



The Health Industry Forum

Health Insurance Outlook

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America's Health Insurance Plans



Outline

- Sea Change in Payment Policies
 - Preparations for 2014
 - Contributions to Public Programs
-

Health Plans Leading Change Through Collaborations



Delivery System and Payment Reform

Value Based Benefit Structures

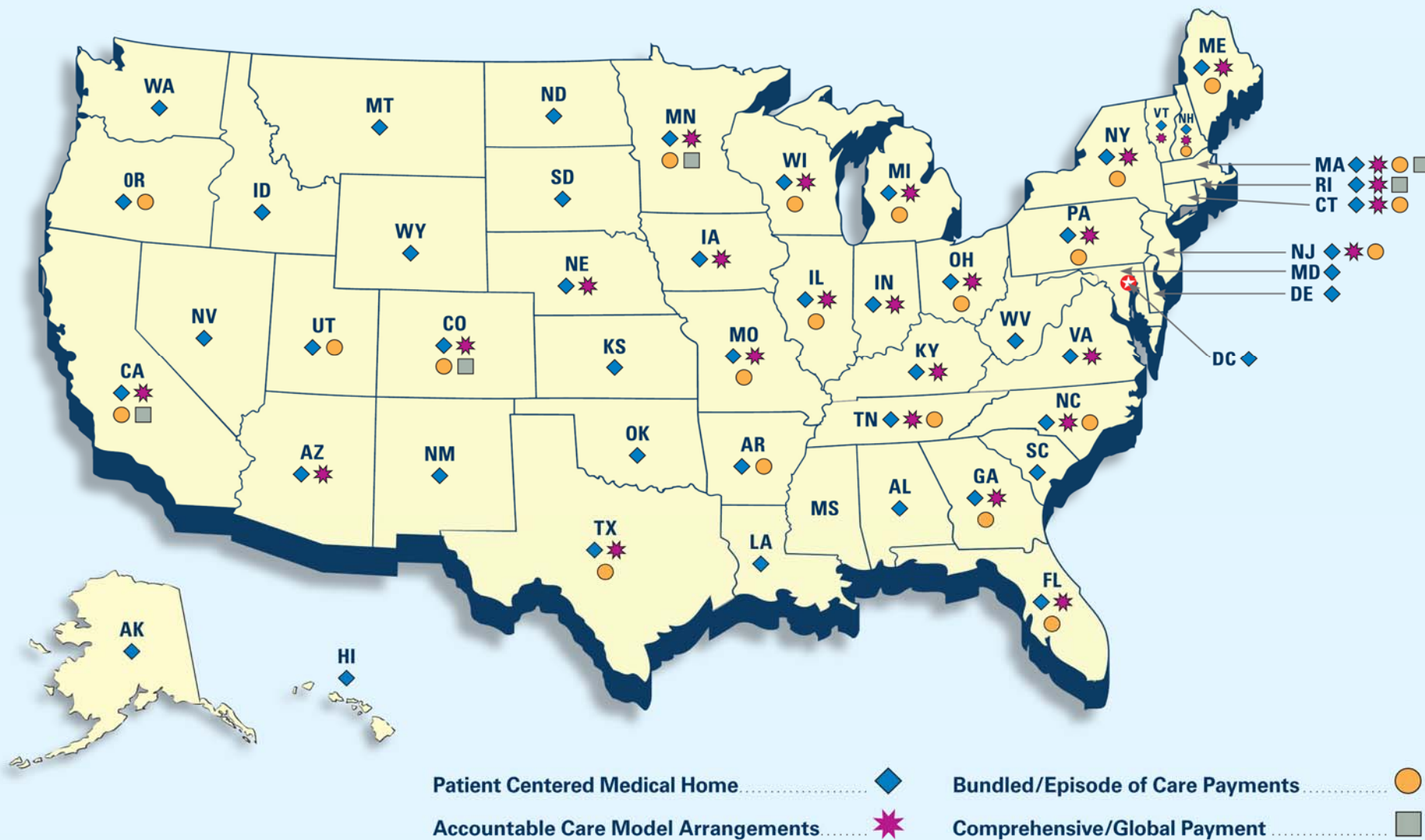
Transparency



Partnering with Providers



Alternative Delivery and Payment Models—Private Sector Initiatives



NOTE: Icons may represent multiple partnerships within the state

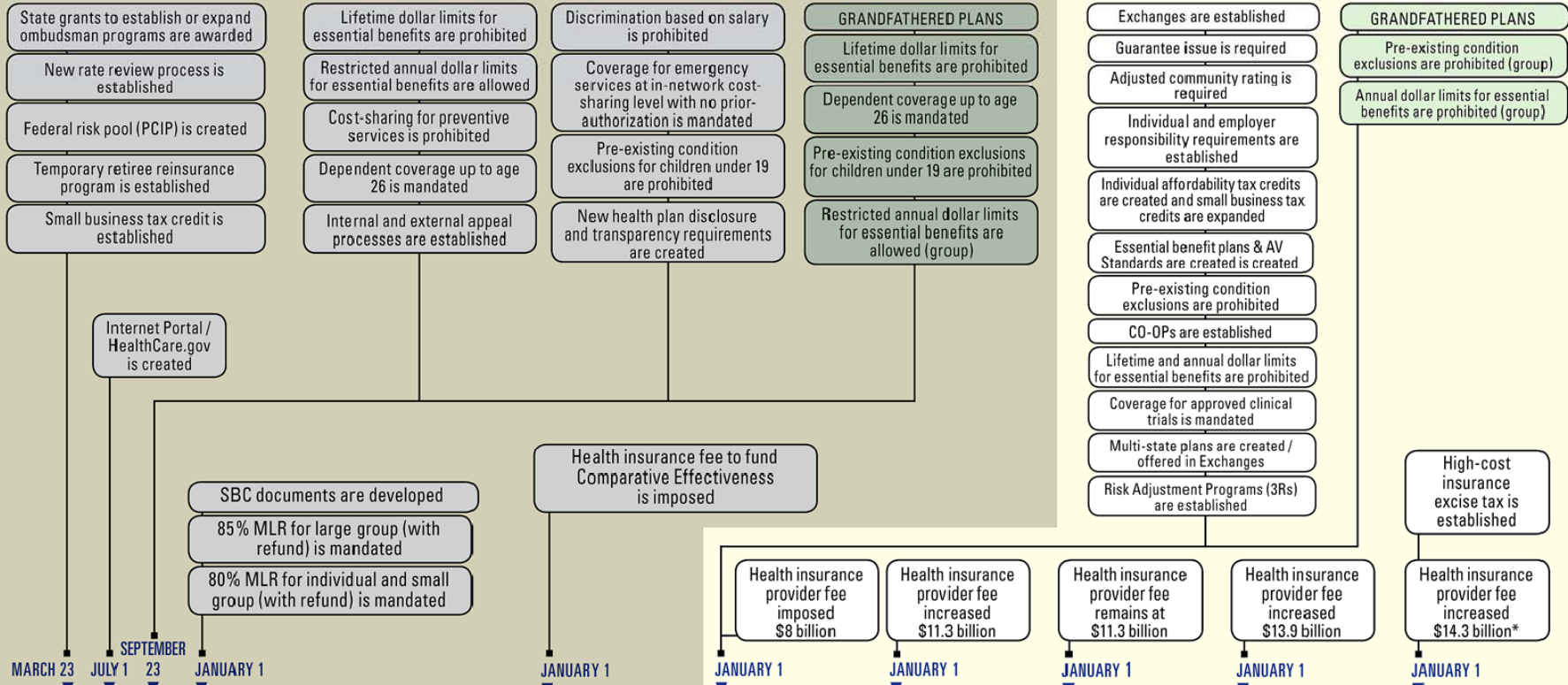
*The map is current as of November 2012. As new programs are identified the map will be updated accordingly.

Preparations for 2014

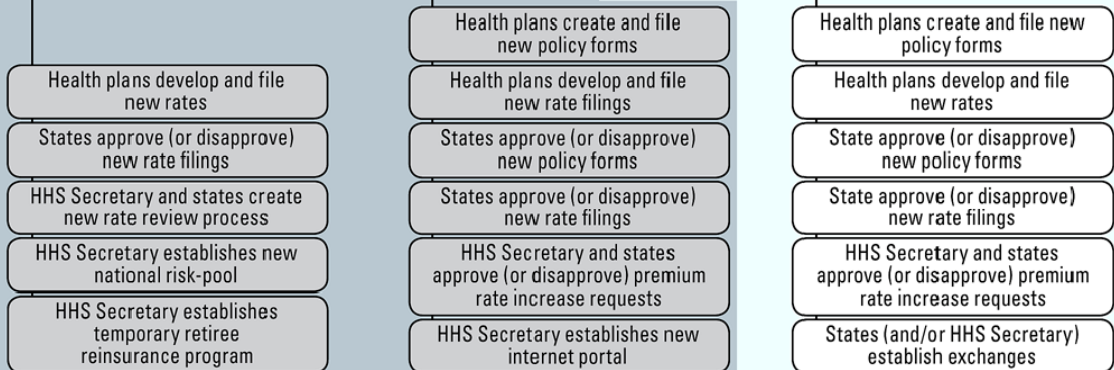
- Operational Readiness
- Affordability

Health Care Reform Legislation: Insurance Market Provisions Timeline

SUMMARY OF SELECT REQUIREMENTS



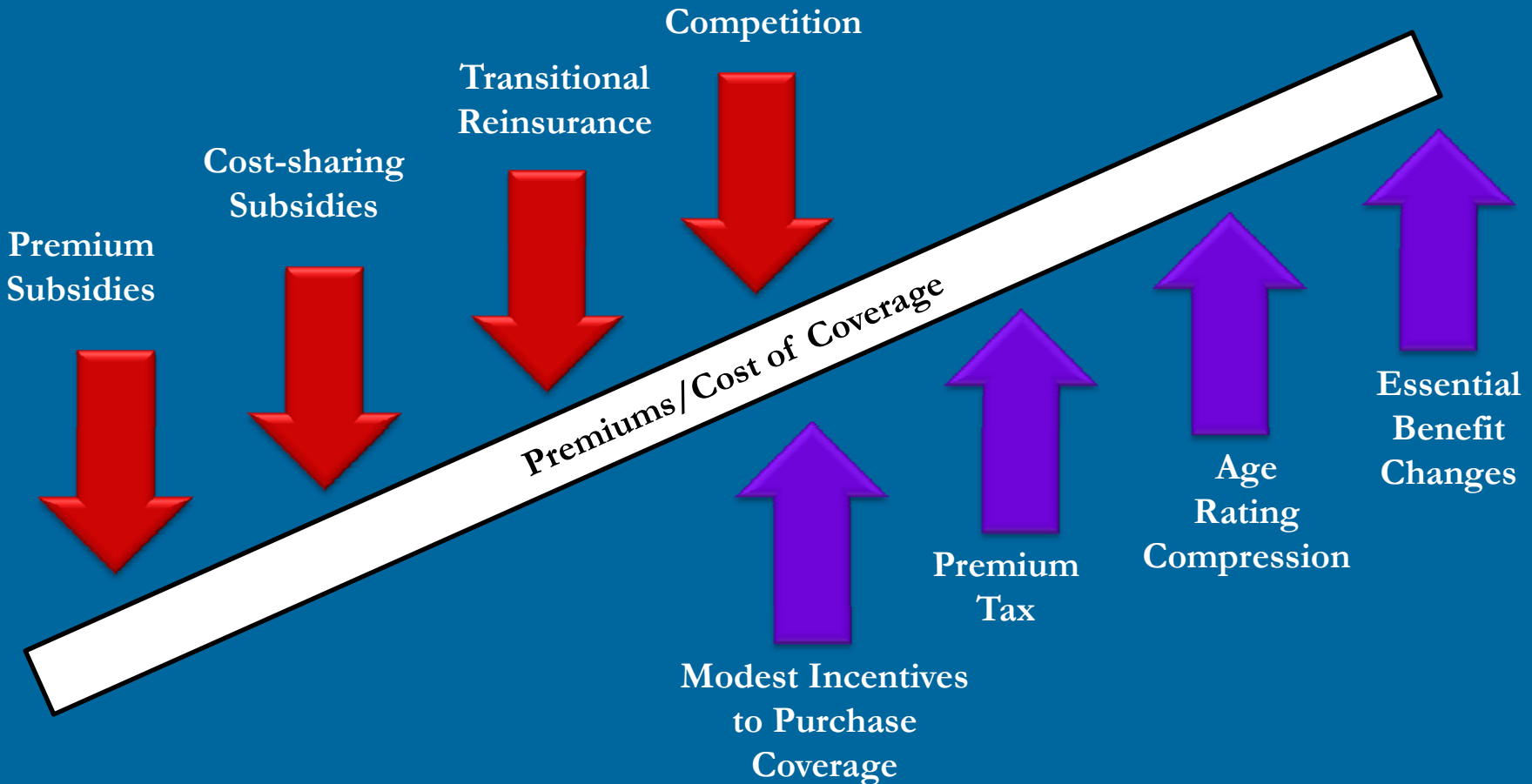
IMPACT



*In years following 2018, the tax amount would increase in an amount proportionally equal to overall premium growth.



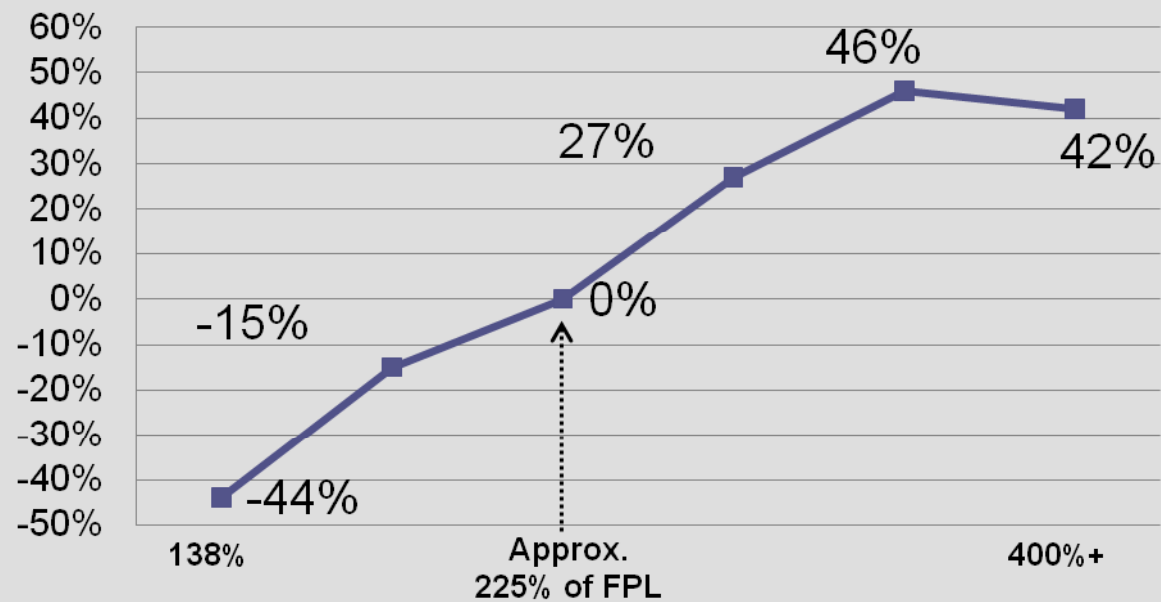
ACA Implementation: Interaction of 2014 Provisions



Age Band Compression



Premium Rate Changes From 2013 to 2014, Ages 21-29, Single Contracts in the Nongroup Market, After Premium Assistance



Kurt Giesa and Chris Carlson. Age Band Compression Under Health Care Reform. *Contingencies*. January/February 2013.

Health Insurance Premium Tax

Increase in premiums	1.9%-2.3% in 2014 2.8%-3.7% in 2023
10-year increase in the cost of coverage in the <u>individual market</u>	For Individuals: \$2,200 For Families: \$5,100
10-year increase in the cost of coverage in the <u>small group market</u>	For Individuals: \$2,800 For Families: \$6,800

Oliver Wyman. Estimated Premium Impacts of Annual Fees Assessed on Health Insurance Plans. October 31, 2011.

Health Insurance Premium Tax



#	State	Ten-Year Impact (per person)
1	West Virginia	\$9,221
2	New York	\$9,046
3	New Hampshire	\$8,555
4	Nebraska	\$7,995
5	Massachusetts	\$7,895

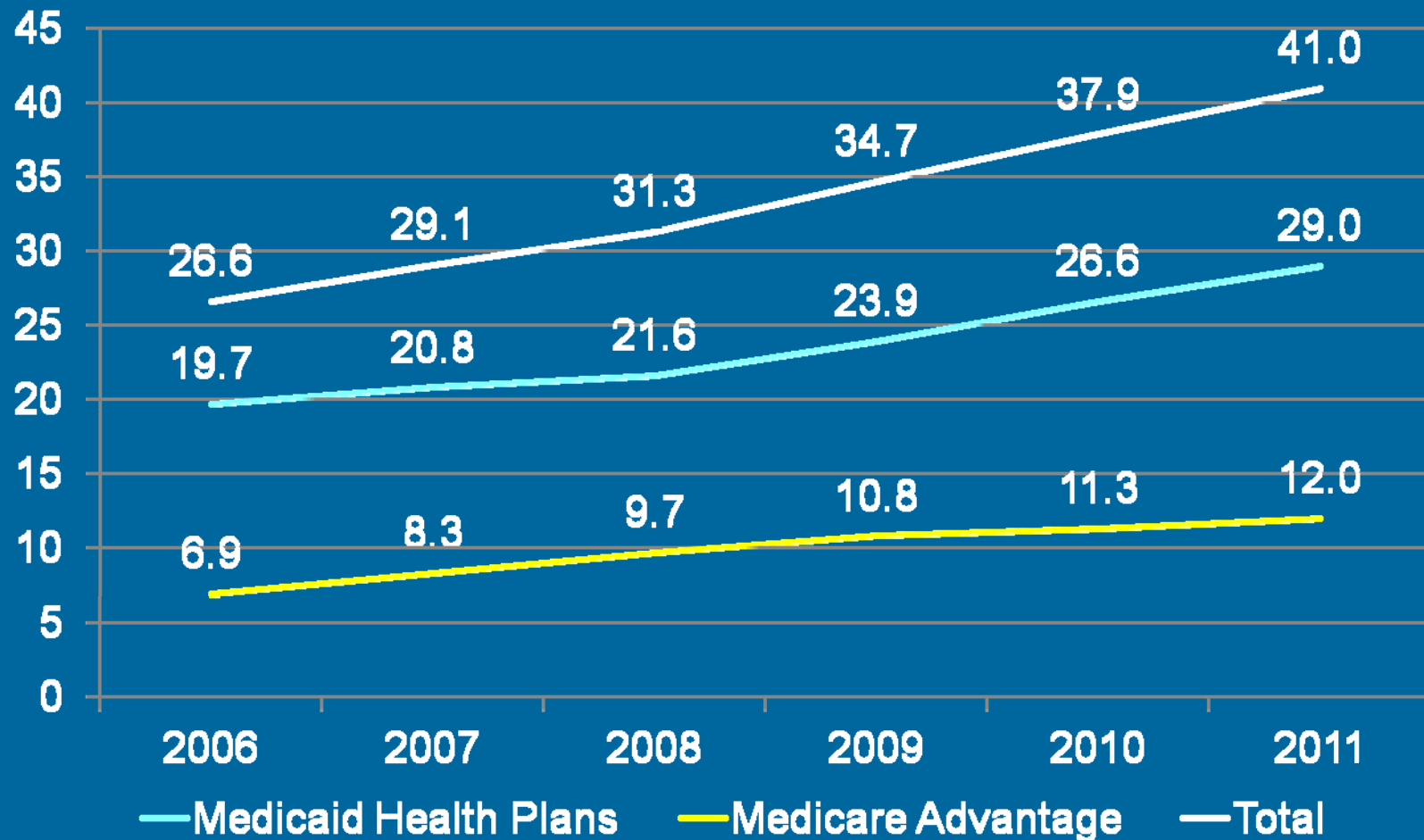
Oliver Wyman. Annual Tax on Insurers Allocated by State. November 2012.

Examples of State Analyses of the Impact of Essential Health Benefit Requirements on Individual Coverage

Study	Increase in Non-Subsidized Individual Market Premiums due to Federal EHB Requirements
Ohio (Milliman - Prepared for the Ohio Department of Insurance)	20%-30%
Maine (Gorman Actuarial/Gruber -Prepared for the Maine Bureau of Insurance)	33%
Maryland (Oliver Wyman – Prepared for the Maryland Health Care Commission)	8%-10%
Minnesota (Gorman Actuarial/Gruber – Prepared for the Minnesota Department of Commerce)	6%-7%
Indiana (Milliman – Prepared for the Indiana Health Care Exchange Policy Committee)	20%-30%

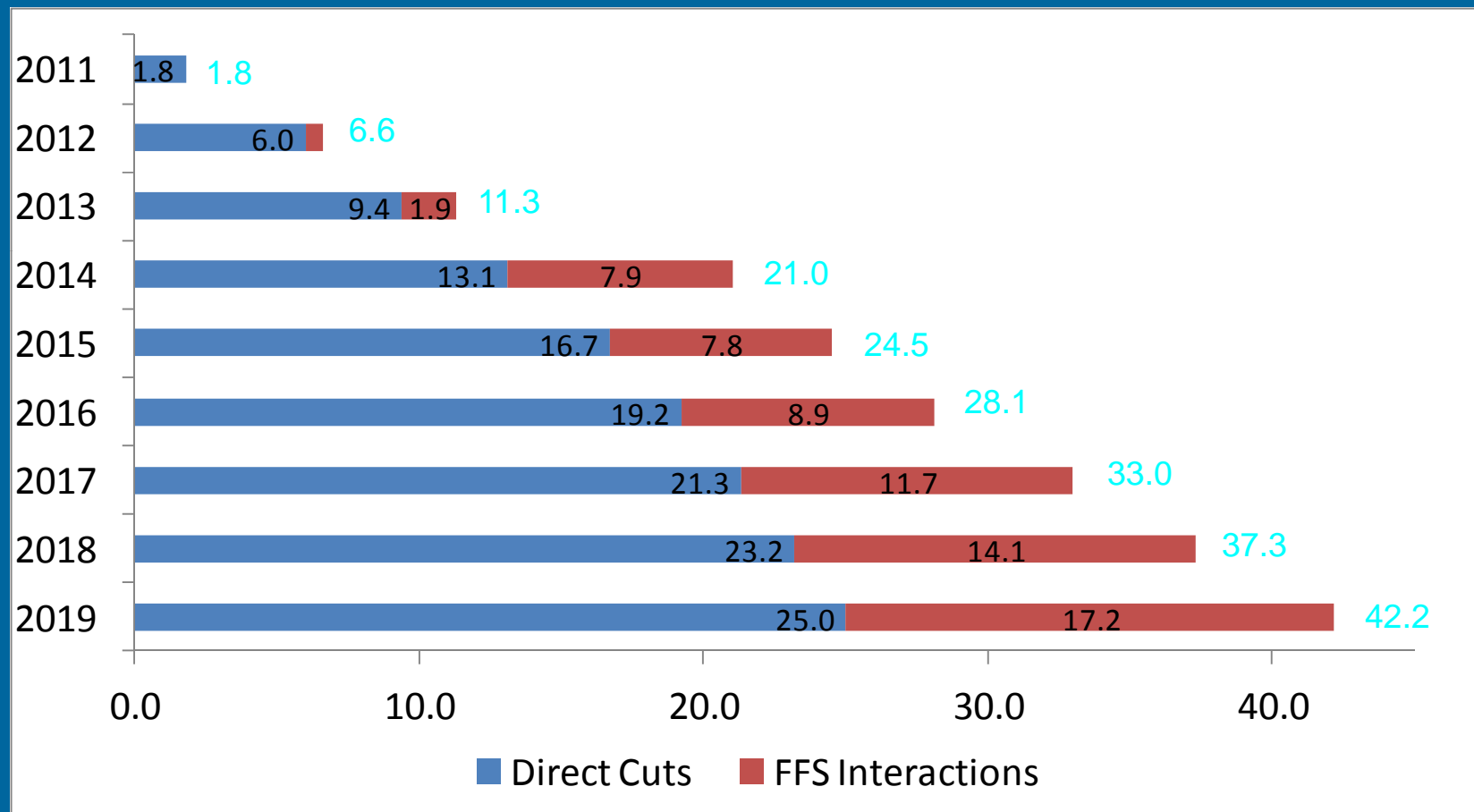


Health Plan Enrollment in Public Programs is Growing (millions)





Medicare Advantage Funding Cuts in the ACA: 2010 CBO Score (billions)



Through 2013, only 4.2% of the \$205.8 billion in total MA funding cuts projected by CBO in 2010 have been implemented