



# HEALTH REFORM

OCTOBER 13, 2017

## Health Reform 2017: Regulation & Administrative Actions Georgia's Marketplace

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# 2017 REGULATION & ADMINISTRATIVE ACTIONS

- Executive Order on ACA economic burden (January)
- IRS letter on “silent tax returns” / individual mandate (January)
- Reduced Marketplace advertisement payments (January; present)
- HHS/Treasury letter on 1332 waivers (March)
- HHS/CMS letter on Medicaid program flexibility and 1115 waivers (March)
- **Cost-sharing reduction (CSR) subsidy payments** (April – present)
- CMS marketplace stabilization final rule (April)
- FDA nutrition labeling compliance delayed (May)
- Executive Order on religious liberty, contraceptive mandate; HHS Secretary to reexamine (May)
- HHS/CMS releases RFI for public input on regulatory reductions (June)

# COST-SHARING REDUCTION PAYMENTS

- *House of Representatives v. Burwell Price* (U.S. Dist. Ct. D.C. case no. 14-cv-01967, Nov. 21, 2014)
  - Held: HHS does not have the authority to reimburse insurers for CSRs without congressional appropriation of funds
  - Obama administration appealed; Trump administration and House granted continued abeyance
  - 17 states and D.C. granted motion to intervene
- Unclear if Trump administration will continue to pay
- If payments are stopped for 2018, CBO predicts:
  - Number of areas with no insurers in the Marketplace will increase over next two years
  - Gross silver plan premiums will be 20% higher in 2018; 25% higher in 2020
  - Federal deficits would increase
  - Uninsured counts will increase slightly in 2018, but then lower slightly starting in 2020

# COST-SHARING REDUCTION PAYMENTS

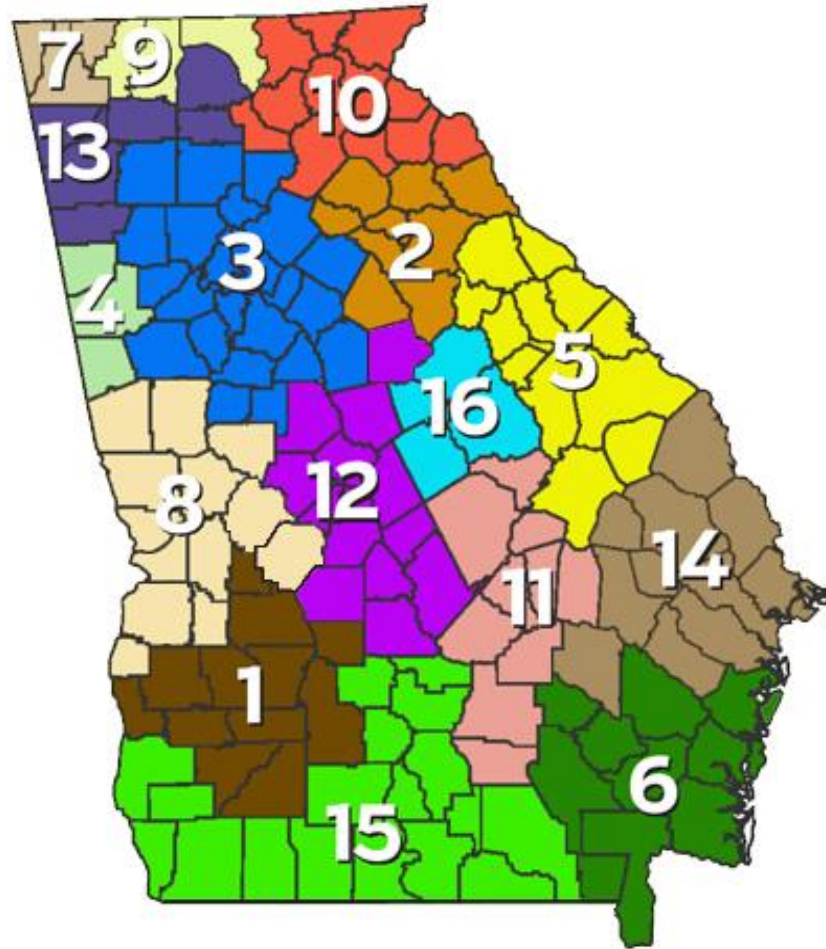
- Lower out-of-pocket expenses for care like deductibles, coinsurance, and copayments.
- For individuals
  - Without access to employer sponsored insurance and
  - With a family income between 100 – 250% of FPL,
  - Who purchase a silver plan in the Marketplace.
- Silver plan AV is enhanced for eligible enrollees on a sliding scale basis from 70% actuarial value up to 94%.
- Insurers pay claims based on projected eligibility; then payment reconciled.
- Estimated \$7 billion paid for fiscal year (FY) 2017 and \$10 billion for 2018.

# GEORGIA MARKETPLACE: PREMIUM & CSR SUBSIDIES

Year	2014	2015	2016	2017
Total Enrollment	<b>310,434</b>	<b>541,032</b>	<b>587,833</b>	<b>493,880</b>
Share with Advance Payment Tax Credits	<b>92%*</b>	<b>89%</b>	<b>86%</b>	<b>87%</b>
Share with Cost-sharing Reduction	<b>68%</b>	<b>67%</b>	<b>65%</b>	<b>69%</b>

\*2014 share is for December. Attrition was likely higher among non-APTC recipients.

# GEORGIA MARKETPLACE: REGIONS



SOURCE: Georgia Insurance Department

# GEORGIA MARKETPLACE: ISSUER PARTICIPATION

General Market Location	Georgia Market Number	Total Enrollment 2016	Total Issuers 2016	Total Issuers 2017	Projected Total Issuers 2018
Albany and Rural South	1	10,409	2	1	1
Athens and Rural North	2	16,174	6	3	1
Metro Atlanta	3	357,089	7	5	2
West GA / Carrollton	4	20,855	4	2	1
Augusta	5	23,126	2	1	1
Brunswick	6	12,700	2	1	1
Chattanooga	7	5,998	3	2	1
Columbus	8	16,340	4	3	1
Rural North	9	6,412	3	2	1
Gainesville and Rural NE	10	24,666	4	2	1
Rural South Central	11	7,544	3	1	1
Macon	12	19,821	3	2	1
Rural North West	13	12,515	5	2	1
Savannah	14	34,665	3	3	1
Valdosta and Rural South	15	16,425	2	1	1
Rural - South Central	16	3,094	2	1	1
State wide	<b>Totals</b>	<b>587,833</b>	<b>7</b>	<b>5</b>	<b>4</b>

SOURCES: Centers for Medicare and Medicaid Services, Health Insurance Marketplace Public Use Files; <https://www.healthinsurance.org/georgia-state-health-insurance-exchange/>; <https://www.bcbgsa.com/blog/member-news/bcbgsa-to-discontinue-many-georgia-individual-aca-health-plans-in-2018/>; <http://www.georgiahealthnews.com/2017/08/blue-cross-agrees-stay-counties-exchange-option/>

# GEORGIA MARKETPLACE: PREMIUMS

- Finalized Sept. 27, 2017
- Average increase of 29.2%
  - Alliant – 18.6% increase
  - AmBetter – 12.4% increase
  - Kaiser Permanente – 25% increase
  - BCBS GA – 40.6% increase
- Premiums may increase by an additional 23% in GA if CSR payments are cut



