

Florida Health Insurance Advisory Board

Affordable Care Act Outcomes in Florida

August 26, 2014

Florida ACA – Overview Individual Market 2014 vs. 2015

	2014	2015
Federal Information:		
Rate Filing Approval Deadline	July 31, 2013	July 31, 2014
Open Enrollment	10/01/13 – 03/31/14	11/15/14 – 02/15/15
Transitional Plans	Through Oct. 1, 2014	Through Oct. 1, 2016
Florida Information:		
Exchange	Federally-Facilitated	Federally-Facilitated
Form & Rate Review	Forms Approval/Rates Informational	Forms Approval/Rates Informational
Companies Operating on Exchange	11	14
Exchange Plans	352	278
Catastrophic	21	17
Bronze	89	70
Silver	107	92
Gold	101	64
Platinum	34	35
Avg. Rate Increases (indiv.)	+ 31.5% - + 40.6%	+ 13.2%
Press Release Date	July 31, 2013	August 4, 2014



Individual PPACA Market Monthly Premiums for Plan Year 2015

	Company	HMO / PPO	Offering Plans On the Federal Exchange (Yes/No)	Average Monthly Premium per Person for Actual 2014 Enrollment	Average Monthly Premium per Person for Projected 2015 Enrollment	Average Percentage Change Requested
On and Off Exchange						
1	Aetna Health Inc.	HMO	Yes	\$387	\$367	-5%
2	Blue Cross Blue Shield of Florida Inc.	PPO	Yes	\$427	\$503	18%
3	Cigna Health and Life Insurance Company	PPO	Yes	\$425	\$497	17%
4	Coventry Health Care of FL, Inc.	HMO	Yes	\$300	\$343	14%
5	Florida Health Care Plan Inc.	HMO	Yes	\$313	\$348	11%
6	Health First Health Plans Inc.	HMO	Yes	N/A	\$447	New Plans
7	Health First Insurance Inc.	PPO	Yes	\$383	\$470	23%
8	Health Options Inc.	HMO	Yes	\$407	\$488	20%
9	Humana Medical Plan Inc.	HMO	Yes	\$296	\$338	14%
10	Molina Healthcare of Florida Inc.	HMO	Yes	\$342	\$302	-12%
11	Preferred Medical Plan Inc.	HMO	Yes	\$320	\$363	14%
12	Sunshine State Health Plan Inc.	HMO	Yes	\$363	\$327	-10%
13	Time Insurance Company	PPO	Yes	N/A	\$457	New Plans
14	UnitedHealthCare of Florida Inc.	HMO	Yes	N/A	\$404	New Plans
Off Exchange Only						
15	Aetna Life Insurance Company	PPO	No	\$316	\$293	-7%
16	Coventry Health Plan of FL, Inc.	HMO	No	\$328	\$333	1%
17	Freedom Life Insurance Company of America	PPO	No	\$352	\$387	10%
18	Humana Health Insurance Company of FL.	PPO	No	\$388	\$397	2%
19	UnitedHealthCare Life Insurance Company	PPO	No	N/A	\$438	New Plans
Weighted Average using Projected Membership:				\$364	\$412	13.2%

A plan available through the Federally Facilitated Exchange (FFE) may or may not be available outside of the FFE. Average Monthly Premiums do not include the impact of potential premium subsidies. Weighted averages give more weight to companies with larger membership.



ACA Individual Enrollment (from Rate Filings) June 2014

	ACA Plans	Transitional Plans	Grandfathered Plans	Total
Total	866,485	324,891	140,507	1,331,983
On-Exchange	762,723	N/A	N/A	762,723
Off-Exchange	103,762	324,891	140,507	569,260

Projected ACA Plans 2015:
1,072,513



Calculating Rate Increases

- **Dependent on Several Factors:**
 - 1) **How different companies/plans are weighted**
 - 2) **Overall rate vs. cost after subsidy**
 - 3) **Dependent on what consumers select**

- **The federal subsidy is linked to the second lowest-silver plan (and the second-lowest plan may change each year)**

- **A lower premium for the second-lowest silver plan equates to a lower subsidy**



How Subsidy Affects Cost

[Decline in Second-Lowest Silver Premium]

Example:

A single person

Salary \$1,000 a month – (100% of the poverty level)

Calculated premium payment --- \$20 a month

2014

	Alpha Plan	Beta Plan	Delta Plan
Rank	3 rd Lowest	2 nd Lowest	Lowest
Overall	\$300	\$250	\$225
Subsidy	\$230	\$230	\$230
Final Cost	\$70	\$20	\$0

2015

	Alpha Plan	Beta Plan	Delta Plan
Rank	2 nd Lowest	3 rd Lowest	Lowest
Overall	\$230	\$250	\$225
Subsidy	\$210	\$210	\$210
Final Cost	\$20	\$40	\$15



How Subsidy Affects Cost

[Increase in Second-Lowest Silver Premium]

Example:

A single person

Salary \$1,000 a month – (100% of the poverty level)

Calculated premium payment --- \$20 a month

2014

	Alpha Plan	Beta Plan	Delta Plan
Rank	3 rd Lowest	2 nd Lowest	Lowest
Overall	\$300	\$250	\$225
Subsidy	\$230	\$230	\$230
Final Cost	\$70	\$20	\$0

2015

	Alpha Plan	Beta Plan	Delta Plan
Rank	3 rd Lowest	Lowest	2 nd Lowest
Overall	\$300	\$250	\$275
Subsidy	\$255	\$255	\$255
Final Cost	\$45	\$0	\$20



Family-Tier Rating for Small Group Plans

- **The Office released an Informational Memorandum on August 25, 2014**
- **Florida was approved to allow optional Family-Tier Rating consistent with other states**
- **Overall cost is the same**
- **Easier for Insurers & Employers to Calculate & Administer**
- **Now can use the following family-tier rate factors:**

Employee

Employee + Spouse

Employee with Kids

Family



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