

Health Insurance Marketplace Enrollment: Lessons Learned

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Most Individuals Shopping in the Marketplace Had a Wide Choice of Plans

- On average, consumers could choose from 5 health insurers and 47 Marketplace plans

Metric*	Issuers	Total Marketplace Plans**	Bronze Plans	Silver Plans	Gold Plans	Platinum Plans
Minimum	1	6	1	2	2	1
Average	5	47	14	16	13	5
Maximum	11	165	42	67	45	23

* Represents the Minimum, Average, or Maximum across all rating areas.

** Total excludes Catastrophic Plans.



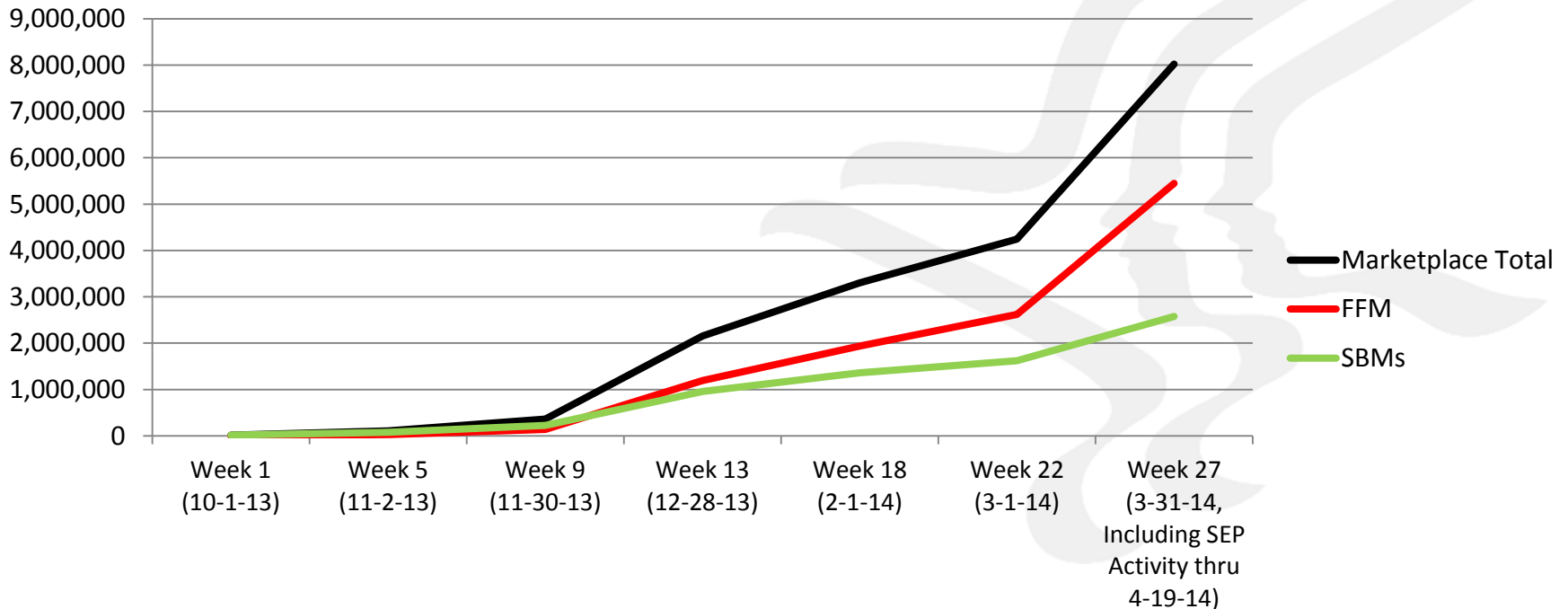
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Source: ASPE analysis of data from Healthcare.gov, state rate filings (where available), and State-based Marketplace websites. Averages are weighted by the QHP-eligible population in each rating area estimated using the 2011 American Community Survey Public Use Microdata Sample.

Cumulative Marketplace Plan Selections During The Open Enrollment Period

*Fewer than 5 percent chose a plan during the first 9 weeks.
Nearly half (47 percent) chose a plan during the last 4 weeks.*



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Notes: Represents unique individuals who have been determined eligible to enroll and have selected a plan (with or without the first premium payment having been received by the issuer). SEP activity includes those who were "in line" on 3-31-14, as well as other reasons. Source: CMS

Characteristics of Marketplace Plan Selections During the Initial Open Enrollment Period

- **By Financial Assistance Status:**
 - 85 percent qualify for Financial Assistance (APTC with or without CSR)
- **By Age:**
 - 28 percent between the ages of 18 and 34
- **By Gender:**
 - 54 percent female
- **By Metal Level:**
 - 20 percent selected a Bronze plan
 - 65 percent selected a Silver plan
 - 9 percent selected a Gold plan
 - 5 percent selected a Platinum plan
 - 2 percent selected a Catastrophic plan

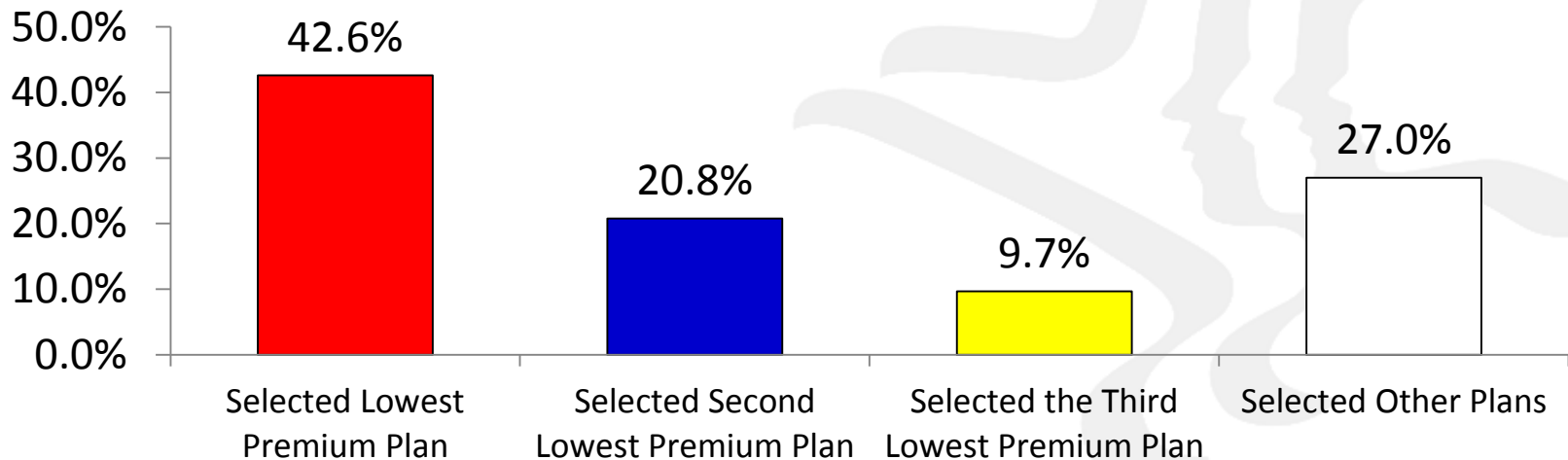


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Note: Percentages are based on the number of persons who have selected a Marketplace plan (with or without the first premium payment having been received by the issuer) with known data for a given metric, 10-1-13 to 3-31-14 (including additional Special Enrollment Period activity through 4-19-14). Source: CMS Marketplace data as of 4-29-14

Individuals Tended to Choose Lower Premium Marketplace Plans

- Within the FFM, three-quarters (73 percent) chose a plan with the lowest, second-lowest, or third-lowest premium available in their rating area (*within the applicable metal level*)



Source: ASPE computations of CMS Federally-facilitated Marketplace data as of 5/12/2014. Note: The lowest premium plans are defined as the 1st, 2nd, and 3rd lowest premium Marketplace plan available in the metal level in the rating area, even if that plan may not have a service area that covers the entire rating area.



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In the FFM, Tax Credits Improved the Affordability of Plans

- People who selected silver plans with tax credits have an average premium of \$69 per month

Metal Level	Percent of Individuals Who Selected Plans With Tax Credits*	Average Premium before Tax Credits	Average Tax Credit Amount	Average Premium after Tax Credits	Average Percent Reduction in Premium after Tax Credits
Silver	94%	\$345	\$276	\$69	80%
All Metal Levels**	87%	\$346	\$264	\$82	76%

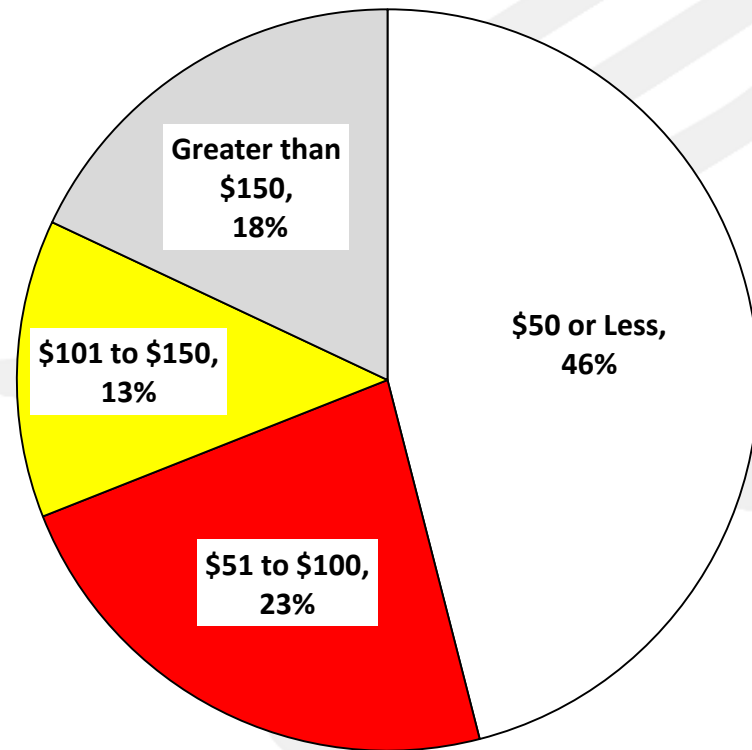
Source: ASPE computations of CMS Federally-facilitated Marketplace data as of 5/12/2014. Notes: * Represents the number of individuals who self-identified as non-tobacco users and selected Marketplace plans with tax credits as a percentage of all such individuals who selected a Marketplace plan. ** Excludes data for catastrophic plans .



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Many People Had Very Low Premiums After The Tax Credit

- In the FFM, 69 percent of individuals who selected plans with tax credits had premiums of \$100 a month or less after tax credits



Source: ASPE computations of CMS Federally-facilitated Marketplace data as of 5/12/2014. Note: Represents distribution of monthly Marketplace plan selections of individuals who self-identified as non-tobacco users across bronze, silver, gold, and platinum metal levels. (Excludes data for catastrophic plans).

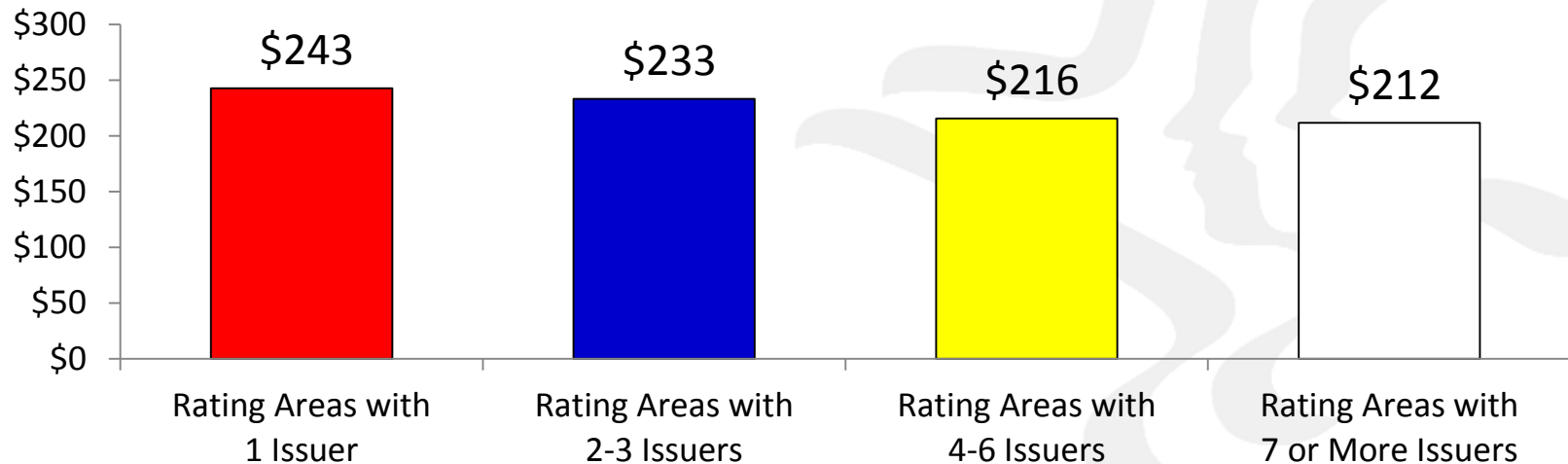


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Competition (Number of Issuers in a Rating Area) Is Associated With More Affordable Benchmark Plans

- An additional issuer in a rating area is associated with a lower benchmark premium (*i.e., second-lowest premium silver plan*)

27 Year Old Average Monthly Second Lowest Silver Plan Premium



Note: Controlling for percent of established issuers, whether the issuer is a CO-OP, whether the state is a Federally-facilitated marketplace state, whether the state is a Medicaid expansion state, full-community rating state, hospital market concentration, proportion of uninsured population, state level health care expenditure, and population density.

Source: ASPE computations of plan and premium data from the following publicly available sources: Healthcare.gov, state rate filings (where available), and State-based Marketplace websites. Note: Other model specifications included using the second-lowest cost silver plan premiums for 35, 40, 50, and 60-year-olds as the dependent variable, respectively. Results were consistent across different specifications.



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Lessons Learned #1

DEADLINES MATTER

- Nearly half of all consumers waited until the end to select a plan
- This shows the importance of an action-forcing event like the end of the open enrollment period



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Lessons Learned #2

THE INITIAL OPEN ENROLLMENT PERIOD SOWED THE SEEDS FOR FUTURE SUCCESS

- Since July 2013, **awareness doubled** for the Marketplace (from 32% to 62%) and Healthcare.gov (34% to 81%)
- And among those who are aware, **visits to Healthcare.gov tripled** (from 17% to 57%)



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Note: Tracking surveys were collected in July 2013, November 2014, February 2014, and April 2014 with uninsured and insured (self pay). An oversample of individuals who purchased a plan through the Marketplace was included in the April wave.
Source: CMS.

Lessons Learned #3

PREMIUM PRICES ARE KEY

- Consumers who selected plans chose plans with lower premiums, and those who were eligible but didn't buy were frequently concerned about affordability
- Lower premiums will also encourage more people to enroll in Marketplace plans, which is likely to have a positive effect on fiscal sustainability



Preparing for 2015

Early evidence for 2015 suggests that there will be growth in the number of issuers as the Marketplace matures

Some areas of focus for the 2015 open enrollment period include:

- Focusing on key demographic groups
- Simplifying the consumer experience
 - New proposed rule to help FFM Marketplace consumers get auto-enrolled for the upcoming year
- Engaging partners
 - We will be working closely with partners on the ground to reach targeted communities, and help more Americans enroll in Marketplace coverage



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Appendix:

State-Level Monthly Premiums After the Tax Credit



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Distribution of FFM Marketplace Plan Selections By the Monthly Premium After Tax Credit, By State

- In 11 FFM states, more than 70 percent of the enrollees who selected Marketplace plans with tax credits had premiums of \$100 a month or less after tax credits

State	\$100 or Less	\$50 or Less	\$51 to \$100	\$101 to \$150	Greater than \$150
Mississippi	85%	68%	17%	7%	7%
Georgia	79%	60%	19%	10%	11%
Missouri	77%	57%	20%	11%	13%
Idaho	77%	50%	27%	11%	12%
Florida	75%	56%	19%	10%	15%
Kansas	75%	52%	22%	12%	14%
Texas	74%	50%	24%	12%	14%
Oklahoma	74%	47%	27%	13%	13%
Alabama	73%	53%	20%	11%	16%
Virginia	73%	48%	25%	12%	15%
North Carolina	71%	48%	23%	12%	16%

Source: ASPE computations of CMS Federally-facilitated Marketplace data as of 5/12/2014. Note: Represents distribution of monthly Marketplace plan selections of individuals who self-identified as non-tobacco users across bronze, silver, gold, and platinum metal levels. (Excludes data for catastrophic plans).



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Distribution of FFM Marketplace Plan Selections By the Monthly Premium After Tax Credit, By State

- In 14 FFM states, 60 to 70 percent of the enrollees who selected Marketplace plans with tax credits had premiums of \$100 a month or less after tax credits

State	\$100 or Less	\$50 or Less	\$51 to \$100	\$101 to \$150	Greater than \$150
Louisiana	70%	45%	25%	13%	17%
South Carolina	70%	45%	25%	13%	17%
Tennessee	69%	42%	28%	14%	16%
Utah	69%	36%	33%	17%	15%
Pennsylvania	68%	47%	21%	12%	20%
Indiana	67%	41%	26%	14%	18%
Arkansas	65%	35%	30%	15%	19%
Nebraska	64%	38%	26%	15%	21%
Maine	63%	38%	25%	14%	23%
Alaska	62%	42%	21%	14%	23%
Michigan	62%	39%	24%	15%	23%
Montana	62%	37%	26%	16%	22%
New Hampshire	62%	38%	24%	15%	23%
South Dakota	61%	34%	27%	16%	23%

Source: ASPE computations of CMS Federally-facilitated Marketplace data as of 5/12/2014. Note: Represents distribution of monthly Marketplace plan selections of individuals who self-identified as non-tobacco users across bronze, silver, gold, and platinum metal levels. (Excludes data for catastrophic plans).



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Distribution of FFM Marketplace Plan Selections By the Monthly Premium After Tax Credit, By State

- In 11 FFM states, 45 to 58 percent of the enrollees who selected Marketplace plans with tax credits had premiums of \$100 a month or less after tax credits

State	\$100 or Less	\$50 or Less	\$51 to \$100	\$101 to \$150	Greater than \$150
West Virginia	58%	31%	27%	15%	27%
Arizona	58%	26%	32%	17%	25%
Wisconsin	57%	32%	25%	16%	27%
Iowa	57%	29%	28%	19%	25%
Illinois	56%	25%	31%	18%	26%
Wyoming	55%	33%	21%	15%	30%
Ohio	52%	24%	28%	19%	29%
Delaware	50%	20%	30%	19%	31%
New Mexico	50%	20%	30%	21%	29%
North Dakota	46%	15%	31%	21%	33%
New Jersey	45%	20%	25%	17%	38%

Source: ASPE computations of CMS Federally-facilitated Marketplace data as of 5/12/2014. Note: Represents distribution of monthly Marketplace plan selections of individuals who self-identified as non-tobacco users across bronze, silver, gold, and platinum metal levels. (Excludes data for catastrophic plans).



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