

A young boy and an older woman are smiling and cooking together in a kitchen. The boy, on the left, is wearing a blue and grey striped shirt and a grey apron, holding a whisk over a blue bowl. The woman, on the right, is wearing a red shirt, a beige knitted vest, a black apron, and glasses, also holding a whisk over a green bowl. The background shows a modern kitchen with white cabinets and a stainless steel backsplash.

Access Health CT –Board of Directors

October 15, 2020

Board Agenda

- A. Call to Order and Introductions
- B. Public Comment (please submit to Marcin.Olechowski@ct.gov by 4 p.m. on October 14)
- C. Votes
 - Review and Approval of Minutes
 - New Subcommittee Member
- D. CEO Report
- E. COVID-19 Update & Open Enrollment 8 Update
- F. Consumer Impact Study
- G. Legal Update
- H. Future Agenda Items
- I. Adjournment

Public Comment

Vote

**Review and Approval of Minutes
(*September 17, 2020 Regular Meeting Minutes)**

CEO Report James Michel

COVID-19 Update & Open Enrollment 8 Update

2021 Open Enrollment Update

System Updates and Changes:

- 140 system updates released in October. Majority of late October improvements intended to update eligibility parameters and improve renewal process.

Impact of 2019 Tax Deadline Extension:

- Analysis currently underway on magnitude of impact to passive renewals and consumer verifications.
- Without mitigating actions, reduced passive renewal rate and increased verifications may occur.

2020 – 2021 ConnectiCare Enrollment System Transition:

- Customer impact expected to be minimal. Coordination w/ AHCT to continue until the end of 2020.

Public Health Emergency (PHE) Planning:

- Public Health Emergency coverage extended from October 31, 2020 to January 31, 2021.
- Over 100k with HUSKY coverage extended through January 2021. High volume of projections for renewal planned to begin in December.

2021 Open Enrollment Update

Major October Open Enrollment Milestones:

- 10/19 - QHP Projections For 2021 Renewal To Begin
- 10/26 - Window Shopping Open To Public
- 11/1 - Open Enrollment Shopping Portal Opened To Public
- 11/19 –Passive Renewals For 2021 To Begin

Pre-Open Enrollment Enrollee Counts:

Current Enrollment	10/13/19	10/13/20	% Increase
QHP	95,437	99,814	4.6%

Marketing Update

Community Outreach

- Dept. of Labor (WARN notices)
- Food Share: print materials, 5100 customers, 3x week, 70% 1st time users
- School districts / colleges
- Flu Clinics
- Testing sites
- Farmers markets
- Webinars
- Supermarkets
- Faith-based orgs
- Community Partners



Pre-OE Efforts

Hispanic Heritage Month Sponsorship (NBC & Telemundo)

Chromebook Sweepstake Lead-gen effort

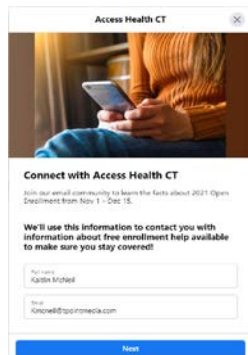


CT Live! & Acceso! Segment Educating consumers on AHCT

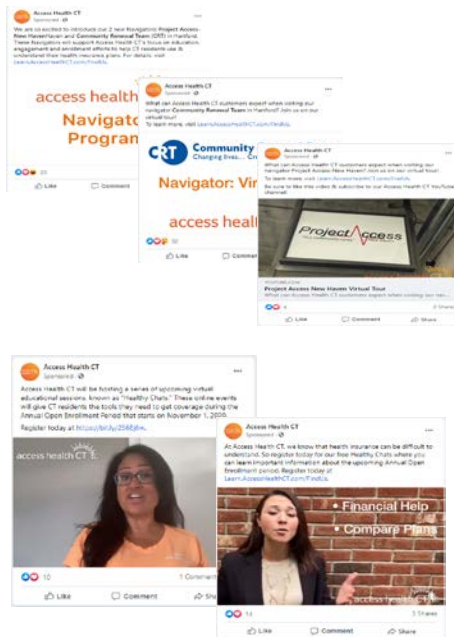


Paid Social Lead-Gen Effort (Facebook)

Geo targeted to A18-54



Boosting Navigator & Healthy Chat Posts (Facebook)



Public Relations Earned Media



Direct2Consumer Campaign

Identifying key groups
e.g. manual vs renewal,
increase vs decrease.

Supporting Our Community

Healthy Chats:

- 7 Healthy Chats between Oct. 14 – Nov. 19 (close to 200 RSVP)

- **RSVP TO FREE EVENT (En/Sp)**

Learn.accesshealthct.com/FindUs

Community Summit

- October 27 – 30 (over 100 RSVP's)
- Targets : Community Partners, Brokers, Certified Appl. Counselors

The image displays two screenshots from the Access Health CT website. The top screenshot shows the 'Find Access Health CT in your community' search page, which includes a search bar, filters for 'Special Enrollment', 'Health Plans', 'Financial Help', 'Manage Your Account', 'Blog', and 'Events', and a section for 'Keywords', 'Select Date Range', and 'Choose a Category'. The bottom screenshot shows a video player for a 'Healthy Chat' event, featuring a woman speaking at a podium. Below the video, there is a section titled 'AGENDA FOR THE 2020 AHCT VIRTUAL SUMMIT' with four event cards: 'Day 1: October 27 AHCT Open Enrollment Updates & Enrollment', 'Day 2: October 28 Immigration & Hard-to-Reach Populations', 'Day 3: October 29 Health Equity', and 'Day 4: October 30 Wellness & Outreach in COVID-19 era'.

Enrollment Help During OE8

ALL HELP IS
FREE

- Online: AccessHealthCT.com
- Live Chat
- Phone: 855-805-4325 (M-F 8am-8pm & Sat. 9am-3pm)
- Broker Support (460, increase of 100)
- Certified Application Counselors (125)
- Virtual Enrollment Fairs in Nov. & Dec.
 - 30 fairs during Open Enrollment
 - Fairs will be held in 3-hour blocks
- In-person help: 6 Enrollment Centers
 - Navigator Locations (Hartford & New Haven)
 - 4 additional centers (Bridgeport, Stamford, New Britain, Groton)

Support.AccessHealthCT.com

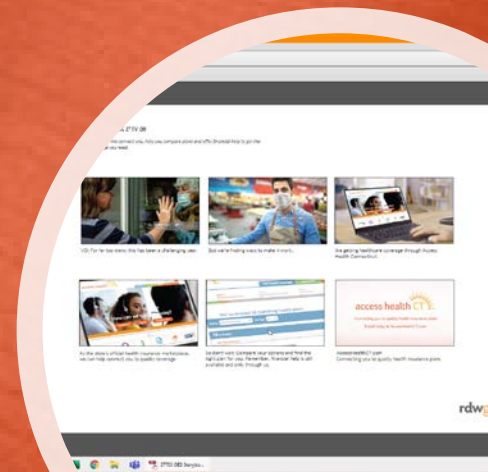


access health CT



Developing TV, Radio, Print, Out of Home, Digital, Social

Advertising OE8



Paid Media Approach OE8

- Focus Groups drove concepts and media buy
- Shift to an **acquisition goal** & consumer media habits
 - Brand descriptor & mission driven
 - Inclusion of lead gen tactics
- build awareness & education through content promotion
- Expanded social presence
- New out-of-home opportunities
 - hand sanitizer units
 - bus kings
 - gas station pump toppers

FOCUS

- Recently uninsured due to COVID-19 (Minority groups disproportionately impacted by COVID)
- Uninsured due to past “inaction”
- Former AHCT customers
- Former Medicaid customers who qualify for Qualified Health Plans
- Current active customers

TACTICAL APPROACH: breadth of media ensures broad & niche market coverage

- Zip Code, Town & State

Access Health CT

Rate Review and Rate Impact Analysis Report

October 15, 2020

PRESENTED BY

Julie Andrews, FSA, MAAA
Brad Heywood, ASA, MAAA

Table of Contents

- I. Introduction
- II. Plan Offerings and Enrollment
- III. 2021 Rate Changes
- IV. Consumer Impact Analysis

Introduction

Wakely was retained by Access Health CT (AHCT) to perform the following services related to 2021 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 as of September 14, 2021

Rounding: Results are presented to the nearest dollar, calculations are performed at the nearest \$0.01. Similarly, percentage summaries are rounded.

2021 Rate Changes

- Impacted Policyholders (Premium)
 - 43% of policyholders will experience a decrease in premiums
 - Increase reflects weighted average rate change in net premiums, including aging and cross-walked plans
 - Analysis excludes lives from discontinued gold plan

Metal Level	Subsidy Eligibility	Percent Enrollment	Expected Premium Rate Impact					
			Reduction Pop %	Reduction Premium %	Reduction \$	Increase Pop %	Increase Premium %	Increase \$
Gold	Not Eligible	3%	75%	-5%	(\$36)	25%	7%	\$79
Silver	Not Eligible	4%	53%	-3%	(\$22)	47%	6%	\$43
Bronze	Not Eligible	23%	1%	-1%	(\$4)	99%	8%	\$46
Gold	Eligible	3%	90%	-22%	(\$69)	10%	11%	\$86
Silver	Eligible	43%	72%	-55%	(\$51)	28%	85%	\$23
Bronze	Eligible	25%	18%	-27%	(\$10)	82%	97%	\$13
Total		100%	43%	-44%	(\$44)	57%	55%	\$30



Plan Offerings and Enrollment

Plan Offerings and Enrollment

Summary of 2021 Plan Offerings - Individual

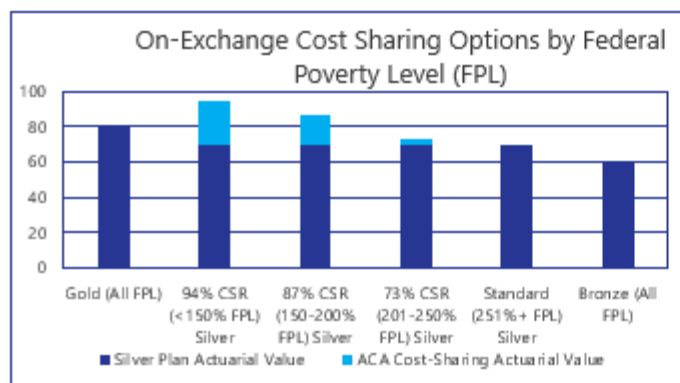
- The same two issuers, Anthem Health Plans, Inc. (Anthem) and ConnectiCare Benefits, Inc. (CBI), are participating on the exchange in 2021, with 20 proposed plans
- All 2020 plans are not cross-walked to a 2021 plan, one discontinued gold plan
- There continues to be no Platinum plans offered.
- Both issuers offer plans in all other metal tiers, including catastrophic.
- All plans are available statewide.

	Individual Market			
	2020	Disc.	New	2021
Catastrophic	2	0	0	2
Bronze	8	1	2	9
Silver	2	0	0	2
Gold	5	1	3	7
Platinum	0	0	0	0
Total	17	2	5	20

2021 Rate Changes

Summary of 2021 Plan Offerings - Individual

- Metal plans are defined by Actuarial Value (AV) as calculated by the Federal AV Calculator
- Silver enrollees with income between 0% and 250% of the Federal Poverty Level (FPL) are eligible for Cost Sharing Reductions (CSRs) on the exchange
- Enrollees $\leq 400\%$ of the FPL are eligible for premium subsidies on the exchange
- All Bronze plans offered on-exchange qualify as an expanded bronze plan.



Individual Market	Permissible AV Range	Filed AV Range
Gold	76%-82%	76%-82%
73% AV CSR	72%-74% ²	72.8%-72.9%
87% AV CSR	86%-88%	86%-88%
94% AV CSR	93%-95%	94%-95%
Standard Silver	66%-72%	71%
Bronze	58%-65% ¹	64%-65%

¹ Bronze plan designs are eligible for expanded "de minimis" range

² 73.0% CSR Silver must have a differential of 2.0%+ with Standard Silver

¹ Bronze plan designs are eligible for expanded "de minimis" range

² 73.0% CSR Silver must have a differential of 2.0%+ with Standard Silver

Plan Offerings and Enrollment

Enrollment Distribution by Metal Level

Metal Level	Distribution by Metal				% of Enrollees in Lowest Premium Plan			
	2017	2018	2019	2020	2017	2018	2019	2020
Platinum	0%	0%	0%	0%	N/A	N/A	N/A	N/A
Gold	10%	8%	6%	7%	18%	66%	14%	17%
Silver	63%	55%	47%	45%	63%	75%	51%	81%
Bronze	26%	36%	45%	46%	51%	39%	13%	15%
Catastrophic	2%	1%	2%	2%	70%	75%	87%	90%

- There was a further shift in 2020 of enrollees to Bronze plans, although Silver plans have a similar enrollment
- The percent of enrollees choosing the lowest premium option within a metal tier increased significantly in 2020. 2020 was the first year where carriers could submit only the one standard Silver plan at the Silver metal level.
- 69% of Enrollees are eligible for premium subsidies.

Plan Offerings and Enrollment

Summary of 2021 Plan Offerings – Small Group

- The same two issuers are participating on the exchange in 2021, with 10 proposed plans
 - The plan offerings are reduced from 2020. Anthem withdrew 4 plans for 2021. In addition to the platinum plan, the HMO plans are being terminated.
- All plans are available statewide
- No platinum metal plan will be available in 2021.

	SHOP			
	2020	Disc.	New	2021
Bronze	5	1	0	4
Silver	5	1	0	4
Gold	3	1	0	2
Platinum	1	1	0	0
Total	14	4	0	10

Plan Offerings and Enrollment by Product Type

On & Off Exchange: Enrollment Distribution by Product Type

Product Type	Individual			Small Group*		
	2018	2019	2020	2018	2019	2020
Other	86.6%	89.4%	90.0%	95.2%	91.2%	93.3%
HMO	13.4%	10.6%	10.0%	4.8%	8.8%	6.7%

Source: 2020 Uniform Rate Review Template (URRT) Public Use Files and 2021 URRTs from System for Electronic Rates and Forms Filing (SERFF) portal

*2021 URRTs were not captured for all issuers, enrollment reflects >95% of 2020 URRT Sample



2021 Rate Changes



Background

- Rate changes in this section reflect premium changes from 2020 to 2021 based on carrier plan mappings provided to Wakely by AHCT as of September 14, 2020
- Weighted averages are based on enrollment by plan and county provided to Wakely by AHCT (individual market only)
- Rate changes presented in this section are PRIOR to premium subsidies

2021 Rate Changes

Individual Market Observations

- The weighted average rate increase for AHCT enrollees (before premium subsidies) is 0.2%. This rate change does not include the impact of aging.
- Rate changes across all plan and area combinations range from -10.1% to 9.7%
- By county, average rates are increasing the most in New London.
- By carrier, premium weighted rate changes average 2.8% for Anthem and -0.6% for CBI for continuing and cross-walked enrollees
- Rate changes vary by county.
- Silver plans continue to be loaded for the defunding of cost-sharing reductions.

2021 Rate Changes

Individual Market Observations

■ Rate Change Drivers

- The expiration of the Health Insurance Provider Fee, rates are decreasing by 2.8% or more.
- Trend – combined medical and pharmacy cost and utilization trend ranges from 5.60-7.25% for 2020-2021.
- No additional COVID or morbidity loads
- Risk Adjustment is the only remaining market stabilization program after expiration of transitional reinsurance and risk corridors at the end of 2016.
 - The program has two components: Risk Adjustment Transfers and the High Risk Pool (HRP) which reimburses issuers for 60% of paid claims over \$1 million
- Experience as measured by projected Medical Loss Ratios (MLR) show continued improvement in the State.

Minimum Loss Ratio*	2016	2017	2018	2019
Anthem – Individual	106.0%	92.7%	83.1%	88.7%
CBI – Individual	97.5%	92.1%	76.7%	86.2%
Individual (State: CT)**	105.4%	93.6%	80.1%	86.4%

**Source: NAIC Supplemental Health Care Exhibit S&P Global Market Intelligence*

*** Includes experience for off-exchange plans offered by CTCare Inc. and CTCare Insurance Co.*

2021 Rate Changes

Individual Market Rate Changes by Plan with Mapping

Metal	Carrier	2020 Plan Name	2021 Plan Name	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham
Gold	Anthem	Gold HMO Pathway X Enhanced Tiered	Gold HMO Pathway Enhanced Tiered	-2.3%	-4.2%	-3.2%	-4.1%	-4.1%	-3.2%	-3.2%	-3.2%
Gold	Anthem	Gold PPO Standard Pathway X	Gold PPO Standard Pathway	6.7%	4.6%	5.7%	4.7%	4.7%	5.7%	5.7%	5.7%
Gold	CBI	Choice Gold Alternative POS with Dental	Choice Gold Alternative POS with Dental	-7.6%	-6.8%	-7.6%	-8.2%	-8.2%	-7.6%	-7.6%	-7.6%
Gold	CBI	Choice Gold Standard POS	Choice Gold Standard POS	-7.2%	-6.4%	-7.1%	-7.8%	-7.8%	-7.1%	-7.1%	-7.1%
Silver	Anthem	Silver PPO Standard Pathway X	Silver PPO Standard Pathway	4.0%	2.0%	3.0%	2.0%	2.0%	3.0%	3.0%	3.0%
Silver	CBI	Choice Silver Standard POS	Choice Silver Standard POS	-5.5%	-4.7%	-5.5%	-6.2%	-6.2%	-5.5%	-5.5%	-5.5%
Catastrophic	Anthem	Catastrophic HMO Pathway X Enhanced	Catastrophic HMO Pathway Enhanced	-8.3%	-10.1%	-9.1%	-10.0%	-10.0%	-9.1%	-9.1%	-9.1%
Catastrophic	CBI	Choice Catastrophic POS with Dental	Choice Catastrophic POS with Dental	-3.9%	-3.1%	-3.8%	-4.5%	-4.5%	-3.8%	-3.8%	-3.8%

2021 Rate Changes(Cont.)

Individual Market Rate Changes by Plan with Mapping

Metal	Carrier	2020 Plan Name	2021 Plan Name	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham
Expanded Bronze	Anthem	Bronze HMO Pathway X Enhanced Tiered	Bronze HMO Pathway Enhanced Tiered	0.4%	-1.5%	-0.5%	-1.5%	-1.5%	-0.5%	-0.5%	-0.5%
Expanded Bronze	Anthem	Bronze PPO Pathway X	Bronze PPO Standard Pathway	9.3%	7.2%	8.3%	7.3%	7.3%	8.3%	8.3%	8.3%
Expanded Bronze	Anthem	Bronze PPO Standard Pathway X	Bronze PPO Standard Pathway	4.4%	2.4%	3.5%	2.5%	2.5%	3.5%	3.5%	3.5%
Expanded Bronze	Anthem	Bronze PPO Standard Pathway X for HSA	Bronze PPO Standard Pathway for HSA	3.8%	1.8%	2.9%	1.9%	1.9%	2.9%	2.9%	2.9%
Expanded Bronze	CBI	Choice Bronze Alternative POS with Dental	Choice Bronze Alternative POS with Dental	3.1%	4.0%	3.2%	2.4%	2.4%	3.2%	3.2%	3.2%
Expanded Bronze	CBI	Choice Bronze Standard POS	Choice Bronze Standard POS	8.9%	9.8%	8.9%	8.1%	8.1%	8.9%	8.9%	8.9%
Expanded Bronze	CBI	Choice Bronze Standard POS HSA	Choice Bronze Standard POS HSA	1.5%	2.3%	1.5%	0.8%	0.8%	1.5%	1.5%	1.5%
Expanded Bronze	CBI	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	8.2%	9.1%	8.2%	7.5%	7.5%	8.2%	8.2%	8.2%

2021 Rate Changes

Small Group Market Observations

- Four plans are being terminated in 2021
- Rate changes for 2021*
 - Anthem: The overall proposed rate increase is 2.6% with plan specific rate changes varying from -2.75% to 6.43%. Increase reflects a mix of on and off exchange plans.
 - CBI: The overall proposed rate increase is 0.9%. Rate changes across all plan combinations range from -10.4% to 1.7%.

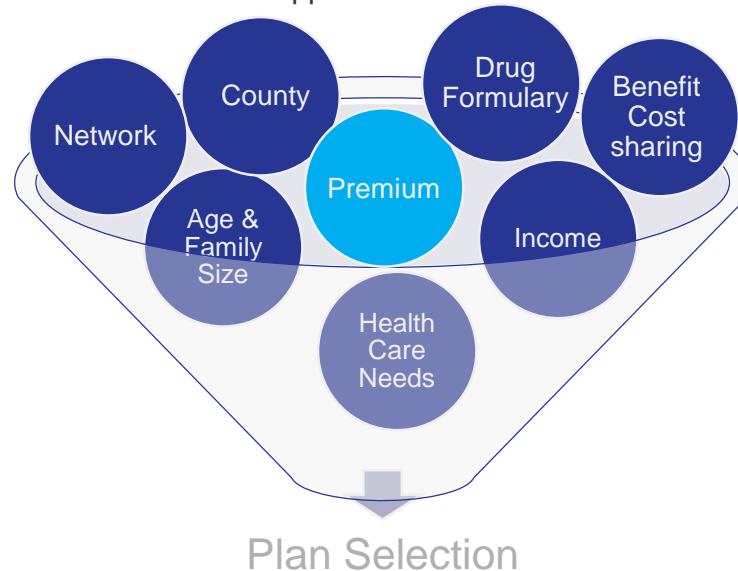
*Average Increases from Connecticut Insurance Department.

Consumer Impact Analysis

Consumer Impact Analysis

Background

- There are many considerations consumers use to select the best plan option
- This section outlines the premium changes to consumers in the individual market after reflecting federal premium subsidies
- Consumers may seek the advice of brokers on plan selection
 - The AHCT Consumer Decision Support Tool also includes the considerations below



Consumer Impact Analysis

Background

- 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
- Premium impact for individuals and households vary based on:
 - Member age(s)
 - Geographic region
 - Income
 - Plan selection
 - Household size

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 of premium tax credit (APTC): federal government pays APTC directly to carrier, reducing consumer portion of 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
- IRS guidelines; Maximum % of Income

Change in Benchmark Plan and Subsidies

- The next slide illustrates the change in the benchmark (second lowest cost silver plan) by county assuming no aging
- Key observations include:
 - The benchmark plan carrier is changing in four of the eight counties
 - Benchmark premium change varies from -2.8% to 4.0% by county

Consumer Impact Analysis

Change in Benchmark Plan

		2020 Benchmark Plan		2021 Benchmark Plan		
County	2020 Enrollment in County	Issuer	Plan Name	Issuer	Plan Name	Benchmark Premium Change
Fairfield	32,779	Anthem	Silver PPO Standard Pathway X	Anthem	Silver PPO Standard Pathway	4.0%
Hartford	22,176	Anthem	Silver PPO Standard Pathway X	Anthem	Silver PPO Standard Pathway	2.0%
Litchfield	6,938	CBI	Choice Silver Standard POS	Anthem	Silver PPO Standard Pathway	-2.8%
Middlesex	5,138	Anthem	Silver PPO Standard Pathway X	Anthem	Silver PPO Standard Pathway	2.0%
New Haven	21,477	Anthem	Silver PPO Standard Pathway X	Anthem	Silver PPO Standard Pathway	2.0%
New London	6,498	CBI	Choice Silver Standard POS	Anthem	Silver PPO Standard Pathway	-2.8%
Tolland	3,382	CBI	Choice Silver Standard POS	Anthem	Silver PPO Standard Pathway	-2.8%
Windham	2,308	CBI	Choice Silver Standard POS	Anthem	Silver PPO Standard Pathway	-2.8%

Consumer Impact Analysis

Change in Benchmark Premium and Subsidies – Sample Household

- The next slides illustrate the change in the benchmark premium and premium subsidy amounts by county for a hypothetical household assuming auto-renewal
 - Household: Michael is a single adult, age 44 as of 2020 with income of 300% FPL
- Results for other household scenarios will vary
- Key observations for sample household includes
 - Benchmark premiums are increasing by 5% on average
 - Average subsidies for this household are increasing by 8% across all counties and range from -2% to 12% by county

Consumer Impact Analysis

Change in Benchmark Premiums/Subsidies – Sample Household

For single age 44 year old (45 in 2021) with income of 300% FPL (approximately \$37,470 in 2020)

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy-EHB Only				Net Monthly Benchmark Premium (After Tax Credit)			
		2020	2021	\$ Change	% Change	2020	2021	\$ Change	% Change	2020	2021	\$ Change	% Change
Fairfield	33%	\$665	\$715	\$50	7%	\$357	\$399	\$41	12%	\$308	\$316	\$8	3%
Hartford	22%	\$581	\$612	\$31	5%	\$273	\$296	\$23	8%	\$307	\$316	\$8	3%
Litchfield	7%	\$599	\$599	\$0	0%	\$289	\$283	-\$6	-2%	\$310	\$316	\$6	2%
Middlesex	5%	\$623	\$657	\$34	5%	\$315	\$341	\$26	8%	\$308	\$316	\$8	3%
New Haven	21%	\$623	\$657	\$34	5%	\$315	\$341	\$26	8%	\$308	\$316	\$8	3%
New London	6%	\$599	\$599	\$0	0%	\$289	\$283	-\$6	-2%	\$310	\$316	\$6	2%
Tolland	3%	\$599	\$599	\$0	0%	\$289	\$283	-\$6	-2%	\$310	\$316	\$6	2%
Windham	2%	\$599	\$599	\$0	0%	\$289	\$283	-\$6	-2%	\$310	\$316	\$6	2%
TOTAL	100%	\$623	\$655	\$32	5%	\$315	\$339	\$24	8%	\$308	\$316	\$8	3%

Consumer Impact Analysis

After Subsidy Rate Impact– Sample Household

- 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 a sample household
- The first panel of numbers shows the monthly rate change from 2020 to 2021 before subsidies
- The second panel of numbers shows the after-subsidy monthly rate change from 2020 to 2021
- The third panel shows the monthly rate change if the household moves to the 2021 lowest cost plan.
- Results will vary for other household scenarios

Consumer Impact Analysis

Lowest Cost Silver Impact– Sample Household (Auto vs. Active Renew)

Michael is a single age 44 year old (45 in 2021) with income of 300% FPL (approximately \$37,470 in 2020) enrolled in the lowest cost silver plan for 2020.

Lowest Cost Silver Plan			Auto Renew Before Tax Credit			Auto Renew After Tax Credit			Active Renew After Tax Credit – Shop to 2021 Lowest Silver Option		
County	2020	2021	2020	2021	Change	2020	2021	Change	2020	2021	Change
Fairfield	Choice Silver Standard POS	Choice Silver Standard POS	\$649	\$633	-2%	\$291	\$235	-19%	\$291	\$235	-19%
Hartford	Choice Silver Standard POS	Choice Silver Standard POS	\$550	\$541	-2%	\$277	\$245	-11%	\$277	\$245	-11%
Litchfield	Silver PPO Standard Pathway X	Choice Silver Standard POS	\$562	\$599	7%	\$274	\$316	15%	\$274	\$302	10%
Middlesex	Choice Silver Standard POS	Choice Silver Standard POS	\$603	\$585	-3%	\$288	\$244	-15%	\$288	\$244	-15%
New Haven	Choice Silver Standard POS	Choice Silver Standard POS	\$603	\$585	-3%	\$288	\$244	-15%	\$288	\$244	-15%
New London	Silver PPO Standard Pathway X	Choice Silver Standard POS	\$562	\$599	7%	\$274	\$316	15%	\$274	\$302	10%
Tolland	Silver PPO Standard Pathway X	Choice Silver Standard POS	\$562	\$599	7%	\$274	\$316	15%	\$274	\$302	10%
Windham	Silver PPO Standard Pathway X	Choice Silver Standard POS	\$562	\$599	7%	\$274	\$316	15%	\$274	\$302	10%

Consumer Impact Analysis

Lowest Cost Bronze Impact – Sample Household (Auto vs. Active Renew)

Michael is a single age 44 year old (45 in 2021) with income of 300% FPL (approximately \$37,470 in 2020), enrolled in the lowest cost bronze plan for 2020.

Lowest Cost Bronze Plan			Auto Renew Before Tax Credit			Auto Renew After Tax Credit		
County	2020	2021	2020	2021	Change	2020	2021	Change
Fairfield	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	\$398	\$445	12%	\$41	\$47	14%
Hartford	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	\$338	\$381	13%	\$64	\$85	31%
Litchfield	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	\$368	\$412	12%	\$79	\$128	62%
Middlesex	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	\$370	\$411	11%	\$55	\$70	28%
New Haven	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	\$370	\$411	11%	\$55	\$70	28%
New London	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	\$368	\$412	12%	\$79	\$128	62%
Tolland	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	\$368	\$412	12%	\$79	\$128	62%
Windham	Passage Bronze Alternative PCP POS	Passage Bronze Alternative PCP POS	\$368	\$412	12%	\$79	\$128	62%

Consumer Impact Analysis

Simplified 2021 Renewal Example

- Ted is 29 in 2021 (28 in 2020), single, lives in Fairfield and has an annual income in 2020 of roughly \$24,980, or 200% FPL
 - Ted's subsidy calculation is based on his income, the "maximum % of household income" and the 2nd lowest cost silver plan (benchmark)
 - Due to changes in the subsidy calculation metrics, the maximum monthly subsidy is increasing in 2021 from \$381 to \$413.
- Ted enrolled in the lowest cost silver plan in 2020 so he could get cost sharing reductions at an 87% actuarial value.
- Ted has a decrease in the base rate of \$14, the after subsidy decrease is \$47.
- Ted could choose to switch to the new lowest cost bronze plan, which is also from CBI, and have a \$2 monthly premium after subsidies.

Consumer Impact Analysis

Simplified 2021 Renewal Example

	2020	2021	2021	2021
	Enrolled in lowest cost Silver plan	Auto Renewal: Same plan <u>is</u> the lowest cost Silver option	Active Renewal: Select the lowest cost <u>Gold</u> Plan Available	Active Renewal: Select the lowest cost <u>Bronze</u> Plan Available
Rates Before Subsidy	\$505	\$491	\$468	\$345
Subsidy	\$381	\$413		
Rates After Subsidy	\$124	\$78	\$54	\$2
\$ Change		(\$47)	(\$70)	(\$122)
% Change		-38%	-56%	-98%
Average Out-of-Pocket per Month (WACA*, Northeast, 25-29)	\$18	\$18	\$49	\$57

Reference to “lowest cost” reflects premium rate only. Subsidies may not be used for non-essential health benefits.

*Wakely ACA Database (“WACA”) contains detailed claims, eligibility and premium data from 2018 Edge Servers from participating issuers.

Consumer Impact Analysis

Simplified 2021 Renewal Example

- Karen is 56 in 2021 (55 in 2020), single, lives in Fairfield and has an annual income of \$55,000 in 2020 which is above the 400% FPL threshold
 - Karen is not eligible for subsidies
- Karen enrolled in the lowest cost silver plan in 2020
- The plan has an increase in the base rate of \$67.
- Karen could choose to switch to the new lowest cost gold plan, bronze plan, or elect an off-exchange silver option and minimize her rate increase in 2021.

Consumer Impact Analysis

Simplified 2021 Renewal Example

	2020	2021	2021	2021	2021
	Enrolled in lowest cost Silver plan	Auto Renewal: Same plan <u>is</u> the lowest cost Silver option (On Exchange)	Active Renewal: Select the lowest cost Gold Plan Available (On Exchange)	Active Renewal: Select the lowest cost Bronze Plan Available (On Exchange)	Active Renewal: Select the lowest cost Silver Plan Available (Off Exchange)
Rates Before Subsidy	\$1,035	\$1,023	\$975	\$720	\$956
Subsidy	Not Eligible				
Rates After Subsidy	\$1,035	\$1,023	\$975	\$720	\$956
\$ Change		(\$12)	(\$60)	(\$316)	(\$79)
% Change		-1%	-6%	-30%	-8%
Average Out-of-Pocket per Month (WACA*,Northeast, 55-59)	\$109	\$109	\$76	\$110	\$109

Reference to "lowest cost" reflects premium rate only.

*Wakely ACA Database ("WACA") contains detailed claims, eligibility and premium data from 2018 Edge Servers from participating issuers.

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 2021 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.** . Wakely provides actuarial services to a variety of clients throughout the health industry. Our clients include commercial, Medicare, and Medicaid health plans, the federal government and state governments, medical providers, and other entities that operate in the domestic and international health insurance markets. Wakely has implemented various internal practices to reduce or eliminate conflict of interest risk in serving our various clients. 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.

Legal Update

LEGAL UPDATE

- Supreme Court and *California v. Texas*
- Cost Sharing Reductions (CSR) Litigation
- Non-ACA Coverage Litigation

Future Agenda Items

Adjournment