



Access Health Connecticut

October 19, 2023, Board of Directors Regular Meeting

Board Agenda

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Mission: To decrease the number of uninsured residents, improve the quality of healthcare, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health coverage that give them the best value.

Vision: Provide Connecticut residents with access to the most equitable, simple and affordable health insurance products to foster healthier communities.



Public Comment

Vote

- **September 21, 2023 Regular Meeting Minutes**

CEO Report

James Michel

Open Enrollment 11 Update

OE 11 Technology Update

- As of October 1, 2023, Infosys fully took over the maintenance and operations of the HIX system from Deloitte.
- Consumers auto-renewing into qualified health plans (QHPs) for the 2024 plan year will be notified by the end of November 2023.
- The HIX system will process dental enrollment auto-renewals for the first time this OE.
- National Change of Address (NCOA) will be used to reduce returned mail and associated costs for households that have recently moved.
- Covered Connecticut program— AHCT created a new auto-enrollment option into the Covered CT program for those who qualify and are losing HUSKY Health coverage.
- Annual online training certification is underway for AHCT staff, the AHCT call center, and Community Partners, including certified application counselors, brokers, and Navigator organization staff.
- A new enrollment dashboard will be live and available to the public prior to OE on the AHCT website, accesshealthct.com.

OE 11 Marketing Update

OE 11 Special Audiences



Direct-to-Consumer Communications

- **Retention:**
 - Renewals
 - Cost Sharing Reduction Eligible
 - ConnectiCare Insurance Company, Inc. Crosswalk
- **Acquisition:**
 - Unwinding 2-Month Premium Assistance
 - Family Glitch

OE 11 Media Schedule

Media/Week	Oct. 29	Nov. 5	Nov. 12	Nov. 19	Nov. 26	Dec. 3	Dec. 10	Dec. 17	Dec. 24	Dec. 31	Jan. 7
Streaming TV											
Spanish Cable TV											
Cable Channel 12 TV											
Channel 12 TV Football											
Univision TV Latin Grammys											
Linear Radio											
Streaming Radio											
Community Newspapers (print & digital)											
Spanish/Black/African American Newspapers											
Mobile Billboards											
Bus Kings											
Digital Out-of-Home											
Digital (native/display/search)											
YouTube											
Social Media											
Media in orange is targeted on a zip-code level											

OE 11 Creative Messaging

“Feel good facts from Access Health CT”

- **Essential Health Benefits:** you can use certain health benefits without having to pay your deductible
- **Coverage Options:** different *health & dental* options, premiums and deductibles
- **Financial Help:** only available through Access Health CT
- **Enrollment Assistance:** free – online, in person and over the phone
- **Unwinding:** find coverage to replace Medicaid/HUSKY

OE 11 Creative



OE 11 Creative

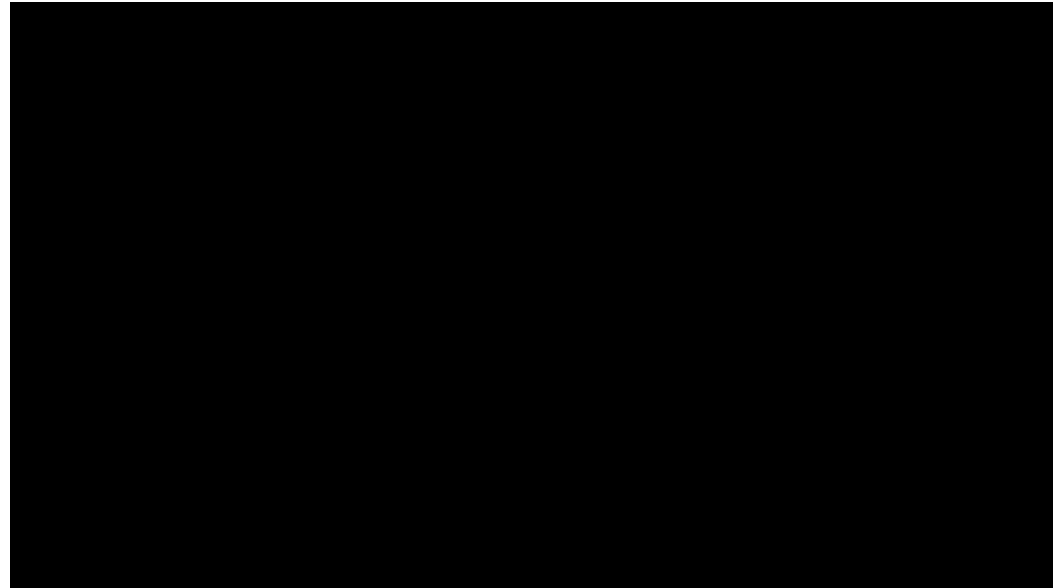


OE 11 Creative



Health Equity & Outreach

- **Medicaid Unwind efforts:**
 - Community Partner Monthly Zoom
 - Discuss topics such as Medicaid Unwind, call center, enrollment options and other timely issues
 - Encourage referrals to Healthy Chats
 - 185 RSVPs
 - Healthy Chats for consumers
 - Monthly chats held on 3rd Wednesday of month, 6pm
 - 390 total RSVPs
 - Outreach enrollment specialists
 - Last fair will be held on October 21, 2023
- **Annual Community Conference**
 - 135 RSVPs: Community partners, Certified application counselors, Brokers, Carriers and Elected Officials
 - Informational tables: Yale New Haven, Health Equity Solutions, DSS, Comptroller Office, DPH, CT Nonprofit Alliance, Navigators
 - **Commitment to Community award: Chrysalis Center, Hartford CT**
- **Open Enrollment 11:**
 - 2 Enrollment Locations
 - 19 fairs
 - 4 Navigator locations
 - Certified Application Counselors and Brokers



Wakely

Rate Review and Consumer Impact Analysis Report



October 2023

PRESENTED BY
Julie Andrews, FSA, MAAA
Emily Pedersen



Table of Contents

- Introduction
- Plan Offerings and Enrollment
- 2024 Rate Changes
- Consumer Impact Analysis

Wakely was retained by AccessHealth CT (AHCT) to perform the following services related to 2024 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

Section 1

Plan Offerings and Enrollment

Plan Offerings and Enrollment

Summary of 2024 Plan Offerings - Individual

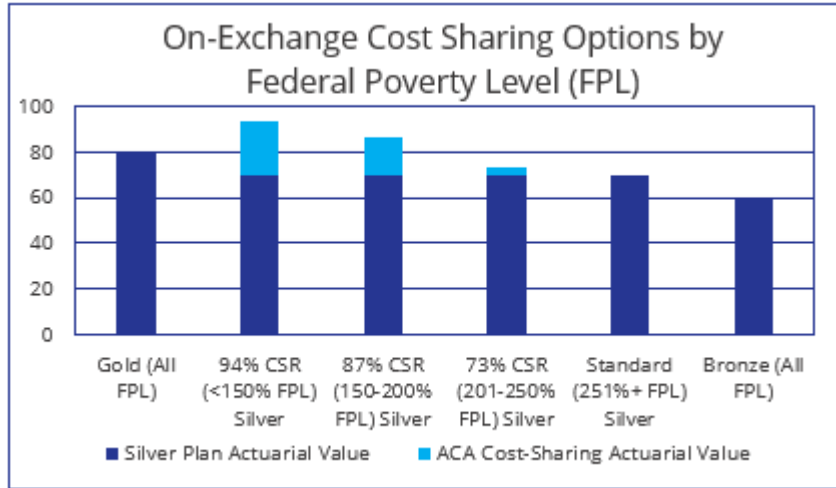
- ConnectiCare Insurance Company, Inc. (CICI), Anthem Health Plans, Inc. (Anthem) and ConnectiCare Benefits, Inc. (CBI) are continuing participation on the exchange, with 22 proposed plans
- No Platinum plan offering will be available in 2024
- All plans are available statewide

	Individual Market			
	2023	Disc.	New	2024
Catastrophic	2	0	0	2
Bronze	10	3	3	10
Silver	3	1	1	3
Gold	9	4	2	7
Platinum	1	1	0	0
Total	25	9	6	22

Plan Offerings and Enrollment

Summary of 2024 Plan Offerings - Individual

- Silver enrollees with income between 0% and 250% of the Federal Poverty Level FPL are eligible for Cost Sharing Reductions (CSRs) on the exchange
- All enrollees are eligible for premium subsidies on the exchange with the extension of enhanced subsidies under the Inflation Reduction Act
- All Bronze plans offered on-exchange qualify as an expanded bronze plan



Individual Market	Permissible AV Range	Filed AV Range
Platinum	88%-92%	NA
Gold	78%-82%	78.0-82.0%
73% AV CSR	73%-74% ²	73.4-73.9%
87% AV CSR	87%-88%	87.0-87.4%
94% AV CSR	94%-95%	94.8-94.9%
Standard Silver	70%-72%	71.2-71.8%
Bronze	58%-65% ¹	62.7-64.9%

Plan Offerings and Enrollment

Enrollment Distribution by Metal Level

- Silver and Gold plans gained enrollment in 2023
- The percent of enrollees choosing the lowest premium option within a metal tier reversed its slide downward in 2023 in Gold and Bronze tiers.
- 87% of Enrollees were eligible for premium subsidies at the beginning of 2023

Metal Level	Distribution by Metal Tier				% of Enrollees in Lowest Cost Plan			
	2020	2021	2022	2023	2020	2021	2022	2023
Platinum	0%	0%	2%	2%	N/A	NA	100%	100%
Gold	7%	8%	12%	15%	17%	19%	14%	33%
Silver	45%	47%	48%	52%	81%	75%	70%	68%
Bronze	46%	44%	37%	30%	15%	16%	14%	20%
Catastrophic	2%	2%	1%	1%	90%	90%	87%	78%

Plan Offerings and Enrollment

Summary of 2024 Plan Offerings – Small Group

- Only one issuer is participating on the exchange in 2024, with 5 proposed plans
- No on-exchange plans are being discontinued in 2024
- All plans are available statewide
- Rate changes for 2024
 - Anthem*: The overall rate increase is 5.1% with plan specific rate changes varying from 0.0% to 11.7%. Increase reflects a mix of on and off exchange plans

	SHOP			
	2023	Disc.	New	2024
Bronze	2	0	0	2
Silver	2	0	0	2
Gold	1	0	0	1
Platinum	N/A	N/A	N/A	N/A
Total	5	0	0	5

Section 2

2024 Rate Changes

2024 Rate Changes

Individual Market Observations

- The weighted average rate increase for AHCT enrollees (before premium subsidies) is 8.5%. This rate change does not include the impact of aging
- Rate changes across all plan and area combinations range from -1.8% to 27.3%
- By county, average rates are increasing the most in Litchfield and New London
- By carrier, premium weighted rate changes average 5.5% for Anthem, 10.6% for CBI and 6.8% for CICI for continuing and cross-walked enrollees
- Silver plans continue to be loaded for the defunding of cost-sharing reductions
- Analysis Notes:
 - Wakely relied on rate filings and templates, as well as enrollment data, provided by AHCT as of September 2023
 - Rate changes in this section reflect premium changes from 2023 to 2024 based on carrier plan mappings provided to Wakely by AHCT as of September 2023
 - 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

*Average Increases reflect impact of plans being cross-walked to new plans if applicable.

2024 Rate Changes

Individual Market Observations

Rate Change Drivers

- Trend – combined medical and pharmacy cost and utilization trend ranges from 9.5-10.9%
- Ongoing COVID adjustments are -1.0% for 2024, reflecting reduced expectations for future costs after experience was normalized for treatment and vaccination costs.
- Minimal rate impacts were identified for the ending of the public health emergency
- Strengthened provision for risk and adverse experience
- 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 Loss Ratios (on & off exchange) had shown continued improvement in the State until the pandemic

Loss Ratio* On & Off Exchange	2019	2020	2021	2022
Anthem – Individual	88.7%	87.5%	93.3%	86.4%
CBI – Individual	86.2%	79.9%	99.0%	94.1%
CICI – Individual	82.4%	86.1%	82.7%	82.6%
Individual (State: CT)**	86.4%	82.7%	96.2%	92.1%

*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.

2024 Rate Changes

Individual Market Rate Changes by Plan with Mapping

Metal	Carrier	2023 Plan Name	2024 Plan Name	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham
Gold	Anthem	Gold HMO BlueCare Prime with Added Dental and Vision Benefits	Gold HMO Pathway Enhanced with Added Dental and Vision Benefits	8.8%	8.4%	13.1%	9.6%	9.6%	13.2%	8.3%	8.3%
Gold	Anthem	Gold HMO Pathway Enhanced Tiered	Gold HMO Pathway Enhanced with Added Dental and Vision Benefits	7.4%	7.1%	11.7%	8.3%	8.3%	11.8%	7.0%	7.0%
Gold	Anthem	Gold PPO Pathway with Added Dental and Vision Benefits	Gold PPO Pathway with Added Dental and Vision Benefits	7.5%	7.1%	11.7%	8.3%	8.3%	11.8%	7.0%	7.0%
Gold	Anthem	Gold PPO Standard Pathway	Gold PPO Standard Pathway	7.1%	6.7%	11.4%	8.0%	8.0%	11.5%	6.6%	6.6%
Gold	CBI	Choice Gold Alternative POS	Choice Gold Alternative POS	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%
Gold	CBI	Choice Gold Alternative POS with Dental	Choice Gold Alternative POS	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%
Gold	CBI	Choice Gold Standard POS	Choice Gold Standard POS	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%
Gold	CICI	FlexPOS Gold Standard	Value Gold Standard POS	20.0%	21.8%	22.2%	19.2%	16.8%	15.4%	24.2%	27.3%
Silver	Anthem	Silver PPO Standard Pathway	Silver PPO Standard Pathway	-0.1%	-0.4%	3.9%	0.7%	0.7%	4.0%	-0.5%	-0.5%
Silver	CBI	Choice Silver Standard POS	Choice Silver Standard POS	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%
Silver	CICI	FlexPOS Silver Standard	CBI: Choice Silver Standard POS	4.8%	2.9%	1.2%	-1.8%	5.0%	5.2%	0.0%	4.3%

2024 Rate Changes (Cont.)

Individual Market Rate Changes by Plan with Mapping

Metal	Carrier	2023 Plan Name	2024 Plan Name	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham
Bronze	Anthem	Bronze HMO BlueCare Prime with Added Dental and Vision Benefits	Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits	10.1%	9.7%	14.5%	11.0%	11.0%	14.6%	9.6%	9.6%
Bronze	Anthem	Bronze HMO Pathway Enhanced Tiered	Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits	5.5%	5.1%	9.7%	6.3%	6.3%	9.8%	5.0%	5.0%
Bronze	Anthem	Bronze PPO Pathway Enhanced Value PCP	Bronze PPO Pathway	7.8%	7.4%	12.1%	8.7%	8.7%	12.2%	7.3%	7.3%
Bronze	Anthem	Bronze PPO Standard Pathway	Bronze PPO Standard Pathway	6.0%	5.6%	10.2%	6.9%	6.9%	10.3%	5.5%	5.5%
Bronze	Anthem	Bronze PPO Standard Pathway for HSA	Bronze PPO Standard Pathway for HSA	3.3%	2.9%	7.4%	4.1%	4.1%	7.5%	2.8%	2.8%
Bronze	CBI	Choice Bronze Alternative POS with Dental	Choice Bronze Alternative POS with Dental	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%
Bronze	CBI	Choice Bronze Standard POS	Choice Bronze Standard POS	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%
Bronze	CBI	Choice Bronze Standard POS HSA	Choice Bronze Standard POS HSA	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Bronze	CICI	FlexPOS Bronze Standard	Value Bronze Standard POS	8.5%	10.2%	10.5%	7.8%	5.6%	4.4%	12.3%	15.2%
Bronze	CICI	FlexPOS Bronze Standard HSA	Value Bronze Standard POS HSA	8.2%	9.9%	10.3%	7.5%	5.3%	4.1%	12.0%	14.9%
Catastrophic	Anthem	Catastrophic HMO Pathway Enhanced	Catastrophic HMO Pathway Enhanced	5.5%	5.1%	9.7%	6.4%	6.4%	9.8%	5.0%	5.0%
Catastrophic	CBI	Choice Catastrophic POS with Dental	Choice Catastrophic POS with Dental	12.6%	12.6%	12.6%	12.6%	12.6%	12.6%	12.6%	12.6%

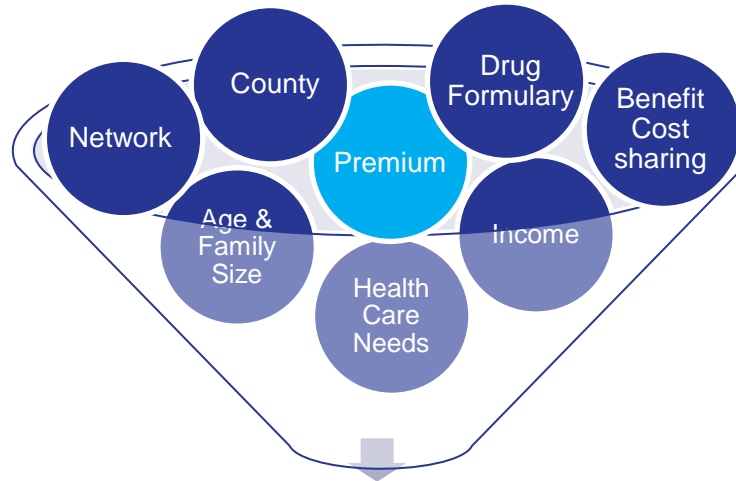
Section 3

Consumer Impact Analysis

Consumer Impact Analysis

Background

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



Plan Selection

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 Impact Analysis

Consumer Premiums

- Benchmark plan: Subsidy eligible households pay up to the defined % of income for the Essential Health Benefits (EHB) portion of benchmark premium, and pay the non-EHB premium amount as well
- Non-Benchmark plan: Consumers pay the amount above, plus/minus the difference between their selected plan and the benchmark
- Advanced payment of the Premium Tax Credit (APTC): federal government pays APTC directly to carrier, reducing consumer premium
- Starting July 1, 2021 under the Covered Connecticut program: For eligible consumers, the State of CT pays the consumer portion of premium (must be enrolled in Silver CSR plan) and consumer portion of cost-sharing amounts

Consumer Impact Analysis

Drivers of After Subsidy Rate Changes

- Change in plan premium relative to Second Lowest Silver premium
- Change in income, household size
- Updates to FPL
- IRS guidelines; Maximum Contribution % of Income
- Change in Second Lowest Silver plan/premium (next slide)
 - The benchmark plan carrier is changing in five of the eight counties
 - Benchmark premium change varies from 1.3% to 11.4% by county, excluding aging

Consumer Impact Analysis

Change in Benchmark Plan, Essential Health Benefits

County	2023 Enrollment in County	2023 Benchmark Plan		2024 Benchmark Plan		Benchmark Premium Change
		Issuer	Plan Name	Issuer	Plan Name	
Fairfield	36,859	CICI	FlexPOS Silver Standard	Anthem	Silver PPO Standard Pathway	5.2%
Hartford	24,067	CICI	FlexPOS Silver Standard	CBI	Choice Silver Standard POS	2.8%
Litchfield	7,592	Anthem	Silver PPO Standard Pathway	CBI	Choice Silver Standard POS	10.0%
Middlesex	5,751	Anthem	Silver PPO Standard Pathway	CBI	Choice Silver Standard POS	1.3%
New Haven	23,722	CICI	FlexPOS Silver Standard	CBI	Choice Silver Standard POS	5.0%
New London	7,519	CBI	Choice Silver Standard POS	CBI	Choice Silver Standard POS	11.4%
Tolland	3,870	CBI	Choice Silver Standard POS	CBI	Choice Silver Standard POS	11.4%
Windham	2,621	CBI	Choice Silver Standard POS	CBI	Choice Silver Standard POS	11.4%

Consumer Impact Analysis

Change in Benchmark Premium and Subsidies – Sample Household

- The next slide illustrates the change in the benchmark premium and premium subsidy amounts by county for a hypothetical household assuming enrollment in benchmark plan each year
 - Household: Michael is a single adult, age 44 as of 2023 with income of 300% FPL
- Results for other household scenarios will vary
- Key observations for sample household includes
 - Benchmark premiums are increasing by 9% on average
 - Average subsidies for this household are increasing by 9% across all counties and range from 4% to 15% by county

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

Consumer Impact Analysis

Change in Benchmark Premium and Subsidies – Sample Household

For single age 44 year old (45 in 2024) with income of 300% FPL (approximately \$40,770 in 2023, \$43,740 in 2024)

County	Enrollment Distribution by County	Monthly Benchmark Premium (Before Tax Credit)				Monthly Premium Subsidy-EHB Only				Net Monthly Benchmark Premium (After Tax Credit)			
		2023	2024	\$ Change	% Change	2023	2024	\$ Change	% Change	2023	2024	\$ Change	% Change
Fairfield	33%	\$740	\$802	\$63	8%	\$534	\$583	\$49	9%	\$206	\$219	\$13	6%
Hartford	21%	\$644	\$685	\$41	6%	\$438	\$464	\$25	6%	\$206	\$221	\$15	7%
Litchfield	7%	\$652	\$740	\$88	14%	\$445	\$519	\$74	17%	\$207	\$221	\$14	7%
Middlesex	5%	\$707	\$740	\$32	5%	\$500	\$519	\$18	4%	\$207	\$221	\$14	7%
New Haven	21%	\$682	\$740	\$58	9%	\$476	\$519	\$43	9%	\$206	\$221	\$15	7%
New London	7%	\$643	\$740	\$97	15%	\$437	\$519	\$82	19%	\$206	\$221	\$15	7%
Tolland	3%	\$643	\$740	\$97	15%	\$437	\$519	\$82	19%	\$206	\$221	\$15	7%
Windham	2%	\$643	\$740	\$97	15%	\$437	\$519	\$82	19%	\$206	\$221	\$15	7%
TOTAL	100%	\$687	\$749	\$61	9%	\$481	\$528	\$47	10%	\$206	\$220	\$14	7%

Consumer Impact Analysis

Weighted Average Premium Changes – 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 2023 to 2024 before subsidies
- The second panel of numbers shows the after-subsidy monthly rate change from 2023 to 2024
- The third panel shows the monthly rate change if the household moves to the 2024 lowest cost plan
- Results will vary for other household scenarios

Consumer Impact Analysis

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

For single age 44 year old (45 in 2024) with income of 300% FPL (approximately \$40,770 in 2023, \$43,740 in 2024)
 Enrolled in the lowest cost silver plan for 2023

County	Lowest Cost Silver Plan		Auto Renew Before Tax Credit			Auto Renew After Tax Credit			Active Renew After Tax Credit – Shop to 2024 Lowest Silver Option		
	2023	2024	2023	2024	Change	2023	2024	Change	2023	2024	Change
Fairfield	Choice Silver Standard POS	Choice Silver Standard POS	\$696	\$801	15%	\$162	\$218	35%	\$162	\$218	35%
Hartford	Choice Silver Standard POS	Silver PPO Standard Pathway	\$594	\$685	15%	\$156	\$221	41%	\$156	\$207	33%
Litchfield	Choice Silver Standard POS	Silver PPO Standard Pathway	\$643	\$740	15%	\$197	\$221	12%	\$197	\$181	-8%
Middlesex	Choice Silver Standard POS	Silver PPO Standard Pathway	\$642	\$740	15%	\$142	\$221	56%	\$142	\$218	54%
New Haven	Choice Silver Standard POS	Silver PPO Standard Pathway	\$642	\$740	15%	\$166	\$221	33%	\$166	\$218	31%
New London	Silver PPO Standard Pathway	Silver PPO Standard Pathway	\$624	\$671	8%	\$187	\$152	-19%	\$187	\$152	-19%
Tolland	Silver PPO Standard Pathway	Silver PPO Standard Pathway	\$624	\$642	3%	\$187	\$123	-35%	\$187	\$123	-35%
Windham	Silver PPO Standard Pathway	Silver PPO Standard Pathway	\$624	\$642	3%	\$187	\$123	-35%	\$187	\$123	-35%

Consumer Impact Analysis

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

For single age 44 year old (45 in 2024) with income of 300% FPL (approximately \$40,770 in 2023, \$43,740 in 2024)
Enrolled in the lowest cost bronze plan for 2023

County	Lowest Cost Bronze Plan		Auto Renew Before Tax Credit			Auto Renew After Tax Credit			Active Renew After Tax Credit – Shop to 2024 Lowest Bronze Option		
	2023	2024	2023	2024	Change	2023	2024	Change	2023	2024	Change
Fairfield	Choice Bronze Standard POS HSA	Choice Bronze Standard POS HSA	\$618	\$696	13%	\$84	\$113	34%	\$84	\$113	34%
Hartford	Bronze HMO BlueCare Prime with Added Dental and Vision Benefits	Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits	\$521	\$591	13%	\$83	\$127	53%	\$83	\$127	53%
Litchfield	Bronze HMO BlueCare Prime with Added Dental and Vision Benefits	Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits	\$521	\$617	18%	\$76	\$98	28%	\$76	\$98	28%
Middlesex	Bronze HMO BlueCare Prime with Added Dental and Vision Benefits	Choice Bronze Standard POS HSA	\$566	\$649	15%	\$65	\$130	99%	\$65	\$124	90%
New Haven	Bronze HMO BlueCare Prime with Added Dental and Vision Benefits	Choice Bronze Standard POS HSA	\$566	\$649	15%	\$90	\$130	45%	\$90	\$124	38%
New London	Bronze HMO BlueCare Prime with Added Dental and Vision Benefits	Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits	\$499	\$591	18%	\$62	\$72	15%	\$62	\$72	15%
Tolland	Bronze HMO BlueCare Prime with Added Dental and Vision Benefits	Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits	\$499	\$565	13%	\$62	\$46	-26%	\$62	\$46	-26%
Windham	Bronze HMO BlueCare Prime with Added Dental and Vision Benefits	Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits	\$499	\$565	13%	\$62	\$46	-26%	\$62	\$46	-26%

Consumer Impact Analysis

Simplified 2023 Renewal Example

- Ted is 29 in 2024 (28 in 2023), single, lives in Fairfield and has an annual income in 2023 of roughly \$27,180 or 200% FPL (\$29,160 in 2024)
 - Ted's subsidy calculation is based on his income, the “maximum contribution % 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 2024 from \$529 to \$573
- Ted enrolled in the lowest cost silver plan in 2023 so he could get cost sharing reductions at an 87% actuarial value
- Ted has an increase in the before subsidy premium of \$80, the after subsidy premium increase is \$36
- Ted could choose to switch to the lowest cost bronze plan and have a \$1 monthly premium after subsidies, but he will be forgoing the 87% cost-sharing reduction subsidies he is eligible to receive

Consumer Impact Analysis

Simplified 2024 Renewal Example

	2023	2024	2024	2024
	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	\$541	\$621	\$602	\$540
Subsidy	\$529	\$573		
Rates After Subsidy	\$12	\$48	\$29	\$1
\$ Change		\$36	\$17	-\$11
% Change		200%	141%	-92%
Average Out-of-Pocket per Month (WACA*, Northeast, 25-29)	\$15	\$15	\$69	\$67

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 2021 Edge Servers from participating issuers.

Consumer Impact Analysis

Simplified 2024 Renewal Example

- Karen is 56 in 2024 (55 in 2023), single, lives in Fairfield and has an annual income of \$65,000 in 2023 which is above the 400% FPL threshold (\$58,320 in 2024)
 - Karen is eligible for subsidies under the extension of the enhanced subsidies under the Inflation Reduction Act which limit her premium costs to 8.5% of her income
- Karen enrolled in the lowest cost silver plan in 2023
- The plan has an increase in the before subsidy premium rate of \$118
- Karen could choose to switch to the lowest cost bronze plan to minimize her rate increase in 2024

Consumer Impact Analysis

Simplified 2024 Renewal Example

	2023	2024	2024	2024
	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)
Rates Before Subsidy	\$1,110	\$1,294	\$1,254	\$1,125
Subsidy	\$717	\$835	\$835	\$835
Rates After Subsidy	\$393	\$388	\$348	\$219
\$ Change		-\$5	-\$45	-\$174
% Change		-1%	-11%	-44%
Average Out-of-Pocket per Month (WACA*, Northeast, 55-59)	\$114	\$114	\$99	\$123

Reference to "lowest cost" reflects premium rate only.

*Wakely ACA Database ("WACA") contains detailed claims, eligibility and premium data from 2021 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 2024 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.

ACA Policy/Legal Update Questions

Future Agenda Items Reference Only

Adjournment

Next Meeting of the Board:

Regular Meeting: November 16, 2023