



# Access Health CT

January 16, 2025, Board of Directors Regular Meeting

# Board Agenda

|   |        |
|---|--------|
| A. Call to Order and Introductions  |        |
| B. Public Comment.....  | 3      |
| C. Votes.....   | 4      |
| • Review and Approval of Minutes: <i>November 21, 2024, Regular Meeting Minutes</i> |        |
| • <i>Election of a Vice-Chair</i>   |        |
| • <i>Committee Membership</i>   |        |
| D. CEO Report.....  | 5      |
| E. Adverse Selection Report (Vote).....   | 6-24   |
| F. 2025 Open Enrollment Update.....   | 25- 28 |
| G. Possible Enhanced Subsidy Changes that may impact Connecticut Residents.....     | 29     |
| H. Individual Coverage Health Reimbursement Arrangements Update.....                | 30-31  |
| I. Health Plan Benefits and Qualifications Advisory Committee Update.....           | 32     |
| J. Medicaid Unwinding Update.....   | 33-43  |
| K. Future Agenda Items for Reference Only.....                                      | 44     |
| L. Adjournment.....   | 45     |

***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

# Votes

- **Review and Approval of Minutes: *November 21, 2024 Regular Meeting Minutes***
- ***Election of a Vice-Chair***
- ***Committee Membership***

# CEO Report

## James Michel

## *Adverse Selection Study*

### PRESENTED BY

Julie Andrews, FSA, MAAA  
[julie.andrews@wakely.com](mailto:julie.andrews@wakely.com)



Going Beyond the Numbers

# Introduction

Access Health  
Connecticut (AHCT)  
is required by  
legislation to:

- Report annually on the impact of adverse selection on the Exchange
- Provide recommendations to address any negative impact reported
- Provide recommendations to ensure sustainability of the Exchange

## Disclosures:

- Wakely was retained by Access Health CT (AHCT) to perform the adverse selection analysis.
- Wakely relied on data provided by others to complete this study. Data was reviewed for reasonability and appropriateness. The Study and results are intended to fulfill the legislative reporting requirements; any other use of this information may not be appropriate

# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

## Adverse Selection:

### 1 Defining

Defined as one segment of the market attracting enrollees with higher health risk than another segment of the market

### 2 Identifying

Identified by higher risk scores in one segment of the market than another

### 3 Measuring

- Measured by the difference in risk scores between market segments
- Measured by the difference in loss ratios between market segments (before and after risk adjustment transfer payments)



# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

## Quantitative Analysis

Analysis based on demographics, plan enrollment, claims experience, federal risk scores and risk adjustment transfer payments

## Qualitative Analysis

Subjective comments based on survey responses from carriers and other market data available to Wakely

# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting



## Nature of adverse selection:

- Impossible to completely remove adverse selection in any insurance market where there is a choice of coverage
- Impact of adverse selection can be created, managed or mitigated through regulation and policies

# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

## Other Adverse Selection Considerations

The past year has continued to bring changes to the individual and small group market that impact overall market selection not just the Exchange.

- PHE Medicaid Continuous Coverage Unwinding
- Covered CT Program
- Prospectively: Expiration of enhanced subsidies

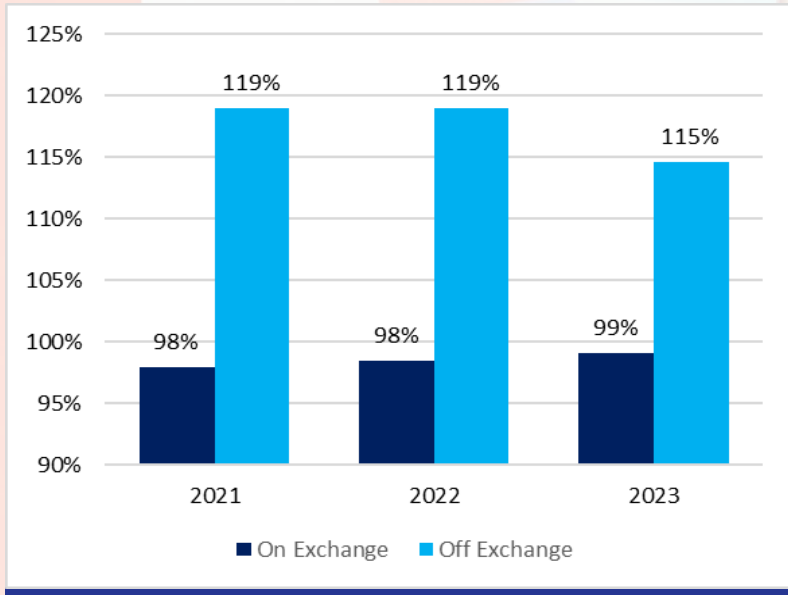


# On vs. Off Exchange

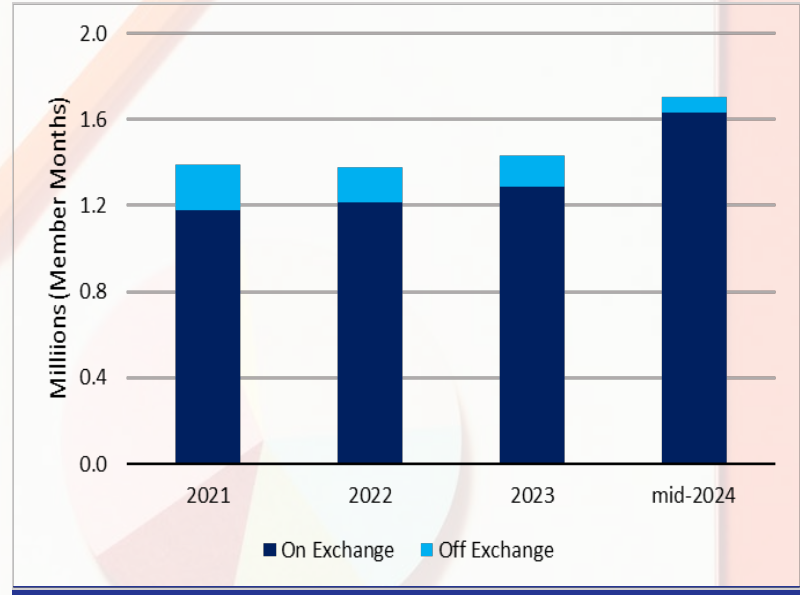
# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

**Individual Market On vs. Off Exchange:** The variation in risk for on vs. off Exchange has leveled off in 2022 after widening from 2020 to 2021.



**Risk Transfer Amounts as % of Statewide Premium (non-catastrophic metal tiers)**



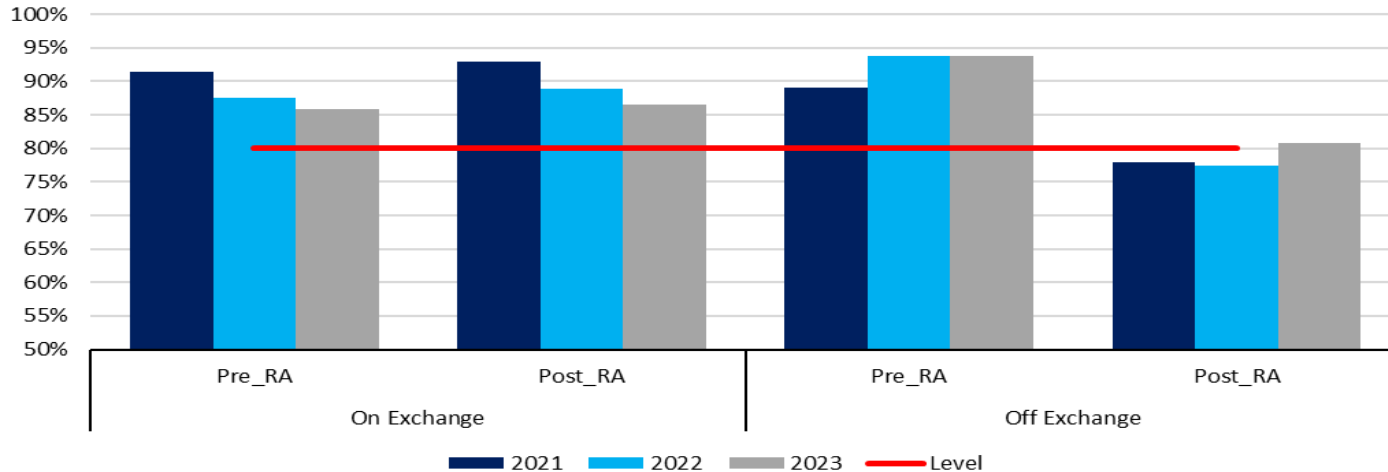
**Enrollment Exposure by Year (Member Months)\***

# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

**Individual Market On vs. Off Exchange:** Risk adjustment has been relatively efficient at leveling market risk.

- 2021 – Covid, ARPA, extended open enrollment periods, Covered CT program introduction
- 2022 – Covid, PHE, Covered CT expansion
- 2023 - PHE Unwinding



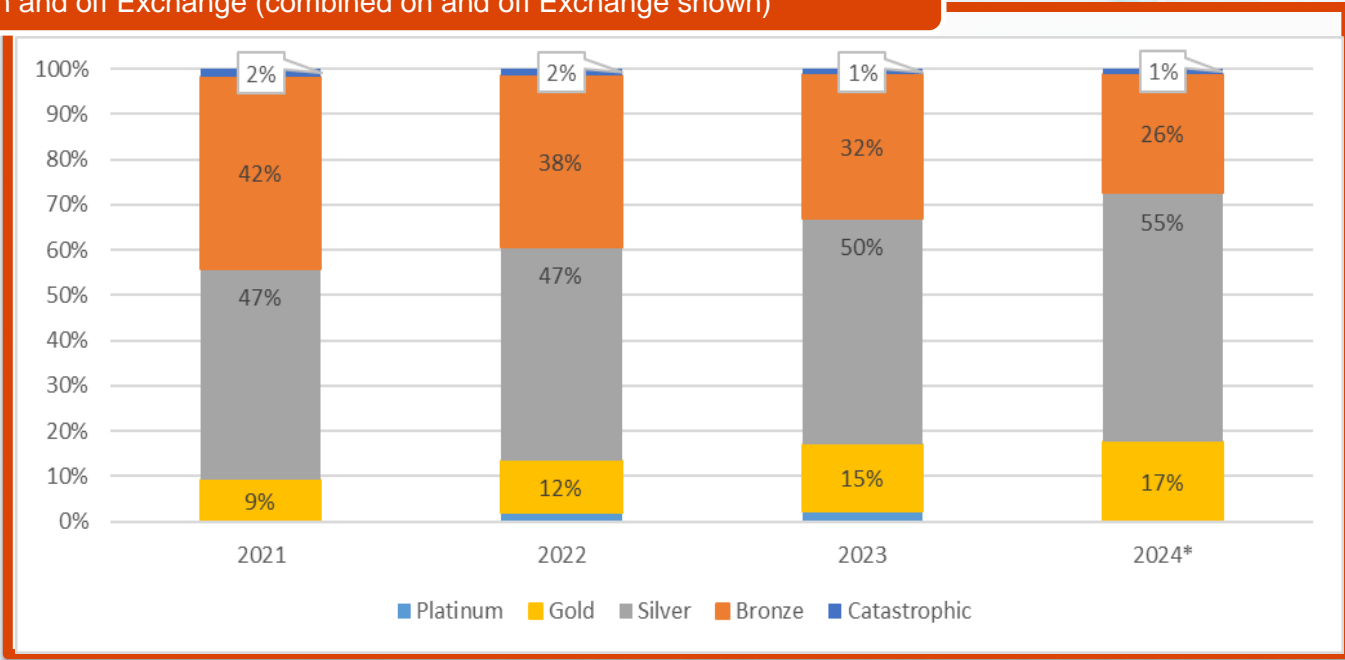
**Loss Ratios\*\***  
**Pre & Post Risk Adjustment**  
**(non-catastrophic metal tiers)**

\*\*Off Exchange refers to plans sold only off Exchange

# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

**Individual Metal Tier Enrollment Mix:** The mix of enrollment by metal tier has shifted on and off Exchange (combined on and off Exchange shown)



\*2024 Mix based on mid-year enrollment, 2021, 2022 & 2023 based on exposures.

# 2024 Adverse Selection Study

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**Individual Market On Exchange:** Issuers indicated potential adverse selection from events/changes with the potential to destabilize the market:

Special Enrollment Periods

Public Health Emergency

American Rescue Plan Act (ARPA), Inflation Reduction Act (IRA)

Covered Connecticut Program

**Conclusions: Individual Market On vs. Off Exchange**

Off Exchange risk scores relative to on Exchange scores have stabilized

Loss Ratios after consideration of risk adjustment transfers indicates that on Exchange enrollees are currently not financially disadvantaged.



# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

## Conclusions: Small Group Market On vs. Off Exchange

Similar to last year, small group on Exchange enrollment is low and not fully credible by metal tier

Can not make any conclusions regarding adverse selection

Low enrollment should be monitored outside context of adverse selection to ensure sustainability of market

# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

## Recommendations: On vs. Off Exchange Adverse Selection

Monitor overall market enrollment, as the individual off Exchange market continues to shrink

Review impact of special enrollment periods, limit use, and ensure eligibility validity

Advocate for permanence of enhanced subsidies for overall market stabilization.

Explore mechanisms for stabilizing the individual and small group markets (1332 Waivers)

# Self-funding

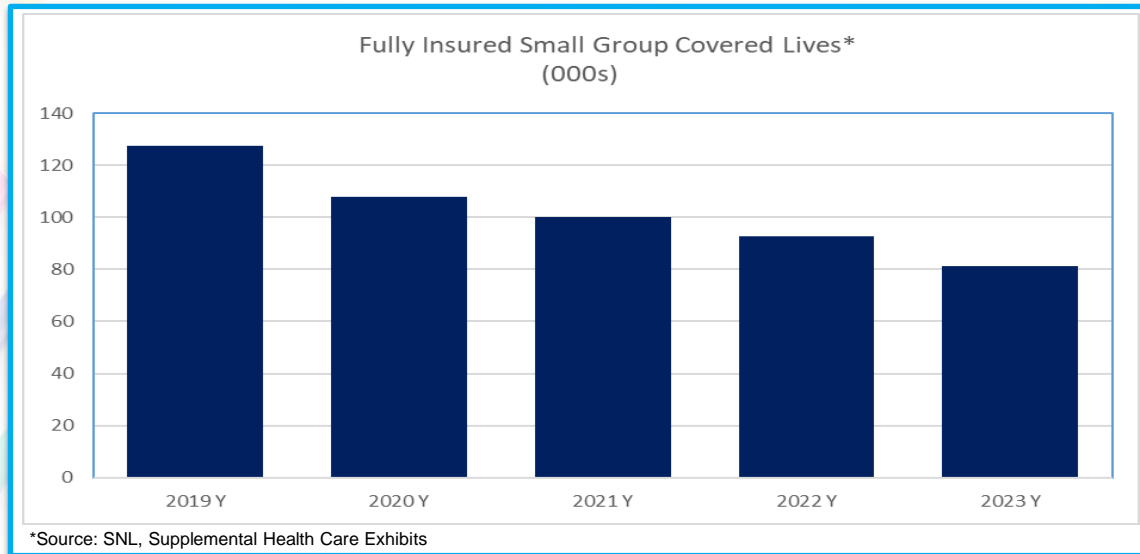
# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting

## Recommendations: On vs. Off Exchange Adverse Selection

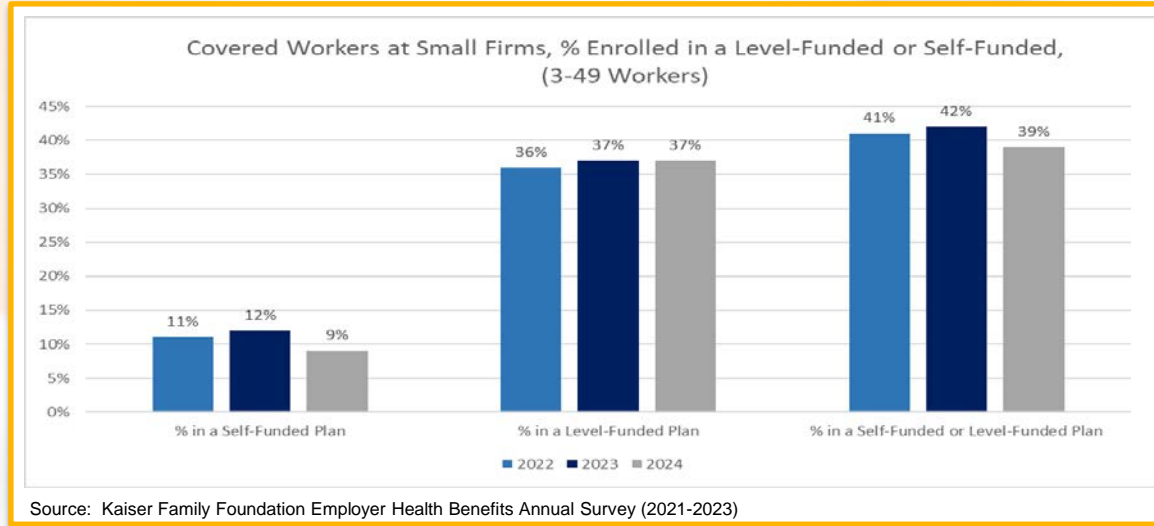
The fully insured small group market decreased by more than 10% as measured by covered lives in 2023. Reported mid-year 2024 enrollment indicates a further reduction.

Issuer exits in 2024 and 2025 will impact enrollment



# 2024 Adverse Selection Study

January 16, 2025 Board of Directors Meeting



## Impact of Self-Funding in the Small Group Market


- Connecticut data on small group self-funding prevalence is not readily available
- Survey results from carriers indicate an increasing interest
- Review national employer health benefit surveys

## Conclusions: Self-Funding in the Small Group Market

- Lack of credible or comparable data results in no clear conclusion whether there is adverse selection in the small group market

## Recommendations: Self-funding in Small Group Adverse Selection

- Closely monitor small group market to ensure healthier small groups do not move to a self-funded basis leading to adverse selection (i.e., healthier groups opting out of the fully insured risk pool to get lower, experience-based cost options)
- Monitor regulatory environment for impact of newly proposed regulations



Separate Attachment  
AHCT Adverse Selection Study Report  
January 16, 2025

# Vote



# 2025 Open Enrollment Update

# Open Enrollment 12 Update

- OE12 has yielded an ~88% retention rate from last OE for households enrolled in qualified health plans (QHPs).
- The call center received 194,000 calls this OE, 27% less than last year
- The call center received 23,000 chats, 10.5% less than last year
- AHCT had projected the following number of enrollments for OE12:
  - QHP (inclusive of the Covered Connecticut program): 150,199
  - Covered CT: 44,136
  - Dental: 14,526

# Open Enrollment – Start of OE12, 2024

|   | OE12   |
|---|--------|
| QHPs  | 14,125 |
| QHPs with APTCs                               | 57,326 |
| QHPs with APTCs and CSRs (without Covered CT) | 28,652 |
| Covered CT                                    | 38,564 |
| SADPs   | 12,289 |

*\*Enrollment numbers (individuals) snapshot as of 11/1/24.*

- *Total QHP enrollment for 2024 was 138,667*

# Open Enrollment - Individuals enrolled to date, year over year

|   | This year<br>(as of 1/9/25) | Last year<br>(as of 1/9/24) | % Change |
|---|-----------------------------|-----------------------------|----------|
| Retention<br><i>(enrolled in QHP as of 10/31)</i>         | 121,567                     | 100,080                     | 21.47%   |
| Acquisition<br><i>(not enrolled in a QHP as of 10/31)</i> | 24,791                      | 25,792                      | -3.88%   |
| Total QHP enrollment                                      | 146,358                     | 125,875                     | 16.27%   |
| Covered CT enrollment                                     | 40,164                      | 26,395                      | 52.17%   |
| Dental enrollment   | 18,211                      | 14,287                      | 27.47%   |

# Possible Enhanced Subsidy Changes that may impact Connecticut Residents

# Individual Coverage Health Reimbursement Arrangements Update

# Where Are We Now with ICHRA - Business Plus



Current state of ICHRA  
implementation

Next 90 Days

Where are we going

# Health Plan Benefits and Qualifications Advisory Committee Update



# Medicaid Unwinding

## Advertising Campaign Report

# Campaign Overview/Details

## Paid Campaign for Medicaid Unwinding Included:

- Display Ads
- Search Ads (Google/Bing)
- Social (Facebook/Instagram) ads
- Broadcast TV ads
- Streaming TV ads
- Radio Ads
- Print Ads
- Out-of-home Ads

The paid advertising campaign for Medicaid Unwinding ran for the following periods:

**June 16, 2023 –  
October 31, 2023**

**January 16, 2024 –  
March 31, 2024**

The campaign was paused during Open Enrollment

Budget pulled from reserves = \$1.2M for paid media

# Executive Summary

- **427,486** individuals were targeted for the Medicaid Unwinding campaign
- **348,444** of these individuals were successfully enrolled in a Qualified Health Plan (QHP), Covered CT or Medicaid/CHIP plan during the Unwinding period
- Amount Spent on the Unwinding campaign: **\$1,297,880**
- Cost per Enrollment: **\$3.04**
- Increase in web traffic vs. same period 2022-23: **279%**

Paid advertising and other marketing efforts directed at Medicaid Unwinding commenced on June 16, 2023 and concluded on March 31, 2024. The campaign was paused during Open Enrollment from October 31, 2023 through January 15, 2024.

# Web Traffic\*

MEDICAID UNWINDING  
April 1, 2023 – March 31, 2024

2,040,655

Sessions

1,625,04 (80%)

Organic Traffic

415,612 (20%)

Paid Traffic

PREVIOUS YEAR  
April 1, 2022 – March 31, 2023

732,001

Sessions

618,214 (84%)

Organic Traffic

113,787 (16%)

Paid Traffic

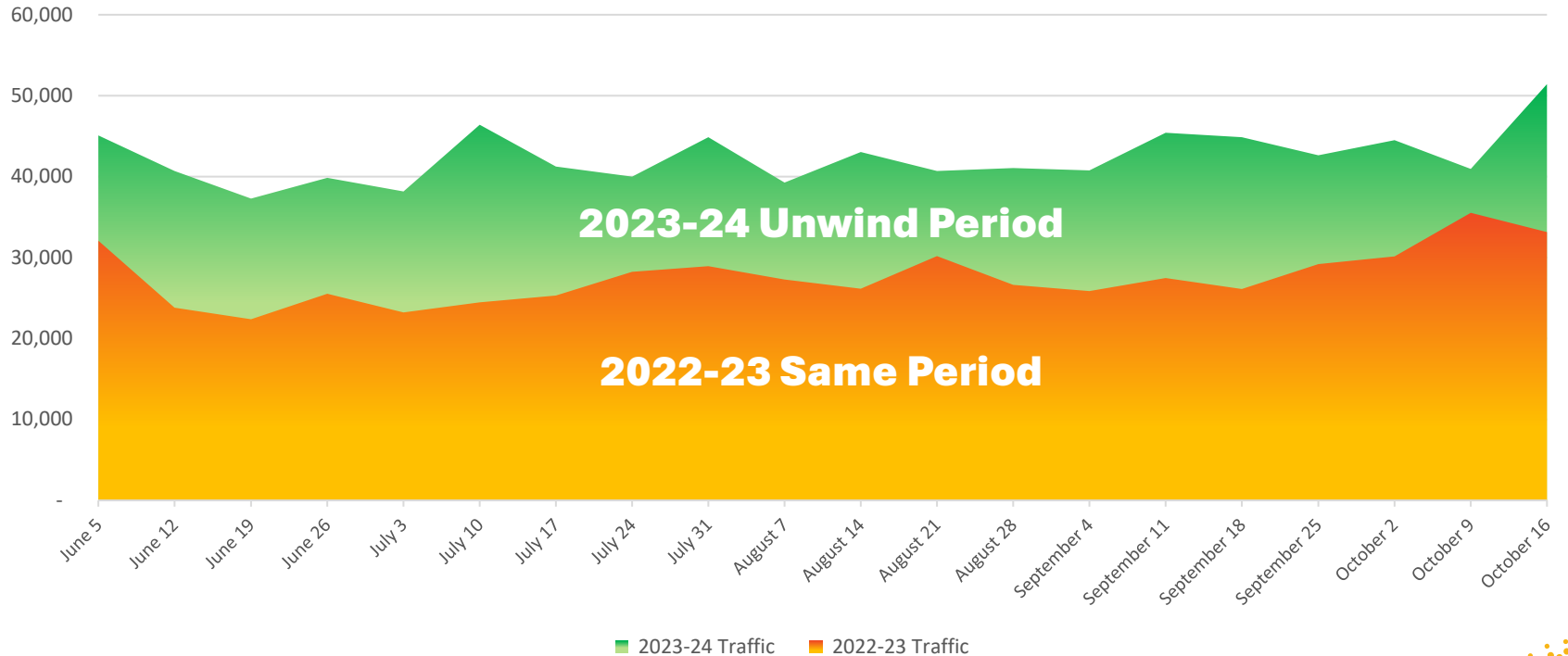
Web traffic during the Medicaid Unwinding period was 279% higher than it was the previous year.

\*Source: Google Analytics sessions report

\*Does not include traffic during Open Enrollment Period (November 1 – January 15)

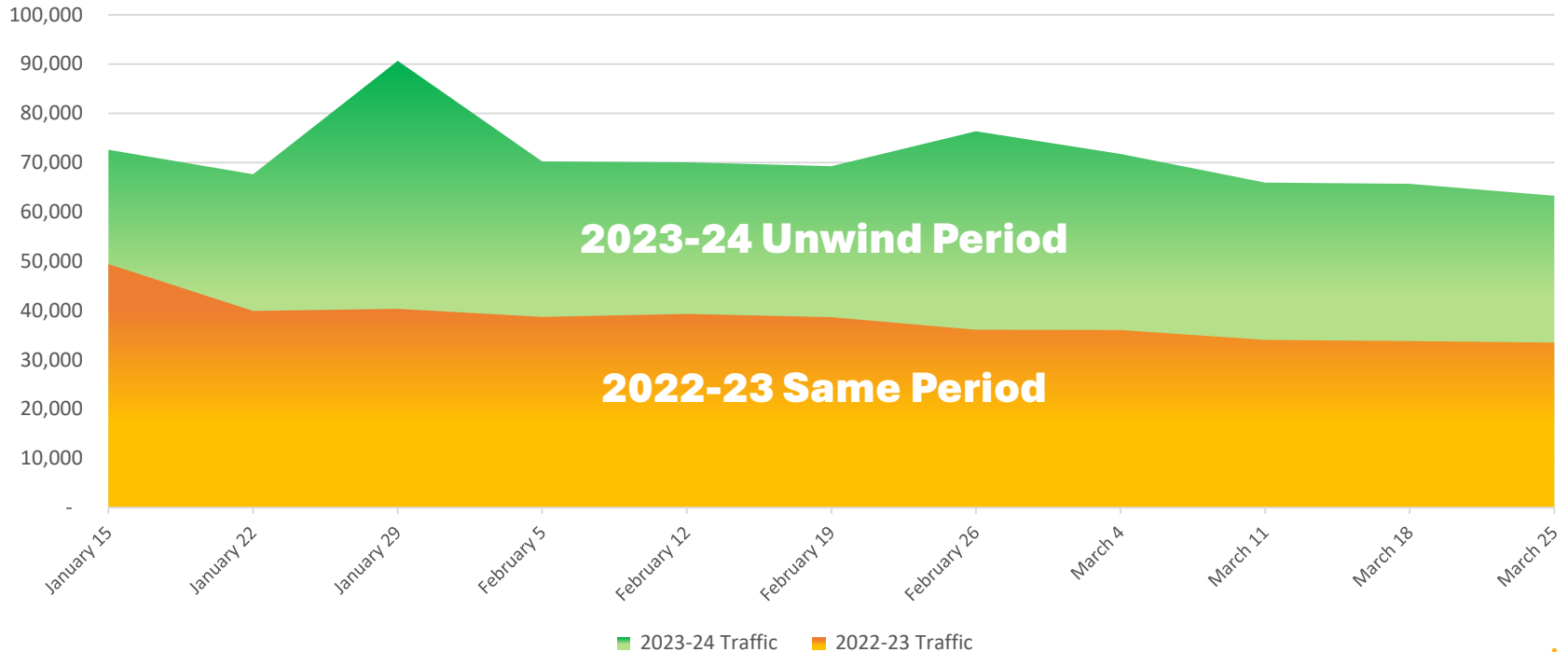
# Unwind Phase I: Web Traffic

June 5 – October 23, 2023



# Unwind Phase II: Web Traffic

January 16 – March 31, 2024



# Paid Campaigns at a Glance...



## Search

\$161,402.15

Total Spend

**\$1.83**

Cost per visit



## Social

\$118,292.35

Total Spend

**\$3.16**

Cost per visit



## Digital Display Ads

\$188,192.00

Total Spend

**\$3.80**

Cost per visit

The Medicaid Unwind Campaign Ran from June 16, 2023 through October 31, 2023 and paused for Open Enrollment. It resumed on January 16, 2024 and concluded on March 31, 2024.

**\$829,994** was spent on media such as streaming, broadcast, radio and outdoor advertising which could not be measured by web traffic conversions. The overall increase in organic web traffic during the Unwind period likely includes a number of visitors who saw or heard advertising in non-trackable media and visited AccessHealthCT.com directly.

# Direct-to-Consumer (D2C) Communications at a Glance...



Direct Mail

36

Campaigns

117,480

Pieces



E-Mail

23

Campaigns

425,840

Recipients



SMS Text

47

Campaigns

103,258

Recipients

348,444

Total Enrollments

306,159

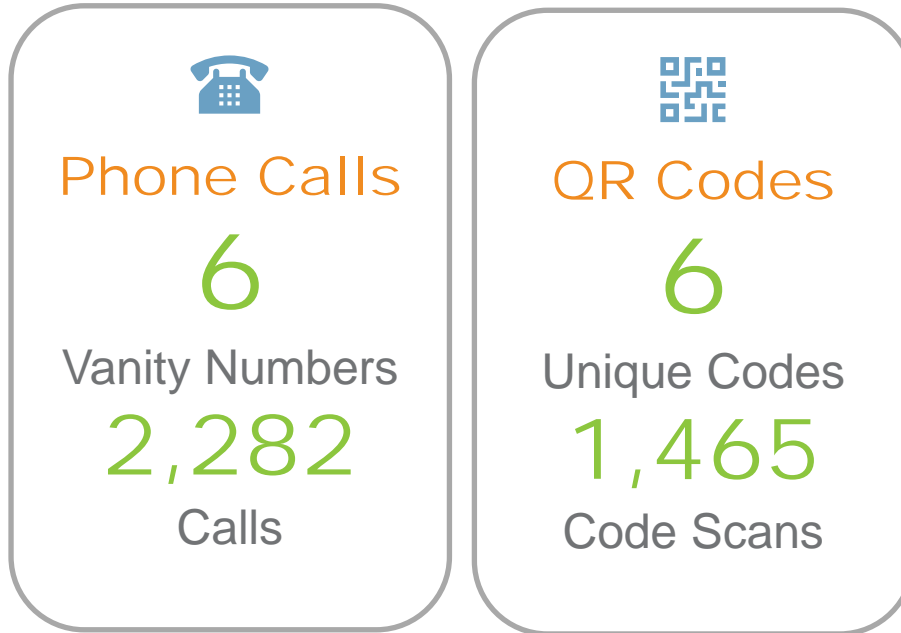
Enrollments for  
customers with  
email

155,168

Enrollments for  
customers with  
SMS



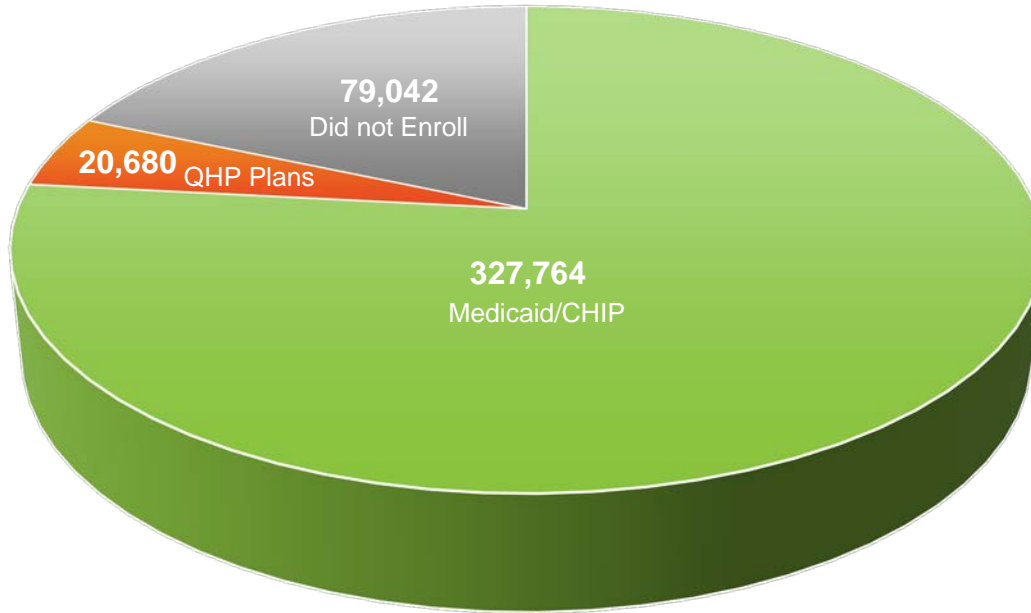
# Direct-to-Consumer (D2C) Communications at a Glance...



7,938

Enrollments were  
completed by  
phone

# Enrollment Results at a Glance...



**427,486**

Total Unwind Targeted

**20,680**

Enrollment into QHP Plans (**9,291** in Covered CT\*)

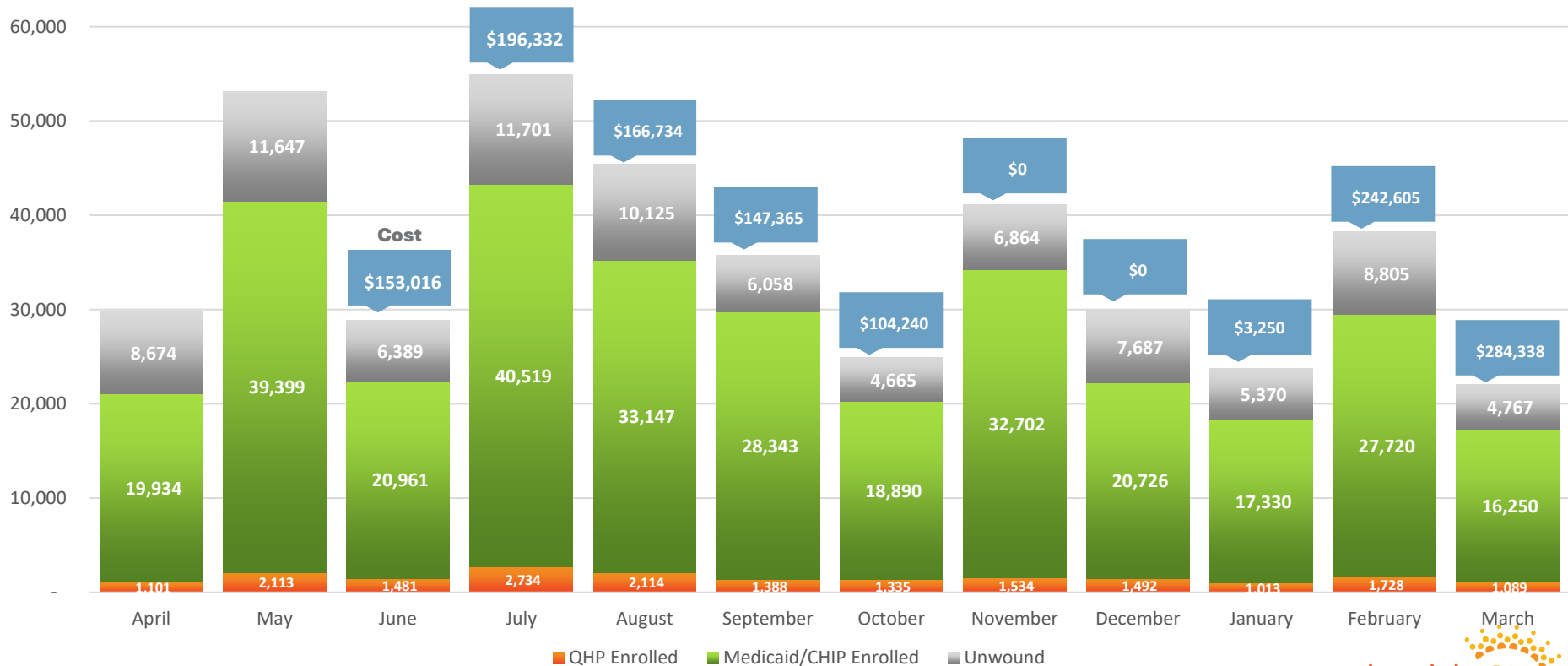
**327,764**

Enrollment into Medicaid/CHIP Plans

\*7,054 individuals immediately transitioned. 2,237 more subsequently transitioned into Covered CT during the Unwind period.

# Unwind: Enrollments by Month

April 2023 – March 2024



# Future Agenda Items for Reference Only

# Adjournment

Next Meeting: Thursday, March 6, 2025