



# Access Health Connecticut

Health Plan Benefits & Qualifications Advisory Committee (HPBQ AC) Meeting  
January 29, 2020

# Agenda

- Call to Order and Introductions
- Public Comment
- Vote: Meeting Minutes (December 18, 2019)
- AHCT Vision, Mission and Values
- Follow-Ups from Prior Meeting
- 2020 Individual Market Landscape
- Value Based Insurance Design (VBID)
- Reinsurance Study Update
- Certification Requirements
- 2021 Individual Market Standard Plan Designs
- Meeting Schedule for 2021 Plan Year Certification Review
- Next Steps

# Public Comment

# **Vote:**

**Review and Approval of Minutes:  
December 18, 2019 HPBQ AC Special Meeting**

# AHCT Vision and Mission

## AHCT Vision

- The CT Health Exchange supports health reform efforts at the state and national level that provide CT residents with better health, and an enhanced and more coordinated health care experience at a reasonable, predictable cost.

## AHCT Mission

- To increase the number of insured residents, improve health care quality, lower costs and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and provider that give them the best value.

# AHCT Values in Action

At Access Health CT, it is with our customers and our employees in mind that we seek to promote these collective values and to live by these behaviors. Our culture of acceptance welcomes and values everyone. We challenge the status quo to find new ways to grow and improve our community, our company and ourselves. Our people take pride in the service we provide, and in the spirit of the common good that we share.

Authenticity	Integrity	Excellence	Ownership	One Team	Passion
Act with sincerity, credibility and self-awareness.	Commit to doing the right thing with genuine intention.	Aim high and challenge the status quo.	Take responsibility and initiative.	Collaborate to succeed.	Dedication to creating opportunities for greater health and well-being.

# Follow-Ups from Prior Meeting

Action Item	Status
<p>December 18, 2019 Presentation - Appendix Exhibit (slide 34): “Standardized Plans: Actuarial Value Compliance”</p> <ul style="list-style-type: none"><li><i>Question: What does the “N/A” represent for the Silver CSR plans for 2015?</i></li></ul>	<p>The Silver CSR plans implemented for 2014 were not tested with the Actuarial Value Calculator (AVC) for the 2015 Plan Year because there were multiple options of the Silver 70% AV plan that were under consideration; the CSR plans were run through the AVC for 2015 subsequent to the plan selection at the 70% AV level</p>
<p>Resource Materials Binder</p>	<p>When new exhibits are released for a meeting, an updated ‘Table of Contents’ will be provided to replace the previous version</p>
<p>VBID-X Report released June 2019 available at the following URL: <a href="http://vbidcenter.org/wp-content/uploads/2019/07/VBID-X-FINAL-REPORT-7.1.19-1.pdf">http://vbidcenter.org/wp-content/uploads/2019/07/VBID-X-FINAL-REPORT-7.1.19-1.pdf</a></p>	<p>Provided to Committee Members for pre-reading on 1/8/2020 for discussion during this meeting</p>



# 2020 Connecticut Individual Market Landscape

Carrier	Exchange Status	HMO	POS	PPO	Total
Anthem	Off	8			8
<b>Anthem</b>	<b>On</b>	<b>3</b>		<b>6</b>	<b>9</b>
<b>CBI</b>	<b>On</b>		<b>8</b>		<b>8</b>
CCI	Off	2	1		3
CICI	Off		6		6
Grand Total		13	15	6	34

50% of plans filed in the Individual Market are offered through AHCT

Carrier	Exchange Status	Gold	Silver	Bronze	Catastrophic	Total
Anthem	Off	1	3	3	1	8
<b>Anthem</b>	<b>On</b>	<b>3</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>9</b>
<b>CBI</b>	<b>On</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>8</b>
CCI	Off		1	2		3
CICI	Off	1	4	1		6
Grand Total		7	10	14	3	34

Over 40% of plans filed in the Individual Market are at the Bronze metal level



# 2020 Connecticut Individual Market Landscape

Individual Market Plans (On & Off Exchange) Approved by Connecticut Insurance Department (CID) for 2020 Plan Year

## Bronze

- In every county, at least two Bronze plans offered via AHCT are lower in premium than any of the other 12 Bronze plans filed for Plan Year 2020 in the Individual Market

## Silver

- In all counties, one Silver plan offered “Off-Exchange” is lower in premium than any of the other 9 Silver plans filed for Plan Year 2020

## Gold

- In every county, one Gold plan offered via AHCT is lower in premium than any of the other 6 Gold plans filed for Plan Year 2020
- In all counties, the AHCT Standard Gold plans are in the top 3 of the highest premium plans

# Value-Based Insurance Design (VBID)

- Report\*: “V-BID X: Creating a Value-Based Insurance Design Plan for the Exchange Market”
  - VBID is an approach to align cost-sharing for health care services with clinical value by reducing cost-sharing (including waiving deductible) for higher value services and increasing cost-sharing for low-value services
  - Expected results include but are not limited to better health outcomes and lower out-of-pocket costs for people with specified chronic conditions
  - Report provides a potential approach to incorporating VBID elements in a plan, indicating the concept is possible in fully-insured Exchange plans
    - Intent was to modify a typical plan offered through an Exchange by favoring high-value over low-value services without impacting the actuarial value (AV) of the plan
    - Sample plan included in the report increases copays on targeted service categories, not specific low-value services, as there was insufficient impact to AV by increased cost sharing on over-used and/or low-value services to offset the decreased cost sharing on high-value services
  - Information provided includes listing of services that may be considered “low-value” (e.g., Vitamin D testing) vs. “high-value” (e.g., Hemoglobin A1C testing)

# Weakly Reinsurance Analysis


- **Analyzed how a potential reinsurance program would impact premiums in 2020**
  - Potential pass-through (i.e., Federal reimbursement amounts) might be if the state pursues a reinsurance-based 1332 waiver
  - Potential state-funding needed
  - Potential reinsurance payment parameters for select funding scenarios

# Funding for Various Levels of Premium Reduction

## 2020 Range of Results

Funding Level	5% Premium Reduction	10% Premium Reduction	20% Premium Reduction
Total Funding Level	\$45.4 to \$49.6 M	\$90.9 to \$99.3 M	\$182.4 to \$199.0 M
Federal Pass-through	\$25.6 to \$28.4 M	\$51.1 to \$56.8 M	\$102.1 to \$113.5 M
Needed State Funding	\$19.2 to \$21.2 M	\$38.6 to \$42.5 M	\$77.7 to \$85.5 M
Federal Pass-through %	51.5% to 57.9%	51.5% to 57.8%	51.3% to 57.7%

# Certification Requirements

Certification Requirements: Topics	Modified for 2020	2021 Suggested Topics
Essential Health Benefits (EHB) Benchmark Plan	x	CMS EHB benchmark plan selection submission deadline: 5/6/19 for 2021 & 5/8/20 for 2022 (State of CT)
Prescription Drug Formulary Review Responsibility	x	x
Tobacco Use Premium Surcharge in the Individual Market	x	x
Broker Compensation	x	x
Network Adequacy Standards	x	x
Essential Community Provider (ECP) Contracting Standards	x	x
Pediatric Dental Coverage in Medical Plans	x	x
Lowest Cost Silver Plan in the Individual Market	✓	x
“Plan Mix”: Individual Market Medical	✓	x
“Plan Mix”: Individual Market Stand-Alone Dental Plans (SADP)	x	x
“Plan Mix”: SHOP Medical	x	x
“Plan Mix”: SHOP Stand-Alone Dental Plans (SADP)	x	x
Standardized Plan Development – Individual Market Medical	✓	✓
Standardized Plan Development – SADP	x	x
OTHER: <ul style="list-style-type: none"> <li>Topics impacted by new federal / state regulations and guidance [e.g., impact to changes in funding for CSR plans, public option, reinsurance, etc.]</li> <li>Items suggested by AHCT Board of Directors, HPBQ AC or other constituents</li> <li>VBID</li> <li>Customer Preferences / Input</li> </ul>	x	TBD 

Access Health CT

# 2021 Individual Market Standard Plan Designs

January 29, 2020

PRESENTED BY  
Julie Andrews, FSA, MAAA – Sr. Consulting Actuary

# Agenda

## 2021 Plan Design Review

- Regulatory Changes
- DRAFT Federal Actuarial Value Calculator (AVC) Changes
- Notes and Caveats
- DRAFT 2021 Calculator Results

# 2021 Plan Design Review



# Regulation Changes for 2021

- Proposed annual limitation on cost sharing was increased to \$8,700\* (from \$8,150 in 2020)
  - Note: This limit does not apply to HSA (Health Savings Account) qualified High Deductible Health Plans (HDHPs). That limit is released by the IRS in the spring.
  - CSR (Cost Sharing Reduction) Variations proposed annual limitation on cost sharing. The 2020 limits are:
    - 100-150% \*\*FPL: \$2,700/\$5,400 (single/family)
    - 150%-200% \*\*FPL: \$2,700/\$5,400 (single/family)
    - 200%-250% \*\*FPL: \$6,500/\$13,100 (single/family)
    - We anticipate the above limits will be increased upon the release of the Proposed 2021 Notice of Benefit and Payment Parameters (NBPP)
- Expanded bronze “de minimis” range allows bronze plans with certain designs to have an AV between 56% and 65% (compared to 58% and 62% prior to 2018).
  - Applicable plans include HDHP plans, or plans that cover at least one major service, other than preventive, prior to the deductible.

\*We anticipate the maximum MOOP to be \$8,700 upon release of the 2021 NBPP, \$8,700 reflects the current maximum allowable MOOP in the Federal Actuarial Value Calculator (AVC)

\*\*Federal Poverty Level

# Proposed Changes to the Federal AVC for 2021

- The Federal AVC has not yet been finalized, changes to the final model may impact results
- Data underlying the calculator was updated from prior year
  - Now based on 2017 individual and small group data trended to 2021
    - Medical Trend: 3.25% (2017-2018) and 5.4% Annually (2018-2021)
    - Pharmacy Trend: 9.0% (2017-2018) and 8.7% Annually (2018-2021)
  - There were some changes to the continuance table spending buckets that may impact the value of changes in the Maximum Out of Pocket (MOOP).
    - Additional breakouts between \$6,500 and \$15,000 in annual spend
    - Capped claims at \$1 million
  - Some methodology changes for copays that do not count towards the deductible

# Notes and Caveats

- Federal HDHP minimum deductible and MOOP limits are not yet released for 2021.
  - The 2020 minimum single deductible and MOOP are \$1,400 and \$6,900, respectively.
  - The proposed plan designs do not make changes to either the HDHP deductible or MOOP.
- The cost sharing shown on the following slides represents costs for in-network services only.
- The deductible and MOOP limits shown are for individuals. The family limits are 2x the individual limit for all plans except where noted.
- Preventive care is covered at no cost to the member for all plans.
- Mental Health cost sharing is the same as Primary Care for all plans.
- Silver loading for defunded cost-sharing reduction plans will persist in 2021.
- All plans include 'embedded' deductible approach (not aggregate)

# Notes and Caveats

- Other services not included in the AVC, but will be specified cost sharing for each standardized plan

In-Network Services
<b>Other Services</b>
Mammography Ultrasound
Chiropractic Services (up to 20 visits per calendar year)
Diabetic Supplies & Equipment
Durable Medical Equipment
Home Health Care Services (up to 100 visits per calendar year)
Ambulance Services
Urgent Care Center or Facility
<b>Pediatric Dental Care (for children under age 19)</b>
Diagnostic & Preventive
Basic Services
Major Services
Orthodontia Services (medically necessary)
<b>Pediatric Vision Care (for children under age 19)</b>
Out-of-Network Services
All services, deductible and maximum out-of-pocket

# Statutory Maximum Copays

- Sec. 38a-511a limits physical therapy copays to \$30
- Sec. 38a-550(a) limits advance imaging cost-sharing to \$75 copay, \$375 maximum annually .

# Summary of 2021 AV Changes

Individual Market	Gold	Silver	Bronze	Bronze HSA
Permissible AV Range	76.0%-82.0%	66.0%-72.0%	56.0%-65.0%	56.0%-65.0%
2020 AV (Final) <sup>1</sup>	<b>81.96%</b>	<b>71.97%</b>	<b>64.98%</b>	<b>63.73%</b>
2021 AV (Draft Calculator)	<b>81.60% - 82.87%<sup>3</sup></b>	<b>70.69% - 71.83%</b>	<b>66.20% - 66.81%</b>	<b>66.24% - 66.24%</b>

<sup>1</sup> Wakely AV Calculation

Individual Market - CSR Plan Variations: Silver	73% AV CSR	87% AV CSR	94% AV CSR
Permissible AV Range	72.0%-74.0%	86.0%-88.0%	93.0%-95.0%
2020 AV (Final) <sup>1</sup>	<b>73.98%</b>	<b>87.88%</b>	<b>94.98%</b>
2021 AV (Draft Calculator)	<b>72.83% - 73.85%</b>	<b>87.41% - 88.42%<sup>3</sup></b>	<b>94.71% - 94.96%</b>

<sup>1</sup> Wakely AV Calculation

<sup>2</sup> 73.0% CSR Silver must have a differential of 2.0%+ with Standard Silver

<sup>3</sup> The Gold and Silver 87% CSR plans passed by all issuers, but not Wakely.

Results are calculated using the Proposed Federal AVC and subject to change.

# 2020 Plan Design Overview with 2021 Wakely Plan Samples

# Summary of 2021 Gold Plan AV

Benefit Category	2020 Individual Market Gold Plan	2021 Gold Sample Plan 1	2021 Gold Sample Plan 2
Medical Deductible	\$1,300 (INN)/\$3,000 (OON)	\$1,700 (INN)/\$3,400 (OON)	\$1,500 (INN)/\$3,000 (OON)
Rx Deductible	\$50 (INN)/\$350 (OON)	\$100 (INN)/\$350 (OON)	\$115 (INN)/\$350 (OON)
Coinsurance	30%	30%	30%
Out-of-pocket Maximum	\$5,250 (INN)/\$10,500 (OON)	\$5,500 (INN)/\$11,000 (OON)	\$5,400 (INN)/\$10,800 (OON)
Primary Care	\$20	\$20	\$20
Specialist Care	\$40	\$40	\$40
Urgent Care	\$50	\$50	\$50
Emergency Room	\$400	\$400	\$400
Inpatient Hospital	\$500 per day (after ded., \$1,000 max. per admission)	\$500 per day (after ded., \$1,000 max. per admission)	\$500 per day (after ded., \$1,000 max. per admission)
Outpatient Hospital	\$300@ASC/\$500 otherwise (after ded.)	\$300@ASC/\$500 otherwise (after ded.)	\$300@ASC/\$500 otherwise (after ded.)
Advanced Radiology (CT/PET Scan, MRI)	\$65	\$65	\$65
Non-Advanced Radiology (X-ray, Diagnostic)	\$40 (after ded.)	\$40 (after ded.)	\$40 (after ded.)
Laboratory Services	\$10 (after ded.)	\$10 (after ded.)	\$10 (after ded.)
Rehabilitative & Habilitative Therapy (Physical, Speech, Occupational) Combined 40 visit calendar year maximum, separate for each type	\$20	\$20	\$20
Chiropractic Care 20 visit calendar maximum	\$40	\$40	\$40
All Other Medical	30%	30%	20%
Generic / Preferred Brand / Non-Preferred Brand / Specialty Rx	\$5 / \$35 / \$60 / 20% (spec. after ded., \$100 max per spec. script)	\$5 / \$35 / \$60 / 20% (spec. after ded., \$100 max per spec. script)	\$10 / \$35 / \$60 / 20% (spec. after ded., \$100 max per spec. script)
2020 AVC Results	81.96%	NA	NA
2021 AVC Results	81.60% - 82.87%	80.68% - 81.98%	80.63% - 81.94%



# Summary of 2021 Silver Plan AV

Benefit Category	2020 Individual Market Silver Plan	2020 Individual Market Silver Plan (73%)	2020 Individual Market Silver Plan (87%)	2020 Individual Market Silver Plan (94%)
Medical Deductible	\$4,300 (INN)/ \$8,600 (OON)	\$3,950	\$650	\$0
Rx Deductible	\$250 (INN)/ \$500 (OON)	\$250	\$50	\$0
Coinsurance	40%	40%	40%	40%
Out-of-pocket Maximum	\$8,150 (INN)/ \$16,300 (OON)	\$6,500	\$2,500	\$900
Primary Care	\$40	\$40	\$20	\$10
Specialist Care	\$60	\$60	\$45	\$30
Urgent Care	\$75	\$75	\$35	\$25
Emergency Room	\$450 (after ded.)	\$450 (after ded.)	\$150 (after ded.)	\$50
Inpatient Hospital	\$500 per day (after ded., \$2,000 max. per admission)	\$500 per day (after ded., \$2,000 max. per admission)	\$100 per day (after ded., \$400 max. per admission)	\$75 (\$300 max. per admission)
Outpatient Hospital	\$300@ASC/\$500 otherwise (after ded.)	\$300@ASC/\$500 otherwise (after ded.)	\$60@ASC/\$100 otherwise (after ded.)	\$45@ASC/\$75 otherwise
Advanced Radiology (CT/PET Scan, MRI)	\$75	\$75	\$60	\$50
Non-Advanced Radiology (X-ray, Diagnostic)	\$40 (after ded.)	\$40 (after ded.)	\$30 (after ded.)	\$25
Laboratory Services	\$10 (after ded.)	\$10 (after ded.)	\$10 (after ded.)	\$10
Rehabilitative & Habilitative Therapy (Physical, Speech, Occupational) Combined 40 visit calendar year maximum, separate for each type	\$30	\$30	\$20	\$20
Chiropractic Care 20 visit calendar maximum	\$50	\$50	\$35	\$30
All Other Medical	40%	40%	40%	40%
Generic / Preferred Brand / Non-Preferred Brand / Specialty Rx	\$10 / \$45 / \$70 / 20% (all but generic after ded., \$200 max per spec. script)	\$10 / \$45 / \$70 / 20% (all but generic after ded., \$100 max per spec. script)	\$10 / \$25 / \$40 / 20% (non-preferred brand and spec. after ded., \$60 max per spec. script)	\$5 / \$10 / \$30 / 20% (\$60 max per spec. script)
<b>2020 AVC Results</b>	<b>71.97%</b>	<b>73.98%</b>	<b>87.88%</b>	<b>94.98%</b>
<b>2021 AVC Results</b>	<b>70.69% - 71.83%</b>	<b>72.83% - 73.85%</b>	<b>87.41% - 88.42%</b>	<b>94.71% - 94.96%</b>

# Summary of 2021 Silver 87% Plan AV

Benefit Category	2020 Individual Market Silver Plan (87%)	2021 Silver 87% Sample Plan 1	2021 Silver 87% Sample Plan 2
Medical Deductible	\$650	\$725 (INN)/\$8,600 (OON)	\$650 (INN)/\$8,600 (OON)
Rx Deductible	\$50	\$100 (INN)/\$500 (OON)	\$100 (INN)/\$500 (OON)
Coinsurance	40%	40%	40%
Out-of-pocket Maximum	\$2,500	\$2,500 (INN)/\$16,300 (OON)	\$2,650 (INN)/\$16,300 (OON)
Primary Care	\$20	\$20	\$20
Specialist Care	\$45	\$45	\$45
Urgent Care	\$35	\$35	\$35
Emergency Room	\$150 (after ded.)	\$150	\$150
Inpatient Hospital	\$100 per day (after ded., \$400 max. per admission)	\$100 per day (after ded., \$0,200 max. per admission)	\$100 per day (after ded., \$0,200 max. per admission)
Outpatient Hospital	\$60@ASC/\$100 otherwise (after ded.)	\$60@ASC/\$100 otherwise (after ded.)	\$60@ASC/\$100 otherwise (after ded.)
Advanced Radiology (CT/PET Scan, MRI)	\$60	\$60	\$60
Non-Advanced Radiology (X-ray, Diagnostic)	\$30 (after ded.)	\$30 (after ded.)	\$30 (after ded.)
Laboratory Services	\$10 (after ded.)	\$10 (after ded.)	\$10 (after ded.)
Rehabilitative & Habilitative Therapy (Physical, Speech, Occupational) Combined 40 visit calendar year maximum, separate for each type	\$20	\$20	\$20
Chiropractic Care 20 visit calendar maximum	\$35	\$35	\$35
All Other Medical	40%	40%	40%
Generic / Preferred Brand / Non-Preferred Brand / Specialty Rx	\$10 / \$25 / \$40 / 20% (non-preferred brand and spec. after ded., \$60 max per spec. script)	\$10 / \$25 / \$40 / 20% (non-preferred brand and spec. after ded., \$60 max per spec. script)	\$10 / \$25 / \$40 / 20% (non-preferred brand and spec. after ded., \$60 max per spec. script)
2020 AVC Results	87.88%	NA	NA
2021 AVC Results	87.41% - 88.42%	87.30% - 87.97%	87.08% - 87.95%

# Summary of 2021 Bronze Non-HSA Plan AV

Benefit Category	2020 Individual Market Bronze Non-HSA Plan	2021 Bronze Non-HSA Sample Plan 1
Combined Medical & Rx Deductible	\$6,200 (INN)/\$12,400 (OON)	\$6,550 (INN)/\$13,100 (OON)
Coinsurance	40%	40%
Out-of-pocket Maximum	\$8,150 (INN)/\$16,300 (OON)	\$8,600 (INN)/\$17,200 (OON)
Primary Care	\$40	\$40
Specialist Care	\$60 (after ded.)	\$60 (after ded.)
Urgent Care	\$75	\$75
Emergency Room	\$450 (after ded.)	\$450 (after ded.)
Inpatient Hospital	\$500 per day (after ded., \$1,000 max. per admission)	\$500 per day (after ded., \$1,000 max. per admission)
Outpatient Hospital	\$300@ASC/\$500 otherwise (after ded.)	\$300@ASC/\$500 otherwise (after ded.)
Advanced Radiology (CT/PET Scan, MRI)	\$75 (after ded.)	\$75 (after ded.)
Non-Advanced Radiology (X-ray, Diagnostic)	\$40 (after ded.)	\$40 (after ded.)
Laboratory Services	\$10 (after ded.)	\$10 (after ded.)
Rehabilitative & Habilitative Therapy (Physical, Speech, Occupational) Combined 40 visit calendar year maximum, separate for each type	\$30 (after ded.)	\$30 (after ded.)
Chiropractic Care 20 visit calendar maximum	\$50 (after ded.)	\$50 (after ded.)
All Other Medical	40% (after ded.)	40% (after ded.)
Generic / Preferred Brand / Non-Preferred Brand / Specialty Rx	\$10 / 50% / 50% / 50% (all but generic after ded., \$500 max per spec. script)	\$20 / 50% / 50% / 40% (all but generic after ded., \$500 max per spec. script)
2020 AVC Results	64.98%	NA
2021 AVC Results	66.20% - 66.81%	64.36% - 64.99%

# Summary of 2021 Bronze HSA Plan AV

Benefit Category	2020 Individual Market Bronze HSA Plan	2021 Bronze HSA Sample Plan 1
Combined Medical & Rx Deductible	\$5,685 (INN)/\$11,370 (OON)	\$6,350 (INN)/\$12,700 (OON)
Coinsurance	10%	20%
Out-of-pocket Maximum	\$6,550 (INN)/\$13,100 (OON)	\$6,900 (INN)/\$13,800 (OON)
Primary Care	10% (after ded.)	20% (after ded.)
Specialist Care	10% (after ded.)	20% (after ded.)
Urgent Care	10% (after ded.)	20% (after ded.)
Emergency Room	10% (after ded.)	20% (after ded.)
Inpatient Hospital	10% (after ded.)	20% (after ded.)
Outpatient Hospital	10% (after ded.)	20% (after ded.)
Advanced Radiology (CT/PET Scan, MRI)	10% (after ded.)	20% (after ded.)
Non-Advanced Radiology (X-ray, Diagnostic)	10% (after ded.)	20% (after ded.)
Laboratory Services	10% (after ded.)	20% (after ded.)
Rehabilitative & Habilitative Therapy (Physical, Speech, Occupational) Combined 40 visit calendar year maximum, separate for each type	10% (after ded.)	20% (after ded.)
Chiropractic Care 20 visit calendar maximum	10% (after ded.)	20% (after ded.)
All Other Medical	10% (after ded.)	20% (after ded.)
Generic / Preferred Brand / Non-Preferred Brand / Specialty Rx	10% / 15% / 25% / 30% (all after ded., \$500 max per spec. script)	20% / 25% / 30% / 20% (all after ded., \$500 max per spec. script)
2020 AVC Results	63.73%	NA
2021 AVC Results	66.24%	64.98%

# Summary – Alternate AV Levers

Gold	2020 Plan	With Inpatient at \$750 (Max of \$1,500)	With Max of 1 Day Copay per IP Admit (\$750 Max)	With Max of 1 Day Copay per IP Admit (\$500 Max)	3 PCP Visits With Copay Before Deductible	1 PCP Visits With Copay Before Deductible	With 1 Free PCP Visit	With 3 Free PCP Visits	With 500 ER Copay	PCP and Specialist Copays \$10 Higher
AV	82.87%	82.82%	82.88%	82.91%	82.61%	81.83%	83.12%	83.18%	82.73%	82.54%
Diff. from 2020 Plan	NA	-0.05%	0.02%	0.04%	-0.26%	-1.04%	0.25%	0.31%	-0.14%	-0.33%

Silver	2020 Plan	With Inpatient at \$750 (Max of \$3,000)	With Max of 1 Day Copay per IP Admit (\$750 Max)	With Max of 1 Day Copay per IP Admit (\$500 Max)	3 PCP Visits With Copay Before Deductible	1 PCP Visits With Copay Before Deductible	With 1 Free PCP Visit	With 3 Free PCP Visits	With 600 ER Copay	PCP and Specialist Copays \$10 Higher
AV	71.83%	71.74%	71.90%	71.94%	71.48%	70.61%	72.15%	72.46%	71.75%	71.23%
Diff. from 2020 Plan	NA	-0.09%	0.07%	0.11%	-0.35%	-1.21%	0.32%	0.64%	-0.07%	-0.60%

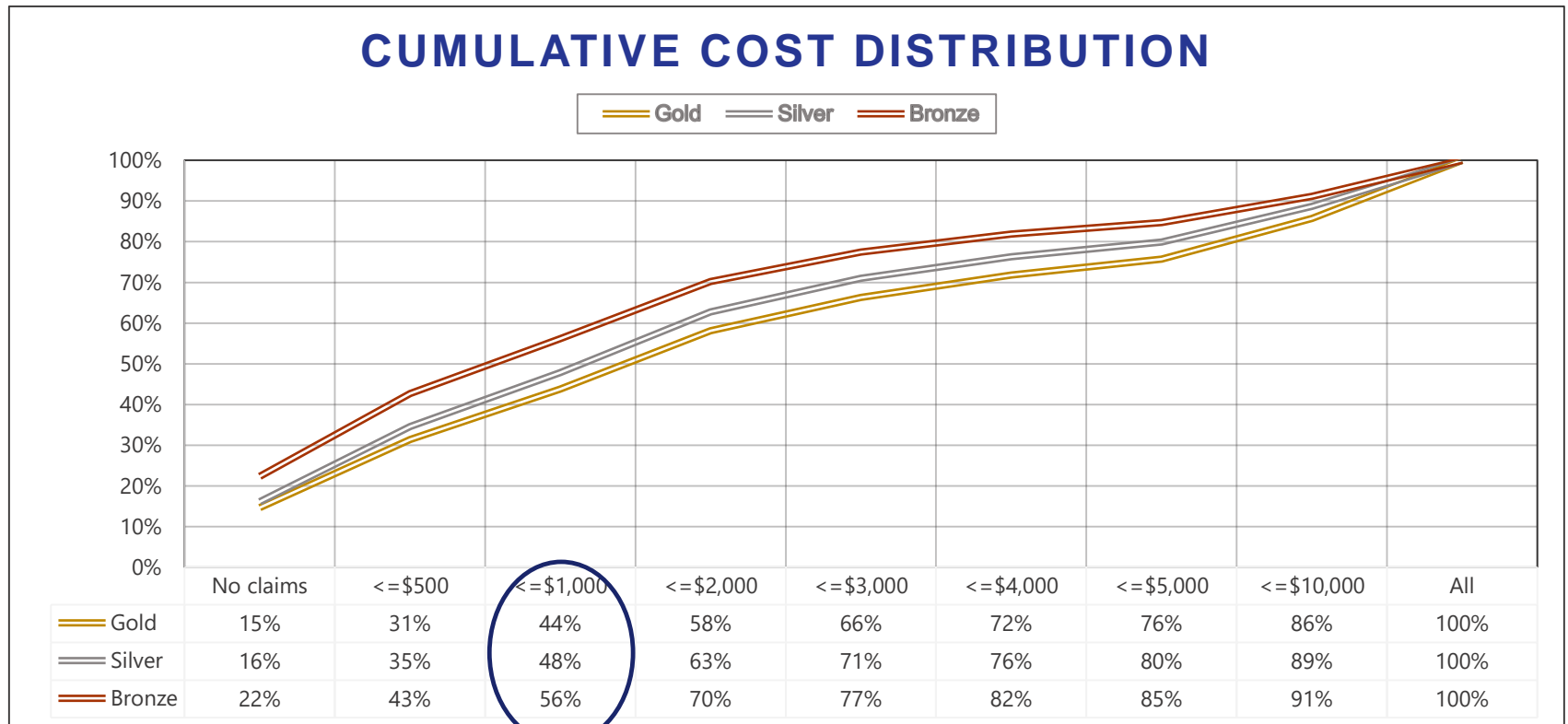
Bronze	2020 Plan	With Inpatient at \$750 (Max of \$1,500)	With Inpatient at \$750 (Max of \$2,250)	With Max of 1 Day Copay per IP Admit (\$750 Max)	With Max of 1 Day Copay per IP Admit (\$500 Max)	3 PCP Visits With Copay Before Deductible	1 PCP Visits With Copay Before Deductible	With 1 Free PCP Visit	With 3 Free PCP Visits	With 600 ER Copay	PCP and Specialist Copays \$10 Higher
AV	66.81%	66.81%	66.80%	66.82%	66.82%	66.56%	65.81%	67.10%	67.36%	66.80%	66.56%
Diff. from 2020 Plan	NA	-0.01%	-0.01%	0.00%	0.01%	-0.26%	-1.01%	0.28%	0.54%	-0.01%	-0.26%

# Summary – Out of Network Cost-Sharing

- Out of network (OON) cost-sharing does NOT impact the actuarial value
- Emergency services are covered at in-network cost-sharing.
- Current out of network (OON) cost-sharing has been roughly set at 2x in-network cost sharing for deductible/MOOP with 50% coinsurance
- OON reflects roughly 7-9% of total non-pharmacy spend for Connecticut. Increases in OON cost-sharing will likely have less than a 0.5% impact. <sup>2</sup>
- <sup>1</sup> Sample Silver plan design characteristics.
  - About 50% of plans tie the OON benefits to 2x in-network benefits
  - OON Individual deductibles range primarily from \$5,000-\$15,000
  - OON Individual MOOPs range primarily from \$15,000-\$25,000

# 2021 Estimated Cost & Utilization – Federal AVC

- The Federal AVC is based on 2017 Individual and Small group national data trended to 2021. It represents a reasonable estimate of average costs and utilization for 2021.
- On average, 56% of Bronze enrollees, 48% of Silver enrollees and 44% of Gold enrollees have claims of \$1000 or less



# 2021 Estimated Rx Cost & Utilization – Federal AVC

- 2021 projected pharmacy costs and utilization.
- Federal AVC Assumptions: Pharmacy Trend: 9.0% (2017-2018) and 8.7% Annually (2018-2021)
- Drug type explained:
  - Generic Drugs: drugs with FDA-approved counterparts to brand-name drugs
  - Preferred Brand Drugs: a generic option is not available
  - Non-Preferred Brand Drugs: higher cost options for preferred drugs
  - Specialty Drugs: medications typically taken by patients with complex conditions. These drugs are generally higher cost due to special handling, administration and patient monitoring.

**Prescription Mix by Type**

Individual Market	Gold	Silver	Bronze
Generic	84%	84%	84%
Preferred Brand	14%	14%	14%
Non-Preferred Brand	2%	2%	2%
Specialty	0%	1%	1%
Scripts/Year	12.9	10.4	8.0

**Average Cost/Prescription by Type**

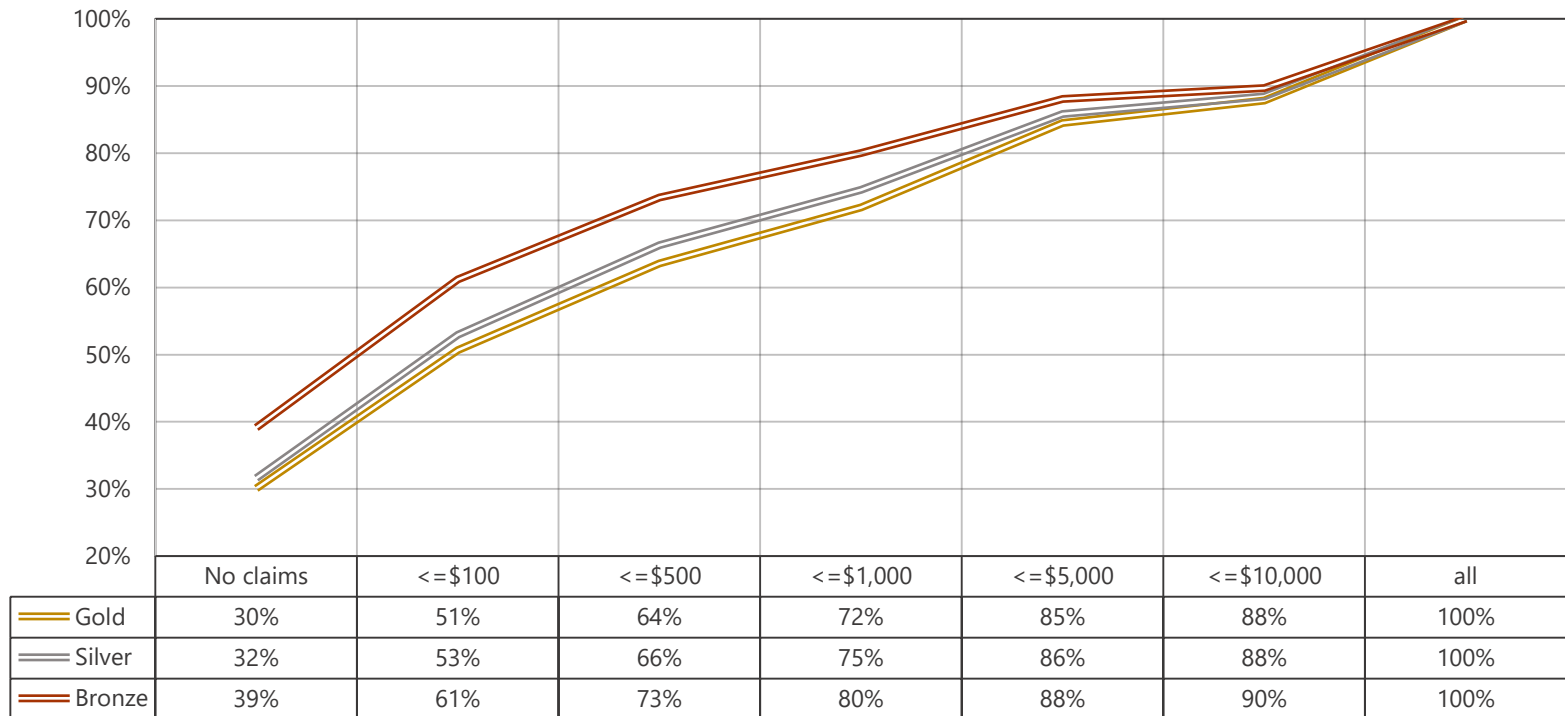
Individual Market	Gold	Silver	Bronze
Generic	\$34	\$36	\$31
Preferred Brand	\$586	\$470	\$407
Non-Preferred Brand	\$702	\$669	\$500
Specialty	\$7,058	\$7,615	\$8,329



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## CUMULATIVE PHARMACY COST DISTRIBUTION





# HPBQ AC Meeting Schedule

Proposed Meeting Agendas	Target Dates
Kick-off Meeting: <ul style="list-style-type: none"> <li>Plan Management Certification Life Cycle</li> <li>Certification Requirements &amp; Review of Exhibits</li> <li>Potential Meeting Schedule for 2021 Plan Year Certification Review</li> </ul>	December 18, 2019
<ul style="list-style-type: none"> <li>2020 Individual Market landscape and considerations for 2021 certification requirements, including standard plans</li> <li>Actuarial Value Calculator (AVC) results: impacts of draft 2021 tool on 2020 standardized plans (Wakely &amp; carriers with samples of plan changes)</li> </ul>	January 29, 2020
<ul style="list-style-type: none"> <li>Certification requirements: proposed changes</li> <li>AVC results: draft 2021 Tool &amp; recommended changes for 2021 standardized plans (Wakely &amp; Carriers)</li> </ul>	February 20, 2020*
<ul style="list-style-type: none"> <li>Certification requirements: proposed changes</li> <li>AVC Results: impacts of final 2021 tool on recommended changes for 2021 standardized plans (Wakely &amp; carriers)</li> </ul>	March 2020** (2 <sup>nd</sup> week)
<ul style="list-style-type: none"> <li>Certification requirements: proposed changes</li> <li>AVC Results: impacts of final 2021 tool on recommended changes for 2021 standardized plans (Wakely &amp; carriers)</li> </ul>	March 2020** (4 <sup>th</sup> week)
<ul style="list-style-type: none"> <li>Certification requirements: recommendations for AHCT Board of Directors, including modifications to standardized plans for 2021</li> </ul>	April 2020 (2 <sup>nd</sup> week)

*\*Revised from previously presented schedule to one meeting in February*

*\*\*May want to consider a 3-week interval between meetings in March to ensure ample time for carriers/Wakely to assess Actuarial Value and Mental Health Parity compliance of potential plan changes*

# Next Steps