



Florida Office of Insurance Regulation

Florida Health Insurance Markets

Craig Wright,

Deputy Insurance Commissioner

September 17, 2019



OIR Mission and Vision

Mission

Promote a stable and competitive insurance market for consumers

Vision

The Office of Insurance Regulation envisions a robust and competitive insurance market while maintaining protections for the insurance-buying public.



Life & Health Business Unit – Major Functions

- **Policy form and rate reviews**
 - We **do** regulate the forms and premiums for most group and individual Medical, Limited medical such as hospitalization or cancer policies, Dental, Vision, Long-Term Care, Disability Income, and Medicare Supplement.
 - We **don't** regulate the forms or premiums for Medicaid, Medicare Advantage, or Self-Insured single employer plans (ERISA plans).
 - We **don't** review rates for large group health policies.
- **Market conduct investigations and examinations**
 - Licensed entities that have potentially violated statute
 - Unlicensed entities that should be licensed
- **Company licensing and solvency monitoring**
 - Life and health insurers, HMOs, Multiple employer welfare arrangements (MEWAs), TPAs, Reinsurers, Continuing Care Retirement Communities, etc.



Small Group Market in Florida

- “Small Group” refers to insurance that is sold to businesses with 2-50 full-time employees.
- Under PPACA, these employers are exempt from the employer mandate, meaning they are not required to offer insurance to their employees.
- Prior to PPACA, the small group market in Florida consisted of approximately 800k covered lives.
- Today the small group market in Florida consists of approximately 500k covered lives, as smaller employers have dropped their coverage and their employees purchased plans from the Exchange.



Small Group Market in Florida – Rate Increase History

Cumulative Rate Increase Summary

| Year | Increase |
|-------------------|--------------|
| 2014* | 12.3% |
| 2015 | 5.7% |
| 2016 | 6.9% |
| 2017 | 9.5% |
| 2018 | 8.2% |
| 2019 | 6.0% |
| 2020 | 7.4% |
| Cumulative | 71.2% |

** The 2014 increase is the premium difference from 2013 to 2014, the first year of PPACA.*



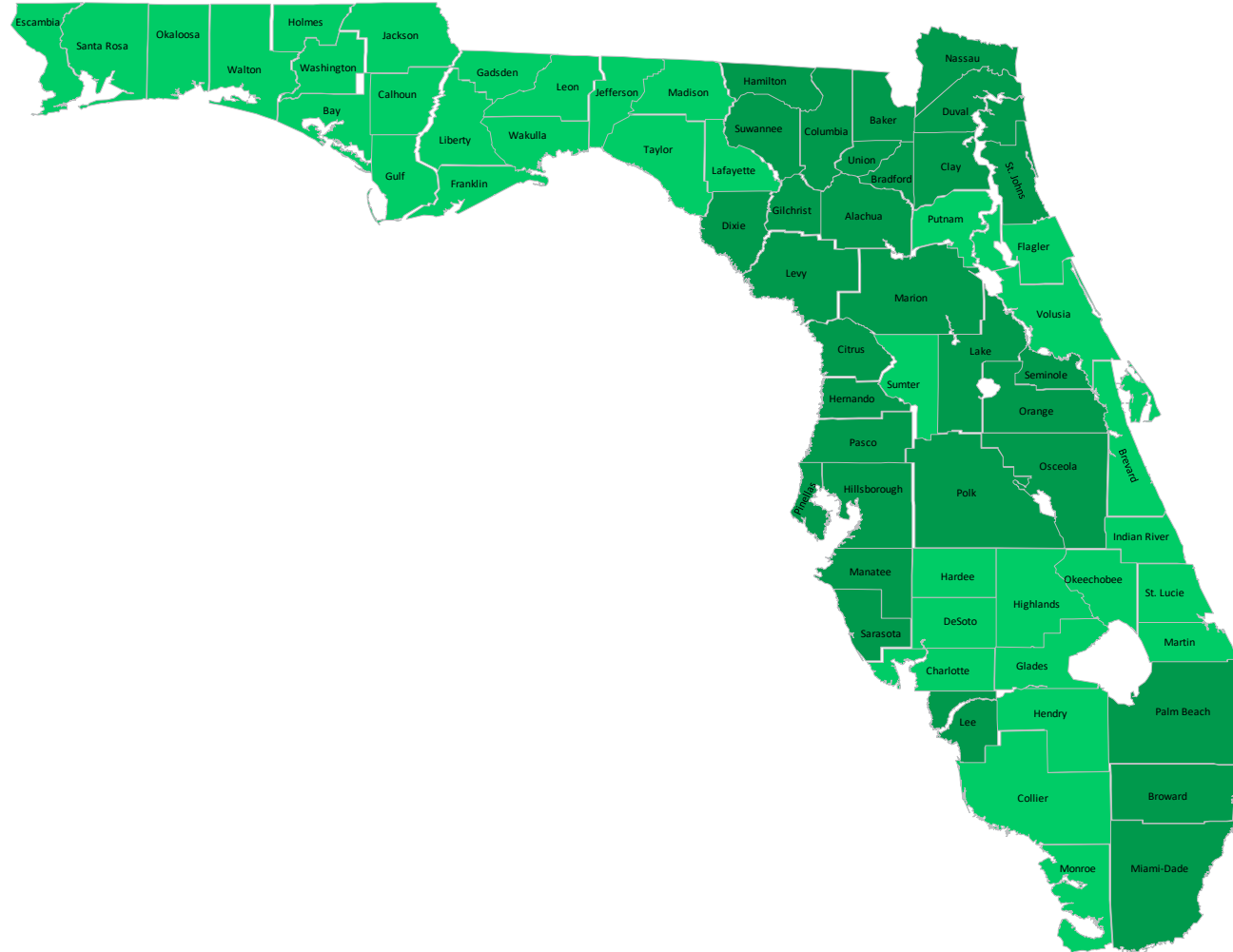
PPACA-Compliant Small Group: 2020 Rates

Rate Increase Summary for Plan Year 2020

| | Company | Parent | Requested Average Change | Approved Average Change |
|----|--|------------------|---------------------------------|--------------------------------|
| 1 | Aetna Health Inc. (a FL corp.) | Aetna Grp | 11.0% | 11.0% |
| 2 | Aetna Life Insurance Company | Aetna Grp | 10.7% | 10.7% |
| 3 | All Savers Insurance Company | UnitedHealth Grp | 9.0% | 9.0% |
| 4 | AvMed, Inc | Avmed, Inc. | 14.3% | 13.6% |
| 5 | Blue Cross and Blue Shield of Florida, Inc. | Guidewell | -0.6% | -0.6% |
| 6 | Capital Health Plan, Inc. | Guidewell | 6.1% | 7.2% |
| 7 | Florida Health Care Plans, Inc. | Guidewell | -6.9% | -6.9% |
| 8 | Health First Commercial Plans Inc. | Health First Grp | 9.0% | 8.7% |
| 9 | Health Options, Inc. | Guidewell | -5.0% | 4.6% |
| 10 | Humana Health Insurance Company Of Florida, Inc. | Humana Grp | 7.8% | 7.8% |
| 11 | Humana Medical Plan, Inc. | Humana Grp | 6.7% | 6.7% |
| 12 | Neighborhood Health Partnership, Inc. | UnitedHealth Grp | 11.3% | 11.3% |
| 13 | Unitedhealthcare Insurance Company | UnitedHealth Grp | 10.1% | 10.1% |
| 14 | Unitedhealthcare of Florida, Inc. | UnitedHealth Grp | 9.2% | 9.2% |
| | Weighted Average using Actual Membership | | 6.4% | 7.4% |



PPACA-Compliant Small Group: 2017 Market

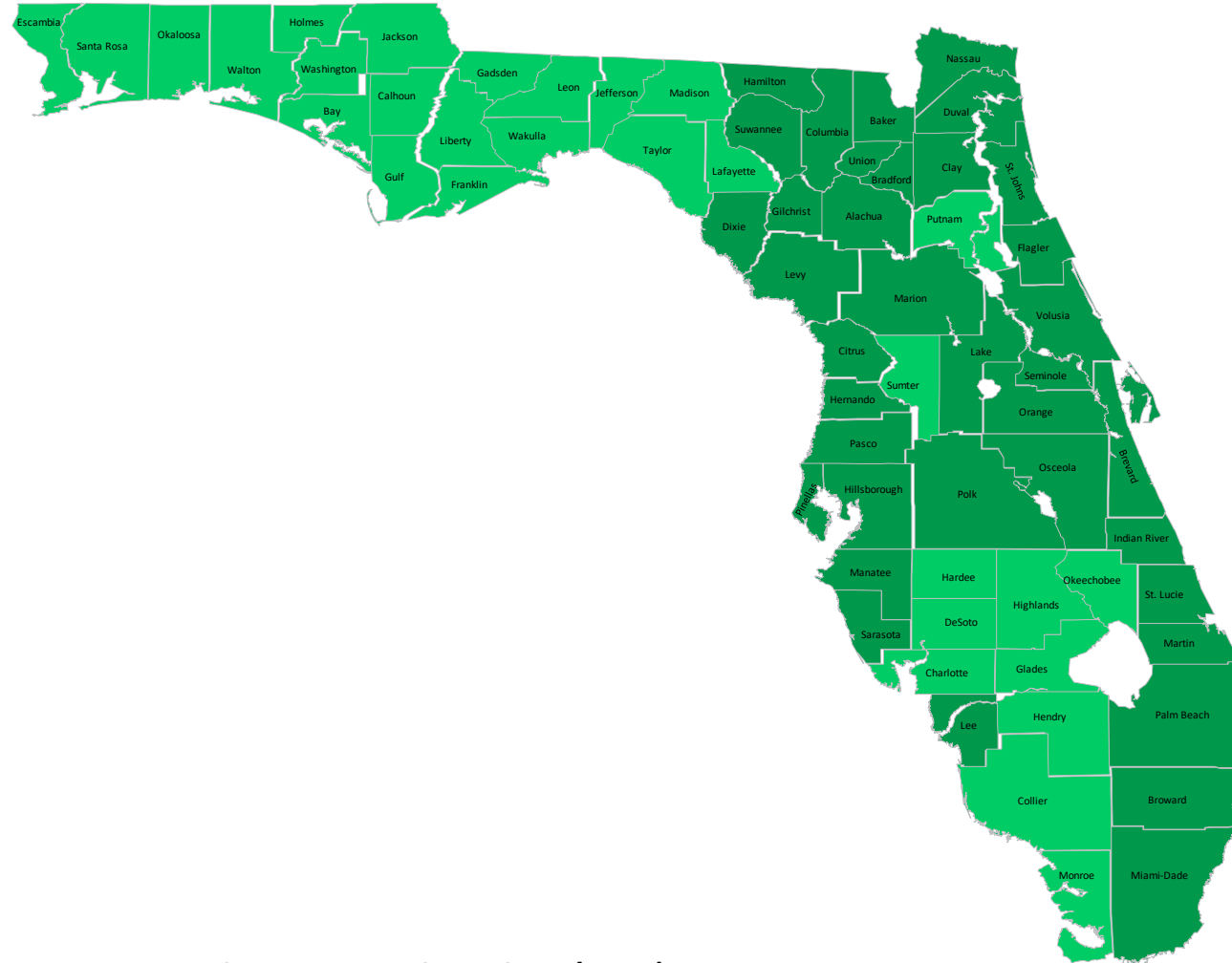


| Number of Carriers | |
|--------------------|-------------|
| 0 | Black |
| 1 | Red |
| 2 | Light Red |
| 3 | Orange |
| 4 | Light Green |
| 5 | Green |
| 6+ | Dark Green |

Number of Small Group Carriers by County: Silver Plans (2017)



PPACA-Compliant Small Group: 2018 Market

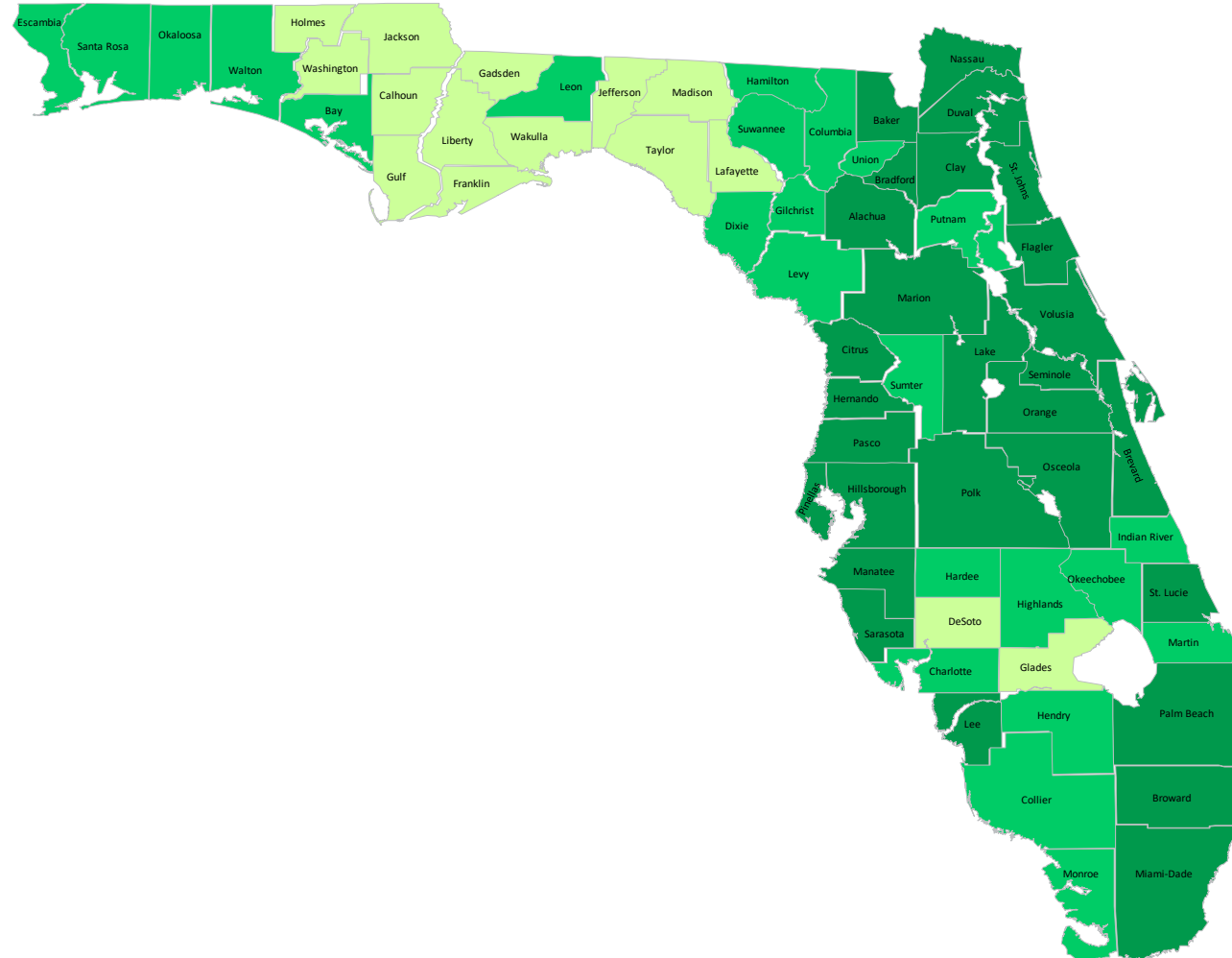


| Number of Carriers | |
|--------------------|-------------|
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Number of Small Group Carriers by County: Silver Plans (2018)



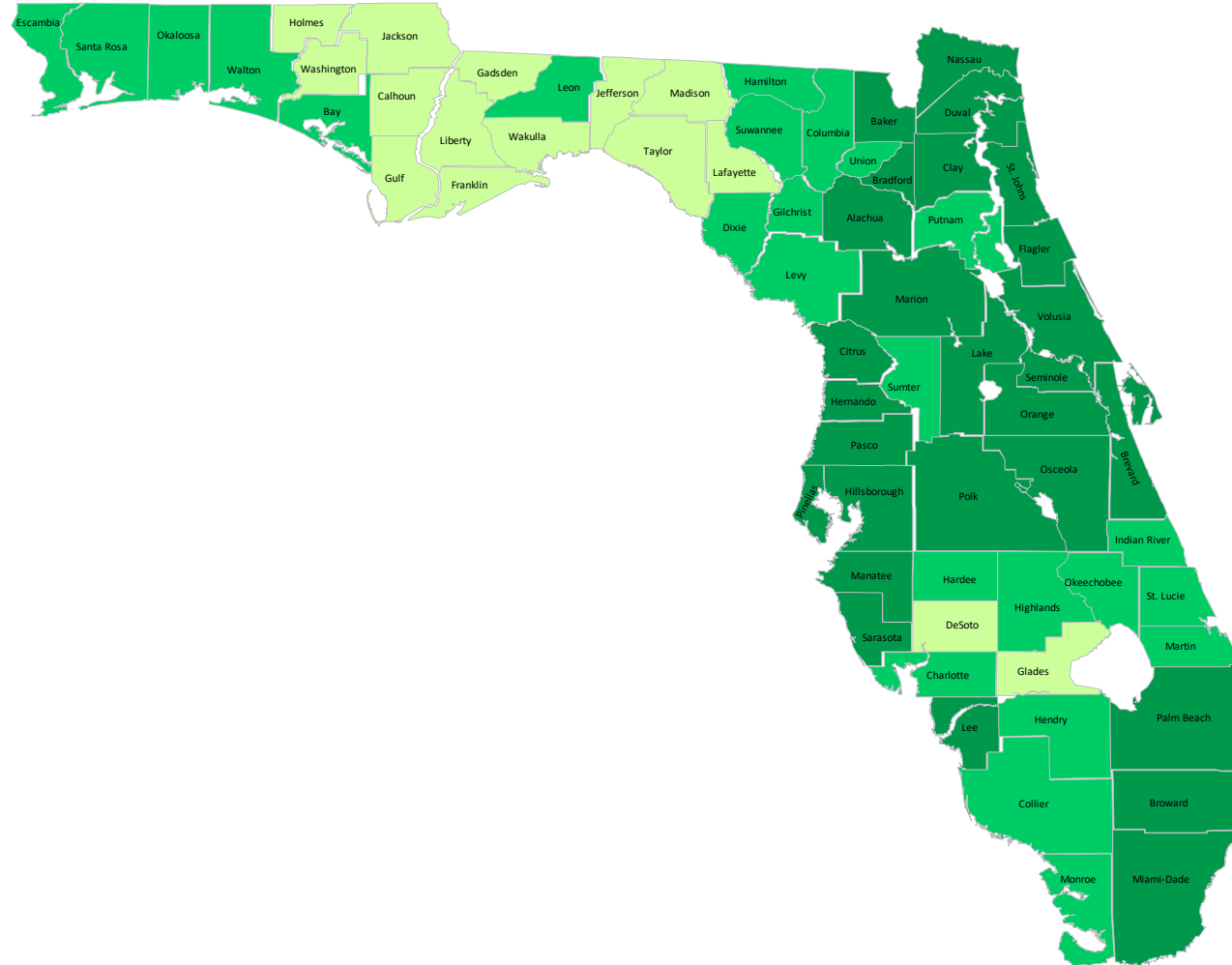
PPACA-Compliant Small Group: 2019 Market



Number of Small Group Carriers by County: Silver Plans (2019)



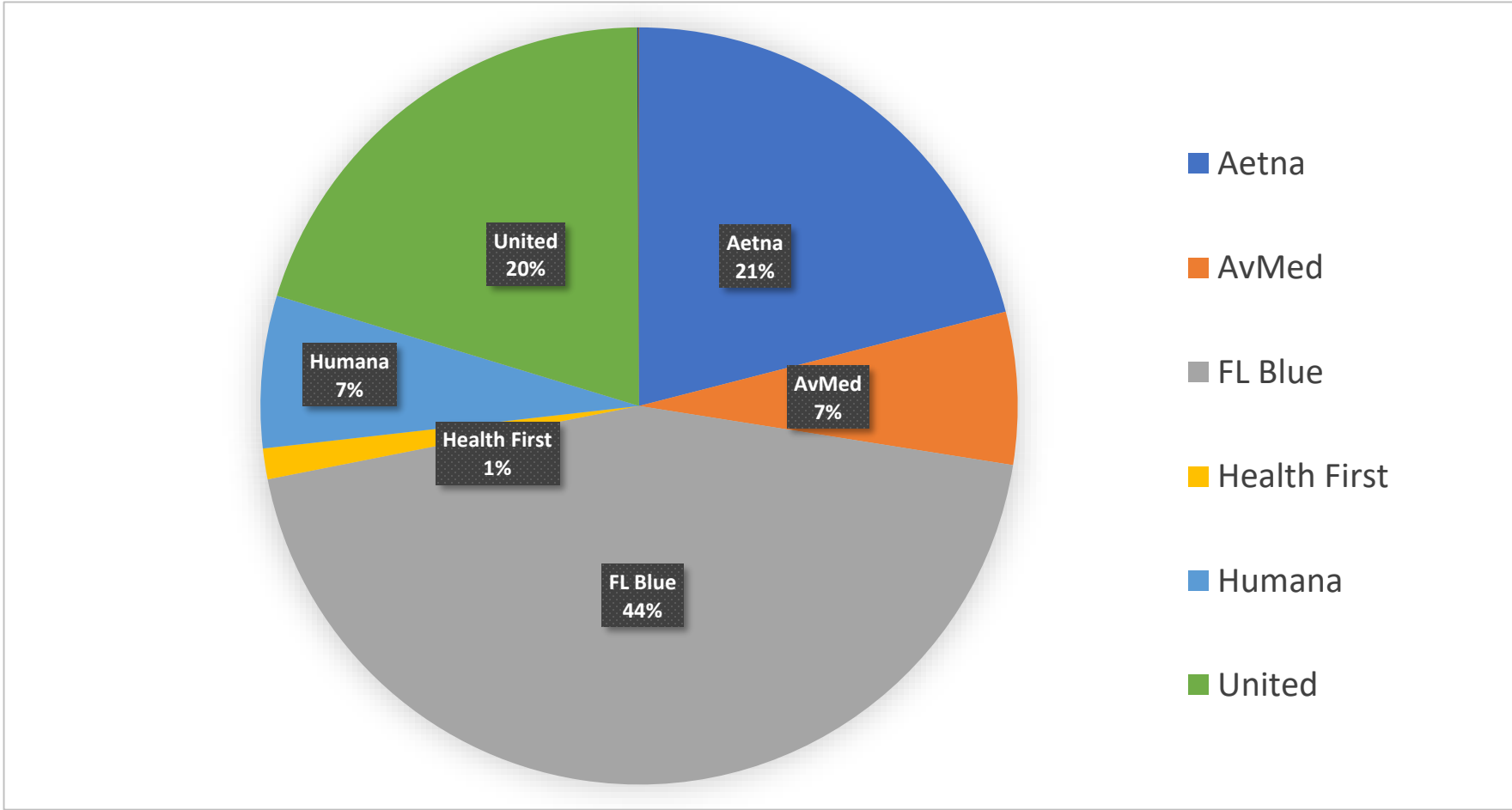
PPACA-Compliant Small Group: 2020 Market



Number of Small Group Carriers by County: Silver Plans (2020)



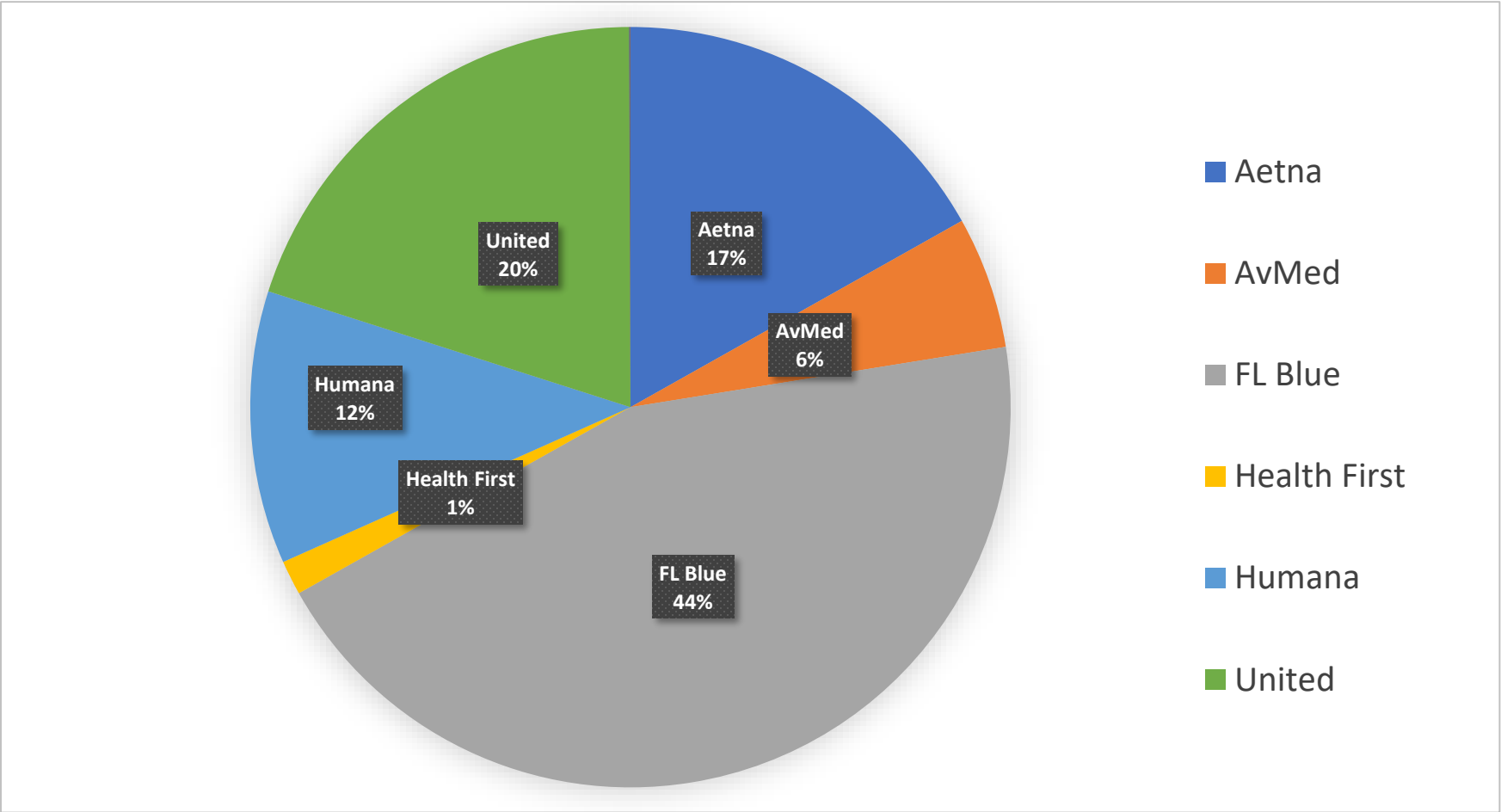
Small Group: 2013 Market Share



Total market consisted of approximately 800k consumers



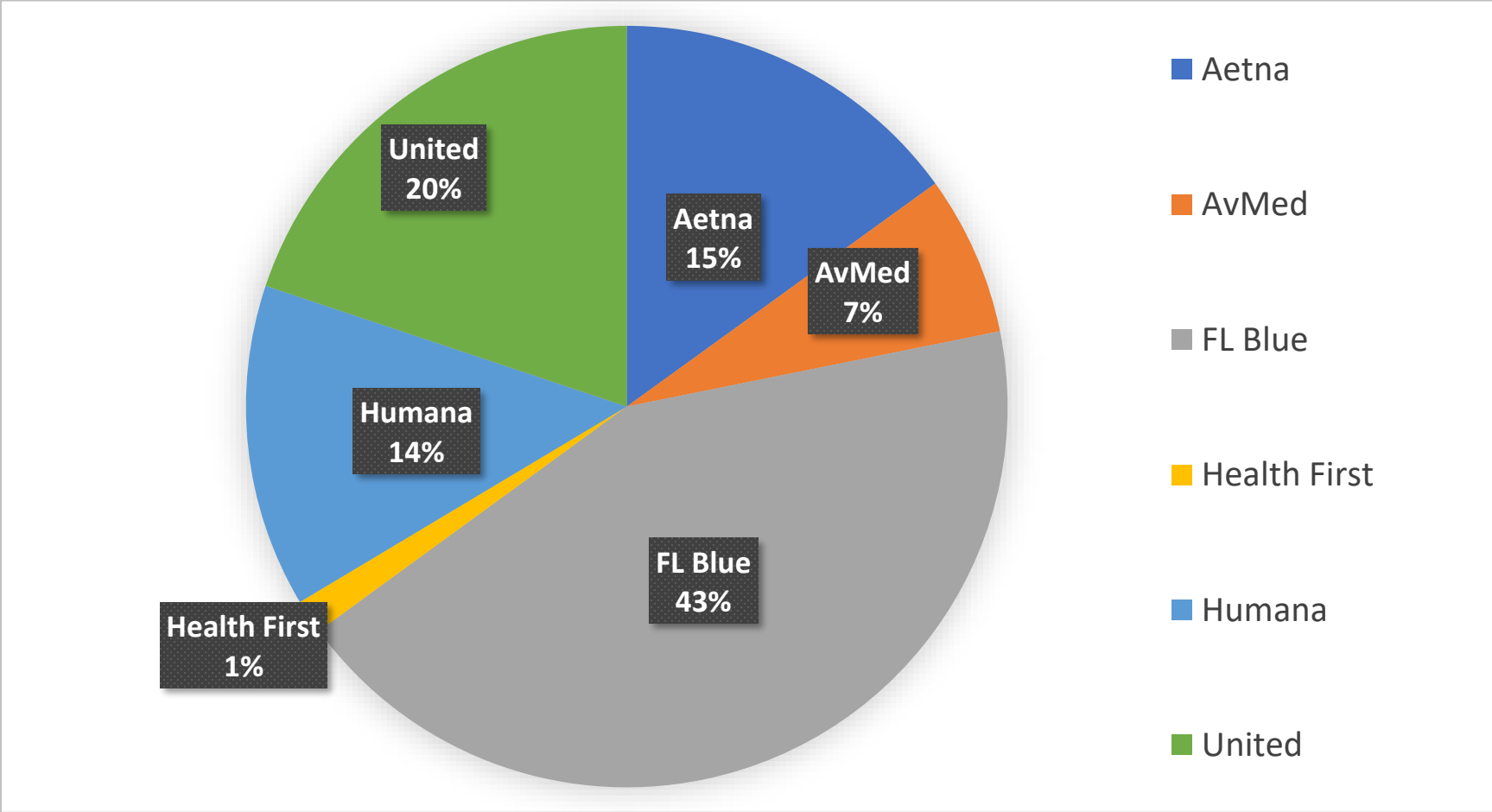
Small Group: 2014 Market Share



Total market had approximately 600k consumers: 100k in a PPACA plan, 500k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.



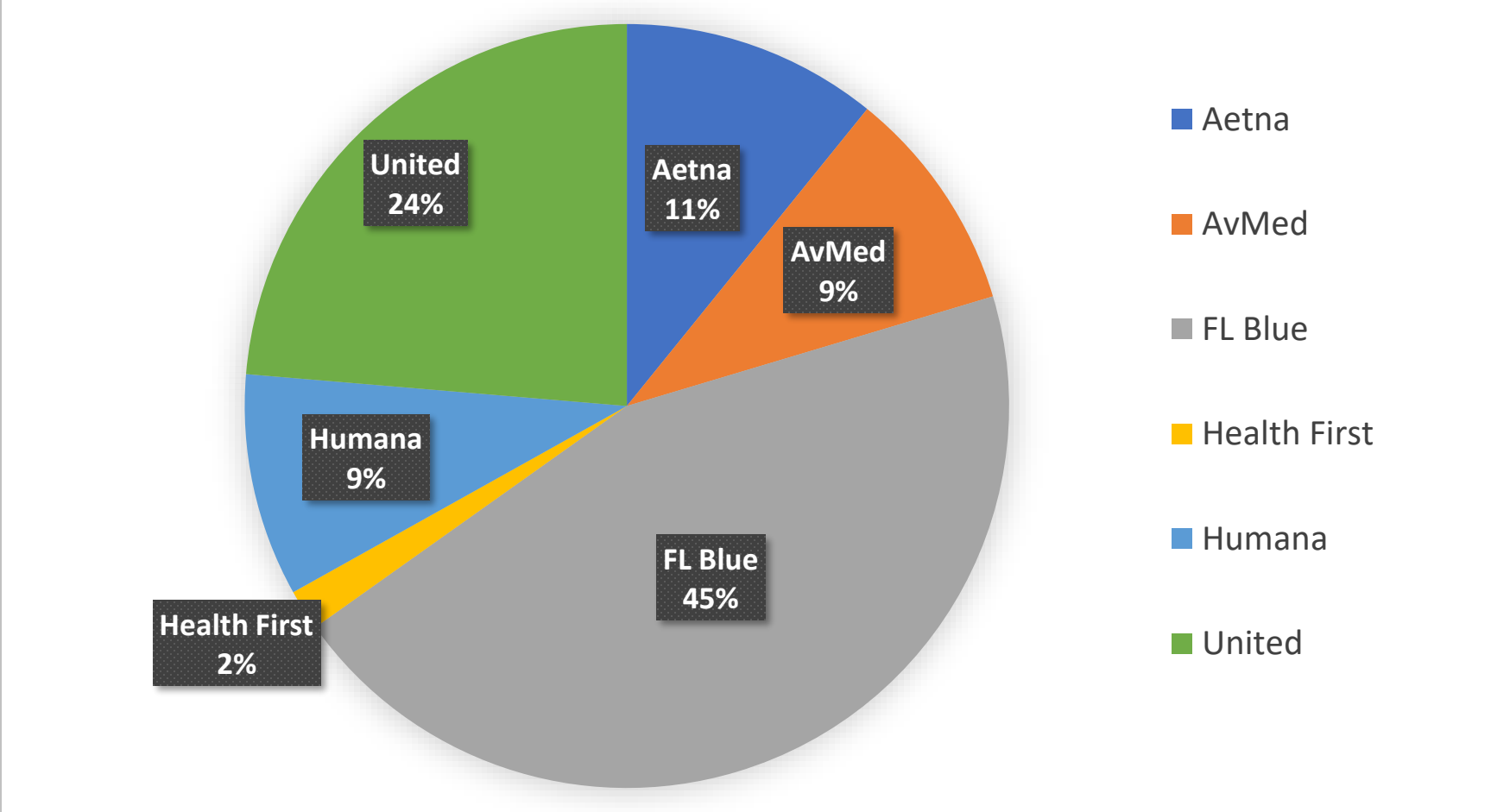
Small Group: 2015 Market Share



Total market had approximately 550k consumers: 160k in a PPACA plan, 390k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.



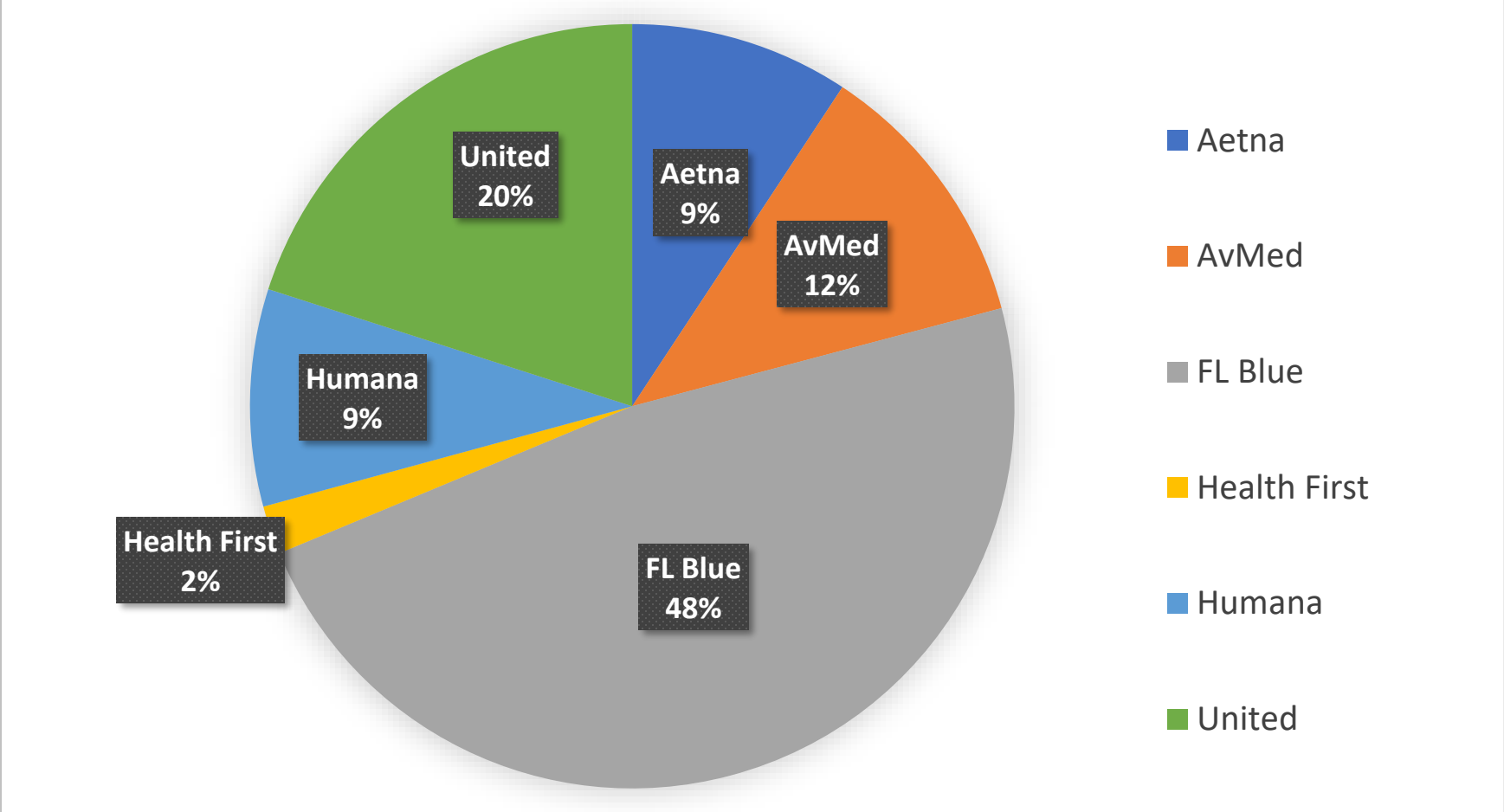
Small Group: 2016 Market Share



Total market had approximately 525k consumers: 220k in a PPACA plan, 305k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.



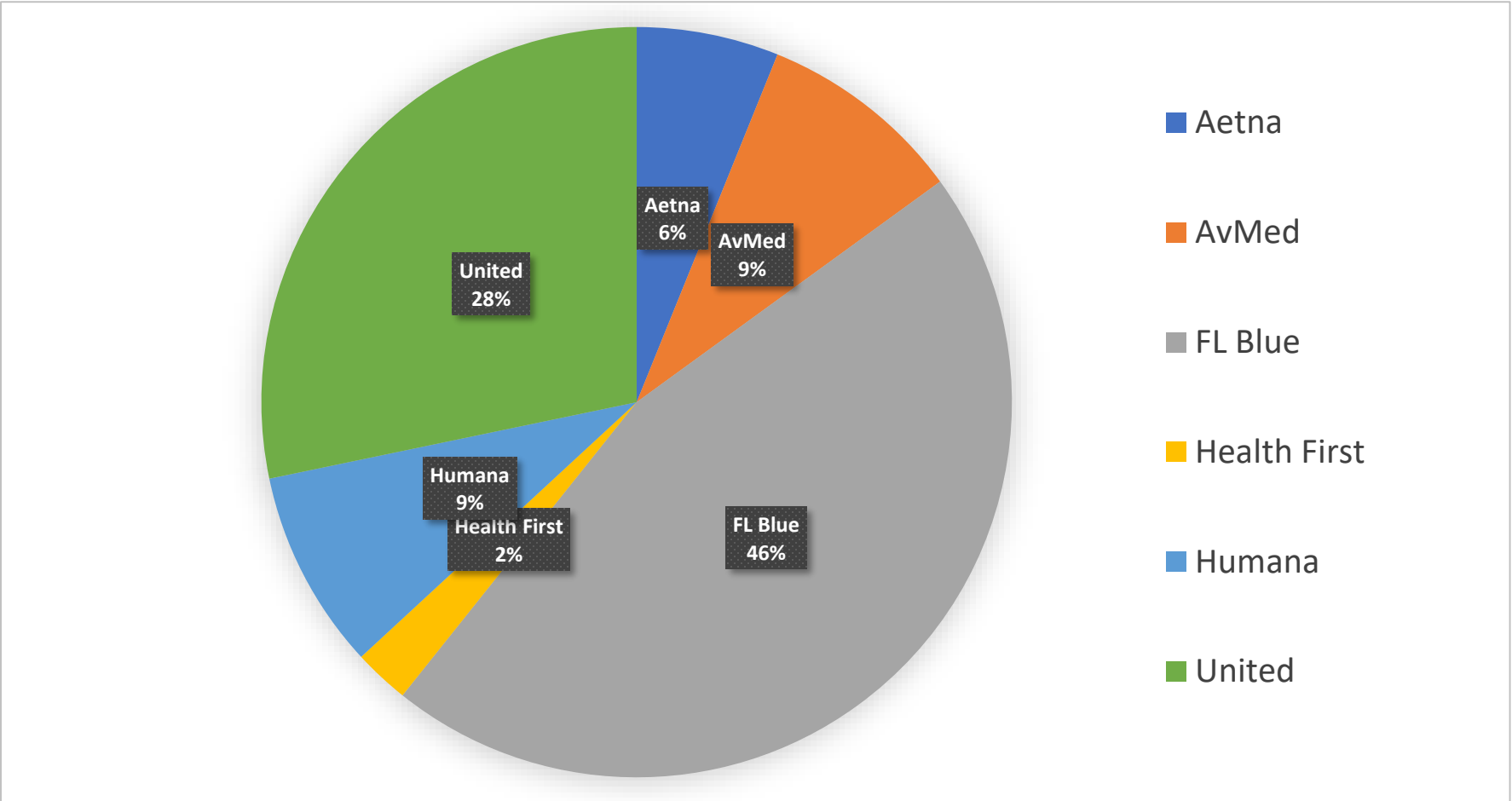
Small Group: 2017 Market Share



Total market was approximately 525k consumers: 290k in a PPACA plan, 235k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.



Small Group: 2018 Market Share



Total market was approximately 510k consumers: 315k in a PPACA plan, 195k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.



Individual Market in Florida

- Individual insurance is:
 - Sold to individuals under age 65 who are not enrolled in a Medicaid or an employer plan
 - PPACA-compliant, meaning it includes all the Essential Health Benefits and is offered with no underwriting.
- Under PPACA, consumers can purchase a PPACA-compliant policy through the Exchange (“On-Exchange”) or from the carrier directly (“Off-Exchange”). To receive a federal premium subsidy the policy must be purchased through the Exchange.
- Prior to PPACA, the individual market in Florida was approximately 800k covered lives.
- Today the individual PPACA market in Florida is approximately 1.8 million covered lives, with approximately 90% receiving a federal premium subsidy.



Individual Market in Florida – Rate Increase History

Cumulative Rate Increase Summary

| Year | Increase |
|-------------------|---------------|
| 2014* | 35.2% |
| 2015 | 13.1% |
| 2016 | 9.5% |
| 2017 | 19.1% |
| 2018** | 44.7% |
| 2019 | 5.1% |
| 2020 | 0.0% |
| Cumulative | 203.3% |

* The 2014 increase is the premium difference from 2013 to 2014, the first year of PPACA.

** The 2018 rates loaded an additional 31% on Silver plans to account for unfunded CSRs, a subsidy program the Federal Government eliminated.



PPACA-Compliant Individual: 2020 Rates

Rate Increase Summary for Plan Year 2020

| | Company | Parent | Federal Exchange Availability | Requested Average Change | Approved Average Change |
|--------------------------|---|---------------|-------------------------------|--------------------------|-------------------------|
| On Exchange | | | | | |
| 1 | Blue Cross and Blue Shield of Florida Inc. | Guidewell | On and Off | -1.0% | -2.0% |
| 2 | Bright Health Insurance Company of Florida | Bright Health | On and Off | New | New |
| 3 | Celtic Insurance Company | Centene | On and Off | 4.4% | 1.9% |
| 4 | Cigna Health And Life Insurance Company | Cigna | On and Off | -8.4% | -8.4% |
| 5 | Florida Health Care Plan Inc. | Guidewell | On and Off | 3.5% | 4.2% |
| 6 | Health First Commercial Plans, Inc. | Health First | On and Off | -9.1% | -8.8% |
| 7 | Health Options, Inc. | Guidewell | On and Off | 0.6% | 0.5% |
| 8 | Molina Healthcare of Florida, Inc. | Molina | On and Off | -0.5% | -2.9% |
| 9 | Oscar Insurance Company of Florida | Oscar | On and Off | 2.7% | 2.9% |
| Off Exchange Only | | | | | |
| 10 | AvMed, Inc. | Avmed | Off Exchange | -3.5% | -15.0% |
| | Weighted Average using Actual Membership | | | 1.2% | 0.0% |



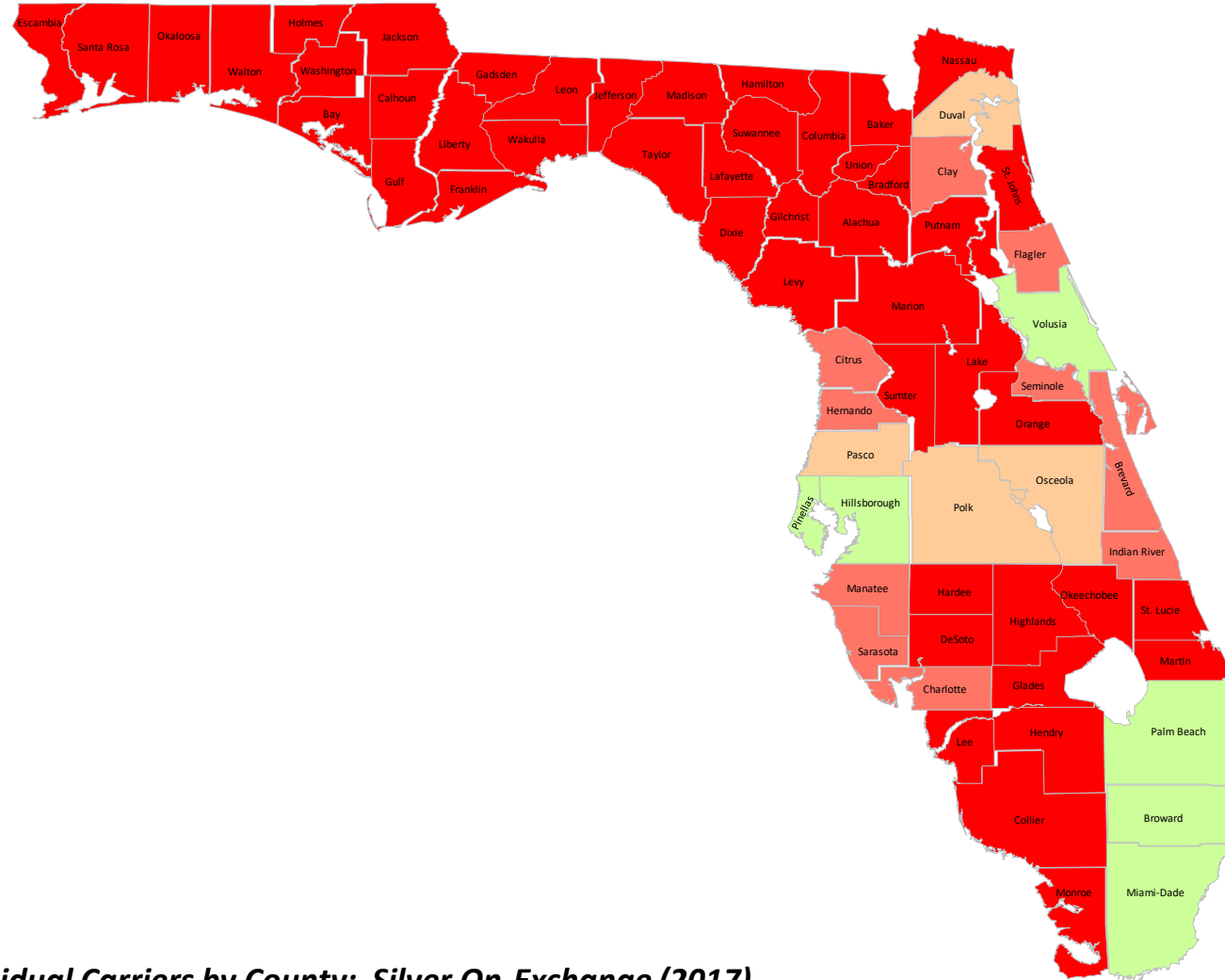
Individual Market: Number of Carriers History

Number of Entities Writing Individual Insurance

- 2010 - 17
 - 2011 - 17
 - 2012 - 18
 - 2013 - 17
 - 2014 - 17 → *first year of ACA*
 - 2015 - 21
 - 2016 - 15
 - 2017 - 14
 - 2018 - 9
 - 2019 - 9
 - 2020 - 10
-
- *2019 added a new carrier on the exchange, however, a carrier offering only “Off-Exchange” policies exited.*
 - *2020 added two new carriers on the exchange, but one was already in the market offering “Off-Exchange” only policies.*



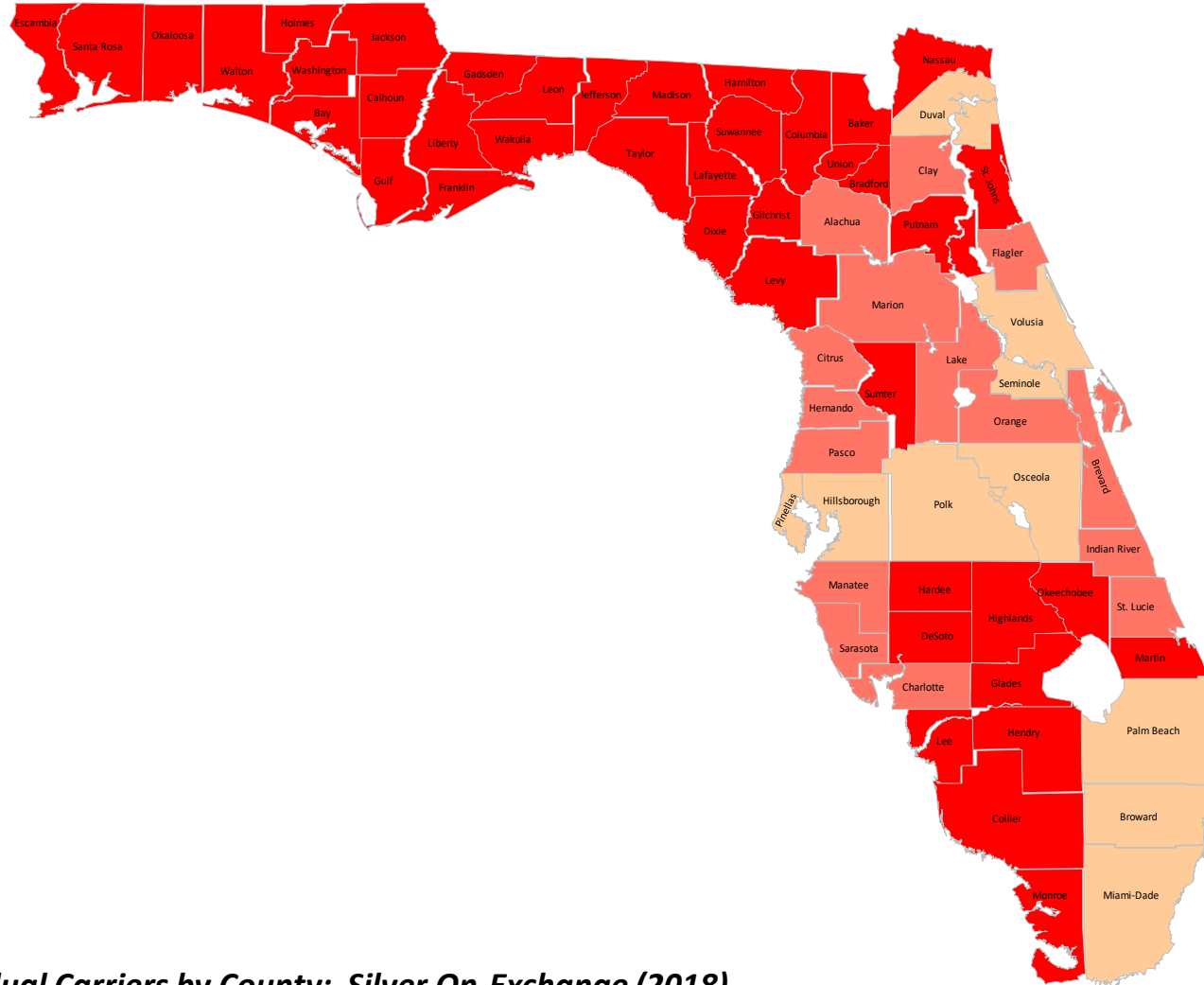
PPACA-Compliant Individual: 2017 Market



Number of Individual Carriers by County: Silver On-Exchange (2017)



PPACA-Compliant Individual: 2018 Market

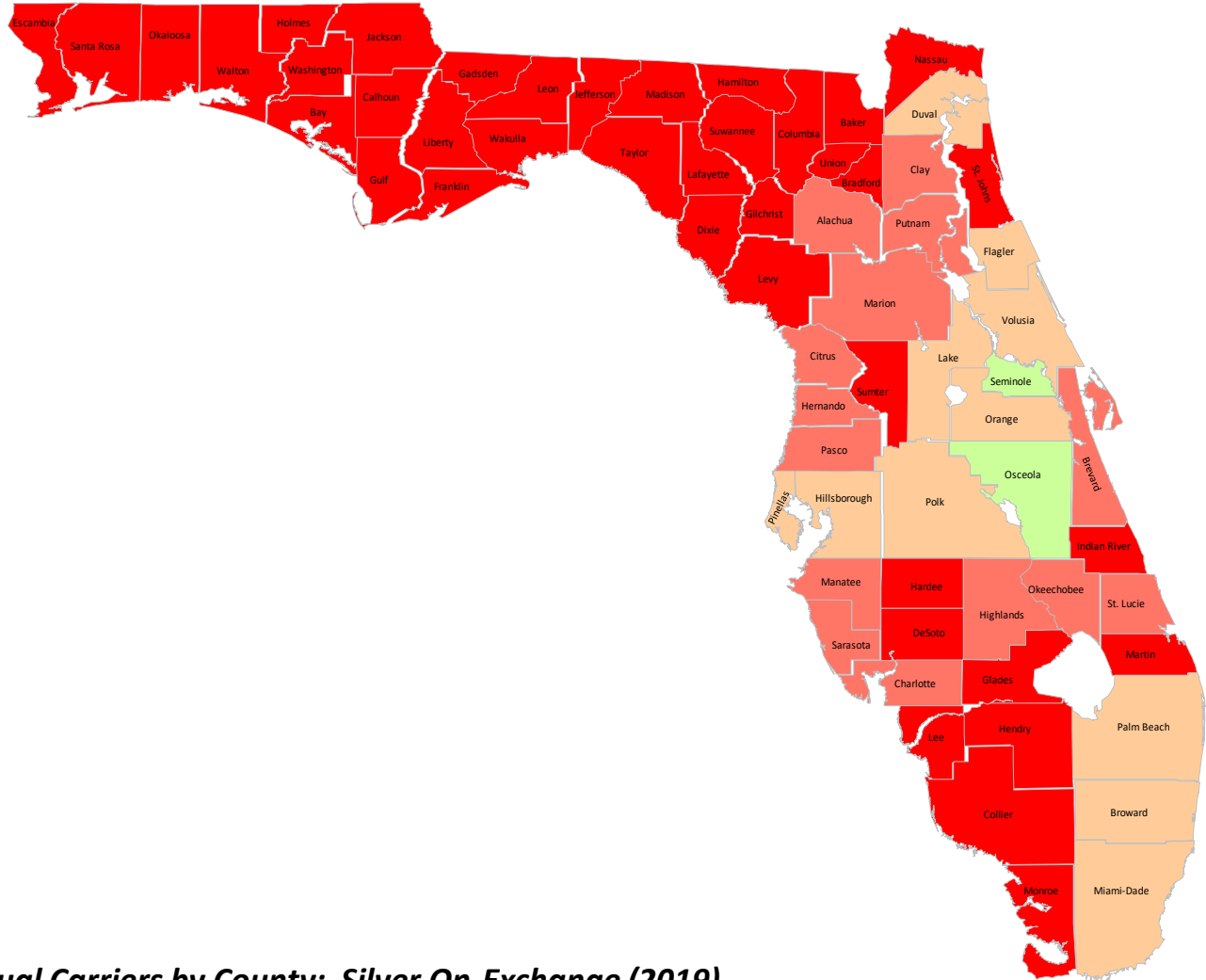


| Number of Carriers |
|--------------------|
| 0 |
| 1 |
| 2 |
| 3 |
| 4 |
| 5 |
| 6+ |

Number of Individual Carriers by County: Silver On-Exchange (2018)



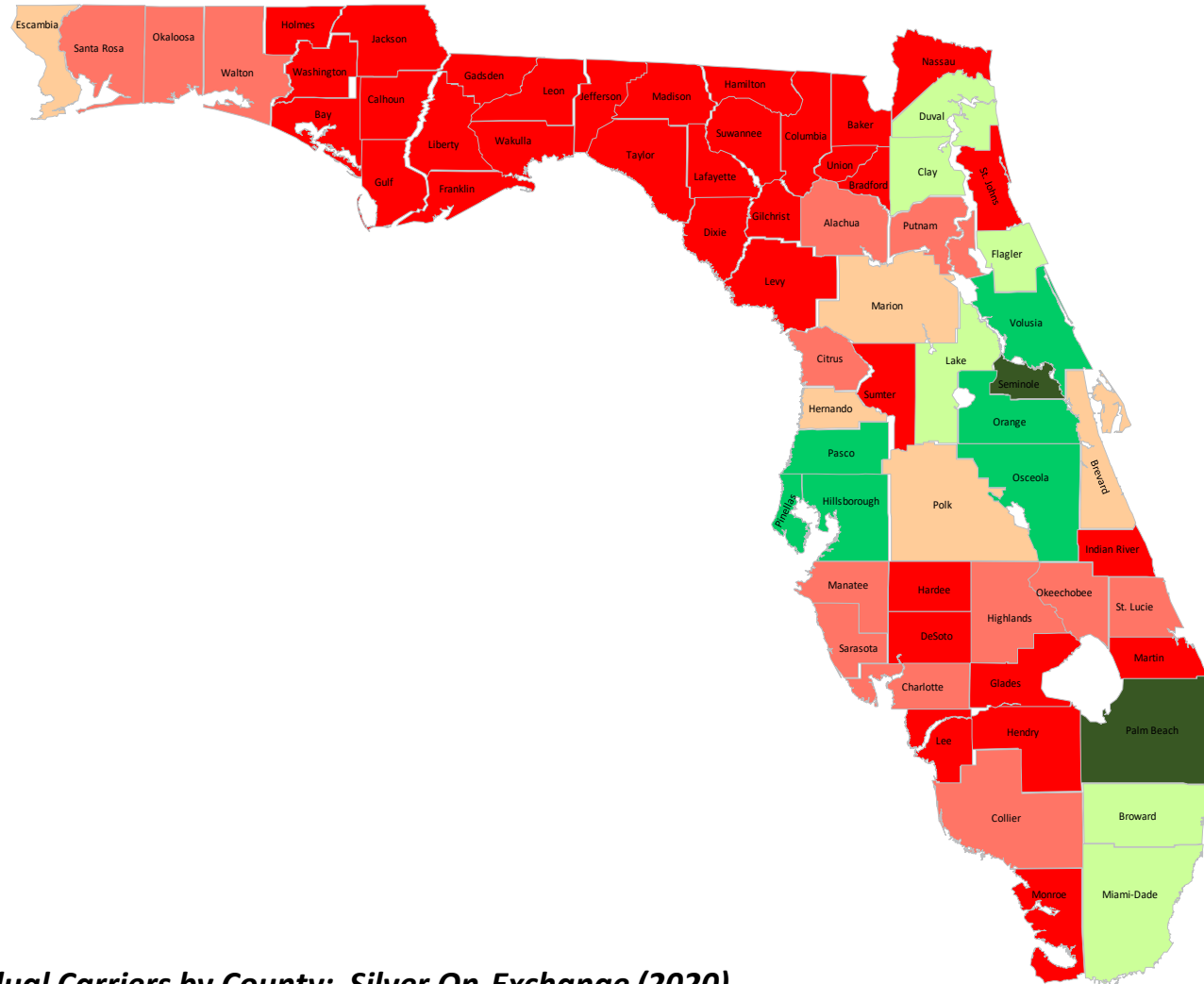
PPACA-Compliant Individual: 2019 Market



Number of Individual Carriers by County: Silver On-Exchange (2019)



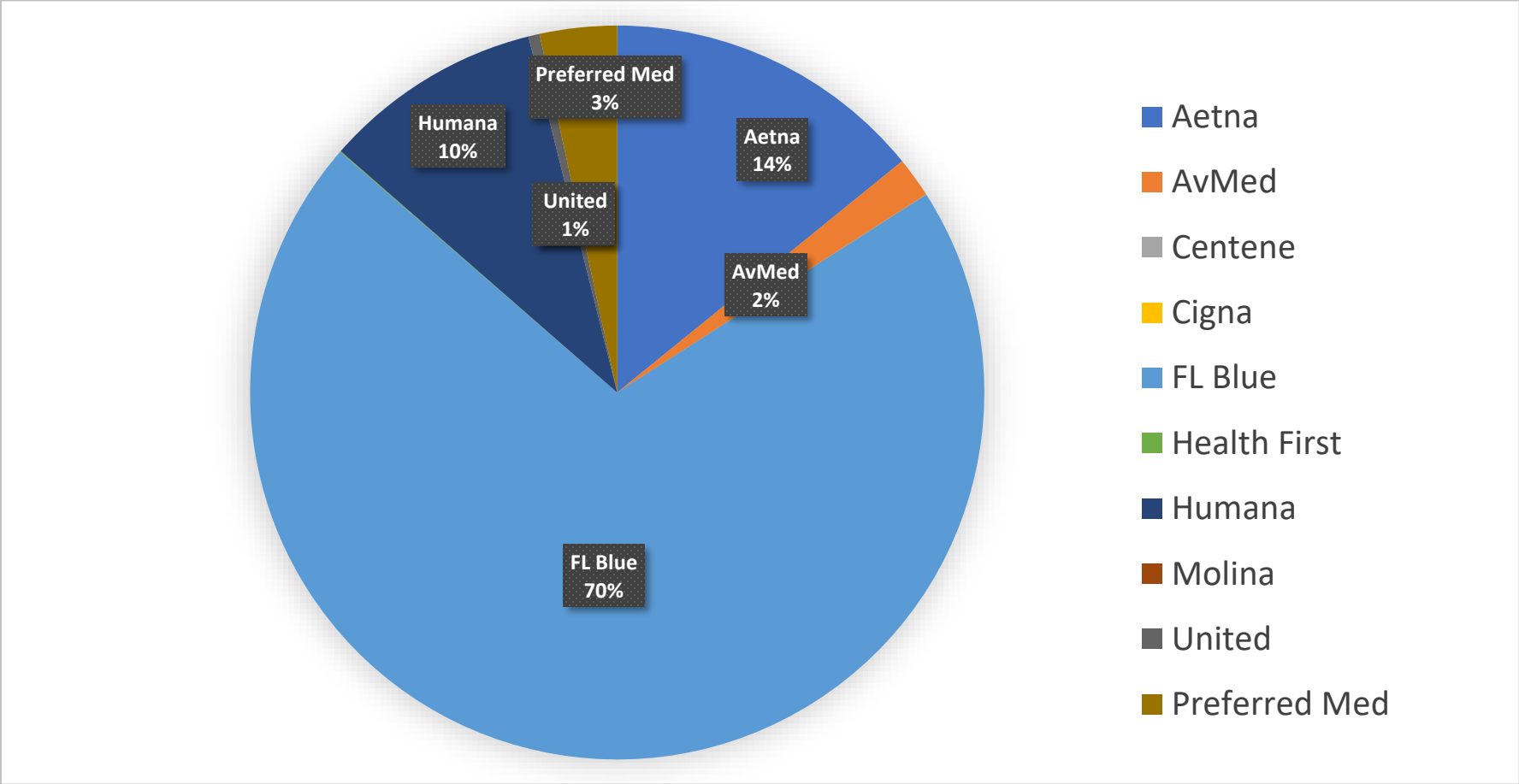
PPACA-Compliant Individual: 2020 Market



Number of Individual Carriers by County: Silver On-Exchange (2020)



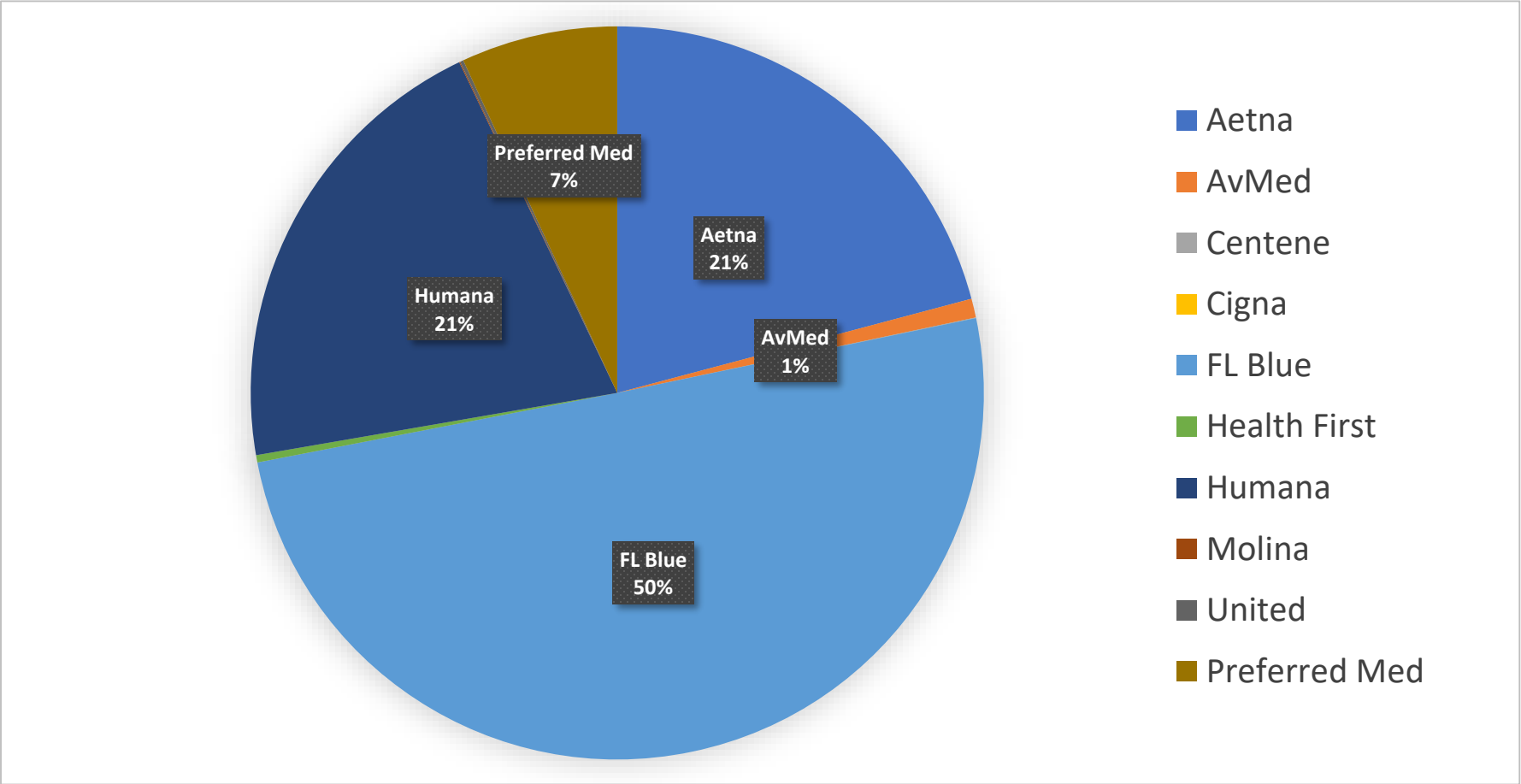
Total Individual: 2013 Market Share



Total market was approximately 800k consumers (under age 65 market)



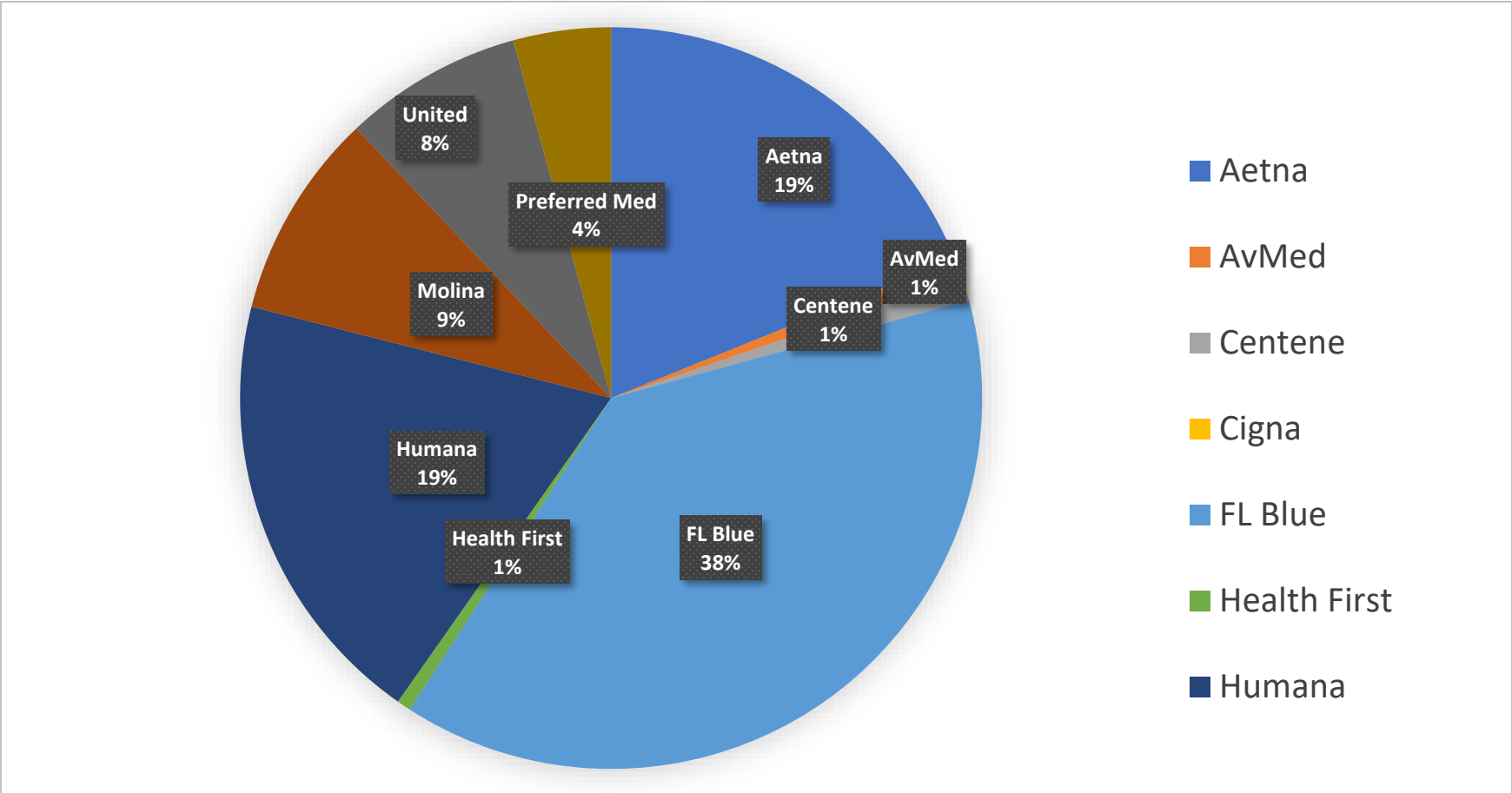
Total Individual: 2014 Market Share



*Total market (under age 65) was approximately 1.4 million consumers:
1 million in a PPACA plan, 420k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.*



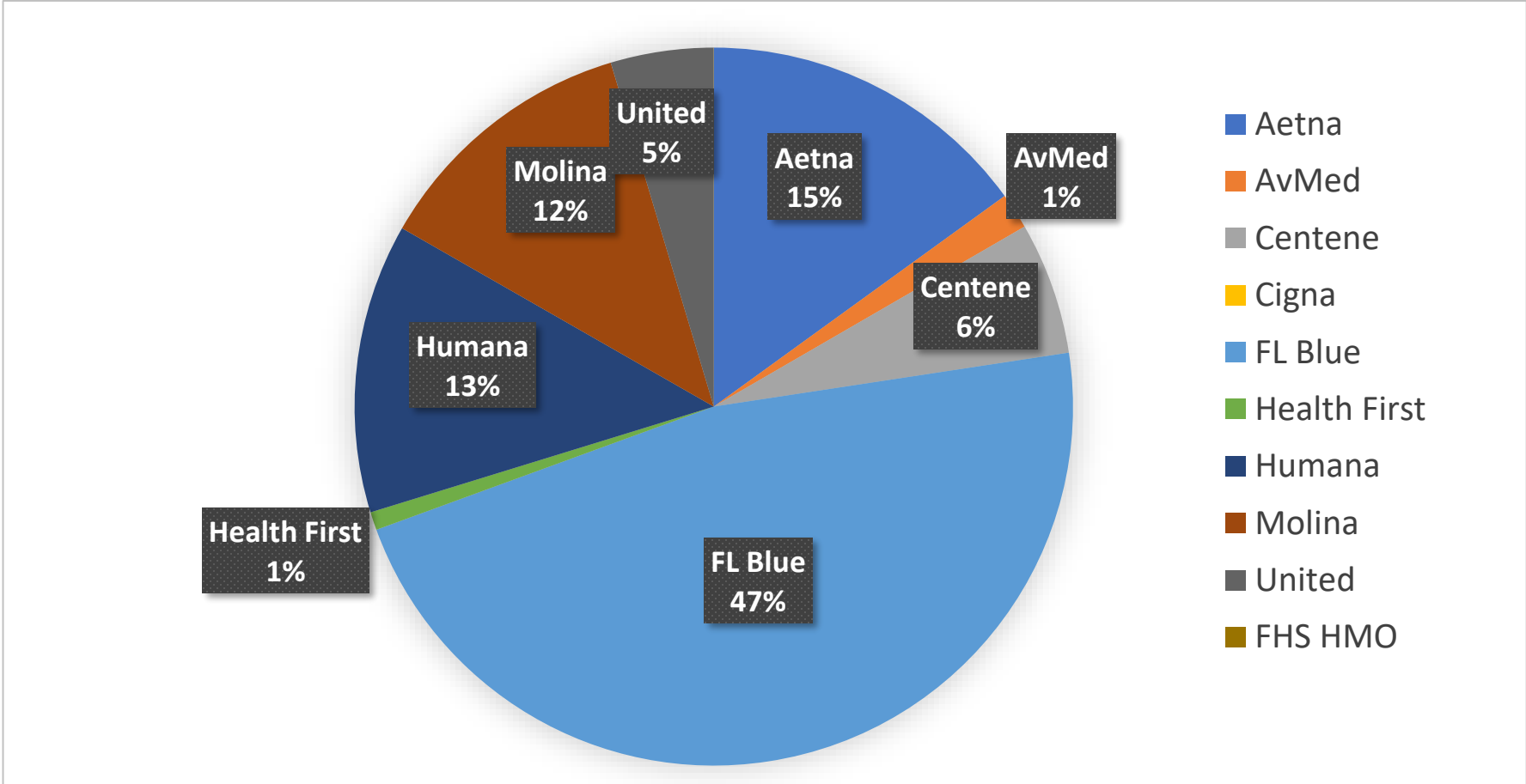
Total Individual: 2015 Market Share



Total market (under age 65) was approximately 1.8 million consumers:
1.5 million in a PPACA plan, 300k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.



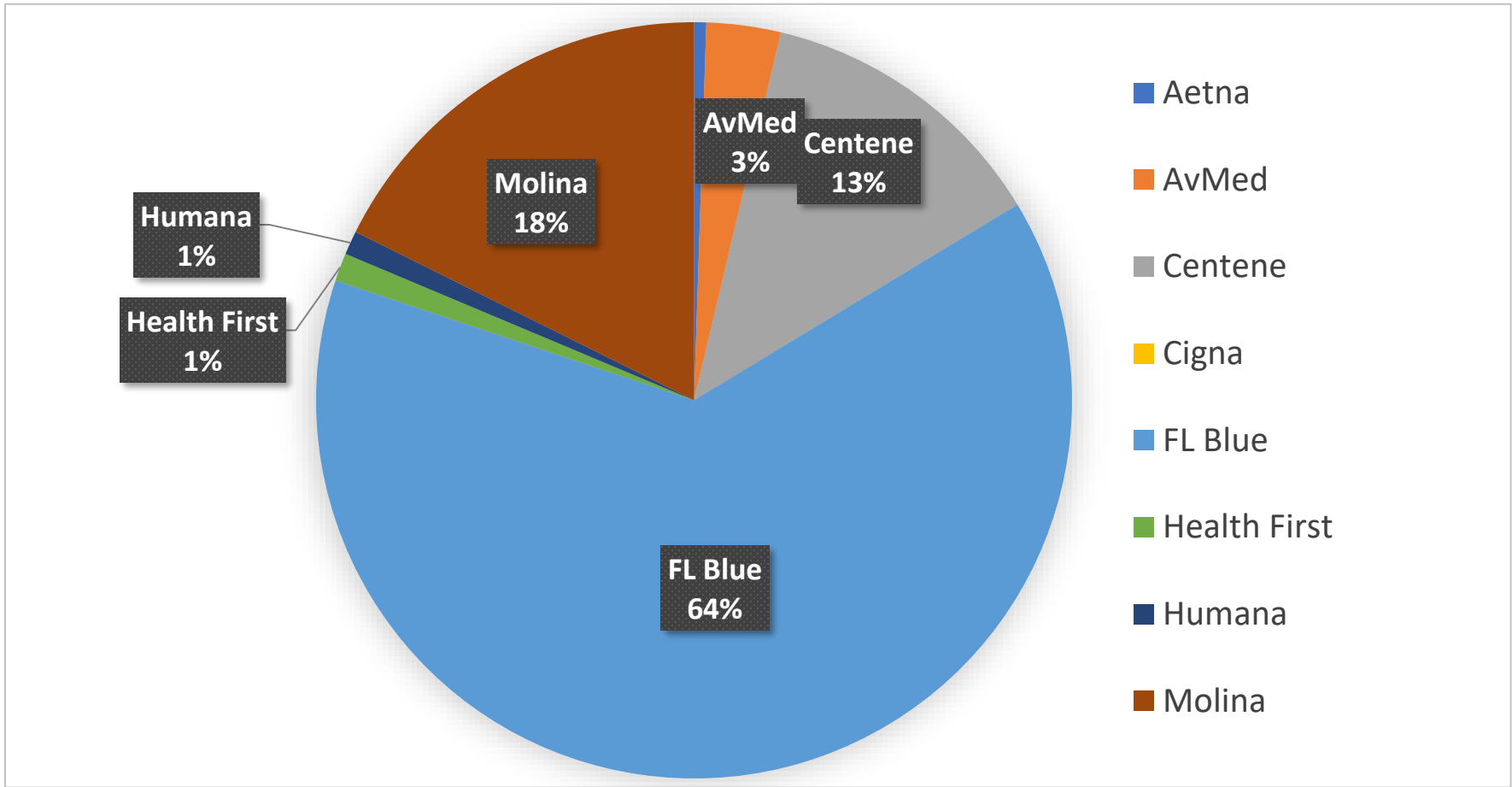
Total Individual: 2016 Market Share



Total market (under age 65) was approximately 2 million consumers:
1.8 million in a PPACA plan, 200k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.



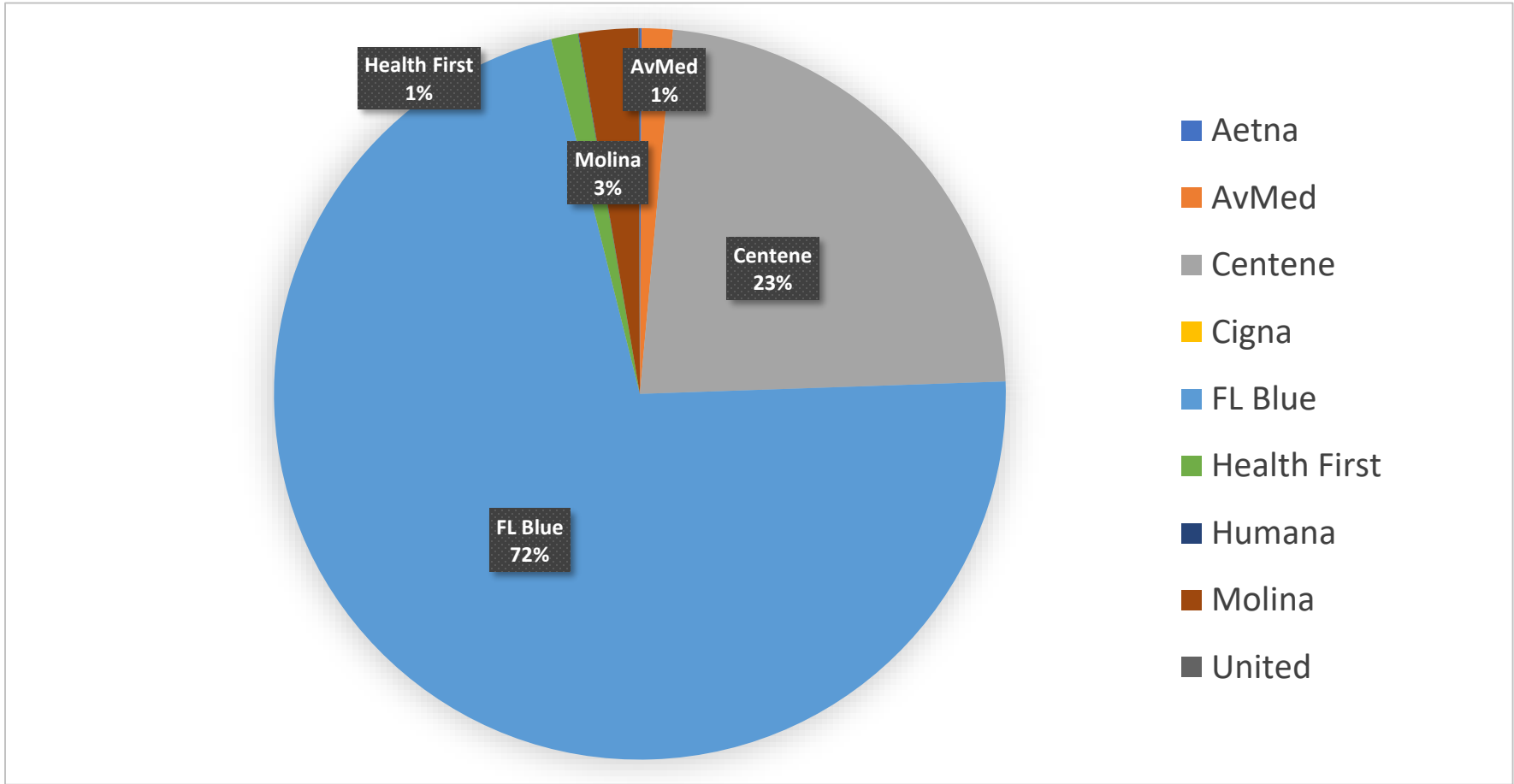
Total Individual: 2017 Market Share



*Total market (under age 65) was approximately 1.9 million consumers:
1.7 million in a PPACA plan, 170k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.*



Total Individual: 2018 Market Share



*Total market (under age 65) was approximately 1.9 million consumers:
1.7 million in a PPACA plan, 150k in a “Pre-PPACA” (grandfathered or “keep-your-plan”) policy.*



SB 322 Implementation Update

SB 322 (2019) amended Florida law to:

- Expand eligibility for association health plans
- Extend the time limits for short term plans
- Require OIR to evaluate Florida's essential health benefits benchmark (EHB) plan (*see next slide*)
- Authorize plans to use alternative methods to establish EHBs



SB 322 Implementation Update

SB 322 requires the OIR to “conduct a study to evaluate the state’s current EHB-benchmark plan.”

4 step process

- Compile all benchmark plans from the 49 other states
- Compare FL’s benchmark benefits to those in the other states
- Determine the cost of the benefits ← We are here
- Submit a report by October 30, 2019 to the Governor, Senate President, and House Speaker



Contact Information

Craig Wright, Deputy Commissioner, Life and Health

Craig.Wright@flor.com

(850) 413-2409

Caitlin Murray, Director of Government Affairs

Caitlin.Murray@flor.com

(850) 413-5005

For more information visit www.flor.com.