



Access Health Connecticut

April 25, 2019 Board of Directors Special Meeting

Board Agenda

- A. Call to Order and Introductions
- B. Public Comment
- C. 2020 Plan Offering Review - Proposed Vote(s)
 - Update on Maximum Out of Pocket Amounts
- D. Adjournment

Public Comment



Access Health Connecticut

Health Plan Benefits & Qualifications Advisory Committee (HPBQ AC) Recommendations for 2020
April 25, 2019

2020 Plan Offering Review

- HPBQ AC Recommendation to Permit Only One Standard Silver Plan in the Individual Market
 - Intent of Committee throughout this certification requirements review cycle has been to maximize Premium Tax Credits (PTCs) as this has been the AHCT Board of Directors' policy since Plan Year 2014
 - Wakely Consulting Consumer Impact Study
 - Three scenarios reviewed
 - Based on assumptions used, analysis demonstrated a greater percentage of enrollees would realize a reduction in net premium under this recommendation than would realize an increase in net premium

On-Exchange Marketplace Premiums and APTCs

Marketplace Policy Payments			
	2017	2018	2019 ¹
Total Policies With Valid Coverage²	104,170	95,003	80,256
Total Member Months²	1,198,529	1,191,406	1,265,961
Total Premium(\$)	\$630,562,293	\$814,551,292	\$779,450,300
Total APTC(\$)	\$375,885,857	\$533,166,611	\$449,612,425
Total Responsible Amount(\$)	\$254,676,436	\$281,384,681	\$329,837,875
Total Premium PMPM(\$)	\$526.11	\$683.69	\$615.70
Total APTC PMPM(\$)	\$313.62	\$447.51	\$355.16
Total Responsible PMPM(\$)	\$212.49	\$236.18	\$260.54

¹Premium and APTC amounts are projected between March – December 2019. Projected premiums and APTC are traditionally 10% – 20% higher than actual year end observed premium.

²Counts of policies and members include both subsidized and non-subsidized enrollees

2020 Plan Offering Review

- Recommendation to Permit Only One Standard Silver Plan in the Individual Market
 - Move from up to three plans (2 required standard, 1 optional non-standard) to only one required standard (Silver Copay plan)

2019 INDIVIDUAL MARKET		
Metal Level	Standardized Plans	Non-Standard Plans
Platinum	N/A	2
Gold	1	3
Silver	2	1
Bronze	2	3
Catastrophic	N/A	1
TOTAL	5 Required	10 Optional
Maximum per Issuer	15	



2020 RECOMMENDED	
Standardized Plans	Non-Standard Plans
N/A	2
1	3
1	0
2	3
N/A	1
4 Required	9 Optional
13	

2020 Plan Offering Review

- Recommendation to Permit Only One Standard Silver Plan in the Individual Market
 - Rationale: One Silver plan per carrier that remains would result in greater Premium Tax Credits (PTCs), as premium for Second Lowest Cost Silver Plan (SLCSP) is increased compared to 2019

2019 Actual	Anthem Blue Cross Blue Shield			ConnectiCare Benefits, Inc. (CBI)		
Plan Design	Silver PPO Pathway X Tiered	Silver PPO Standard Coinsurance Pathway X	Silver PPO Standard Pathway X	Choice Silver Alternative POS	Choice Silver Standard Coinsurance POS	Choice Silver Standard POS



Recommended: 1 Silver Plan Per Carrier	Anthem Blue Cross Blue Shield	ConnectiCare Benefits, Inc. (CBI)
Plan Design	Silver PPO Standard Pathway X	Choice Silver Standard POS

2020 Plan Offering Review

- Committee Discussion Points
 - Wakely Consulting: Consumer Impact
 - General Customer Experience
 - Carrier Engagement
 - AHCT Mission and Vision
 - Potential Risks
 - Higher APTC could strengthen future waiver requests to federal government by providing additional funding
 - May lead to innovation for the Bronze and Gold metal levels

Further Discussion / Vote

2020 Benefit Cost-Sharing Maximum Out-of-Pocket (MOOP) Update

- AHCT Standardized Plans for 2020
 - Developed using MOOP limits included in proposed HHS Notice of Benefit and Payment Parameters (NBPP) for 2020
 - Contingency plan outlined during AHCT Board of Directors meeting held April 18, 2019 in the event the MOOP limit differed per the final regulation
 - Increase medical deductible for Silver and Bronze non-HSA plan to offset decrease in MOOP limit (\$8,200 to \$8,000)
 - Final regulation released April 18, 2019
 - Maximum Out-of-Pocket limits were outlined as follows per regulation:

Subsidy Eligibility Category	2020 Limit per <u>Proposed Regulation</u>	2020 Limit per <u>Final Regulation</u>
Not Eligible for Silver Cost Sharing Reduction (CSR) Plans	\$8,200	\$8,150 (-\$50)
Eligible for 73% CSR (201-250% FPL)	\$6,550	\$6,500 (-\$50)
Eligible for 87% or 94% CSR (138%-200% FPL)	\$2,700	\$2,700 (no change)

2020 Benefit Cost-Sharing Maximum Out-of-Pocket (MOOP) Update

- AHCT Standardized Plans for 2020
 - 3 plan designs were impacted by the regulation change for the MOOP limit
 - With the differential less than expected, plans were evaluated by Wakely Consulting to determine the minimal change needed and subsequently evaluated by carriers for compliance with Actuarial Value (AV) and Mental Health Parity
 - Result of changes to plans are as follows:

Plan	MOOP Limit	Deductible
Silver Copay (70%)	\$8,200 reduced to \$8,150	Medical: \$4,300 (No Change)
Silver Copay (73% CSR)	\$6,550 reduced to \$6,500	Medical: \$3,900 increased to \$3,950
Bronze Non-HSA	\$8,200 reduced to \$8,150	Medical/Rx: \$6,075 increased to \$6,200

Further Discussion / Vote

Appendix

2020 Plan Offering Review

- Wakely Consulting 2020 Plan Offering Analysis: Proposal to Remove all Silver Plans except Standard Silver Copay Option
 - Scenario 1 Summary: Impacted AHCT Policyholders (Premium Only)
 - 40% of policyholders would see a premium reduction with an average reduction of \$135 per month
 - 33% of policyholders would not have impact on premium
 - 27% of policyholders would experience a premium increase with an average increase of \$52 per month
 - Wakely Consulting identified disclosures, risks and uncertainties, subsequent events, assumptions and caveats pertaining to illustration
 - Included on subsequent slide

2020 Plan Offering Review

Disclosures: Wakely relied on data provided by others to complete this analysis and presentation. Data was reviewed for reasonability and appropriateness.

Risks and Uncertainties. The assumptions and resulting estimates and conclusions included in this presentation 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.

Subsequent Events. There are several relevant events that would affect the results of this report. This analysis presents one simplified illustration of 2020 plan offering impacts.

- Assumptions
 - Assume no change in premium rates from 2019 to 2020
 - Members in any plan being eliminated (non-Standard, Standard Coinsurance) are mapped to the applicable carrier's remaining Standard copay plan (unless otherwise noted)
 - Members do not change Federal Poverty Level (FPL) % Advanced Premium Tax Credit (APTC) eligibility
 - Aging of members from 2019 to 2020 is not reflected in analysis
 - Catastrophic plans are not reflected in the analysis
- Caveats
 - The assumptions and resulting estimates and conclusions included in this report are inherently uncertain. Actual results may vary, potentially materially, from our estimates
 - Premium Rate changes driven by market forces and from the proposed removal of silver plan options may materially impact analysis.
 - Actions by the Connecticut Insurance Department may impact analysis
 - Changes in the expected annual contribution level and calculation method are unknown (IRS guidance not yet available for 2020)
 - Plans will change in 2020 to comply with Federal AVC requirements.

Refer to URL below for additional information from Wakely Consulting presentation, including information above:

16 https://agency.accesshealthct.com/wp-content/uploads/2019/03/HPBQAC_Meeting_032819.pdf

Adjournment