

# Repeal \* and Replace \*

**\*Insert Here: Wait a While**

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## What Might Calm Insurance Markets and Assure Consumers?

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Presentation for the Evidence-Based Health Policy Project

January 11, 2017

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Population Health Institute  
SCHOOL OF MEDICINE AND PUBLIC HEALTH

## Governor's Health Insurance Coverage Goal

“Through Governor Walker’s Entitlement Reform Plan, all Wisconsinites have access to affordable health care coverage. People living in poverty have coverage through Medicaid while individuals and families above the poverty level have access to affordable private health care coverage through the federal Health Insurance Marketplace. Approved as part of the 2013-15 state budget, this plan is projected to reduce the number of uninsured in our state by 224,580, or roughly half, while strengthening the state’s safety net for Wisconsin's neediest residents.”

Governor Walker’s Entitlement Reform Plan  
Wisconsin Department of Health Services

<https://www.dhs.wisconsin.gov/initiatives/entitlement-reform.htm>

Last Revised: September 9, 2016

# Transition Phase: A Range of State Interests

- Retaining viable/healthy non-group insurance market
- Allowing Obamacare expire with attrition from ACA coverage

vs?

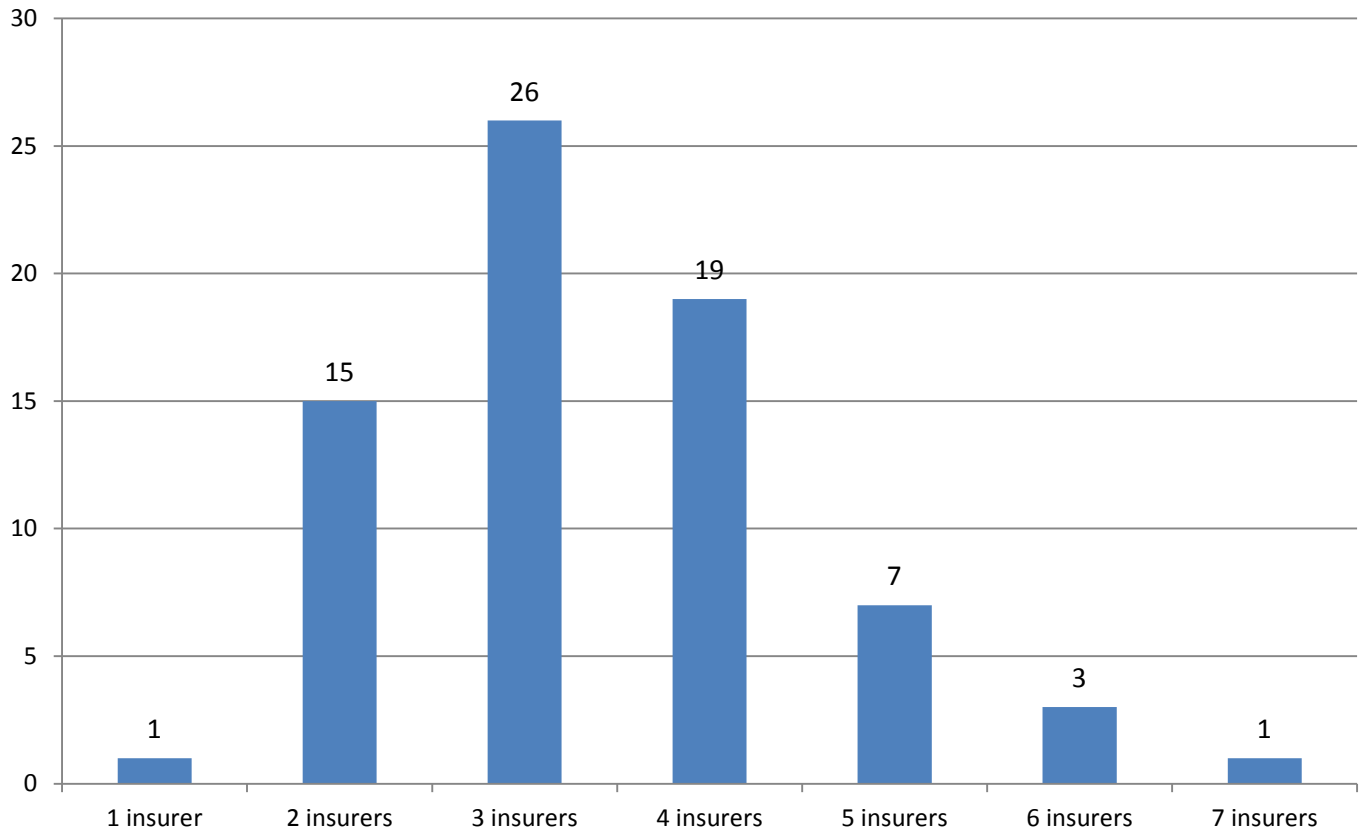
- Not losing ground on insurance coverage/meeting the Governor's 2015 goal

## Wisconsin ACA Enrollment as of December 31, 2016

- Wisconsin Plan Selections: 233,957 as of December 31, 2016
- 7% ahead of previous year's reported 218,394 as of January 2, 2015

## Wisconsin ACA Marketplace: Number of Participating Insurance Carriers in Each County

### Number of Counties by Number of Insurers offering Plans through the ACA Marketplace

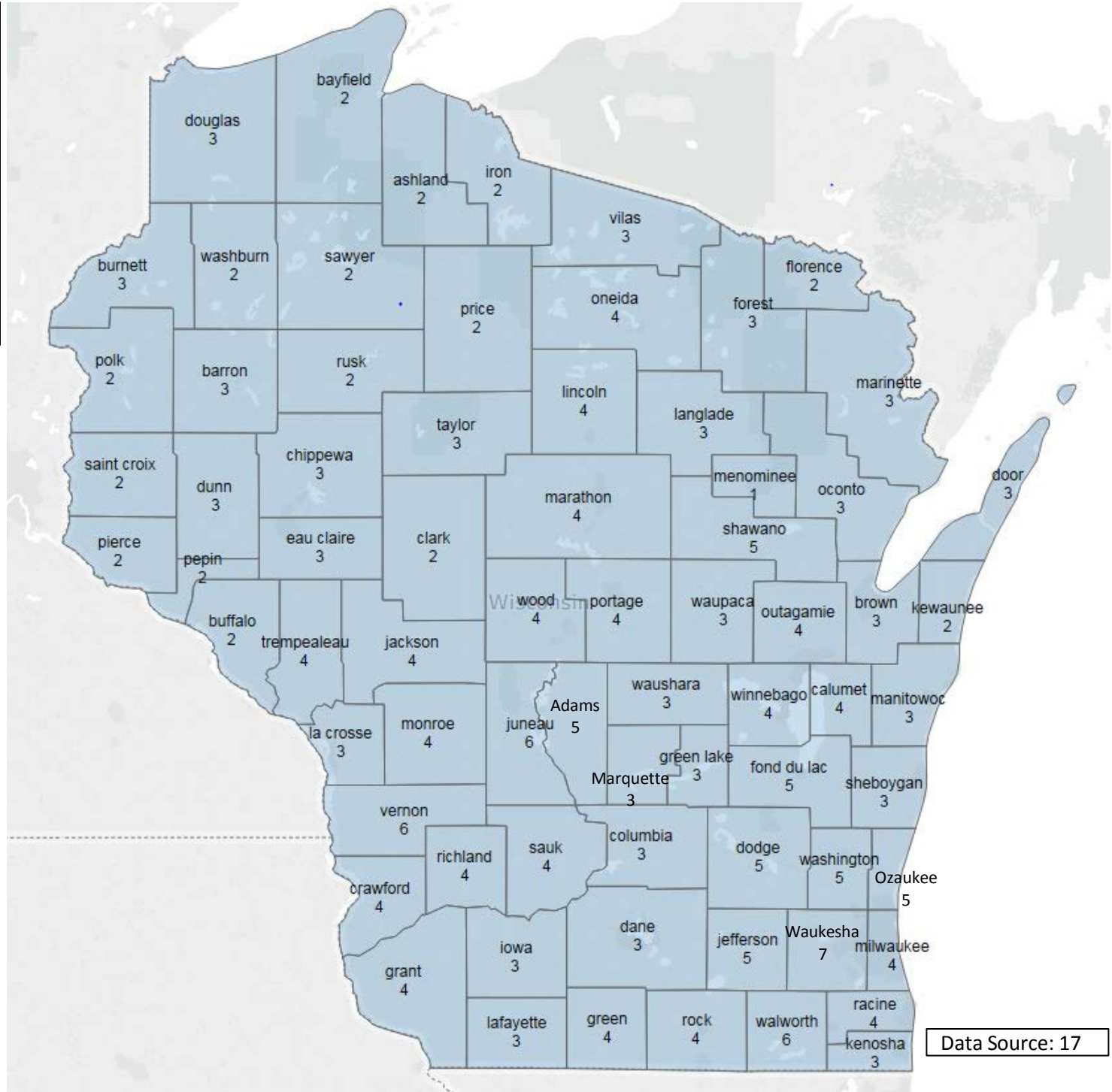


**Anthem**  
**BCBS**  
**Aspirus**  
**Arise**  
**Children's Community**  
**Health Common Ground**  
**Dean Health**  
**Plan Group**  
**Health Coop**  
**Gundersen**  
**Health**  
**Partners**  
**Health**  
**Tradition**  
**Medica**  
**Mercy**  
**Alliance**  
**Molina**  
**Network Health**  
**Security Health**  
**Unity Health**  
**Plans**

- Wisconsin has 15 Insurance Carriers offering health plans through the ACA Marketplace.
- 56 of Wisconsin's 72 counties have three or more insurance carriers offering plans.

Data Source: 17

**Number of insurance carriers offering plans in Wisconsin, by county, for 2017 through the Healthcare.gov Marketplace**



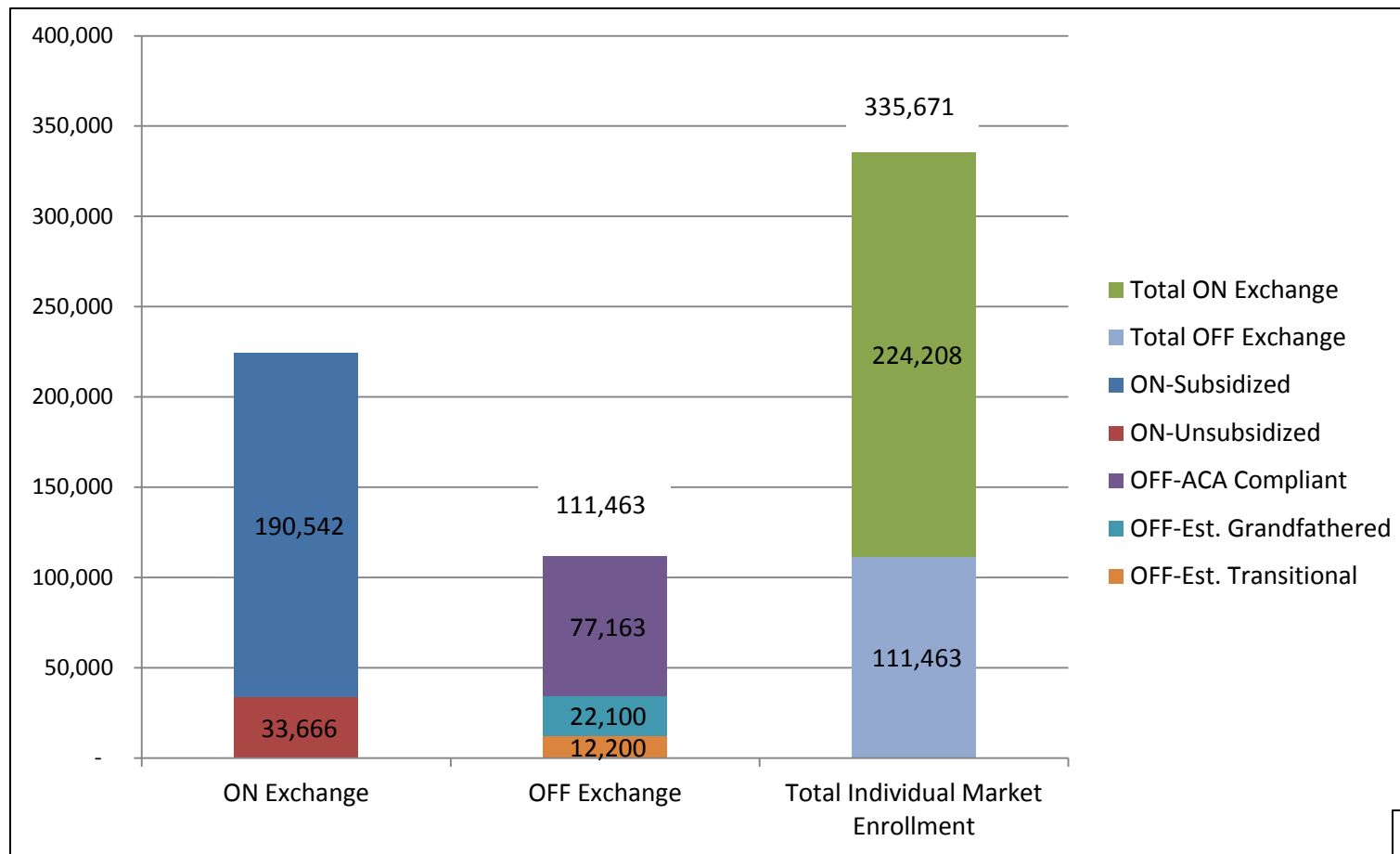
Data Source: 17

## What We Know: ACA/ObamaCare Trends

- In 2016, 224,208 people effectuated their enrollment in ACA “Obamacare” health plans (by paying their first month’s premium).
- 84% of Wisconsin consumers enrolling in plans through the Marketplace receive federal financial assistance/Advance Premium Tax Credit (APTC), while 54% receive federal Cost-Sharing Reductions that reduce premiums, deductibles, and co-payments.
- Consumers ages 18-34 make up 26% of those who selected a 2016 Marketplace plan.

## Wisconsin Individual Market Health Insurance Enrollment: How Much is Through the ACA Marketplace?

- About 67% (224,208 out 335,671) of all individual insurance plans are purchased “on-exchange” through the ACA Marketplace, while 33% (111,463) are purchased “off-exchange.”
- 84% of the those purchasing “on-exchange” plans receive federal financial subsidies that reduce consumer premiums.



Data Sources: 7, 10



## Marketplace Plan Premiums: The Impact of Federal Financial Assistance

- Advance Premium Tax Credits (APTC), federal assistance available to consumers who have household incomes less than 400% FPL, offset the increase in premium prices.
- **Percent receiving Federal Financial Assistance/Advance Premium Tax Credit (APTC): 84%**
- Percent receiving federal Cost-Sharing Reductions: 54%

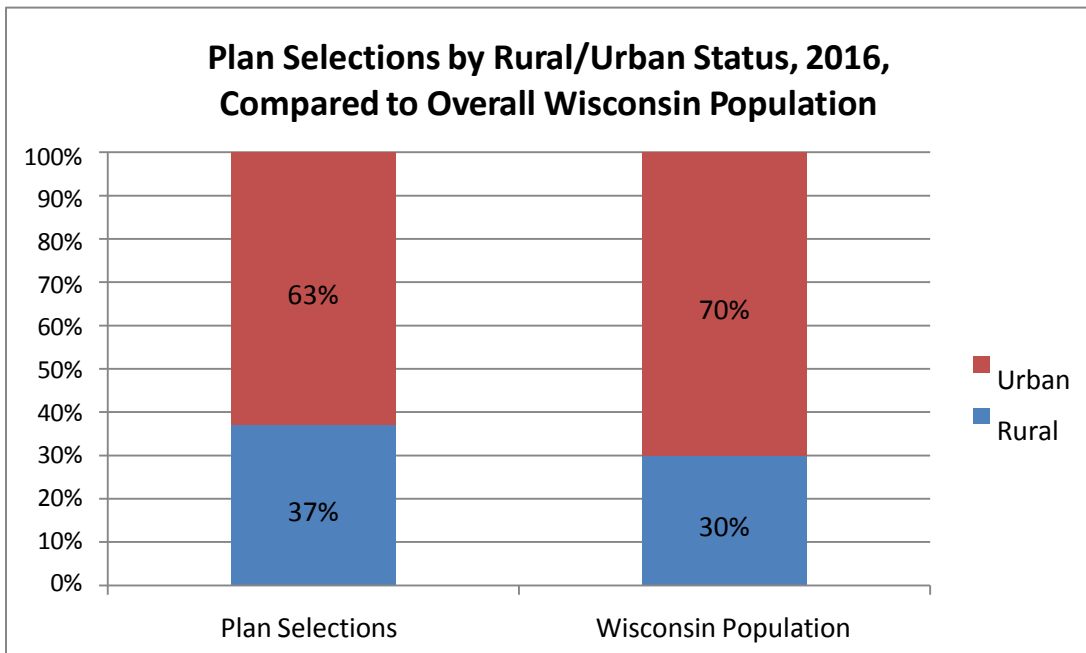
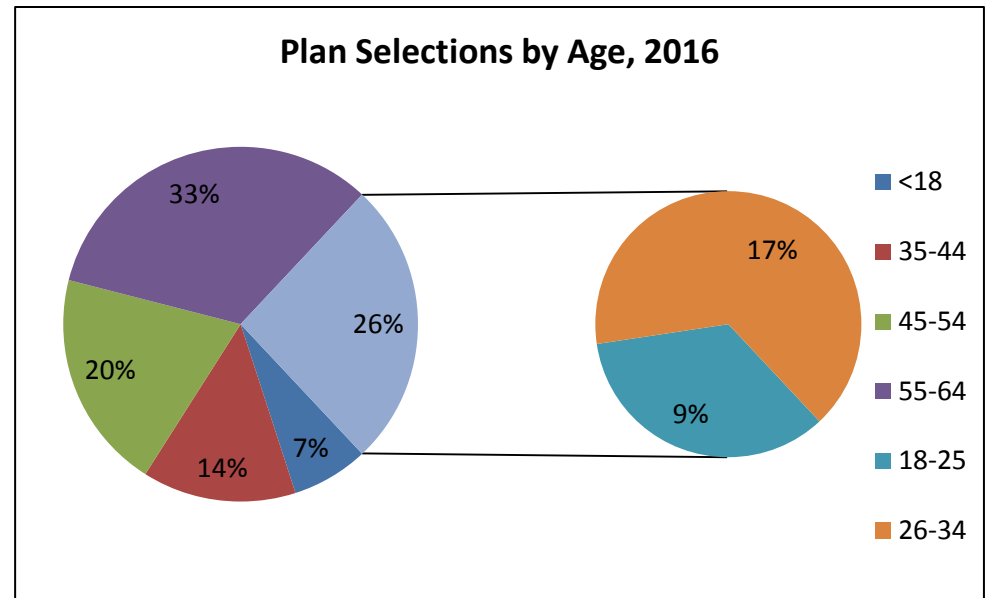
2017 Average Monthly Marketplace Premiums, Before and After Federal Financial Assistance (APTC)	Wisconsin
<b>27-year-old with household income of \$25,000</b>	
Second lowest silver Plan <i>before</i> APTC	\$304
Second lowest silver Plan <i>after</i> APTC	\$142
APTC Amount	\$162
Average reduction in premium after APTC	53%
<b>Family of four with household income of \$60,000</b>	
Second lowest silver Plan <i>before</i> APTC	\$1,099
Second lowest silver Plan <i>after</i> APTC	\$405
APTC Amount	\$694
Average reduction in premium after APTC	63%

- The average net premium (after APTC) in 2017 for those selecting the lowest cost plan within their metal tier: \$138/month

Data Sources: 4, 5, 6, 7

## Age and Rural/Urban Status of 2016 Qualified Health Plan (QHP) Selections

- Consumers ages 18-34 make up 26% of those who selected a 2016 Marketplace plan.
- Rural consumers make up 37% of those who selected a Marketplace plan, while rural residents account for 30% of Wisconsin's population.



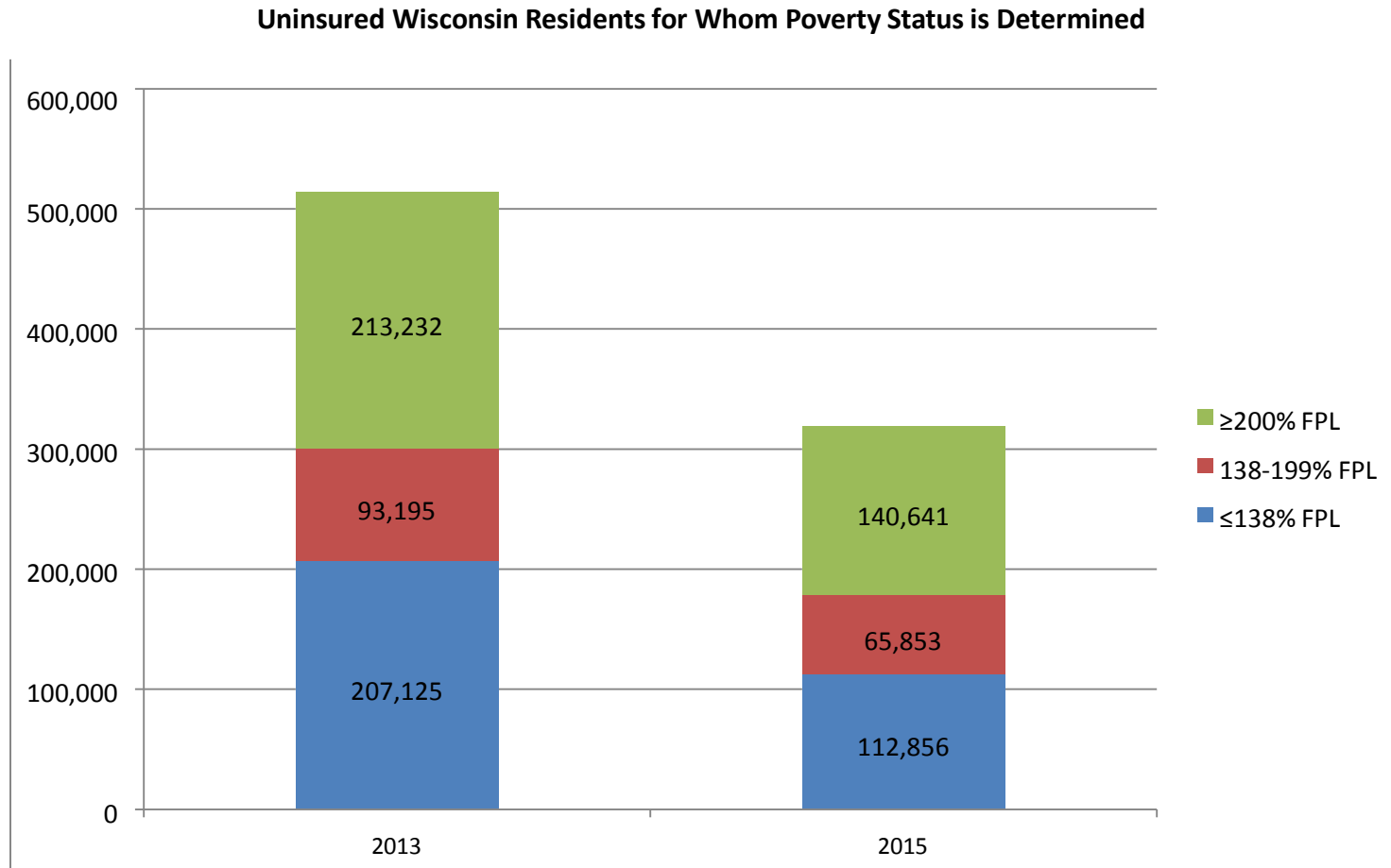
Data Source: 6

## What We Know: Insurance Coverage

- About 5.7% of Wisconsin residents were uninsured in 2015, down from 9.1% in 2013.
- Uninsured decreased by about 195,000 from 2013 to 2015, a reduction of about 38% across the total population.
  - The State was moving toward but not yet attained the Governor's goal of reducing the uninsured by 224,580 by 2015.
- Most of the gains in insurance coverage occurred through the ACA Marketplace and increases in employer-sponsored insurance.

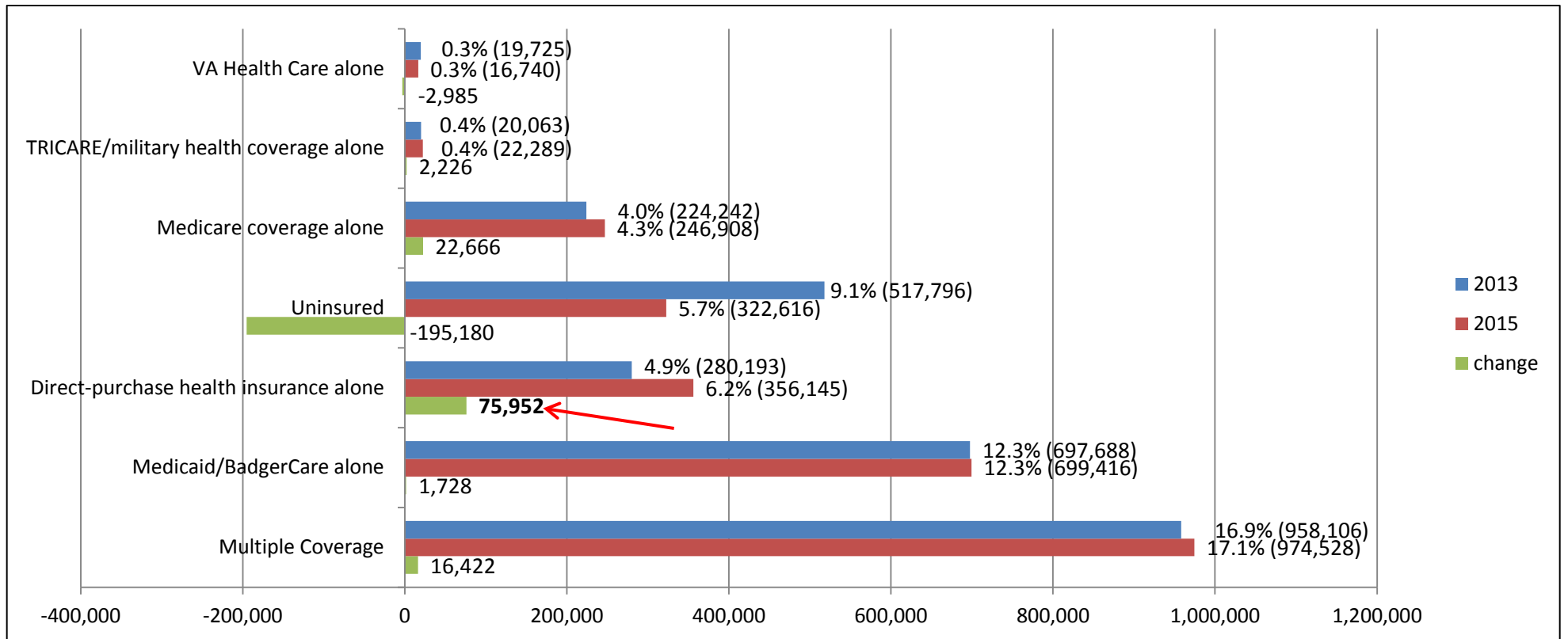
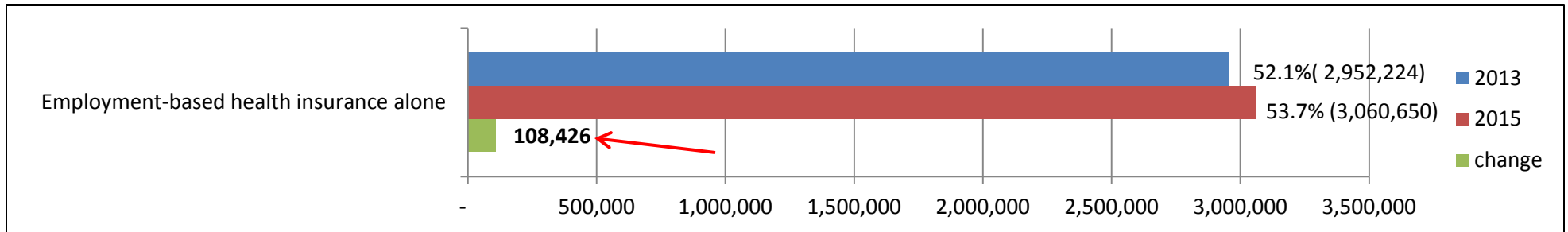
## How Many People Were Uninsured in 2013 and then in 2015 – Before and After the ACA Took Effect?

- Wisconsin reports about 5.7% of residents uninsured in 2015, down from 9.1% in 2013.
- Uninsured decreased by about 195,000 people from 2013 to 2015, a reduction of about 38% across the total population.
- Decreases in uninsured occurred across all income levels.



Data Source: 1

## How Did the Uninsured Decrease? Overall Changes in Source of Health Insurance Coverage, 2013-2015



- More Wisconsin residents gained employment-based health insurance as the economy improved, with an overall increase of 108,426.
- The increase of 75,952 in direct-purchase of individual health insurance, most through the Marketplace.
- Some people may come to these coverages from other sources of coverage, but the net increase in both employer-sponsored and direct-purchase individual coverage accounts for most of the reduction in the overall number of uninsured.

Data Source: 1

# Moving Forward

- Most of Wisconsin's individual insurance market now based on ACA products with federal subsidies.
- Carriers need to file their plans by May 2016 for next open enrollment period.

## Questions....

- Will carriers continue to offer non-group coverage in the absence of clear vehicles for retaining these consumers?
- How will consumers understand what is available to them during the repeal and replace transition period?
  - Ongoing support for enrollment assisters?

## Transition Phase: Varying State Interests

- Retaining viable/healthy non-group insurance market
- Allowing Obamacare to phase down with attrition from ACA coverage  
vs.
- Not losing ground on insurance coverage/meeting the Governor's 2013 goal

# Coverage Changes: Consumer Challenges in Health Insurance Literacy

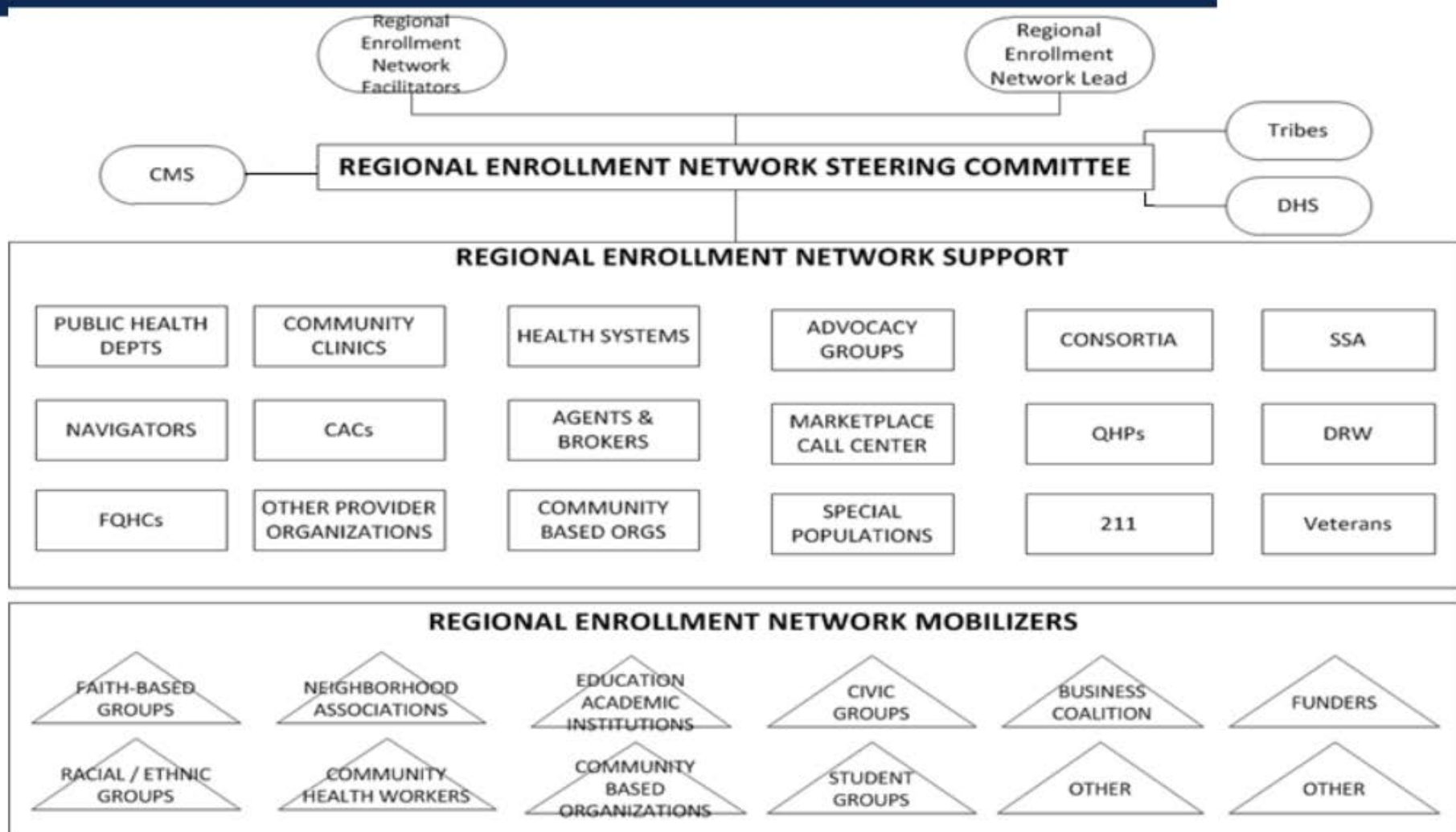
Replacement plans likely to include:

- Health Savings Accounts and HDHPs
- Increase use of incentives to promote consumerism and “shopping”
- Substantial changes to Medicaid, including potential introduction of cost-sharing similar to commercial coverage
- Potential to purchase insurance across state lines
- Requirements for continuous coverage in order to avoid exclusion of pre-existing conditions.

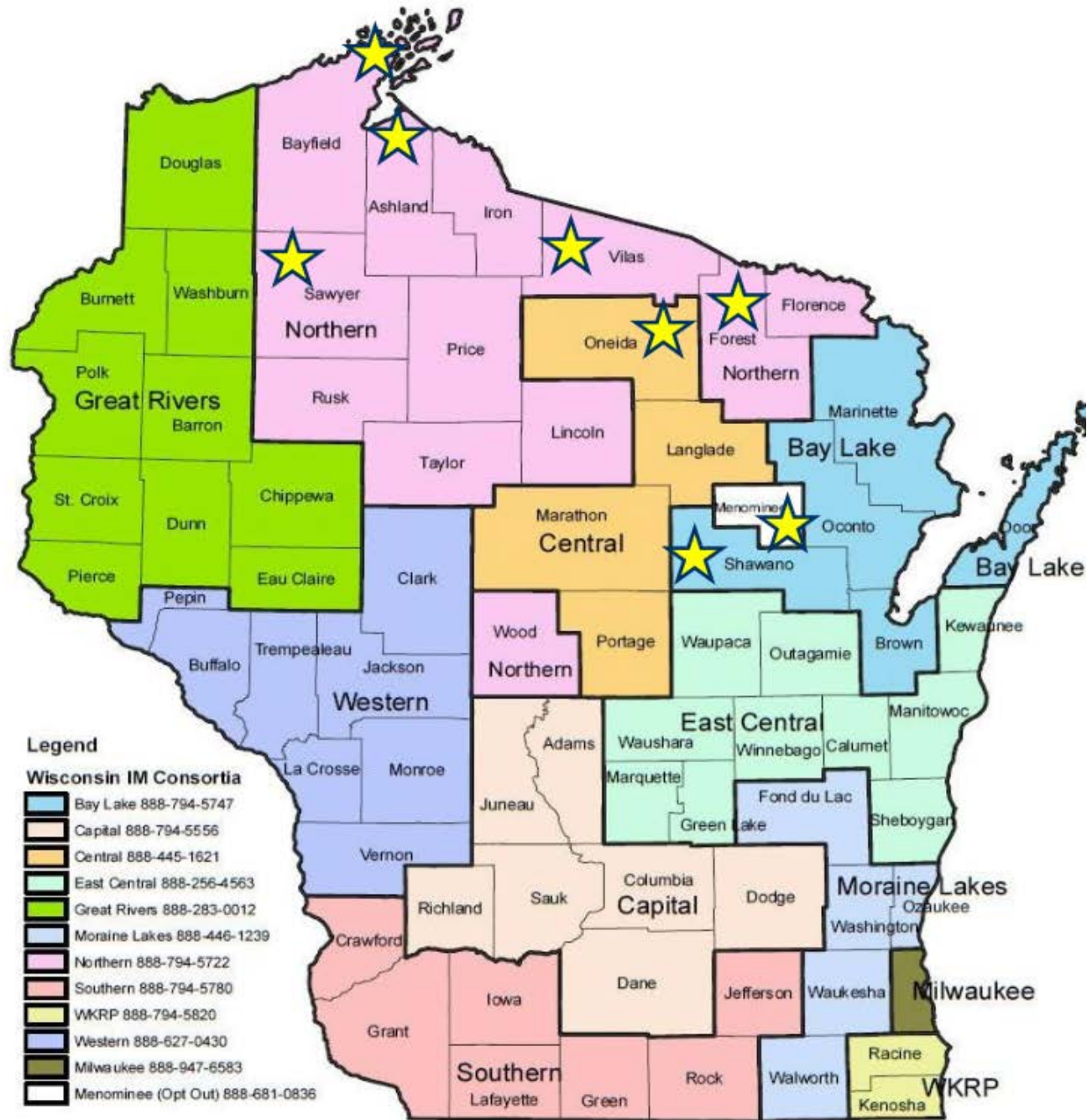




# Proposed Regional Enrollment Network



# Proposed Wisconsin Regional Enrollment Networks





## Navigator License and Certified Application Counselor Registration

*Last Updated: June 28, 2016*

### Individual Navigators

#### Navigator Entities

#### Wisconsin Licensed Individual Navigators and Navigator Entities

#### Individual Certified Application Counselors/Nonnavigator Assisters

#### Certified Application Counselors/Nonnavigator Assister Entities

#### Wisconsin Registered Certified Application Counselors

#### Tribal-Certified Application Counselors

#### Licensed Agents Participating as Navigators on the Federal Exchange

### Individual Navigators

In Wisconsin, a navigator can be an individual who performs any activities and duties related to the navigator program on behalf of the federal exchange and who receives funding to perform such functions on behalf of the federal exchange.

An individual navigator does not include a person acting as an insurance intermediary; however, an insurance intermediary may apply to be licensed as a navigator, provided the intermediary complies with federal restrictions.

An individual who meets the [definition of a navigator](#) under the Wisconsin insurance law must obtain an individual navigator license.

[📄 Navigator Frequently Asked Questions](#)

#### Navigator Study Materials

To assist candidates in preparing for the examination, the Office of the Commissioner of Insurance (OCI) has assembled the following materials:

[📄 Intermediary Study Guide](#)

[📄 State Public Assistance Programs](#)

# THE WISCONSIN HEALTH INSURANCE MARKET AND WISCONSIN ENTITLEMENT REFORMS



## Wisconsin's Unique Approach to Operationalizing the Affordable Care Act

MARCH 31, 2014



Wisconsin Office of the  
Commissioner of Insurance



Wisconsin  
Department of Health Services

P-00634 (03/14)

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