
New London	7%	\$349	\$473	\$124	36%	\$221	\$344	\$123	55%
Tolland	4%	\$352	\$473	\$121	34%	\$221	\$344	\$123	56%
Windham	3%	\$352	\$473	\$121	34%	\$221	\$344	\$123	56%
<b>TOTAL</b>	<b>100%</b>	<b>\$353</b>	<b>\$477</b>	<b>\$124</b>	<b>35%</b>	<b>\$222</b>	<b>\$349</b>	<b>\$127</b>	<b>57%</b>

# Consumer Impact Analysis

## Change in Benchmark Premiums/Subsidies – Sample Household 2

For family of four with income of 350% FPL, adults age 38 (39 in 2018) and two children ages 5 and 8

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy			
		2017	2018	\$ Change	% Change	2017	2018	\$ Change	% Change
Fairfield	31%	\$1,335	\$1,890	\$555	42%	\$633	\$1,200	\$567	90%
Hartford	22%	\$1,085	\$1,536	\$451	42%	\$386	\$847	\$461	120%
Litchfield	7%	\$1,197	\$1,694	\$497	42%	\$497	\$1,005	\$509	102%
Middlesex	5%	\$1,179	\$1,669	\$490	42%	\$479	\$980	\$501	105%
New Haven	21%	\$1,222	\$1,730	\$508	42%	\$521	\$1,041	\$519	100%
New London	7%	\$1,209	\$1,715	\$506	42%	\$520	\$1,022	\$502	97%
Tolland	4%	\$1,218	\$1,715	\$496	41%	\$517	\$1,022	\$504	97%
Windham	3%	\$1,218	\$1,715	\$496	41%	\$517	\$1,022	\$504	97%
<b>TOTAL</b>	<b>100%</b>	<b>\$1,221</b>	<b>\$1,728</b>	<b>\$507</b>	<b>42%</b>	<b>\$521</b>	<b>\$1,039</b>	<b>\$517</b>	<b>99%</b>

# Consumer Impact Analysis

## Change in Benchmark Premiums/Subsidies – Sample Household 3

For single age 42 year old (43 in 2018) with income of 300% FPL (approximately \$35,640 in 2017)

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy			
		2017	2018	\$ Change	% Change	2017	2018	\$ Change	% Change
Fairfield	31%	\$470	\$633	\$162	35%	\$177	\$343	\$166	94%
Hartford	22%	\$382	\$514	\$132	35%	\$90	\$225	\$135	150%
Litchfield	7%	\$422	\$567	\$146	35%	\$129	\$278	\$149	115%
Middlesex	5%	\$415	\$559	\$143	35%	\$123	\$269	\$147	119%
New Haven	21%	\$430	\$579	\$149	35%	\$138	\$290	\$152	110%
New London	7%	\$426	\$574	\$148	35%	\$137	\$283	\$146	107%
Tolland	4%	\$429	\$574	\$145	34%	\$136	\$283	\$147	108%
Windham	3%	\$429	\$574	\$145	34%	\$136	\$283	\$147	108%
<b>TOTAL</b>	<b>100%</b>	<b>\$430</b>	<b>\$579</b>	<b>\$148</b>	<b>34%</b>	<b>\$138</b>	<b>\$289</b>	<b>\$151</b>	<b>110%</b>

# Consumer Impact Analysis

## 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 2017 distribution by county and plan provided by AHCT
- The table shows rate changes before and after subsidy assuming the household auto-renews in 2018 based on its 2017 plan
- Averages represent the impact of all enrollees in the county if they had the same household characteristics as the example
- Impact will vary for other household scenarios

# Consumer Impact Analysis

## Weighted Average Premium Changes – Sample Household 1

For single age 28 year old (29 in 2018) with income of 200% FPL (approximately \$23,760 in 2017). Premiums are weighted by 2017 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		
			2017	2018	Change	2017	2018	Change
Fairfield	30%	\$127	\$367	\$483	32%	\$119	\$108	-9%
Hartford	22%	\$108	\$297	\$395	33%	\$120	\$110	-8%
Litchfield	6%	\$115	\$325	\$429	32%	\$116	\$105	-9%
Middlesex	5%	\$115	\$323	\$427	32%	\$119	\$108	-10%
New Haven	20%	\$120	\$332	\$449	35%	\$116	\$112	-3%
New London	6%	\$113	\$328	\$432	32%	\$113	\$105	-8%
Tolland	3%	\$112	\$323	\$424	31%	\$110	\$99	-10%
Windham	2%	\$115	\$330	\$436	32%	\$114	\$105	-8%
<b>TOTAL</b>	<b>95%</b>	<b>\$118</b>	<b>\$333</b>	<b>\$442</b>	<b>33%</b>	<b>\$117</b>	<b>\$109</b>	<b>-8%</b>



# Consumer Impact Analysis

## Weighted Average Premium Changes – Sample Household 2

For family of four with income of 350% FPL, adults age 38 (39 in 2018) and two children ages 5 and 8. Premiums are weighted by 2017 enrollment in continuing plans within a county.

County	Enrollment Change in Distr. By County	Wtd Avg Premium Before Subsidy	Wtd Avg Premium Before Subsidy			Wtd Avg Premium After Subsidy		
			2017	2018	Change	2017	2018	Change
Fairfield	30%	\$567	\$1,269	\$1,748	38%	\$653	\$566	-13%
Hartford	22%	\$457	\$1,029	\$1,433	39%	\$657	\$603	-8%
Litchfield	6%	\$508	\$1,123	\$1,554	38%	\$643	\$565	-12%
Middlesex	5%	\$498	\$1,117	\$1,545	38%	\$654	\$584	-11%
New Haven	20%	\$517	\$1,148	\$1,625	41%	\$643	\$603	-6%
New London	6%	\$502	\$1,135	\$1,567	38%	\$634	\$564	-11%
Tolland	3%	\$503	\$1,118	\$1,538	37%	\$621	\$537	-14%
Windham	2%	\$508	\$1,141	\$1,579	38%	\$638	\$567	-11%
<b>TOTAL</b>	<b>95%</b>	<b>\$516</b>	<b>\$1,154</b>	<b>\$1,603</b>	<b>39%</b>	<b>\$649</b>	<b>\$582</b>	<b>-10%</b>

# Consumer Impact Analysis

## Weighted Average Premium Changes – Sample Household 3

For single age 42 year old (43 in 2018) with income of 300% FPL (approximately \$35,640 in 2017). Premiums are weighted by 2017 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		
			2017	2018	Change	2017	2018	Change
Fairfield	30%	\$167	\$447	\$585	31%	\$275	\$247	-10%
Hartford	22%	\$134	\$362	\$480	32%	\$276	\$259	-6%
Litchfield	6%	\$149	\$396	\$520	31%	\$272	\$247	-9%
Middlesex	5%	\$146	\$393	\$517	31%	\$275	\$253	-8%
New Haven	20%	\$152	\$404	\$544	34%	\$272	\$259	-5%
New London	6%	\$147	\$400	\$524	31%	\$268	\$246	-8%
Tolland	3%	\$147	\$394	\$515	31%	\$264	\$237	-10%
Windham	2%	\$149	\$402	\$529	31%	\$270	\$248	-8%
<b>TOTAL</b>	<b>95%</b>	<b>\$152</b>	<b>\$406</b>	<b>\$537</b>	<b>32%</b>	<b>\$274</b>	<b>\$252</b>	<b>-8%</b>

# Consumer Impact Analysis

## After Subsidy Rate Impact – Sample Households

- The following slides show rate impact before and after subsidies for the lowest cost silver plans and lowest cost bronze plans in each county for the three sample households
- The first panel of numbers shows the monthly rate change from 2017 to 2018 before subsidies
- The second panel of numbers shows the after-subsidy monthly rate change from 2017 to 2018
- The third panel in the Bronze exhibits shows the monthly rate change if the household moves to the 2018 lowest cost plan. There is no material difference between the lowest cost Silver plans, so we only show the first two panels in those slides.
- Results will vary for other household scenarios

# Consumer Impact Analysis

## Lowest Cost Silver Impact – Sample Household 1

For single age 28 year old (29 in 2018) with income of 200% FPL (approximately \$23,760 in 2017).

County	Lowest Cost Silver Plan in 2018	Lowest Silver Before Tax Credit			Lowest Silver After Tax Credit		
		2017	2018	Change	2017	2018	Change
Fairfield	CBI, Silver Standard POS	\$382	\$520	36%	\$128	\$127	-1%
Hartford	CBI, Silver Standard POS	\$311	\$423	36%	\$128	\$127	-1%
Litchfield	CBI, Silver Standard POS	\$343	\$466	36%	\$128	\$127	-1%
Middlesex	CBI, Silver Standard POS	\$338	\$459	36%	\$128	\$127	-1%
New Haven	CBI, Silver Standard POS	\$350	\$476	36%	\$128	\$127	-1%
New London	Anthem, Silver PPO Standard Pathway X	\$350	\$472	35%	\$129	\$128	-1%
Tolland	Anthem, Silver PPO Standard Pathway X	\$350	\$472	35%	\$129	\$128	-1%
Windham	Anthem, Silver PPO Standard Pathway X	\$350	\$472	35%	\$129	\$128	-1%

# Consumer Impact Analysis

## Lowest Cost Silver Impact – Sample Household 2

For family of four with income of 350% FPL, adults age 38 (39 in 2018) and two children ages 5 and 8.

County	Lowest Cost Silver Plan in 2018	Lowest Silver Before Tax Credit			Lowest Silver After Tax Credit		
		2017	2018	Change	2017	2018	Change
Fairfield	CBI, Silver Standard POS	\$1,324	\$1,885	42%	\$691	\$684	-1%
Hartford	CBI, Silver Standard POS	\$1,076	\$1,531	42%	\$690	\$685	-1%
Litchfield	CBI, Silver Standard POS	\$1,187	\$1,690	42%	\$690	\$684	-1%
Middlesex	CBI, Silver Standard POS	\$1,169	\$1,664	42%	\$690	\$684	-1%
New Haven	CBI, Silver Standard POS	\$1,212	\$1,725	42%	\$690	\$684	-1%
New London	Anthem, Silver PPO Standard Pathway X	\$1,203	\$1,715	43%	\$683	\$693	1%
Tolland	Anthem, Silver PPO Standard Pathway X	\$1,203	\$1,715	43%	\$685	\$693	1%
Windham	Anthem, Silver PPO Standard Pathway X	\$1,203	\$1,715	43%	\$685	\$693	1%

# Consumer Impact Analysis

## Lowest Cost Silver Impact – Sample Household 3

For single age 42 year old (43 in 2018) with income of 300% FPL (approximately \$35,640 in 2017).

County	Lowest Cost Silver Plan in 2018	Lowest Silver Before Tax Credit			Lowest Silver After Tax Credit		
		2017	2018	Change	2017	2018	Change
Fairfield	CBI, Silver Standard POS	\$466	\$631	35%	\$289	\$288	-1%
Hartford	CBI, Silver Standard POS	\$379	\$513	35%	\$289	\$288	0%
Litchfield	CBI, Silver Standard POS	\$418	\$566	35%	\$289	\$288	0%
Middlesex	CBI, Silver Standard POS	\$412	\$557	35%	\$289	\$288	0%
New Haven	CBI, Silver Standard POS	\$427	\$577	35%	\$289	\$288	0%
New London	Anthem, Silver PPO Standard Pathway X	\$427	\$572	34%	\$289	\$288	0%
Tolland	Anthem, Silver PPO Standard Pathway X	\$427	\$572	34%	\$290	\$288	-1%
Windham	Anthem, Silver PPO Standard Pathway X	\$427	\$572	34%	\$290	\$288	-1%

# Consumer Impact Analysis

## Lowest Cost Bronze Impact – Sample Household 1

For single age 28 year old (29 in 2018) with income of 200% FPL (approximately \$23,760 in 2017).

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		
	2017	2018	2017	2018	Change	2017	2018	Change	2017	2018	Change
Fairfield	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$266	\$329	24%	\$12	\$1	-92%	\$12	\$1	-92%
Hartford	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$216	\$268	24%	\$34	\$1	-97%	\$34	\$1	-97%
Litchfield	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$238	\$295	24%	\$24	\$1	-96%	\$24	\$1	-96%
Middlesex	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$235	\$291	24%	\$25	\$1	-96%	\$25	\$1	-96%
New Haven	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$243	\$302	24%	\$22	\$1	-95%	\$22	\$1	-95%
New London	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$249	\$308	24%	\$27	\$1	-96%	\$27	\$1	-96%
Tolland	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$245	\$303	24%	\$24	\$1	-96%	\$24	\$1	-96%
Windham	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$245	\$303	24%	\$24	\$1	-96%	\$24	\$1	-96%

# Consumer Impact Analysis

## Lowest Cost Bronze Impact – Sample Household 2

For family of four with income of 350% FPL, adults age 38 (39 in 2018) and two children ages 5 and 8.

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		
	2017	2018	2017	2018	Change	2017	2018	Change	2017	2018	Change
Fairfield	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$920	\$1,194	30%	\$287	\$2	-99%	\$287	\$2	-99%
Hartford	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$748	\$970	30%	\$362	\$123	-66%	\$362	\$123	-66%
Litchfield	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$825	\$1,070	30%	\$329	\$65	-80%	\$329	\$25	-92%
Middlesex	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$813	\$1,054	30%	\$334	\$74	-78%	\$334	\$74	-78%
New Haven	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$842	\$1,092	30%	\$321	\$52	-84%	\$321	\$52	-84%
New London	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$860	\$1,116	30%	\$341	\$94	-72%	\$341	\$9	-97%
Tolland	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$847	\$1,099	30%	\$329	\$77	-77%	\$329	\$9	-97%
Windham	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$847	\$1,099	30%	\$329	\$77	-77%	\$329	\$9	-97%



# Consumer Impact Analysis

## Lowest Cost Bronze Impact – Sample Household 3

For single age 42 year old (43 in 2018) with income of 300% FPL (approximately \$35,640 in 2017).

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		
	2017	2018	2017	2018	Change	2017	2018	Change	2017	2018	Change
Fairfield	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$324	\$400	23%	\$147	\$56	-62%	\$147	\$56	-62%
Hartford	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$263	\$325	23%	\$173	\$100	-42%	\$173	\$100	-42%
Litchfield	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$291	\$358	23%	\$162	\$80	-50%	\$162	\$67	-58%
Middlesex	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$286	\$353	23%	\$164	\$83	-49%	\$164	\$83	-49%
New Haven	CBI, Bronze Standard POS HSA	CBI, Bronze Standard POS HSA	\$297	\$366	23%	\$159	\$76	-52%	\$159	\$76	-52%
New London	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$303	\$374	23%	\$166	\$90	-46%	\$166	\$62	-63%
Tolland	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$298	\$368	23%	\$162	\$84	-48%	\$162	\$62	-62%
Windham	CBI, Bronze Standard POS HSA	Anthem, Bronze High Deductible HMO Pathway X Enhanced	\$298	\$368	23%	\$162	\$84	-48%	\$162	\$62	-62%

\*member remains at target FPL from 2017 to 2018, with small increase in income assumed

# Consumer Impact Analysis

## 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 2017 distribution by county and continuing plan provided by AHCT
- Assumes the household auto-renews in 2018 based on its 2017 plan.
- Counties with higher increases in benchmark plan rates have lower after subsidy rate increases.

# Consumer Impact Analysis

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

For single age 28 year old (29 in 2018) with income of 200% FPL (approximately \$23,760 in 2017). Premiums are weighted by 2017 enrollment in continuing plans within a county and metal tier.

		Gold		
County	% Change in Benchmark Premium (no aging)	2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	32.6%	2,885	31%	7%
Hartford	32.6%	1,955	32%	7%
Litchfield	32.6%	731	34%	10%
Middlesex	32.6%	462	31%	4%
New Haven	32.6%	1,997	37%	18%
New London	31.3%	653	37%	19%
Tolland	31.6%	370	32%	9%
Windham	31.6%	257	37%	19%

# Consumer Impact Analysis

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

For single age 28 year old (29 in 2018) with income of 200% FPL (approximately \$23,760 in 2017).  
Premiums are weighted by 2017 enrollment in continuing plans within a county and metal tier.

County	% Change in Benchmark Premium (no aging)	Silver			Bronze		
		2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium	2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	32.6%	18,546	35%	-2%	7,987	21%	-97%
Hartford	32.6%	13,828	36%	1%	5,344	23%	-86%
Litchfield	32.6%	4,194	35%	-2%	1,729	22%	-97%
Middlesex	32.6%	2,926	36%	0%	1,295	23%	-92%
New Haven	32.6%	13,088	38%	4%	5,032	26%	-96%
New London	31.3%	4,167	35%	0%	1,703	21%	-97%
Tolland	31.6%	1,990	35%	0%	999	22%	-97%
Windham	31.6%	1,675	35%	0%	646	21%	-97%

# Consumer Impact Analysis

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

For family of four with income of 350% FPL, adults age 38 (39 in 2018) and two children ages 5 and 8. Premiums are weighted by 2017 enrollment in continuing plans within a county and metal tier.

County	% Change in Benchmark Premium (no aging)	Gold		
		2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	32.6%	2,885	37%	7%
Hartford	32.6%	1,955	39%	7%
Litchfield	32.6%	731	40%	10%
Middlesex	32.6%	462	37%	5%
New Haven	32.6%	1,997	44%	15%
New London	31.3%	653	43%	17%
Tolland	31.6%	370	38%	8%
Windham	31.6%	257	43%	17%

# Consumer Impact Analysis

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

For family of four with income of 350% FPL, adults age 38 (39 in 2018) and two children ages 5 and 8. Premiums are weighted by 2017 enrollment in continuing plans within a county and metal tier.

County	% Change in Benchmark Premium (no aging)	Silver			Bronze		
		2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium	2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	32.6%	18,546	42%	-1%	7,987	27%	-83%
Hartford	32.6%	13,828	43%	0%	5,344	29%	-55%
Litchfield	32.6%	4,194	42%	-1%	1,729	28%	-73%
Middlesex	32.6%	2,926	42%	0%	1,295	28%	-64%
New Haven	32.6%	13,088	44%	3%	5,032	32%	-63%
New London	31.3%	4,167	41%	0%	1,703	27%	-71%
Tolland	31.6%	1,990	42%	0%	999	28%	-72%
Windham	31.6%	1,675	41%	0%	646	27%	-72%

# Consumer Impact Analysis

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

For single age 42 year old (43 in 2018) with income of 300% FPL (approximately \$35,640 in 2017). Premiums are weighted by 2017 enrollment in continuing plans within a county and metal tier.

County	% Change in Benchmark Premium (no aging)	Gold		
		2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	32.6%	2,885	30%	4%
Hartford	32.6%	1,955	32%	5%
Litchfield	32.6%	731	33%	7%
Middlesex	32.6%	462	30%	3%
New Haven	32.6%	1,997	37%	12%
New London	31.3%	653	36%	13%
Tolland	31.6%	370	32%	6%
Windham	31.6%	257	36%	13%

# Consumer Impact Analysis

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

For single age 42 year old (43 in 2018) with income of 300% FPL (approximately \$35,640 in 2017).  
Premiums are weighted by 2017 enrollment in continuing plans within a county and metal tier.

County	% Change in Benchmark Premium (no aging)	Silver			Bronze		
		2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium	2017 Enrollment in Metal & County	Before Subsidy Premium	After Subsidy Premium
Fairfield	32.6%	18,546	35%	-1%	7,987	21%	-55%
Hartford	32.6%	13,828	36%	1%	5,344	23%	-37%
Litchfield	32.6%	4,194	35%	-1%	1,729	21%	-47%
Middlesex	32.6%	2,926	35%	0%	1,295	22%	-43%
New Haven	32.6%	13,088	37%	3%	5,032	25%	-41%
New London	31.3%	4,167	34%	0%	1,703	21%	-46%
Tolland	31.6%	1,990	35%	0%	999	22%	-47%
Windham	31.6%	1,675	34%	0%	646	21%	-47%



# Consumer Impact Analysis

## Simplified AHCT Example

- Ted is 28, single, lives in Fairfield and has an annual income in 2017 of roughly \$23,760, or 200% FPL
  - Subsidy calculation is based on household contribution of 6.43% of income, or \$128 / month toward the 2nd lowest cost silver plan (benchmark)

# Consumer Impact Analysis

## Simplified AHCT Example

- Ted wanted to enroll in a low cost silver plan in 2017 so he could get cost sharing reductions
  - Monthly rates for the two lowest cost options (before subsidy) were \$382 and \$386, both CBI plans
  - Monthly subsidy is \$254
  - After subsidy monthly costs are \$128 and \$132 for the two CBI plans
  - Ted picks the lowest cost plan

# Consumer Impact Analysis

## Simplified AHCT Example - 2017

		Lowest Silver 2017	2nd Lowest Silver 2017
		CBI	CBI
<b>Rates Before Subsidy</b>	<b>2017</b>	\$382	\$386
<b>Subsidy</b>	<b>2017</b>	\$254	
<b>Rates After Subsidy</b>	<b>2017</b>	\$128	\$132

# Consumer Impact Analysis

## Example - Changes for 2018

- The two lowest cost silver plans are still offered by CBI
- Benchmark monthly premium changes from \$386 in 2017 to \$522 in 2018
- Subsidy goes up by roughly \$139 / month

# Consumer Impact Analysis

## Example - Changes for 2018

- 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 \$138
- After subsidies, the monthly rate for Ted's plan decreases by a little over a dollar
- The increase in the subsidies tracked with the base premium increase so Ted enjoys very stable premiums from 2017 to 2018

# Consumer Impact Analysis

## Example - Changes for 2018

		Lowest Silver 2017	2nd Lowest Silver 2017
		CBI	CBI
<b>Rates Before Subsidy</b>	<b>2017</b>	\$382	\$386
	<b>2018</b>	\$520	\$522
	<b>\$ Increase</b>	\$138	\$136
	<b>% Increase</b>	36%	35%
<b>Subsidy</b>	<b>2017</b>	\$254	
	<b>2018</b>	\$393	
	<b>\$ Increase</b>	\$139	
	<b>% Increase</b>	55%	
<b>Rates After Subsidy</b>	<b>2017</b>	\$128	\$132
	<b>2018</b>	\$127	\$128
	<b>\$ Increase</b>	-\$2	-\$3
	<b>% Increase</b>	-1%	-3%

# Disclosures and Limitations

- **Responsible Actuary.** Julie Andrews is the actuary responsible for this communication. Julie is a member of the American Academy of Actuaries and a Fellow of the Society of Actuaries. She meets the Qualification Standards of the American Academy of Actuaries to issue this report.
- **Intended Users.** This information has been prepared for the use of AHCT to discuss the potential impact of 2018 Rate Changes. Wakely does not intend to benefit third parties and assumes no duty or liability to those third parties. Any third parties receiving this work should consult their own experts in interpreting the results. This report, when distributed, must be provided in its entirety and include caveats regarding the variability of results and Wakely's reliance on information provided by Connecticut carriers and AHCT.
- **Risks and Uncertainties.** The assumptions and resulting estimates and conclusions included in this report are inherently uncertain. Users of the results should be qualified to use it and understand the results and the inherent uncertainty. Actual results may vary, potentially materially, from our estimates. It is the responsibility of the organization receiving this output to review the assumptions carefully and notify Wakely of any potential concerns.
- **Conflict of Interest.** The responsible actuary is financially independent and free from conflict concerning all matters related to performing the actuarial services underlying this analysis. In addition, Wakely is organizationally and financially independent from AHCT and any Connecticut carrier.
- **Data and Reliance.** Wakely relied on publicly available sources in this assignment. We have reviewed the data for reasonableness but have not performed any independent audit or otherwise verified the accuracy of the data/information. If the underlying information is incomplete or inaccurate, our estimates may be impacted, potentially significantly. Any errors in the data will affect the accuracy of the analysis and the conclusions drawn in this report. When performing financial and actuarial analyses on the current data, assumptions must be made where there is incomplete data. Improvements in data will allow for more accurate analyses and consistent reporting.
- **Subsequent Events.** Filings received after the date indicated will result in variation in results.
- **Contents of Actuarial Report.** This document and the supporting exhibits constitute the entirety of the actuarial report and supersede any previous communications on the project. This report is provided to AHCT to discuss the potential options to stabilize the marketplaces. Any other use of this report may not be appropriate. Wakely does not intend third parties to rely on this report for any other purpose and assumes no duty or liability to parties other than AHCT who use or receive this work. This report should only be reviewed and considered in its entirety.
- **Deviations from ASOPS.** Wakely completed the analysis using sound actuarial practice. To the best of our knowledge, the report and methods used in the analysis are in compliance with the appropriate Actuarial Standards of Practice (ASOP) with no known deviations.

# Adjournment