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Web Briefing for Journalists: Marketplace Open Enrollment in the Trump Era

Presented by the Kaiser Family Foundation

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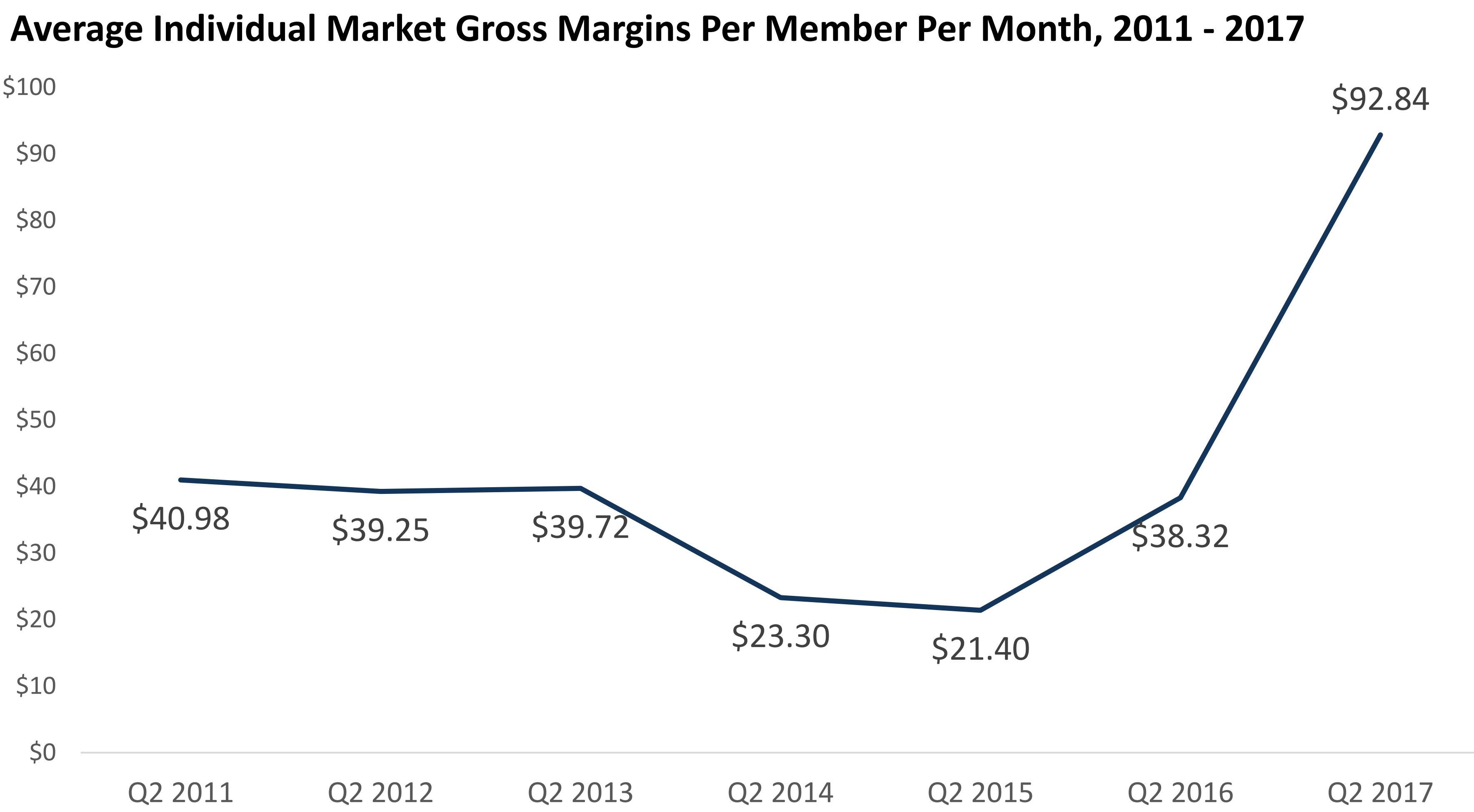
Figure 1

Financial condition of non-group market health insurers had stabilized following 2017 premium increases.



Note: Q2 data is year-to-date from January 1 – June 30

Source: Kaiser Family Foundation analysis of data from Mark Farrah Associates Health Coverage Portal TM

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Figure 2

Administration actions in the run up to open enrollment added to uncertainty for insurers and confusion for consumers.

- The President issued an executive order in October calling for an expansion of less regulated insurance plans
  - Association health plans would be expanded for small businesses, exempt from many of the ACA rules that now apply
  - Loosely-regulated short-term plans for individuals would be expanded
  - These steps will not directly affect 2018 open enrollment; they could have an indirect affect by creating confusion for consumers
- Resources for outreach and consumer assistance have been reduced
  - A 90% reduction in federal funding for advertising
  - A 41% reduction in navigator grants, with differing effects across states and programs
- Cost-sharing subsidy payments to insurers have been terminated
  - Most important takeaway for consumers: Insurers are still required to provide reduced deductibles and copays for low-income marketplace enrollees
  - Second most important takeaway for consumers: While insurers are increasing premiums to offset the loss of payments from the federal government, consumers will mostly be held harmless

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Figure 3

Cost sharing reductions are still available.

- Cost sharing reductions (CSR) are available to eligible individuals in the Marketplace with income 100%-250% FPL
  - $12,060-$30,150 for individual in 2018
  - $24,600 to $61,500 for family of four in 2018
- Nationwide, 57% of marketplace enrollees were eligible for CSR in 2017
  - In states that did not expand Medicaid, on average two-thirds of marketplace enrollees had CSR in 2017
- CSR subsidies are delivered only through modified Silver plans.
  - Silver plan deductibles, co-pays, and other cost sharing amounts are reduced; federal government reimburses insurers monthly for the value of added coverage
- President Trump’s announcement last week ended CSR reimbursement to health insurers, but insurers are still required to offer CSR to eligible individuals
- Most insurers anticipated this change and raised 2018 premiums for silver plans

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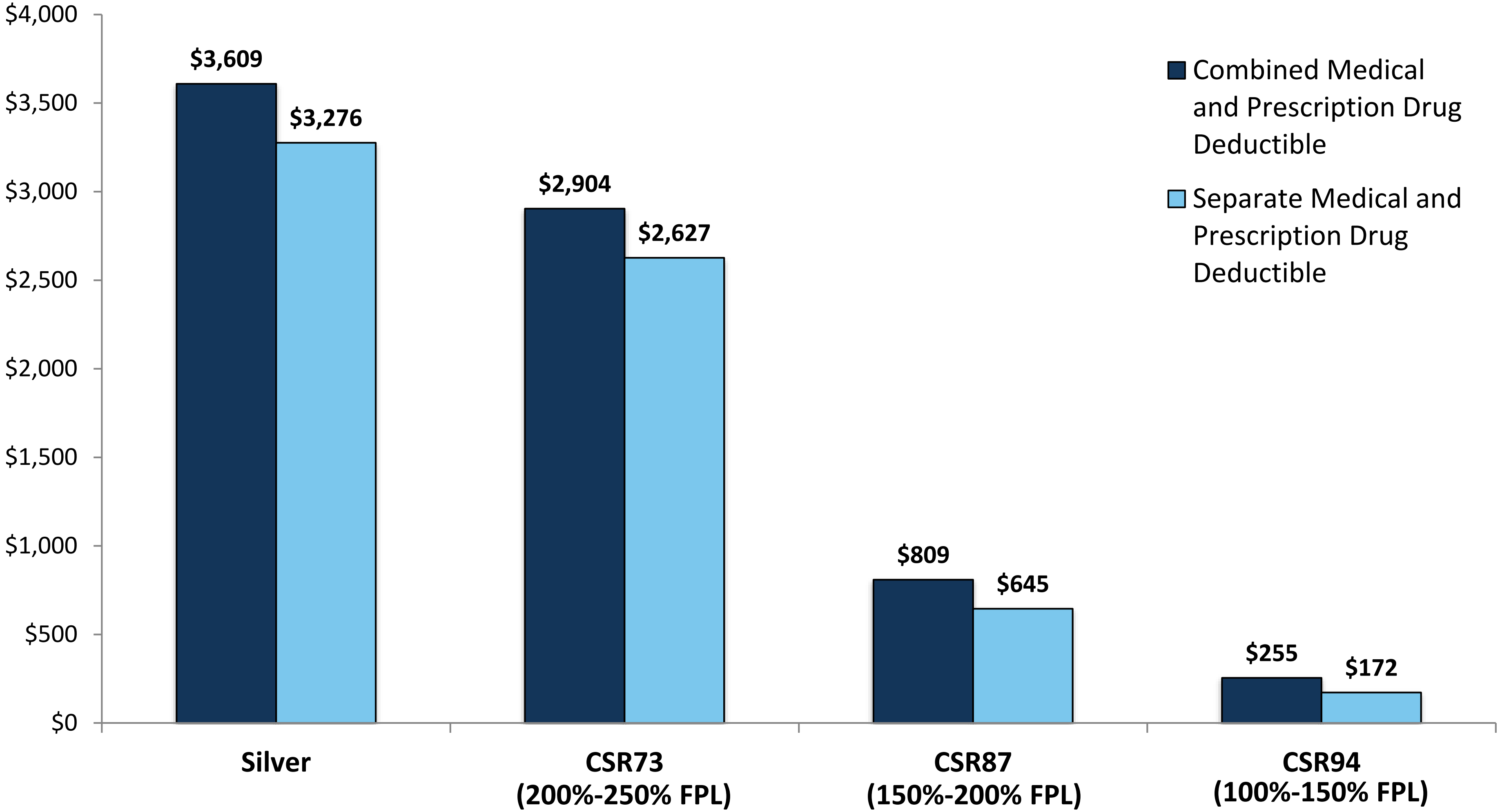
Figure 4

Average medical deductibles in cost sharing reduction plans are much lower than in traditional Silver plans.



Source: Kaiser Family Foundation analysis of Marketplace plans in the 39 states with Federally Facilitated or Partnership exchanges in 2017 (including Arkansas, Kentucky, New Mexico, Nevada, and Oregon). Data are from Healthcare.gov health plan information for individuals and families available here: https://www.healthcare.gov/health-plan-information-2017/

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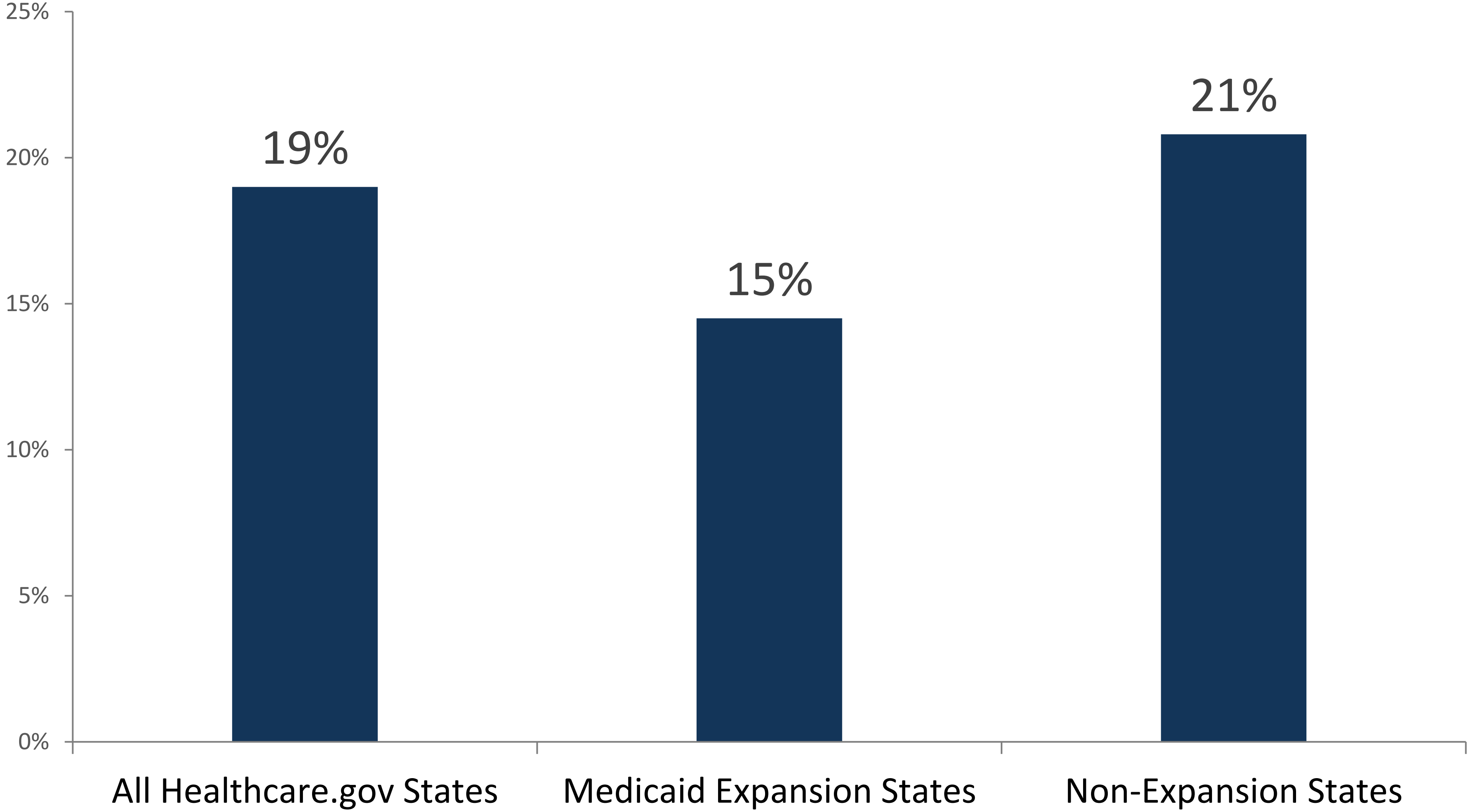
Figure 5

State adopted different approaches to address the termination of cost sharing subsidy payments to insurers.

1. Allow increases in premiums for silver plans.
2. Allow increases in premiums only for silver plans offered through the marketplace.
3. Allow increases in premiums across-the-board in the individual insurance market.
4. Do not allow any increase in premiums tied to the termination of cost-sharing subsidy payments.

Figure 6

Silver premiums must rise significantly to compensate for loss of cost sharing payments.



Source: Kaiser Family Foundation analysis of HHS data on cost-sharing reduction payments and premiums by county. Amounts represent cost-sharing reduction payments as a share of benchmark silver premiums for a 40 year-old in 2016.

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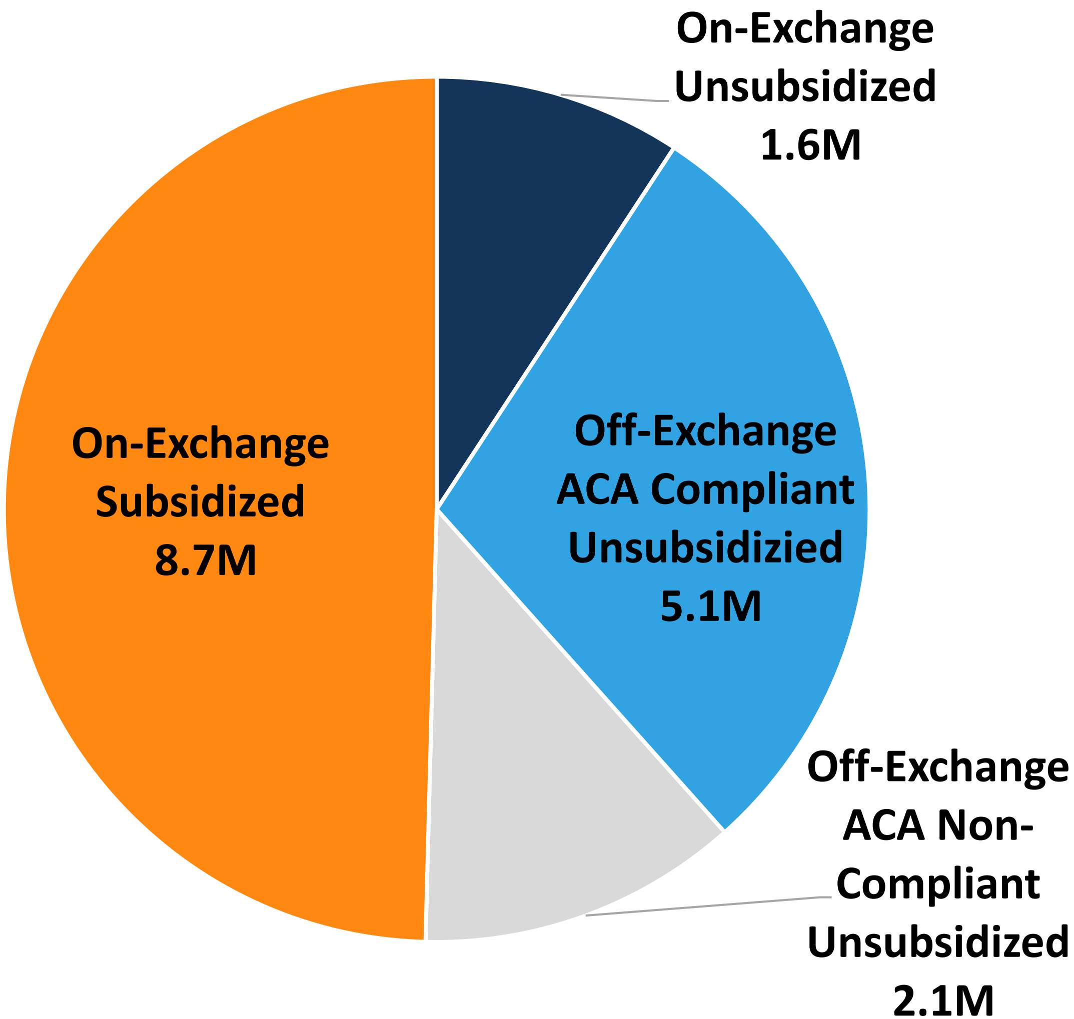
Figure 7

Most people in ACA-compliant plans are protected from rate increases by premium subsidies.



Kaiser Family Foundation analysis of data from Mark Farrah Associates, Healthcare.gov, and KFF Survey of Nongroup Health Insurance Enrollees. Note: People enrolled in off-exchange ACA non-compliant plans are not part of the same risk pool as those in ACA compliant coverage and pay different premiums.

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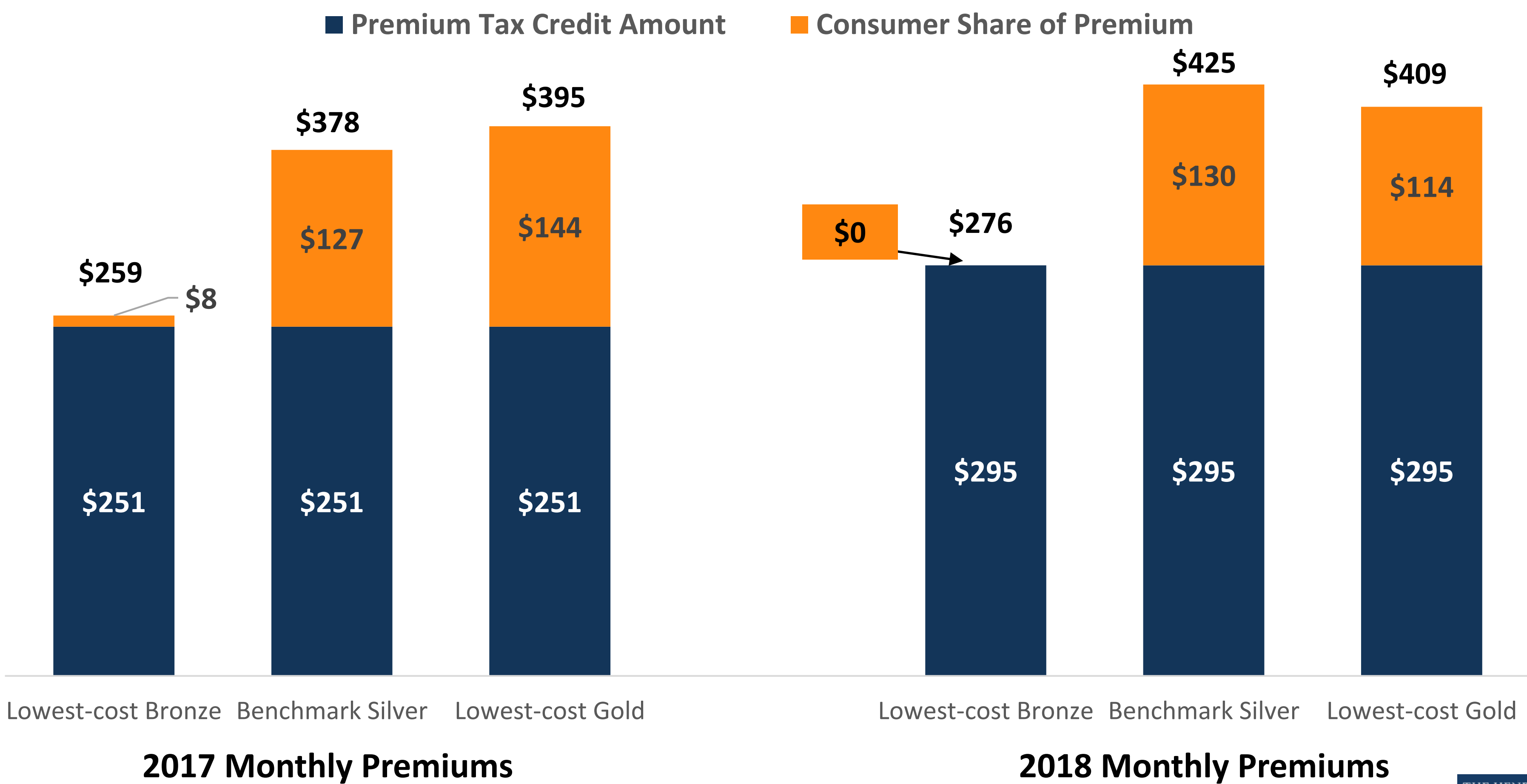
Figure 8

CSR premium increases will also increase tax credit amounts and could make benchmark Silver plans cost more than Gold plans.

Advance premium tax credit amounts and consumer share of premiums for 30-year old in Sacramento, CA with income at 200% FPL ($24,120 in 2018)



SOURCE: 2017 and 2018 monthly premiums from Covered CA website. 2017 APTC amount estimated using KFF Health Insurance Marketplace Calculator. 2018 APTC amount calculated assuming consumer contribution of 6.34% of annual income ($24,120).

Figure 9

Bipartisan agreement reached on stabilization legislation; however, challenges to passage remain.

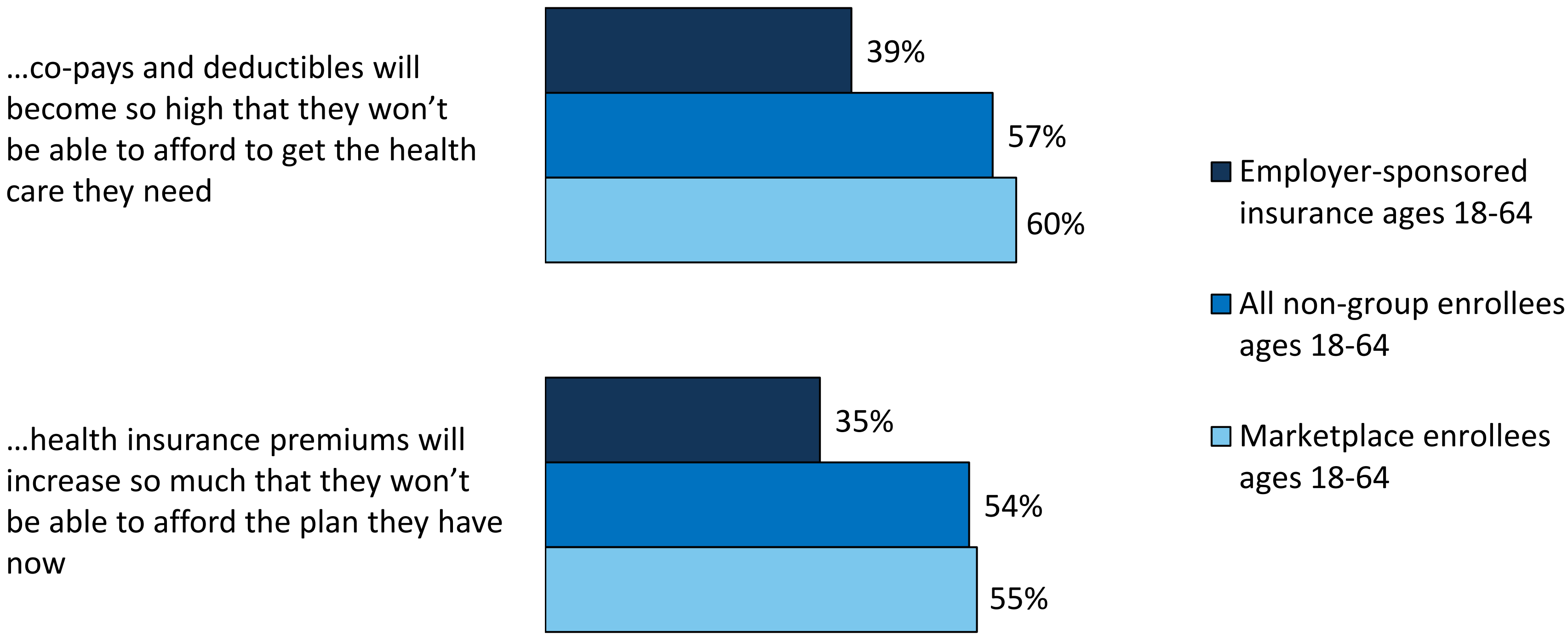
Potential elements of bipartisan stabilization legislation

- Guaranteeing cost-sharing payments to insurers through 2019
- Providing greater federal funding for outreach
- Expanding the availability of catastrophic/high-deductible plans
- Giving states greater flexibility under ACA waivers

Figure 10

Worries about affording, keeping insurance higher among non-group enrollees than those with employer coverage.

Percent who say they are "very" or "somewhat" worried that their…

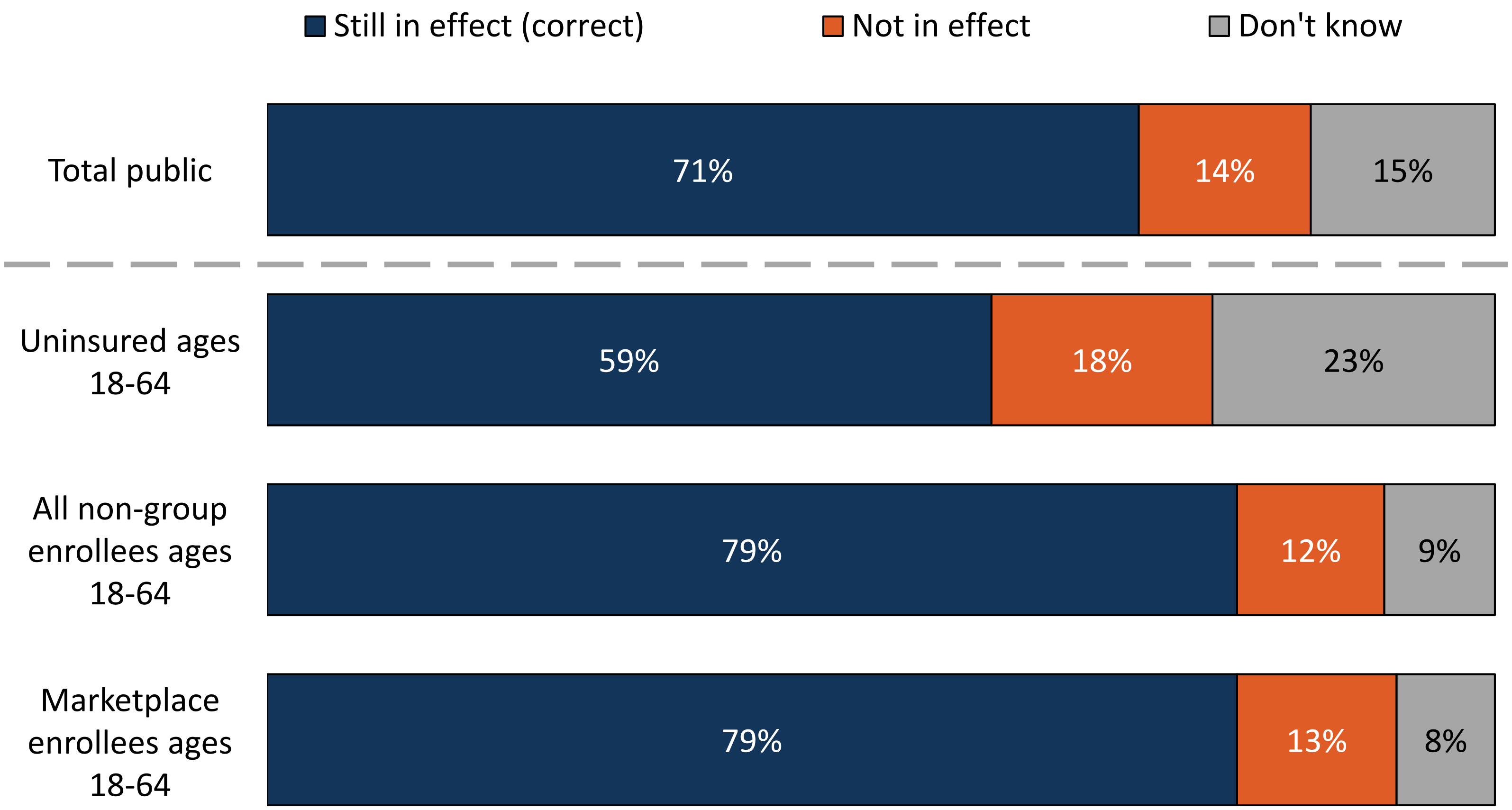


SOURCE: Kaiser Family Foundation Health Tracking Polls (pooled interviews from September and October 2017)

Figure 11

Most are aware the individual mandate is still in effect, but four in ten uninsured are unaware or unsure.

As you may know, the health care law passed in 2010—known as the Affordable Care Act or Obamacare—required nearly all Americans to have health insurance, or else pay a fine. As far as you know, is this requirement still in effect, or not?



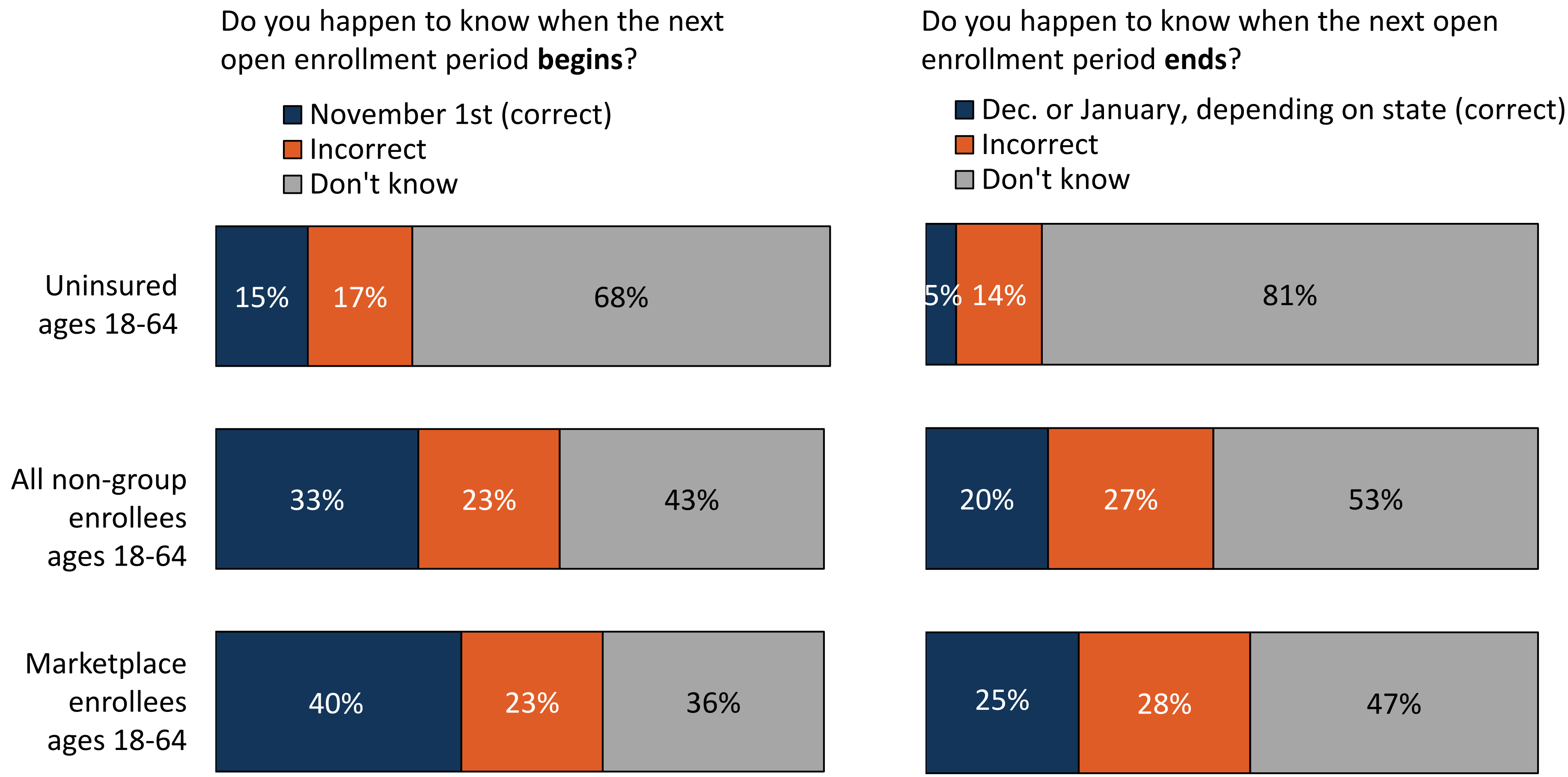
NOTE: Refused responses not shown.

SOURCE: Kaiser Family Foundation Health Tracking Polls (pooled interviews from September and October 2017)

Figure 12

Most uninsured and large shares of non-group enrollees are unaware of the timing of open enrollment.

As you may know, under the health care law there are specific open enrollment periods each year when individuals can sign up for new insurance or change their current health insurance plans.



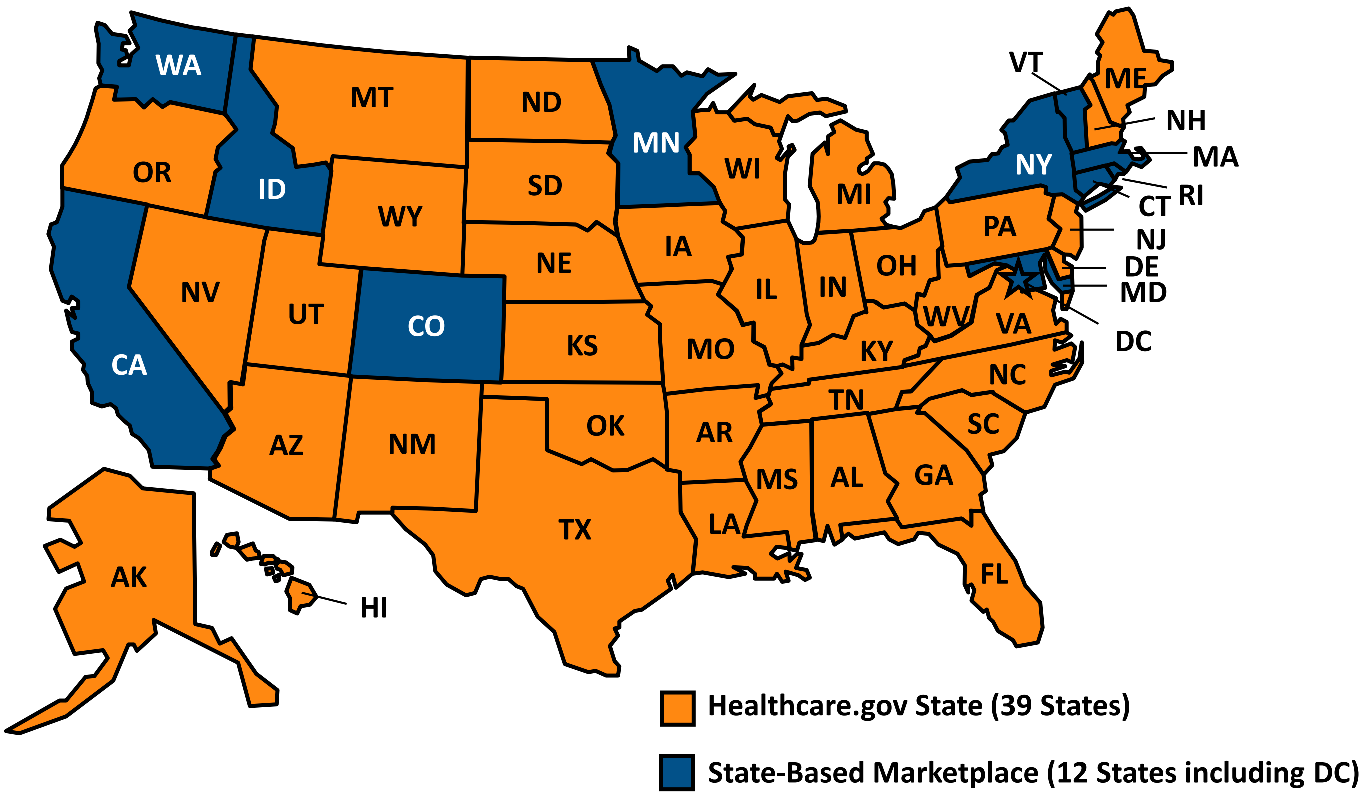
NOTE: Refused responses not shown.

SOURCE: Kaiser Family Foundation Health Tracking Polls (pooled interviews from September and October 2017)

Figure 13

Open enrollment for 2018 will be shorter in most states.

- November 1 – December 15, 2017 in Healthcare.gov states
  - Open enrollment period will be 6 weeks, compared to 12 weeks in prior years
- State run marketplaces have option to extend dates, and many have



State-based Marketplace Open Enrollment Dates	
CA	Nov 1 – Jan 31
CT	Nov 1 – Jan 12
CO	Nov 1 – Dec 22
DC	Nov 1 – Jan 31
ID	Nov 1 – Dec 15
MD	Nov 1 – Dec 15
MA	Nov 1 – Jan 23
MN	Nov 1 – Jan 14
NY	Nov 1 – Jan 31
RI	Nov 1 – Dec 31
VT	Nov 1 – Dec 15
WA	Nov 1 – Jan 15

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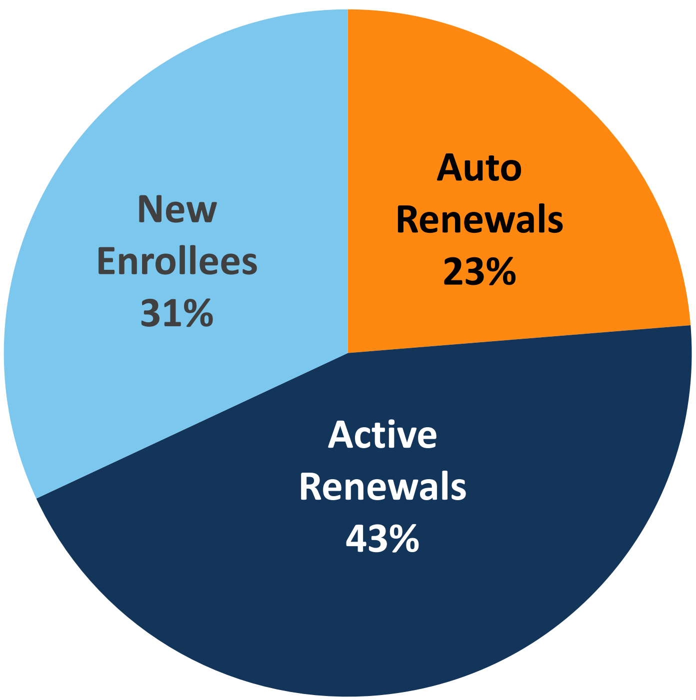
Figure 14

Nearly one-quarter of Marketplace enrollees auto-renewed in 2017.



- Auto-renewal will still be an option in 2018, but active shopping is strongly recommended
- Issuer exits means auto-renewal could assign consumers to new insurer with new provider network
- Unlike prior years, consumers will not have the opportunity to change plans in January if they do not like the auto-renewal results
- With 2018 premium changes, subsidy amounts could change substantially
- Renewal notices with 2018 premium amounts that typically arrive in October will be late for many consumers

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Figure 15

Start early. Waiting to the last minute risks delays.

- “Surge” signups as deadline approaches may increase with shorter Open Enrollment period
  - Healthcare.gov slowdowns, call center waits are possible
  - Unclear whether “in-line” enrollment will be permitted for those who are unable to complete their enrollment by Dec. 15 deadline
- Planned maintenance on HealthCare.gov during Open Enrollment
  - Evening of November 1, Sundays from midnight to noon
- Navigator funding reduced 41%, on average, in federal marketplace states
  - Reductions vary by state, from 0% (DE, KS, WV) to 82% (IN)
  - Staff layoffs, reduced service areas, reduced service hours expected*
  - Demand for in-person help can exceed capacity in final weeks of Open Enrollment

* Kaiser Family Foundation, “Data Note: Changes in 2017 Federal Navigator Funding,” October 2017, https://www.kff.org/health-reform/issue-brief/data-note-changes-in-2017-federal-navigator-funding/

Figure 16

New enrollment rules may also cause delays.

- Insurers can require repayment of 2017 unpaid premium debt
  - Insurers can require payment of back due premiums from prior 12 months before issuing new coverage for 2018
  - New rule, effective June 19, 2017, applies to premium debt incurred on or after that date
  - Prior notice required in 2017 enrollment materials, premium debt notice
  - For 2018, people who enrolled through special enrollment periods may be at risk
  - Appeals process not yet clearly defined
  - Contact marketplace, state insurance regulator, in-person assister for help
- Failure to reconcile
  - Consumers who received advanced premium tax credits (APTCs) in 2016 and who have not yet filed their 2016 federal income tax return with Form 8962 may be denied APTCs in 2018
  - Marketplace eligibility determination notice won't specify this reason
  - Consumers can regain eligibility for APTC by filing 2016 federal return with Form 8962

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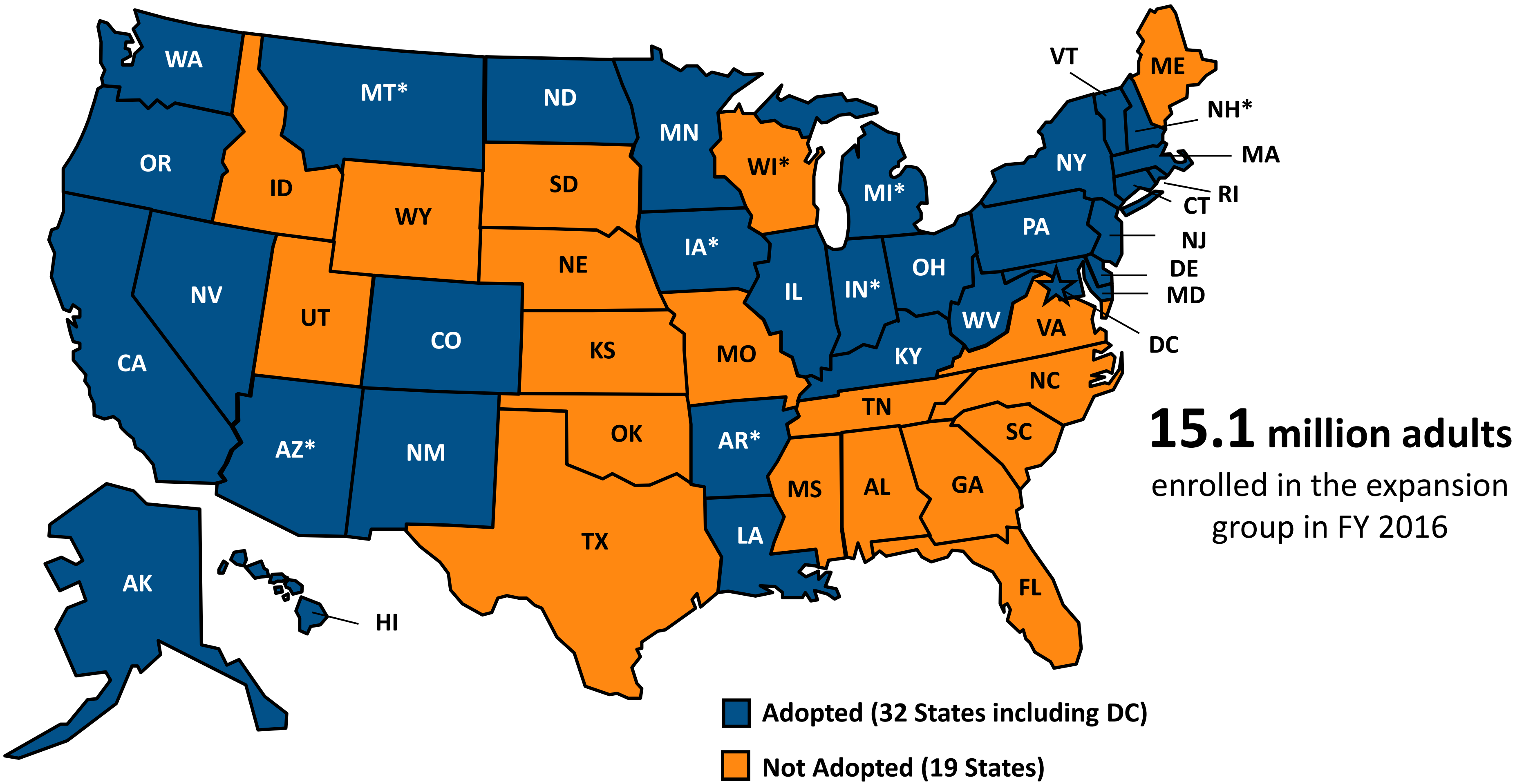
Figure 17

Medicaid coverage is available for low-income adults in the 32 Medicaid expansion states throughout the year.



NOTES: Current status for each state is based on KCMU tracking and analysis of state executive activity. *AR, AZ, IA, IN, MI, MT, and NH have approved Section 1115 waivers. WI covers adults up to 100% FPL in Medicaid, but did not adopt the ACA expansion.
SOURCE: "Status of State Action on the Medicaid Expansion Decision," KFF State Health Facts, updated January 1, 2017.
http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/

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Figure 18

KFF Resources on Open Enrollment

- Health Reform Frequently Asked Questions https://www.kff.org/health-reform/faq/health-reform-frequently-asked-questions/
- Marketplace Subsidy Calculator (2018 updates pending) https://www.kff.org/interactive/subsidy-calculator/
- Penalty calculator (pending)
- ACA and You Explainers https://www.kff.org/understanding-health-insurance/
- State Health Facts https://www.kff.org/statedata

Today’s Web Briefing Will Be Recorded

The archived web briefing will be available later today.

Slides are available for download.

https://www.kff.org/health-costs/event/web-briefing-for-journalists-marketplace-open-enrollment-in-the-trump-era/

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