



Access Health Connecticut

October 17, 2024, 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 19, 2024 Regular Meeting Minutes**

CEO Report

James Michel

Open Enrollment 12 Update

OE 12 Technology Update

OE12 Readiness for Technology:

- Our pre-OE release (Release 44) for our eligibility and enrollment system, HIX, was successfully deployed on 10/4.
- Consumers aging out of catastrophic health coverage can be autorenewed and cross-walked into other coverage for the first time.
- Improved and updated renewal options display for qualified health plans (QHPs) on the Account Homepage to improve the customer experience.
- Deferred Action for Childhood Arrival (DACA) recipients will be eligible for the first time to enroll in QHP coverage through AHCT.
- **AHCT is projecting the following number of enrollments for OE12:**
 - QHP (inclusive of the Covered Connecticut program): 150,199
 - Covered CT: 44,136
 - Dental: 14,526

OE 12 Marketing Update

OE12 Readiness Report for Marketing:

- **Activating focus group feedback to refine an advertising campaign concept and assets, including content for broadcast (TV/radio), print, out-of-home (billboards, posters), digital (display, native, social media and paid search), and others.**
- **Finalizing the media plan, including targeted placements to reach our audience with special attention to underserved, uninsured and underinsured communities (aligns with Health Equity & Outreach targets for in-person events).**
- **Preparing PR strategy, including messaging, press releases, media alerts and potential press conferences.**
- **Drafting direct-to-consumer content (direct mail, email and SMS/text messages) to encourage online account creation, opt-in for email and SMS, renewal information for retention, and ongoing acquisition direct mailers for Connecticut residents who may qualify for Covered CT.**
- **Produced website content relevant for OE timeframe, as well as website updates, including the ability for eligible Connecticut residents with Deferred Action for Childhood Arrivals (DACA) status to enroll in a Qualified Health Plan starting November 1.**
 - DACA materials are ready and posted to the AHCT website and a flyer has been distributed to Brokers, Certified Application Counselors (CACs) and other Community Partners to help extend the reach of messaging.

OE 12 Health Equity and Outreach Update

OE12 Readiness for Health Equity and Outreach:

- **Virtual Healthy Chats**
 - Informational sessions open to the public, the third Wed. of every month, from 6-7 PM
- **Community Partner Chat and Learn Zoom meetings**
 - First Thursday of the month
- **In-person help from Enrollment Specialists and Brokers at Enrollment Fairs, Libraries & Navigator Organizations**
 - 25 fairs planned between Nov and Jan
 - Annual Community Conference took place on 10/16/24 in Waterbury
 - 5 Navigator organizations
 - East Hartford and Stamford Public Libraries

Rate Review and Consumer Impact Analysis Report

PRESENTED BY

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Going Beyond the Numbers

Agenda

Plan Offerings and Enrollment

2025 Rate Changes

Consumer Impact Analysis

Wakely was retained by AccessHealth CT (AHCT) to perform the following services related to 2025 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

Plan Offerings and Enrollment

Plan Offerings and Enrollment

Summary of 2025 Plan Offerings - Individual

| | Individual Market | | | |
|--------------|-------------------|----------|----------|-----------|
| | 2024 | Disc. | New | 2025 |
| Catastrophic | 2 | 0 | 0 | 2 |
| Bronze | 10 | 0 | 0 | 10 |
| Silver | 3 | 0 | 0 | 3 |
| Gold | 7 | 0 | 0 | 7 |
| Platinum | 0 | 0 | 0 | 0 |
| Total | 22 | 0 | 0 | 22 |

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 2025.

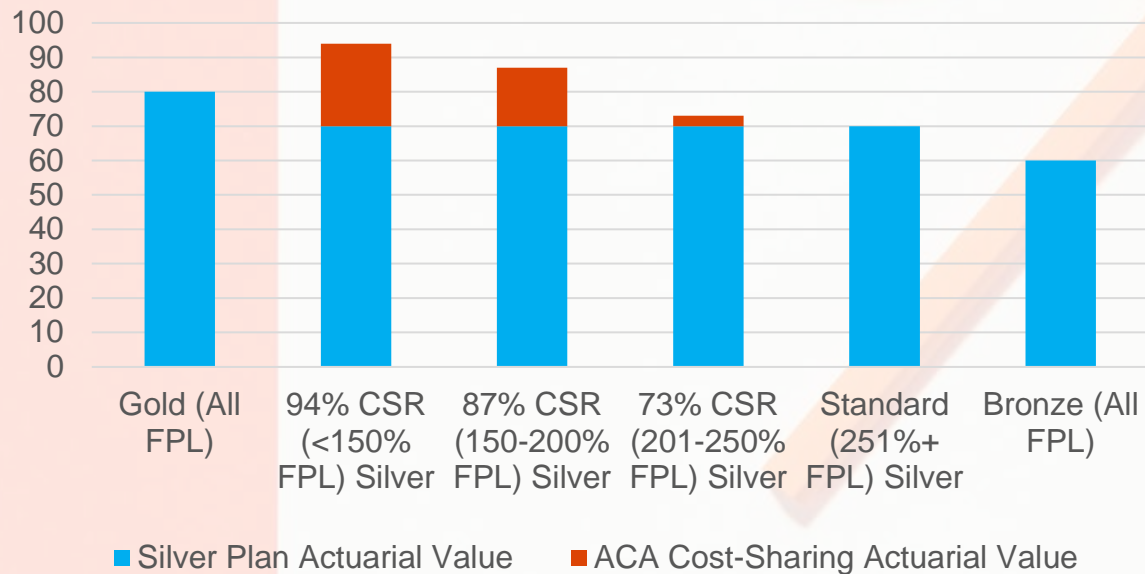
All plans are available statewide

Plan Offerings

Summary of 2025 Plan Offerings - Individual

- Silver enrollees with income up to 250% of the Federal Poverty Level FPL are eligible for Cost Sharing Reductions (CSRs) on the exchange
- With the extension of enhanced subsidies under the Inflation Reduction Act, there is no income cap for premium subsidies on the exchange.
- All Bronze plans offered on-exchange qualify as an expanded bronze plan

On-Exchange Cost Sharing Options by Federal Poverty Level (FPL)



| Individual Market | Permissible AV Range | Filed AV Range |
|-------------------|----------------------|----------------|
| Platinum | 88%-92% | NA |
| Gold | 78%-82% | 78.0%-80.6% |
| 94% AV CSR | 94%-95% | 94.3%-94.9% |
| 87% AV CSR | 87%-88% | 87.0%-88.0% |
| 73% AV CSR | 73%-74% ² | 73.0%-73.3% |
| Standard Silver | 70%-72% | 70.3%-70.7% |
| Bronze | 58%-65% ¹ | 61.6%-64.5% |

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 Enrollment

Enrollment Distribution by Metal Level

| Metal Level | Distribution by Metal Tier | | | | % of Enrollees in Lowest Cost Plan | | | |
|--------------|----------------------------|------|------|------|------------------------------------|------|------|------|
| | 2021 | 2022 | 2023 | 2024 | 2021 | 2022 | 2023 | 2024 |
| Platinum | 0% | 2% | 2% | 0% | NA | 100% | 100% | NA |
| Gold | 8% | 12% | 15% | 17% | 19% | 14% | 33% | 10% |
| Silver | 47% | 48% | 52% | 58% | 75% | 70% | 68% | 56% |
| Bronze | 44% | 37% | 30% | 24% | 16% | 14% | 20% | 27% |
| Catastrophic | 2% | 1% | 1% | 1% | 90% | 87% | 78% | 73% |

Silver and Gold plans gained enrollment in 2024

- The percent of enrollees choosing the lowest premium option within a metal tier continued its slide downward in 2024 in Gold and Silver tiers.
- 89.6% of Enrollees were eligible for premium subsidies as of September 2024

Plan Offerings

Summary of 2025 Plan Offerings – Small Group

| | SHOP | | | |
|--------------|----------|----------|----------|----------|
| | 2024 | Disc. | New | 2025 |
| Bronze | 2 | 0 | 0 | 2 |
| Silver | 2 | 0 | 0 | 2 |
| Gold | 1 | 0 | 0 | 1 |
| Platinum | N/A | N/A | 1 | 1 |
| Total | 5 | 0 | 1 | 6 |

Only one carrier is participating on the exchange in 2025, with 6 proposed plans

All plans are available statewide

2025 Rate Changes

- Rate changes in this section reflect premium changes from 2024 to 2025 based on carrier plan mappings, rate filings, templates, and enrollment data provided to Wakely by AHCT as of September 2024
- 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

2025 Rate Changes

Individual Market Observations

The weighted average rate increase for AHCT enrollees (before premium subsidies) is 5.7%. This rate change does not include the impact of aging.

Rate changes across all plan and area combinations range from 1.5% to 15.4%.

By issuer, premium weighted rate changes average 6.4% for Anthem, 5.1% for CBI and 11.8% for CICI for continuing and cross-walked enrollees.

Silver plans continue to be loaded for the defunding of cost-sharing reductions.

2025 Rate Change Drivers

Individual Market Observations

Trend – combined medical and pharmacy cost and utilization trend ranges from 9.6-10.0%

Experience – changing with shifting enrollment and mix with Public Health Emergency End

Increased Administrative Costs

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 carriers for 60% of paid claims over \$1 million

2025 Rate Changes

Individual Market Rate Changes by Plan with Mapping

| Metal | issuer | 2024 Plan Name | 2025 Plan Name | All Counties |
|--------|--------|---|---|--------------|
| Gold | Anthem | Gold HMO Pathway Enhanced with Added Dental and Vision Benefits | Gold HMO Pathway Enhanced with Adult Dental and Vision Benefits | 15.0% |
| Gold | Anthem | Gold PPO Pathway | Gold PPO Pathway | 15.4% |
| Gold | Anthem | Gold PPO Pathway with Added Dental and Vision Benefits | Gold PPO Pathway with Adult Dental and Vision Benefits | 15.1% |
| Gold | Anthem | Gold PPO Standard Pathway | Gold PPO Standard Pathway | 5.2% |
| Gold | CBI | Choice Gold Alternative POS | Choice Gold Alternative POS | 5.0% |
| Gold | CBI | Choice Gold Standard POS | Choice Gold Standard POS | 4.9% |
| Gold | CICI | Value Gold Standard POS | Value Gold Standard POS | 11.7% |
| Silver | Anthem | Silver PPO Standard Pathway | Silver PPO Standard Pathway | 2.0% |
| Silver | CBI | Choice Silver Standard POS | Choice Silver Standard POS | 4.9% |
| Silver | CICI | Value Silver Standard POS | Value Silver Standard POS | 11.8% |

2025 Rate Changes (Cont.)

Individual Market Rate Changes by Plan with Mapping

| Metal | Carrier | 2024 Plan Name | 2025 Plan Name | All Counties |
|--------------|---------|---|---|--------------|
| Bronze | Anthem | Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | 2.2% |
| Bronze | Anthem | Bronze PPO Pathway (plan continuing as HSA, existing members transition to non-HSA option) | Bronze PPO Pathway HSA | 1.5% |
| | | | Bronze PPO Pathway with Added Dental and Vision Benefits | 3.2% |
| Bronze | Anthem | Bronze PPO Pathway with Added Dental and Vision Benefits | Bronze PPO Pathway with Adult Dental and Vision Benefits | 2.3% |
| Bronze | Anthem | Bronze PPO Standard Pathway | Bronze PPO Standard Pathway | 1.9% |
| Bronze | Anthem | Bronze PPO Standard Pathway for HSA | Bronze PPO Standard Pathway HSA | 3.7% |
| Bronze | CBI | Choice Bronze Alternative POS with Dental | Choice Bronze Alternative POS with Dental | 5.2% |
| Bronze | CBI | Choice Bronze Standard POS | Choice Bronze Standard POS | 6.6% |
| Bronze | CBI | Choice Bronze Standard POS HSA | Choice Bronze Standard POS HSA | 4.5% |
| Bronze | CICI | Value Bronze Standard POS | Value Bronze Standard POS | 13.6% |
| Bronze | CICI | Value Bronze Standard POS HSA | Value Bronze Standard POS HSA | 11.4% |
| Catastrophic | Anthem | Catastrophic HMO Pathway Enhanced | Catastrophic HMO Pathway Enhanced | 6.4% |
| Catastrophic | CBI | Choice Catastrophic POS with Dental | Choice Catastrophic POS with Dental | 4.1% |

2025 Rate Changes

Small Group Market Observations

No plans are being discontinued in 2025

Rate changes for 2025

- Anthem*: The overall rate increase is 9.2% with plan specific rate changes varying from 3.6% to 14.5%.
- Increase reflects a mix of on and off exchange plans

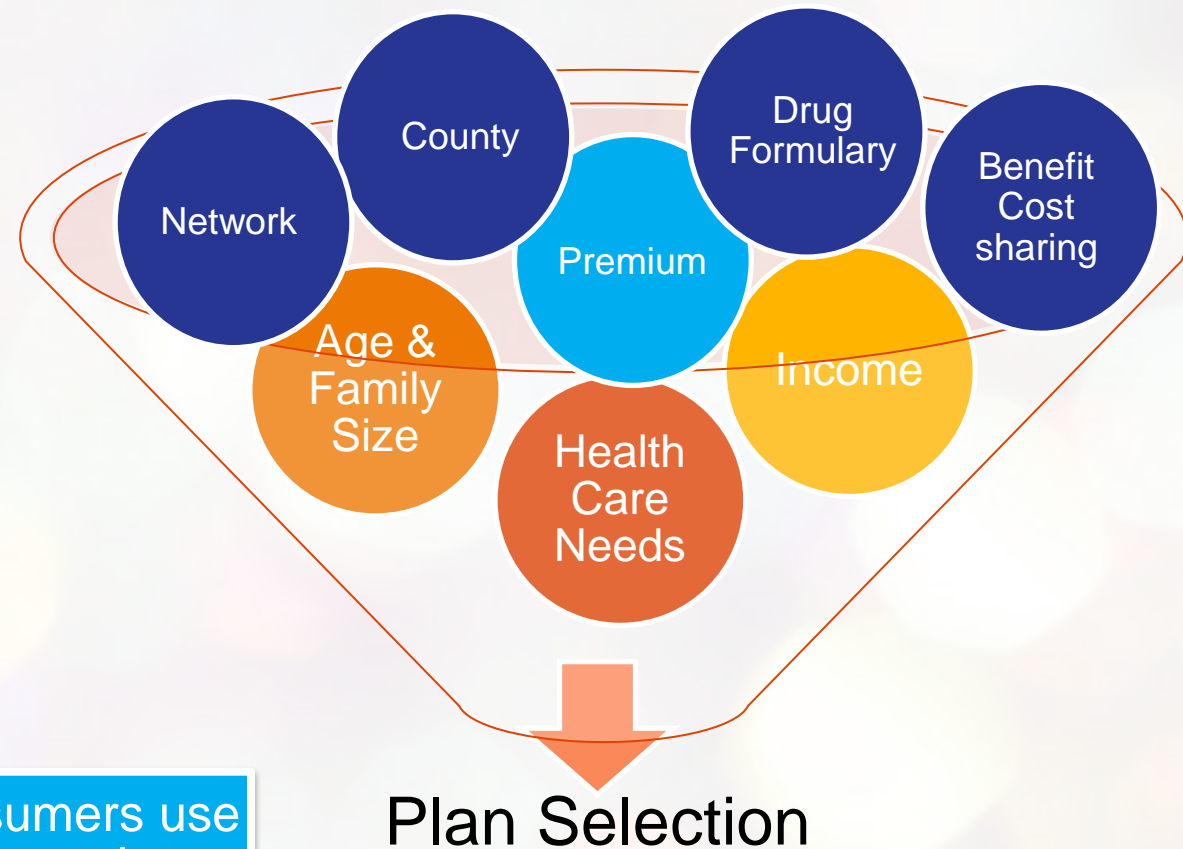
*Average Increases from Connecticut Insurance Department.



Consumer Impact Analysis

Consumer Impact Analysis

Background



There are many considerations consumers use to select the best plan option 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 above

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

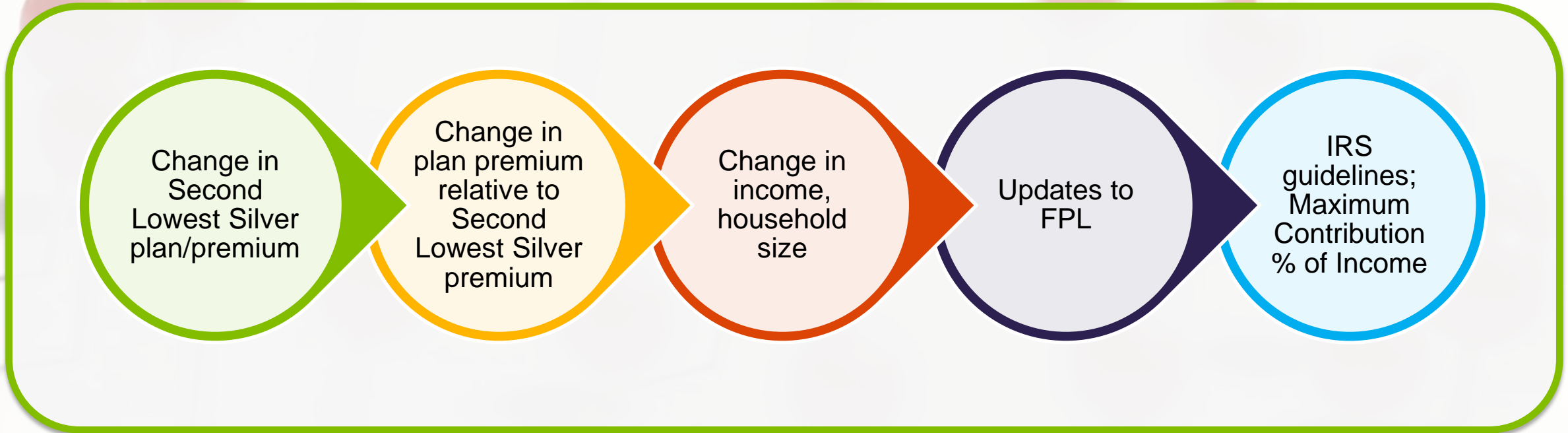
Non-Benchmark plan: Consumers pay the amount above, plus/minus the difference between their selected plan and the benchmark

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



Key Observations
(next slide)

- The benchmark plan carrier is changing in only one county—Fairfield
- Benchmark premium change varies from 4.6% to 5.0% by county

Consumer Impact Analysis

Change in Benchmark Plan, Essential Health Benefits

*The change in the benchmark (second lowest cost silver plan) by county assuming no aging

| | | 2024 Benchmark Plan | | 2025 Benchmark Plan | | |
|------------|---------------------------|---------------------|-----------------------------|---------------------|----------------------------|--------------------------|
| County | 2024 Enrollment in County | Carrier | Plan Name | Carrier | Plan Name | Benchmark Premium Change |
| Fairfield | 43,790 | Anthem | Silver PPO Standard Pathway | CBI | Choice Silver Standard POS | 4.6% |
| Hartford | 30,007 | CBI | Choice Silver Standard POS | CBI | Choice Silver Standard POS | 5.0% |
| Litchfield | 9,026 | CBI | Choice Silver Standard POS | CBI | Choice Silver Standard POS | 5.0% |
| Middlesex | 6,677 | CBI | Choice Silver Standard POS | CBI | Choice Silver Standard POS | 5.0% |
| New Haven | 29,614 | CBI | Choice Silver Standard POS | CBI | Choice Silver Standard POS | 5.0% |
| New London | 9,270 | CBI | Choice Silver Standard POS | CBI | Choice Silver Standard POS | 5.0% |
| Tolland | 4,643 | CBI | Choice Silver Standard POS | CBI | Choice Silver Standard POS | 5.0% |
| Windham | 3,358 | CBI | Choice Silver Standard POS | CBI | Choice Silver Standard POS | 5.0% |

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 2024 with income of 300% FPL

Results for other household scenarios will vary

Key observations for sample household includes

- Benchmark premiums are increasing by 8% on average
- Average subsidies for this household are increasing by 11% across all counties and range from 10% to 11% by county

Consumer Impact Analysis

Change in Benchmark Premium and Subsidies – Sample Household

For single age 44-year-old (45 in 2025) with income of 300% FPL (approximately \$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) | | | |
|--------------|-----------------------------------|---|--------------|-------------|-----------|----------------------------------|--------------|-------------|------------|--|--------------|------------|-----------|
| | | 2024 | 2025 | \$ Change | % Change | 2024 | 2025 | \$ Change | % Change | 2024 | 2025 | \$ Change | % Change |
| Fairfield | 32% | \$776 | \$841 | \$65 | 8% | \$557 | \$613 | \$56 | 10% | \$219 | \$228 | \$9 | 4% |
| Hartford | 22% | \$662 | \$718 | \$56 | 8% | \$442 | \$491 | \$49 | 11% | \$221 | \$228 | \$7 | 3% |
| Litchfield | 7% | \$716 | \$777 | \$61 | 8% | \$495 | \$549 | \$54 | 11% | \$221 | \$228 | \$7 | 3% |
| Middlesex | 5% | \$716 | \$776 | \$61 | 8% | \$495 | \$548 | \$54 | 11% | \$221 | \$228 | \$7 | 3% |
| New Haven | 22% | \$716 | \$776 | \$61 | 8% | \$495 | \$548 | \$54 | 11% | \$221 | \$228 | \$7 | 3% |
| New London | 7% | \$716 | \$777 | \$61 | 8% | \$495 | \$549 | \$54 | 11% | \$221 | \$228 | \$7 | 3% |
| Tolland | 3% | \$716 | \$777 | \$61 | 8% | \$495 | \$549 | \$54 | 11% | \$221 | \$228 | \$7 | 3% |
| Windham | 2% | \$716 | \$777 | \$61 | 8% | \$495 | \$549 | \$54 | 11% | \$221 | \$228 | \$7 | 3% |
| TOTAL | 100% | \$723 | \$784 | \$61 | 8% | \$503 | \$557 | \$53 | 11% | \$220 | \$228 | \$8 | 3% |

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 2024 to 2025 before subsidies

The second panel of numbers shows the after-subsidy monthly rate change from 2024 to 2025

The third panel shows the monthly rate change if the household moves to the 2025 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 2025) with income of 300% FPL (approximately \$43,740 in 2024, \$45,180 in 2025) Enrolled in the lowest cost silver plan for 2024

| County | Lowest Cost Silver Plan | | Auto Renew Before Tax Credit | | | Auto Renew After Tax Credit | | | Active Renew After Tax Credit – Shop to 2025 Lowest Silver Option | | |
|------------|-----------------------------|-----------------------------|------------------------------|-------|--------|-----------------------------|-------|--------|---|-------|--------|
| | 2024 | 2025 | 2024 | 2025 | Change | 2024 | 2025 | Change | 2024 | 2025 | Change |
| Fairfield | Choice Silver Standard POS | Silver PPO Standard Pathway | \$775 | \$841 | 8% | \$218 | \$228 | 5% | \$218 | \$205 | -6% |
| Hartford | Silver PPO Standard Pathway | Silver PPO Standard Pathway | \$649 | \$684 | 5% | \$208 | \$193 | -7% | \$208 | \$193 | -7% |
| Litchfield | Silver PPO Standard Pathway | Silver PPO Standard Pathway | \$677 | \$714 | 5% | \$182 | \$165 | -9% | \$182 | \$165 | -9% |
| Middlesex | Silver PPO Standard Pathway | Silver PPO Standard Pathway | \$713 | \$751 | 5% | \$218 | \$203 | -7% | \$218 | \$203 | -7% |
| New Haven | Silver PPO Standard Pathway | Silver PPO Standard Pathway | \$713 | \$751 | 5% | \$218 | \$203 | -7% | \$218 | \$203 | -7% |
| New London | Silver PPO Standard Pathway | Silver PPO Standard Pathway | \$649 | \$684 | 5% | \$154 | \$135 | -12% | \$154 | \$135 | -12% |
| Tolland | Silver PPO Standard Pathway | Silver PPO Standard Pathway | \$621 | \$654 | 5% | \$126 | \$105 | -16% | \$126 | \$105 | -16% |
| Windham | Silver PPO Standard Pathway | Silver PPO Standard Pathway | \$621 | \$654 | 5% | \$126 | \$105 | -16% | \$126 | \$105 | -16% |

Consumer Impact Analysis

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

For single age 44-year-old (45 in 2025) with income of 300% FPL (approximately \$43,740 in 2024, \$45,180 in 2025) Enrolled in the lowest cost bronze plan for 2024

| County | Lowest Cost Bronze Plan | | Auto Renew Before Tax Credit | | | Auto Renew After Tax Credit | | | Active Renew After Tax Credit – Shop to 2025 Lowest Bronze Option | | |
|------------|---|---|------------------------------|-------|--------|-----------------------------|-------|--------|---|-------|--------|
| | 2024 | 2025 | 2024 | 2025 | Change | 2024 | 2025 | Change | 2024 | 2025 | Change |
| Fairfield | Choice Bronze Standard POS HSA | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | \$674 | \$728 | 8% | \$116 | \$115 | -1% | \$116 | \$110 | -6% |
| Hartford | Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | \$572 | \$604 | 6% | \$130 | \$114 | -13% | \$130 | \$114 | -13% |
| Litchfield | Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | \$597 | \$631 | 6% | \$102 | \$82 | -20% | \$102 | \$82 | -20% |
| Middlesex | Choice Bronze Standard POS HSA | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | \$622 | \$672 | 8% | \$127 | \$123 | -3% | \$127 | \$115 | -10% |
| New Haven | Choice Bronze Standard POS HSA | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | \$622 | \$672 | 8% | \$127 | \$123 | -3% | \$127 | \$115 | -10% |
| New London | Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | \$572 | \$604 | 6% | \$77 | \$55 | -28% | \$77 | \$55 | -28% |
| Tolland | Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | \$547 | \$578 | 6% | \$52 | \$29 | -44% | \$52 | \$29 | -44% |
| Windham | Bronze HMO Pathway Enhanced with Added Dental and Vision Benefits | Bronze HMO Pathway Enhanced with Adult Dental and Vision Benefits | \$547 | \$578 | 6% | \$52 | \$29 | -44% | \$52 | \$29 | -44% |

Consumer Impact Analysis

Simplified 2024 Renewal Example

Ted is 28 in 2024 (29 in 2025), single, lives in Fairfield and has an annual income in 2024 of roughly \$29,160 or 200% FPL (\$30,120 in 2025)

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 2025 from \$555 to \$600

Ted enrolled in the lowest cost silver plan in 2024 so he could get cost sharing reductions at an 87% actuarial value

Ted has an increase in the before subsidy premium of \$48, the after subsidy premium increase is \$3

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 2025 Renewal Example

| | 2024 | 2025 | 2025 | 2025 | 2025 |
|--|-------------------------------------|---|---|---|---|
| | Enrolled in lowest cost Silver plan | Auto Renewal: Same plan is NOT the lowest cost Silver option | Active Renewal: Select the lowest cost <u>Silver</u> Plan Available | 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 | \$603 | \$651 | \$634 | \$694 | \$560 |
| Subsidy | \$555 | \$600 | | | |
| Rates After Subsidy | \$48 | \$51 | \$34 | \$94 | \$1 |
| \$ Change | | \$3 | (\$14) | \$46 | (\$47) |
| % Change | | 6% | -29% | 96% | -98% |
| Average Out-of-Pocket per Month (WACA*, Northeast, 25-29) | \$30 | \$30 | \$30 | \$77 | \$71 |

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 2022 Edge Servers from participating carriers.

Consumer Impact Analysis

Simplified 2024 Renewal Example

Karen is 56 in 2025 (55 in 2024), single, lives in Fairfield and has an annual income of \$65,000 in 2024 which is above the 400% FPL threshold (\$60,240 in 2025)

Karen enrolled in the lowest cost silver plan in 2024

The plan has an increase in the before subsidy premium rate of \$121, the after subsidy premium increase is \$4

Karen could choose to switch to the lowest cost bronze plan to minimize her rate increase in 2025

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's income is assumed to remain flat at \$65,000 in 2025.

Consumer Impact Analysis

Simplified 2025 Renewal Example

| | 2024 | 2025 | 2025 | 2025 | 2025 |
|--|-------------------------------------|--|--|--|--|
| | Enrolled in lowest cost Silver plan | Auto Renewal: Same plan <u>is</u> <u>NOT</u> the lowest cost Silver option (On Exchange) | Active Renewal: Select the lowest cost Silver Plan Available (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 | \$1,237 | \$1,358 | \$1,322 | \$1,447 | \$1,167 |
| Subsidy | \$778 | \$895 | \$895 | \$895 | \$895 |
| Rates After Subsidy | \$459 | \$463 | \$427 | \$552 | \$272 |
| \$ Change | | \$4 | -\$32 | \$93 | -\$187 |
| % Change | | 1% | -7% | 20% | -41% |
| Average Out-of-Pocket per Month (WACA*, Northeast, 55-60) | \$124 | \$124 | \$124 | \$118 | \$132 |

Reference to “lowest cost” reflects premium rate only. *Wakely ACA Database (“WACA”) contains detailed claims, eligibility and premium data from 2022 Edge Servers from participating carriers.

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 2025 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.



Customer Impact Survey of the Affordable Care Act (ACA) in Connecticut

Coverage experience and health impact
among Qualified Health Plan (QHP) and
HUSKY D customers

October 17, 2024



Survey Objectives

What did we want to learn?

- Does coverage through AHCT work?
Has QHP or HUSKY D coverage over time impacted perceived health status and wellbeing?
- What ACA essential benefits are most valued and utilized?
- Are there any gaps in coverage and barriers to access and plan utilization?
- How can we improve?

Who did we survey?

Fielded in May 2024 to AHCT customers (QHP or HUSKY D coverage) for the past 5 years. Healthcare decision makers. 360 total respondents.

Respondents were:

- **59%** White, **24%** Hispanic, **8%** Black/AA
- **77%** English speaking, **20%** Spanish speaking, **3%** Eng/Span bilingual
- Skewed older with **68%** 45-64 years of age
- **59%** female
- **10%** had a child under the age of 18
- **65%** had a household income of \$50k or less with **44%** under \$25k, **22%** declined to share income
- **33%** wage earners, **23%** self-employed, **22%** unemployed, mix of retired, stay-at-home parent, student, did not respond
- **31%** were uninsured prior to obtaining a plan through AHCT

What did we find?

Among the study population, **we are fulfilling our mission. Access to coverage works.**

1 By multiple measures, loyal customers who choose, use, and stay with AHCT report **easier access to care, high levels of satisfaction, and improved health and wellbeing.** Most feel **their health would be much worse without coverage.**



97% agreed that knowing they are covered gives them a greater sense of safety and security.



96% agreed that having coverage has improved their general wellbeing.



80% agreed they are healthier now than they would be without this coverage.



79% say their health would be worse without their coverage.



89% agreed they are better able to access healthcare services due to this coverage.



82% agreed they are able to find healthcare professionals who take their plan.



74% agreed they use healthcare services more frequently because they have coverage.



76% felt their monthly premium was reasonable.

What did we find?

2 Among respondents, ACA essential benefits related to **regular health maintenance and preventative care were the most valued**, are highly utilized, and viewed as positively impacting health and wellbeing. This included preventative care, prescription drugs, lab tests, and emergency services where more than 8 out of 10 respondents noted these services as essential.

3 While access is easier for most, some customers did not use or were unable to use some coverage benefits. Reasons included **concerns about cost and inability to find a doctor that accepted their coverage**. Other concerns included mistrust of healthcare professionals, lack of transportation, and not knowing where to turn.

Reasons not able to get healthcare needed (N=43)

| | |
|---|-----|
| Could not find a doctor who took insurance | 47% |
| Worried about cost or ability to afford it | 44% |
| Don't have a doctor or know where to go | 21% |
| Don't trust or are afraid of doctors or medical professionals | 16% |
| Did not have transportation | 5% |
| Had difficulty finding someone who would speak my language | 2% |
| None of these | 14% |

Customer wish list

| | |
|-----------------------------------|-----|
| Dental and vision coverage | 22% |
| More expansive coverage | 12% |
| More providers who took insurance | 9% |
| Affordable premiums or copays | 8% |
| Access to alternative treatments | 7% |
| Better access to specialists | 5% |

Where do we go next?

Insights

Most consumers indicate that coverage is improving their health and having a positive impact on their lives.

Preventative care is highly valued. Those seeking family care may have difficulty with access.

Some customers desire easier access to more specialized care.

Some report difficulty finding health care professionals that accept their coverage; many are concerned about the cost of services.

Recommendations

Leverage positive sentiment; consider social influence in marketing and education efforts.

Continue to promote and reinforce essential health benefits, especially preventative care.

Assess availability of care services. Address any awareness gaps among targeted populations.

Provide and promote resources and increased support in finding and using care; provide cost information. Promote dental.

Help customers use their plan. Share additional clear information on what is covered in each plan (specialty services in particular).

Implementations

Focus Group feedback used to refine messaging and creative for marketing campaigns.

Expand outreach efforts to increase health literacy and address social determinants of health, with support from community partners.

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Release a revised approach to comparing plans and continue to refine. Share feedback with Department of Social Services for additional areas of opportunity.

ACA Policy/Legal Update

ACA Policy/Legal Update

- ***Braidwood v. Becerra***
 - 5th Circuit Court of Appeals decision
 - U.S. Preventative Services Task Force Recommendations held unconstitutional
 - Relief limited to named defendants and not national stay
 - Review of other recommendations back to lower court

ACA/Policy Legal Update

- **Potential extension of ARPA/IRA Enhanced Premium Tax Credit subsidies**
 - Joint SBM letter in support
 - Congressional support letters
 - Senate Finance Committee Hearing held in September
 - Need to build greater awareness of need to make permanent/extend

ACA/Policy Legal Update

- Draft Notice of Benefit and Payment Parameters (NBPP) for Plan Year 2026 released on October 4, 2024
- Comments due by November 12, 2024
- Final rule likely for January before new Administration takes office
- Builds on efforts to expand access to coverage while reducing administrative burdens and advancing health equity

Future Agenda Items Reference Only

Adjournment

Next Meeting of the Board:

Regular Meeting: November 21, 2024