A Safety Net Health Plan in the Marketplace

Not exactly what we thought it would be…

Ken Janda

June 29, 2018

COMMUNITY HEALTH CHOICE

COMMUNITY CARES.

About Community: Our Programs

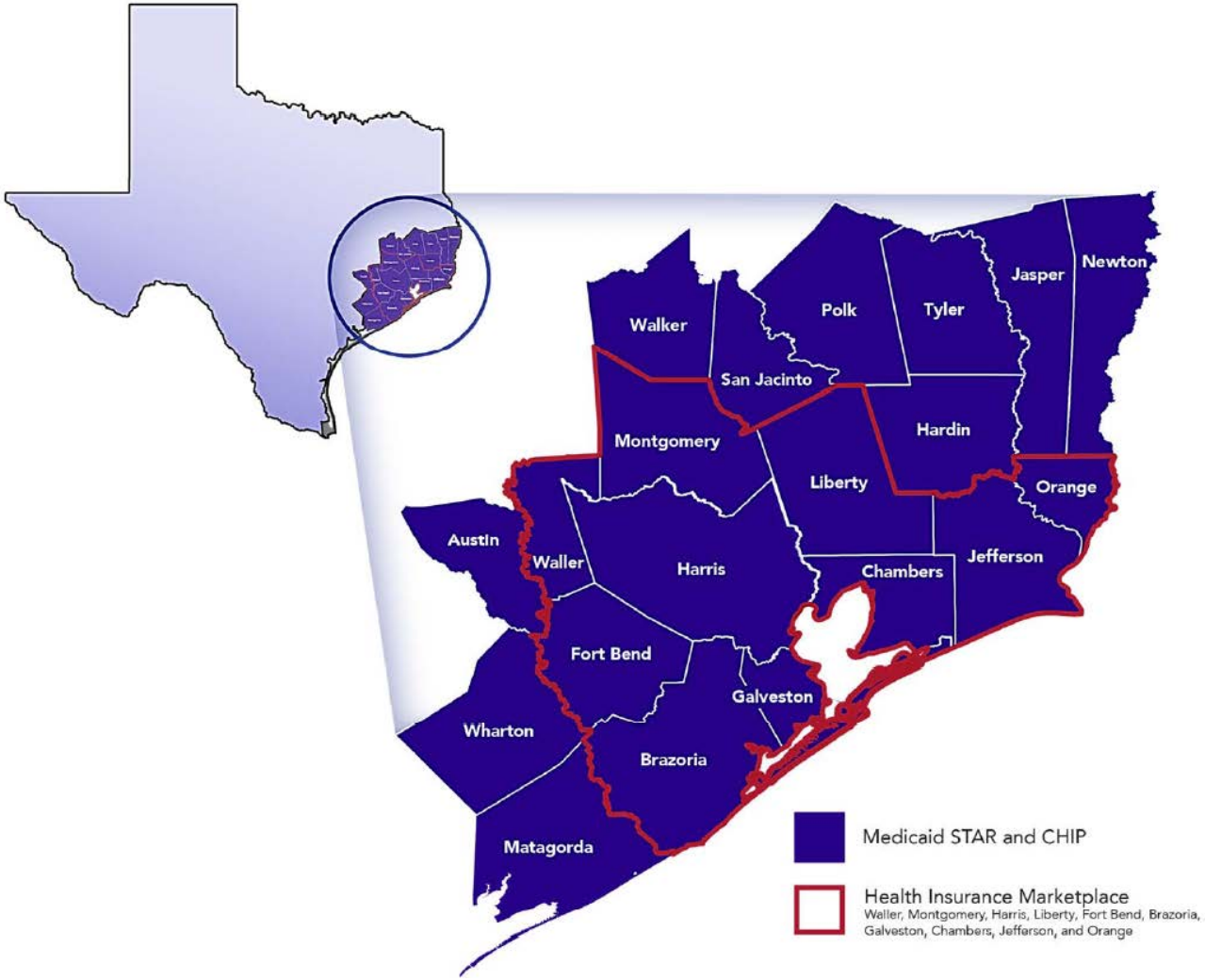
COMMUNITY HEALTH CHOICE
COMMUNITY CARES.

Community serves over 475,000 Members in the following programs:

- Medicaid STAR Program for low-income children and pregnant women *(1997)*
- Children's Health Insurance Program (CHIP) for the children of low-income parents, including CHIP Perinatal benefits for unborn children *(2006)*
- Health Insurance Marketplace Plans offered to individuals under the ACA, primarily with subsidized premiums for lower income families *(2014)*
- Regional HMO coverage for State of Texas employees (ERS) *(2015)*
- Administrator for Marketplace plans offered by Sendero Health Plans in Austin *(2017)*
- Administrator for collaborative safety net projects including TexHealth 3-Share insurance subsidies *(2008)*, DSRIP *(2013)*, and NAIP *(2015)*

Service Area Map

COMMUNITY HEALTH CHOICE
COMMUNITY CARES.



Community and the Marketplace

COMMUNITY HEALTH CHOICE
COMMUNITY CARES.

- Prior to the ACA, Community Health Choice (Community) operated only in the Medicaid Managed Care space
- Early 2012 decision to enter Marketplace: focus on parents of Medicaid/CHIP members and uninsured indigent patients (<200% FPL) of Harris Health System and FQHCs
- After 2012 SCOTUS decision on Medicaid expansion, assumed it would be a “no-brainer” for Texas to expand *(I guess we were wrong?)*
- Overall Marketplace instability in Houston: national carriers left in 2017, big rate increases for everyone. Currently 4 competitors (Blue Cross, Molina, Centene and Community)
- 3 R’s have not worked…
  - Sabotage by Congress/Administration (Risk corridors, CSRs, etc.)
  - Risk adjustment continues to be a major source of instability

Health Insurance Marketplace Membership

COMMUNITY HEALTH CHOICE
COMMUNITY CARES.

	2015	2016	2017	2018
Members	38,423	93,278	144,997	119,292
Members with APTCs	90.3%	83.6%	79.2%	78.4%
Members with CSRs	68.9%	59.6%	59.1%	47.1%
Members Off-Exchange	0.6%	3.5%	7.0%	8.1%
Members in Bronze Plans	23.5%	26.5%	19.7%	38.6%
Free Bronze Plan Members	-	20%	20%	31%
Members in Silver Plans	74.8%	69.5%	73.8%	55.8%
Members in Gold Plans	1.8%	4.0%	6.4%	5.6%
Members by Age (0-25)	21.9%	24.3%	24.7%	23.5%
Members by Age (26-44)	33.0%	31.1%	29.2%	28.9%
Members by Age (45-64)	43.7%	43.1%	44.5%	45.4%
Members by Age (55-64)	20.4%	21.3%	23.3%	24.8%
Members by Age (65+)	1.4%	1.5%	1.6%	2.1%
Male Members	44.3%	45.4%	44.6%	44.4%
Female Members	55.7%	54.6%	55.4%	55.6%

As of March 1 Annually (February 1 for 2018)

Negative Impact of Silver Loading

COMMUNITY HEALTH CHOICE
COMMUNITY CARES.

- In 2018, Community rates were 2nd highest in market of 4 carriers
- Increased churn among silver members from 43% in 2017 to 56% in 2018
- Increased migration among 2017 silver members to 2018 bronze plans, particularly for members over 250% FPL
  - <250% FPL: 3% to 6%
  - >250% FPL: 4% to 16%
- Increase in 2018 bronze rates were lower than the increase in 2018 silver rates, making bronze plans more attractive
  - Percent change between 2017 to 2018 (for member 149% FPL)
    - APTCs: +48.27%
    - Bronze rate: +11.5%
    - Silver rate: +47.99%

Silver Loading hurts retention if not the second lowest cost plan

COMMUNITY HEALTH CHOICE
COMMUNITY CARES.

Sliver Loading Effect: Change between 2017 and 2018 plans								
%FPL	2017 Monthly APTC	2018 Monthly APTC	Standard Bronze			Standard Silver		
			2017 Monthly Premium	2018 Monthly Premium	Change in Estimated Monthly Premium	2017 Monthly Premium	2018 Monthly Premium	Change in Estimated Monthly Premium
149%	$229	$ 339.53	$ 26.33	$ 1.47	$ (24.86)	$ 81.51	$ 120	$ 38.49
199%	$163.06	$ 273.43	$ 92.27	$ 67.57	$ (24.70)	$ 147.45	$ 186.10	$ 38.65
249%	$86.50	$ 197.90	$ 168.83	$ 146.10	$ (25.73)	$ 224.01	$ 261.63	$ 37.62
350%	$26	$ 63.12	$ 229.33	$ 277.88	$ 48.55	$ 248.51	$ 396.41	$ 111.90

COMMUNITY HEALTH CHOICE
COMMUNITY CARES.

Questions & Answers

Contact Information:
Ken Janda
713.295.2410
Ken.Janda@CommunityHealthChoice.org