



Open Enrollment 2017

Rhode Island's fourth Open Enrollment period for Individuals and Families ran from November 1, 2016 - January 31, 2017



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Open Enrollment 2017

This report offers relevant data and details about HealthSource RI's fourth Open Enrollment, which began on November 1, 2016 and ended on January 31, 2017. During this time, Rhode Island individuals and families who lacked access to affordable employer or government-sponsored health insurance had the opportunity to enroll in coverage or renew their coverage for the 2017 calendar year.

A survey conducted during summer 2016 estimated the state's uninsured rate had dropped from 11 percent in 2012 to an estimated four percent in 2016, leaving approximately 43,000 Rhode Islanders still without insurance coverage. Approximately 23,771 (55%) of these were eligible to purchase coverage through HealthSource RI, an estimated 15,451 (65%) of which were eligible for some form of financial assistance to reduce their premium.

By February 23, 2017, the final payment deadline for the fourth Open Enrollment, 29,224 Rhode Islanders had officially enrolled in coverage through HealthSource RI. Of those, 23,681 (81%) were returning customers and 5,543 (19%) were either new customers or customers who had coverage through HealthSource RI in 2016 but not at the time of enrollment.

These figures reflect a slight decrease from the total enrollees during HealthSource RI's third Open Enrollment period, when 34,888 individuals enrolled in coverage. Although it is difficult to pinpoint one clear cause for this drop in enrollment, several factors may have played a role. These factors include technical and service issues caused by the launch of the State's new integrated eligibility system, United Healthcare's decision to stop offering plans through HealthSource RI, and a low uninsured rate leading to a small pool of Rhode Islander's in need of health insurance.

Despite these challenges, HealthSource RI continued to stand out among other state-based health insurance marketplaces. While residents of other states saw steep health insurance rate increases, customers at HealthSource RI saw an average decrease in their monthly premium. In fact, Rhode Island offered the least expensive state average "benchmark plan" in the country.

HealthSource RI also enhanced its customer support offerings during Open Enrollment 2017 by extending service hours to include nights and weekends and opening a walk-in center for in-person assistance.

QUICK FACTS:

- 23,101 (72%) of HealthSource RI's 2016 customers renewed their coverage for 2017
- 5,543 new customers enrolled in coverage for 2017
- 43,949 Medicaid eligibility determinations were made by HealthSource RI's integrated eligibility and enrollment system during Open Enrollment (OE) 2017
- 24,219 (83%) of HealthSource RI's 2017 enrollees are receiving federal financial help



HealthSource RI: “No Wrong Door” Enrollment System

HealthSource RI is dedicated to helping all Rhode Islanders access health coverage

HealthSource RI’s system enrolls customers for both commercial health insurance and the state’s Medicaid program.

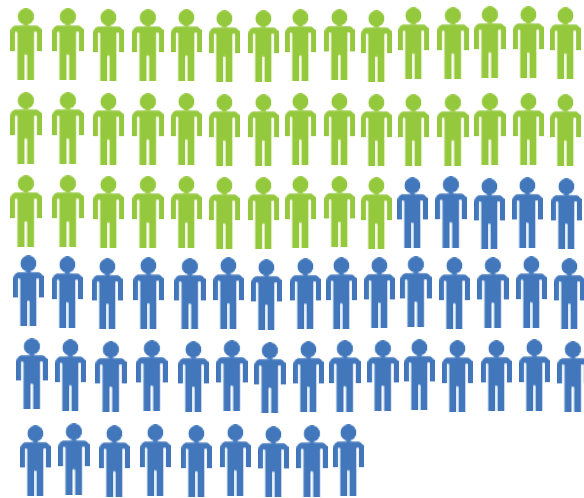
During Open Enrollment (OE) 2017, renewing customers could either actively select a new plan or let HealthSource RI automatically renew their insurance for 2017, while new customers were able to create an account and apply for coverage.

84,066

Individuals were determined eligible for 2017 coverage during the Open Enrollment Period

40,057
Individuals were determined eligible to purchase commercial insurance

43,949
Individuals were determined eligible for Medicaid/Rite Care



HealthSource RI saw a 19% decrease in Rhode Islanders who were determined eligible to purchase commercial health insurance (down by 9,123 from 49,180 in Open Enrollment 2016).

There was also a 24% decrease in Rhode Islanders who were determined eligible for Medicaid/Rite Care (down by 13,907 from 57,856 in Open Enrollment 2016).



Open Enrollment 2017: At a Glance

HealthSource RI Open Enrollment 2017 ran
from November 1, 2016 - January 31, 2017
February 23 was the last day to pay for coverage

New and Renewing Customers

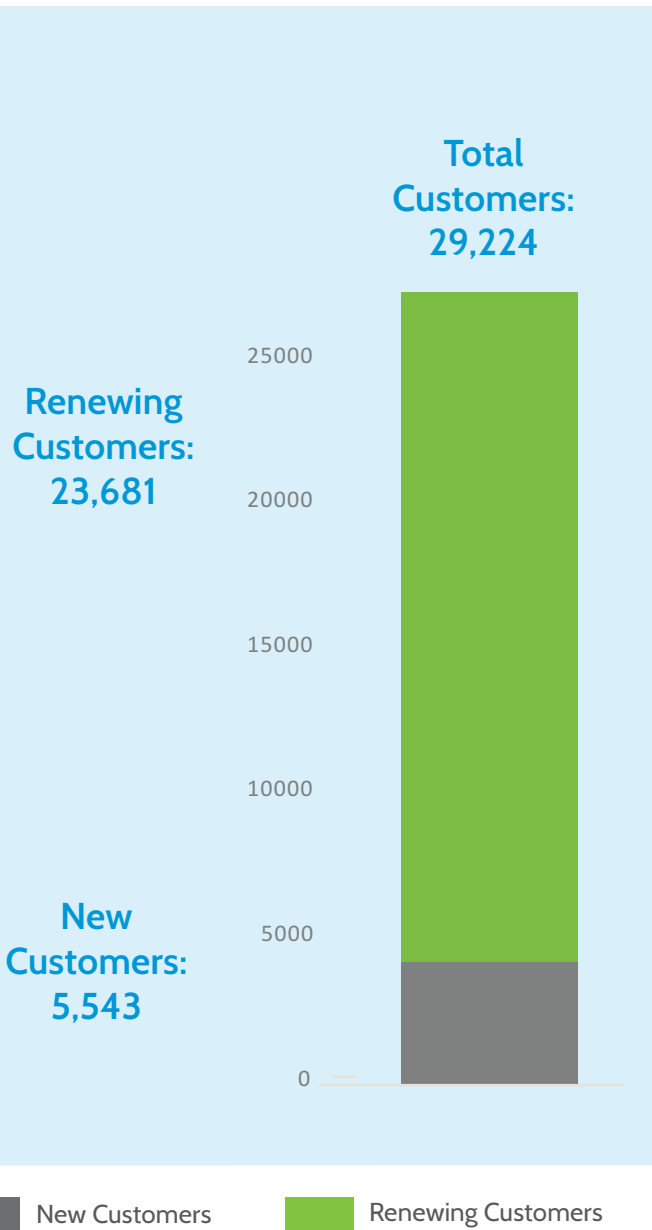


Renewal rates jumped in late December, corresponding to the December 31 deadline to pay for January coverage, and continued to slowly increase all the way up to January 31, the last official day of Open Enrollment. New customers enrolled at faster rates leading up to the last official day of Open Enrollment and February 23, the final payment deadline.

Of the customers who visited HealthSource RI and picked a plan, 95% (30,858) completed the enrollment process by paying for their first month of coverage.



Open Enrollment 2017: New and Renewing Customers



Renewing Customers (23,681)

- **81%** of total enrollments were customers renewing their coverage for 2017
- Returning customers were auto-renewed in a plan that was the same or similar to their 2016 coverage:
 - 84% stayed with their auto-renewal plan;
 - 16% chose a different plan.

New Customers (5,543)

- About **83%** of new customers did not have coverage with HealthSource RI in 2016
- **17%** of new customers had coverage with HealthSource RI at some point in 2016, but not at the time they enrolled in 2017 coverage.

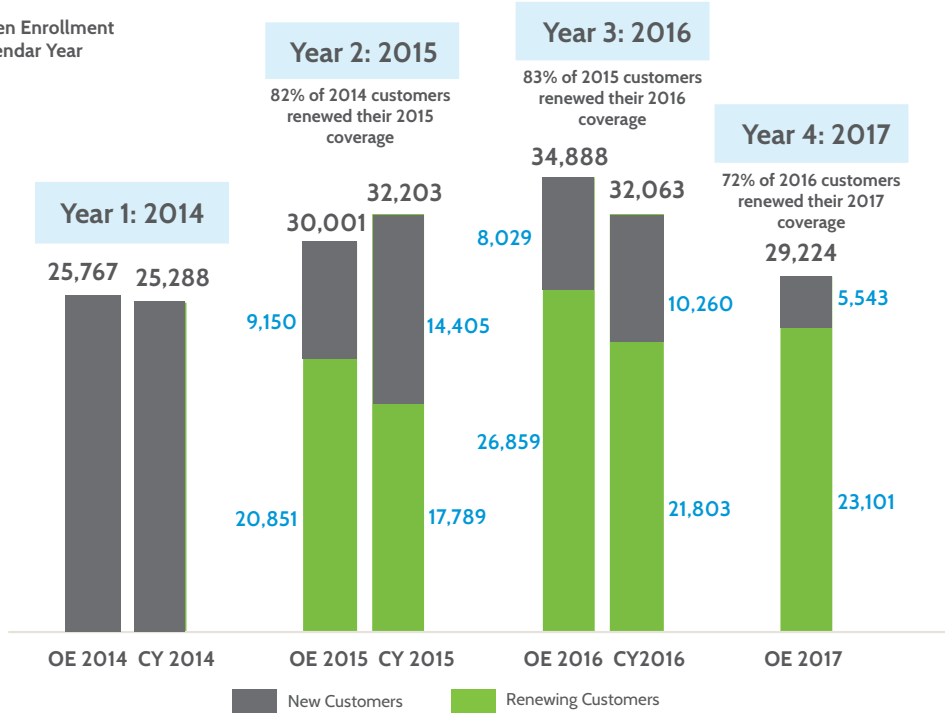
HealthSource RI's strategic plan set a goal of 34,583 enrollments for Open Enrollment 2017. As of the final payment deadline (Feb 23), 29,224 individuals were enrolled in 2017 coverage, representing 85% of our goal.

Enrolled customers represent 73% of the total Rhode Islanders who are eligible to purchase health insurance through HealthSource RI.



Open Enrollment: Year-over-Year Comparison

OE: Open Enrollment
CY: Calendar Year

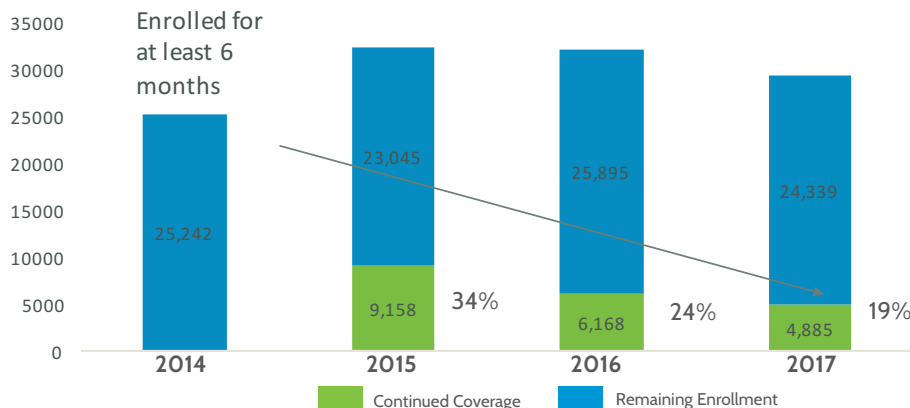


Seventy two percent of 2016 customers renewed their coverage for 2017. During Open Enrollment 2017, we saw a decline of 2,839 (9% from CY 2016) in renewing customer enrollments.

Some reasons could be:

- a) 2,839 (28%) of 2016 renewing customers, did not renew during Open Enrollment 2017
- b) 1,142 (5% of the renewing customers) customers went to Medicaid during Open Enrollment 2017
- c) UnitedHealthcare (UHC) decided not to offer plans in 2017 and 27% (326) UHC customers did not stay with HealthSource RI for 2017 coverage

Customers with continuous* coverage since 2014.

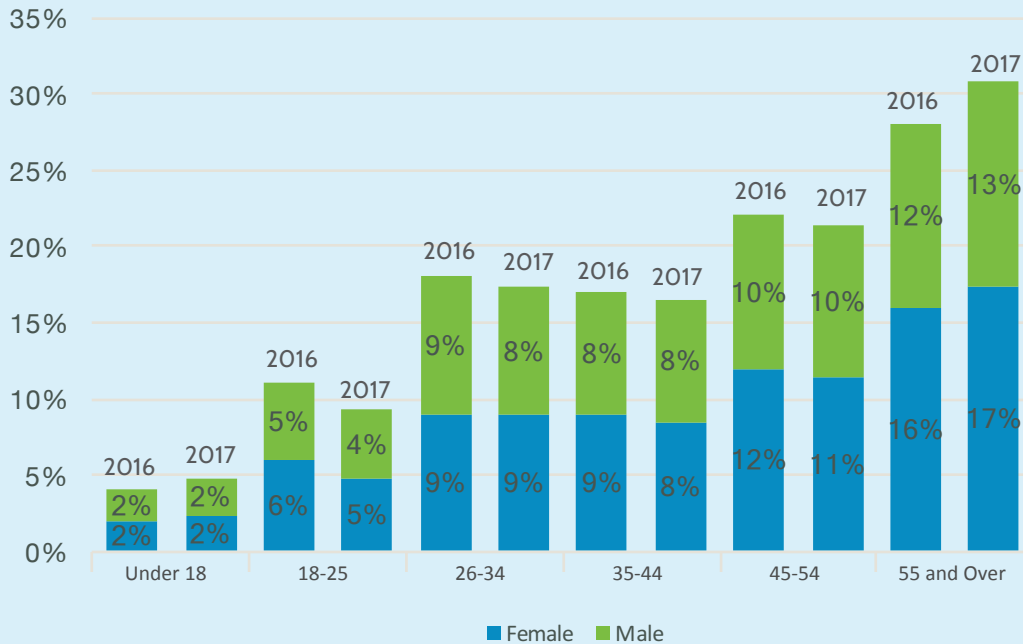


Nineteen percent of HSRI customers who were enrolled in 2014 are still enrolled in coverage for 2017.

* Customers who have been enrolled without a gap since 2014



2017 Enrollee Demographics by Age and Gender



The age and gender profile of HealthSource RI's 2017 enrollees did not differ significantly from the age and gender profile of 2016 enrollees.

We saw the largest (albeit still slight) reduction (2%) in the 18-25 year old age group. According to recent [Gallop data*](#), there has been a slight increase in the uninsured in the first two quarters of 2017, particularly for the 18-25 and the 26-34 age groups. It is unclear if more young people who were once enrolled with HealthSource RI are joining the ranks of the uninsured or simply found coverage elsewhere. It should be noted that from a long-term perspective, this age group has seen significant decreases in uninsurance rates for young people (nationally and in Rhode Island) since the launch of the Affordable Care Act.

*Gallop data source: <http://www.gallup.com/poll/213665/uninsured-rate-rises.aspx>

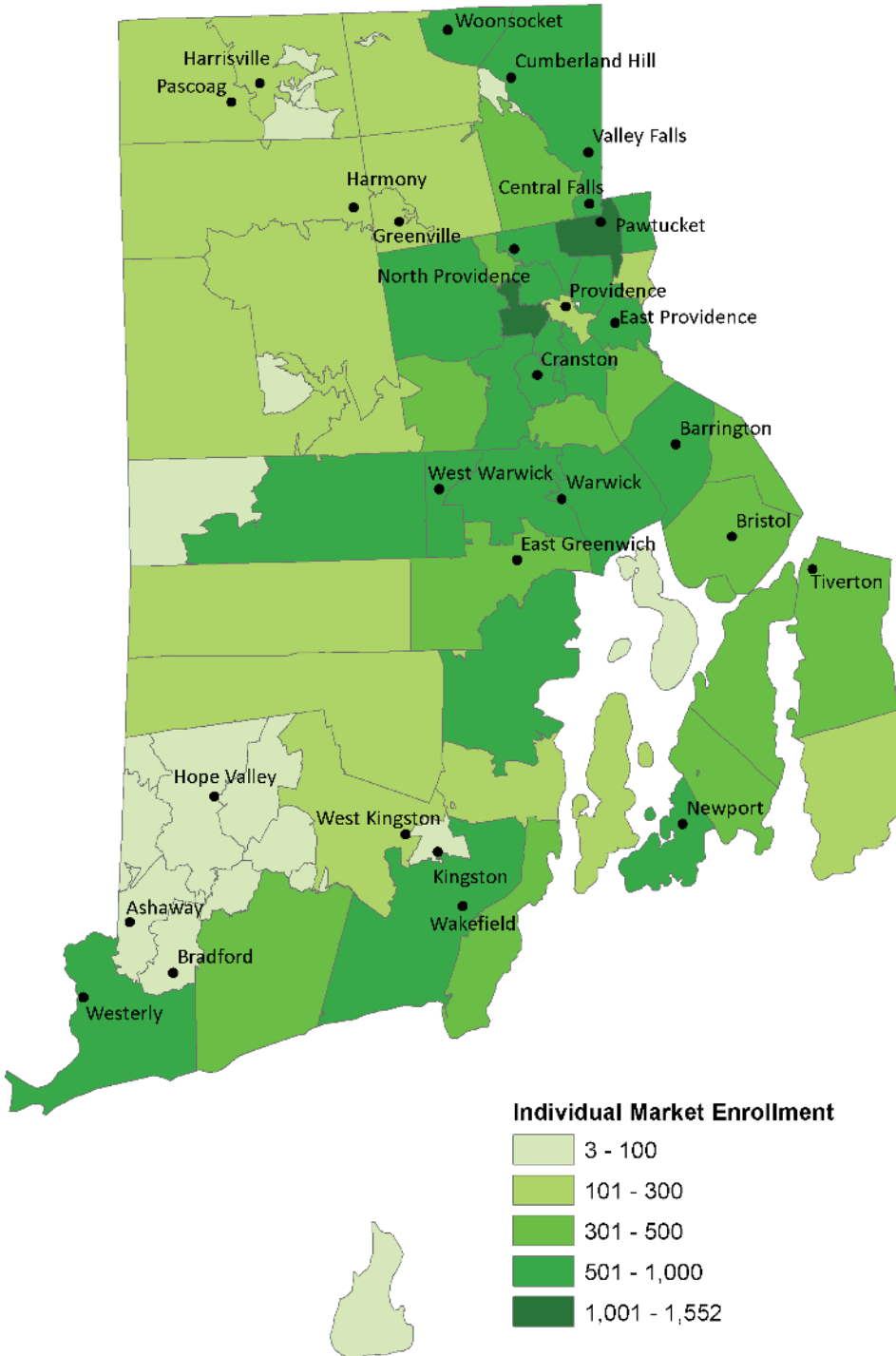
2017 Enrollments by Geography

During Open Enrollment 2017, the top five cities, in terms of enrollment numbers, remained the same as last year



Top 5 Enrollment Towns and Cities

1. Providence
2. Cranston
3. Warwick
4. East Providence
5. Pawtucket



2017 Plan Options

In 2017, HealthSource RI offered 17 plans for individuals and families.

Open Enrollment 2017 Plan Choice Preferences

The Neighborhood COMMUNITY silver plan remained HealthSource RI's most popular plan during, after 24.6% of customers chose it last Open Enrollment.

The Neighborhood VALUE silver plan was the second most popular (13.7% of customers chose this plan) with the BlueCHIP Direct silver plan remaining a popular plan as well, being the choice of 12.1% customers.

Neighborhood Health Plan of RI (NHPRI) offered one new plan, while Blue Cross & Blue Shield of RI (BCBSRI) offered two new plans for OE2017.

Amongst the new plans offered for 2017, the most popular was the Neighborhood INNOVATION bronze plan, which 6.2% of customers chose for 2017, followed by the BlueSolutions for HSA Direct 1400/2800 plan, chosen by 2.3% of customers.

| Individual Market 2017 Plans | OE 2017 (as of 2/23) | | Monthly Premium (21 Year Old) |
|---|----------------------|-------|----------------------------------|
| | Covered Lives | % | |
| BRONZE | 5,630 | 19.3% | |
| Neighborhood ECONOMY | 1,238 | 4.2% | \$156 |
| ✓ Neighborhood INNOVATION | 1,807 | 6.2% | \$155 |
| BlueSolutions for HSA Direct 6000/12000 | 1,263 | 4.3% | \$186 |
| BasicBlue Direct 7150/14300 | 1,322 | 4.5% | \$189 |
| SILVER | 20,091 | 68.7% | |
| Neighborhood COMMUNITY | 7,203 | 24.6% | \$190 |
| Neighborhood VALUE | 3,999 | 13.7% | \$204 |
| BlueCHIP Direct 4800/9600 | 3,527 | 12.1% | \$207 |
| BlueSolutions for HSA Direct 3900/7800 | 2,629 | 9.0% | \$229 |
| BasicBlue Direct 4900/9800 | 1,437 | 4.9% | \$234 |
| VantageBlue Direct Plan 3050/6100 | 1,296 | 4.4% | \$281 |
| GOLD | 3,503 | 12.0% | |
| Neighborhood PLUS | 760 | 2.6% | \$241 |
| Neighborhood PRINCIPAL | 429 | 1.5% | \$246 |
| BlueCHIP Direct 1800/3600 | 119 | 0.4% | \$282 |
| BasicBlue Direct 2750/5500 | 477 | 1.6% | \$295 |
| ✓ BlueSolutions for HSA Direct 1400/2800 | 660 | 2.3% | \$310 |
| VantageBlue Direct Plan 1000/2000 | 955 | 3.3% | \$337 |
| ✓ VantageBlue Direct Plan 1200/2400 (with dental) | 103 | 0.4% | \$356 |
| TOTAL | 29,224 | 100% | |

✓ New Plan for 2017





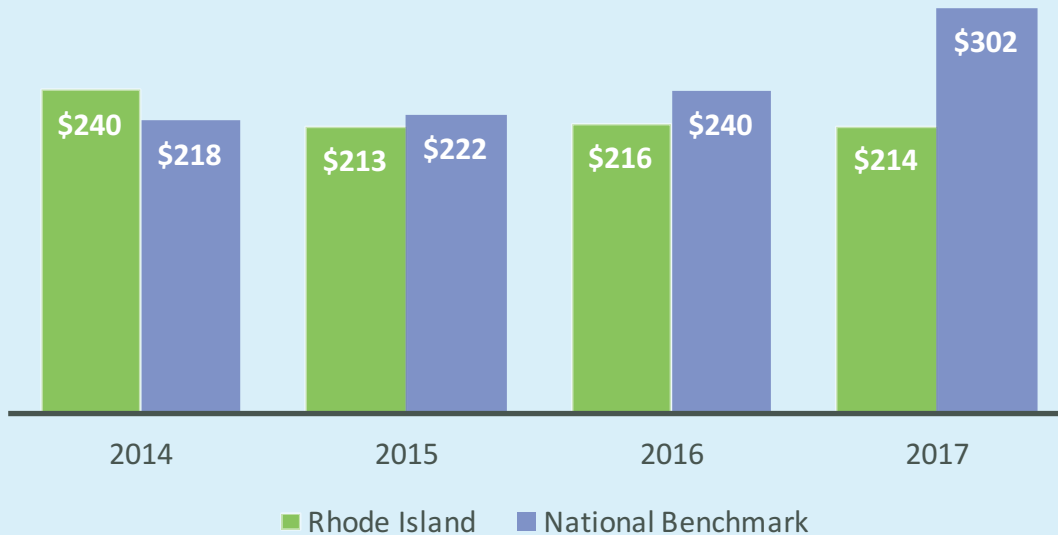
Rhode Island Premiums for Benchmark Plan

HealthSource RI is an exception to the national trend, of sky rocketing health insurance rates. On average, our customers actually saw a decrease in their monthly costs for health insurance. In fact, HealthSource RI has the least expensive state average “benchmark plan” in the country.

Rhode Island premiums for the Benchmark Plan sold on HealthSource RI has continued to decline (11% reduction from 2014 to 2017).

In 2017, a 27 year old would pay \$214 a month for a standard health insurance plan in Rhode Island. The national average for the same plan is \$302 a month.

Rhode Island and National Benchmark Plans: Comparison of Premiums



Source: ASPE Office of Health Policy, <https://aspe.hhs.gov/sites/default/files/pdf/77176/healthPremium2015.pdf>
<http://kff.org/health-reform/issue-brief/2017-premium-changes-and-insurer-participation-in-the-affordable-care-acts-health-insurance-marketplaces/>

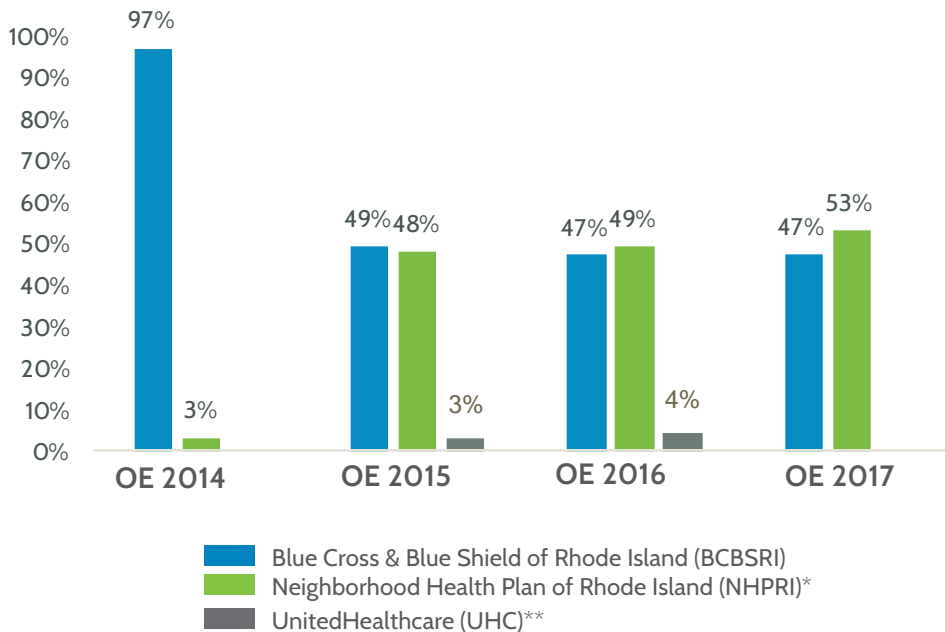


Health Insurers' Market Share

Market share among Rhode Island's insurance companies changed dramatically from 2014 to 2015 but has been fairly consistent since 2015. In 2017 United HealthCare left the individual market.

In 2015, Blue Cross & Blue Shield of Rhode Island went from capturing almost all of the market to splitting the majority of enrollments with (NHPRI). Since 2016, both carriers have seen a steady market share, with a slight gain in membership for NHPRI. United Healthcare (UHC) captured a single digit portion of the market in 2015 and 2016. In 2017, it did not offer coverage through HealthSource RI.

Enrollment by Health Insurance Companies:



*NHPRI only offered coverage to customers at or below 250% of the Federal Poverty Level in 2014.

**UHC did not offer coverage on the Individual Market in 2014 and 2017.



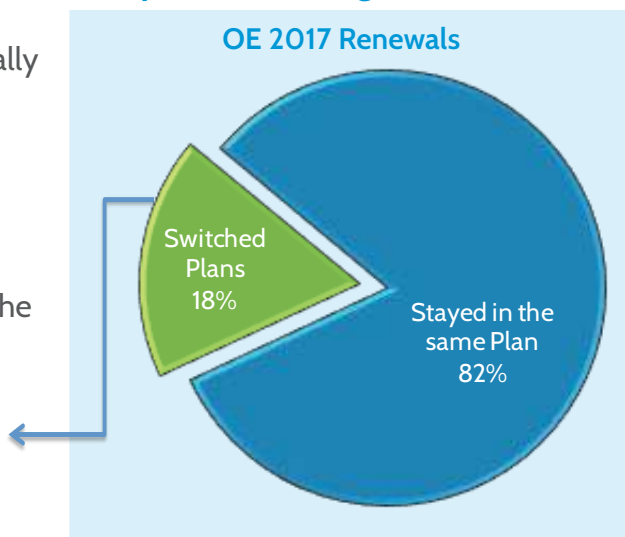
Renewing Customers - Buying Behavior

In 2017, HealthSource RI ran the auto-renewal process for the second time. Returning customers also had the opportunity to actively select a new plan or confirm their autorenewed plan to keep their coverage.

For the second time, HealthSource RI automatically enrolled its returning customers in a 2017 health plan that was the same or similar to their 2016 health plan. Returning customers could also actively select a different plan option.

Eighteen percent of HealthSource RI's returning customers picked a different plan for 2017 with the following breakup:

- 4% switched health insurance companies;
- 5% switched metal levels;
- 3% switched both metal level and health insurance company;
- 6% switched to a different plan in the same metal level with the same health insurance company.



Renewing UHC customers had to actively select a plan for 2017. Out of the 849 UHC customers who renewed, 60% chose NHPRI, while 40% selected a BCBSRI plan for 2017.

Returning customers who actively chose a new health insurance plan:

Preferred silver level plans:

Customers with a bronze or gold plans last year were more likely to switch to a different metal level, and a majority of them picked a silver plan. Customers with a silver plan were more likely to pick stay within the metal level.

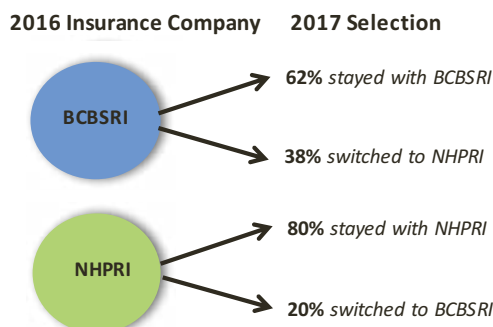
50% of customers initially enrolled in a bronze plan chose silver; 52% of customers initially enrolled in a gold plan chose silver.



Preferred NHPRI plans:

Renewing Customers were more likely to switch to NHPRI plans over BCBSRI plans.

62% of returning customers in a BCBSRI plan stayed with a BCBSRI plan; while 80% of customers in an NHPRI plan stayed with an NHPRI plan.



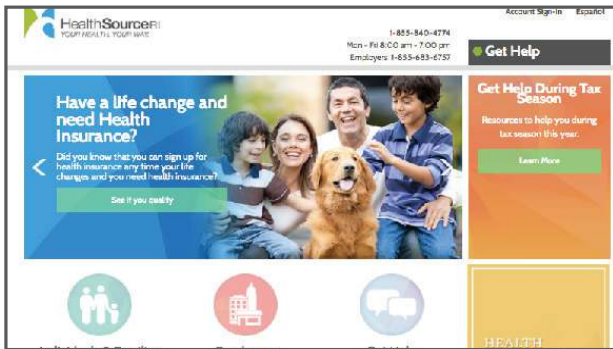


Consumer Support Tools

HealthSource RI offered new tools for customers in Open Enrollment 2016.

HealthSource RI developed some and updated some resources and processes to help customers enroll in and use their health insurance. These tools included:

- Auto-renewal for 2016 returning customers;
- A streamlined website with a cleaner homepage with clear options for finding information, enrolling in a plan, and getting help;
- A Spanish version of the 'Compare Your Plans' Savings Calculator;
- A Path to your Plan resource developed as a decision support tool for guiding customers how to best choose the right health plan
- The opening of a walk-in center with, with extended service hours, which included evenings and most Saturdays during Open Enrollment 2017



HealthSource RI's streamlined website had nearly 300,000 visits



Compare Plans Savings Calculator in Spanish

How to pick a HealthSource RI plan.

Useful tips for those who need help.

So, let's talk \$\$\$.

We can't look at all 17 plans offered by HealthSource RI, so let's compare two different types of plans. Plans like A and B are offered by both insurance carriers at all metal levels. *It all depends on your healthcare use.*

| | | | |
|---------------|--|---------------|--|
| PLAN A | Offers a lower monthly premium, but most health services (doctor visits, x-rays etc.) are not covered until the deductible is met. The deductible is \$2500. Monthly Premium: \$300 Total Annual Premium Cost: \$3,600 | PLAN B | Offers many services without having to meet the deductible first, only a co-pay is charged to you. The deductible for this plan is \$3000. Monthly Premium: \$350 Total Annual Premium Cost: \$4,200 |
|---------------|--|---------------|--|

You're Healthy
You just have your annual physical.

You've got a Chronic Condition
Let's look at what it might cost if you have diabetes.

Oops! You fall and twist your ankle.

| | |
|---|---|
| PLAN A: \$175 You pay for the whole visit because you haven't reached the deductible. | PLAN B: \$30 You just pay the co-pay. You save \$146 with Plan B. |
|---|---|

Your need an x-ray

| | |
|---|---|
| PLAN A: \$75 You pay for the x-rays because you haven't reached the deductible. | PLAN B: \$75 You pay for the x-rays because you haven't reached the deductible. |
|---|---|

Your doctor sends you to a specialist

| | |
|---|---|
| PLAN A: \$250 You pay for the whole visit because you haven't reached the deductible. | PLAN B: \$30 You just pay the co-pay. You save \$220 with Plan B. |
|---|---|

You need a follow-up doctor visit.

| | |
|---|---|
| PLAN A: \$175 You pay for the whole visit because you haven't reached the deductible. | PLAN B: \$30 You just pay the co-pay. You save \$146 with Plan B. |
|---|---|

Total incident cost

| | |
|----------------------|---|
| PLAN A: \$675 | PLAN B: \$165 You save \$510 with Plan B. |
|----------------------|---|

Summary: Considering the premium and out-of-pocket costs, you would still save \$90 with plan B and you wouldn't have to...

Yearly estimated costs for managing type 2 diabetes:

| | |
|---------------------------------|---------|
| Prescriptions | \$2,900 |
| Medical equipment and supplies | \$1,200 |
| Office visits and procedures | \$700 |
| Education | \$300 |
| Lab tests | \$100 |
| Vaccines and other preventative | \$100 |

Amount of Deductible you will need to Pay

| | |
|--|--|
| PLAN A: \$2,500 You pay for everything (except your annual physical) until your deductible is met. | PLAN B: \$300 Your insurance helps you pay right away. You save \$2,200 with Plan B. |
|--|--|

Co-Pay

| | |
|---|------------------------|
| PLAN A: \$800 You save \$700 with Plan A. | PLAN B: \$1,500 |
|---|------------------------|

Co-insurance

| | |
|--------------------|--------------------|
| PLAN A: \$0 | PLAN B: \$0 |
|--------------------|--------------------|

Total Annual Cost

| | |
|------------------------|--|
| PLAN A: \$3,300 | PLAN B: \$1,800 You save \$1,500 annually with Plan B. |
|------------------------|--|

Summary: Considering the premium and out-of-pocket costs, you would still save \$900 with plan B.

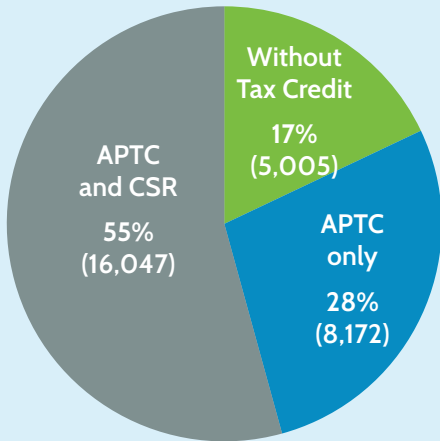
Path to your Plan flyer

Financial Help

Approximately 8 out of 10 HealthSource RI customers received financial help in Open Enrollment 2017



HealthSource RI Enrollments by Financial Help



83% of HealthSource RI's 2017 enrolled customers received **Advanced Premium Tax Credits (APTC)** to help reduce the cost of their monthly premiums.

55% of HealthSource RI's 2017 enrolled customers received **Cost Sharing Reductions (CSR)** to reduce their out of pocket expenses, such as co-pays and deductibles, down from 56% last year.

Nationally about 83% of consumers who enrolled in a plan during the 2017 OE had premiums reduced by APTC. (ASPE 2017 Marketplace report)

Average Individual Premiums

Average full price premium: \$369.17 per person
 Average premium after tax credits: \$116.53 per person

46% of individuals selecting plans with tax credits have premiums of \$100 or less after tax credits; 23% have premiums of \$50 or less after tax credit.

Individuals qualify for financial assistance based on their household income and family size

For example, a single person will qualify for APTC if he or she earns less than about \$47,000 a year. Single people earning under \$29,400 also qualify for CSRs. These income ranges go up as family size increases.

See the example below for estimated savings for a single person and a family of four buying a silver level plan (with a deductible of \$3,900/\$7,800 for an individual or family respectively):

Price range for a single adult (40 yrs) and a family of four (2 adults: 40 yrs; 2 children 0-18 yrs) buying a silver plan

| | | Single Adult | | | Family of 4 | | |
|--------------------|--------------|--------------|-----------------|------------|-------------|-----------------|------------|
| | | Income | Monthly Premium | Deductible | Income | Monthly Premium | Deductible |
| Without Tax Credit | | \$47,000 | \$242.53 | \$2,850 | \$98,000 | \$726.06 | \$5,700 |
| With Tax Credit | APTC Only | \$30,000 | \$188.55 | \$2,850 | \$60,000 | \$367.87 | \$5,700 |
| | APTC and CSR | \$24,000 | \$111.47 | \$2,100 | \$48,000 | \$215.42 | \$1,000 |
| | | \$17,000 | \$33.36 | \$0 | \$35,000 | \$71.42 | \$0 |

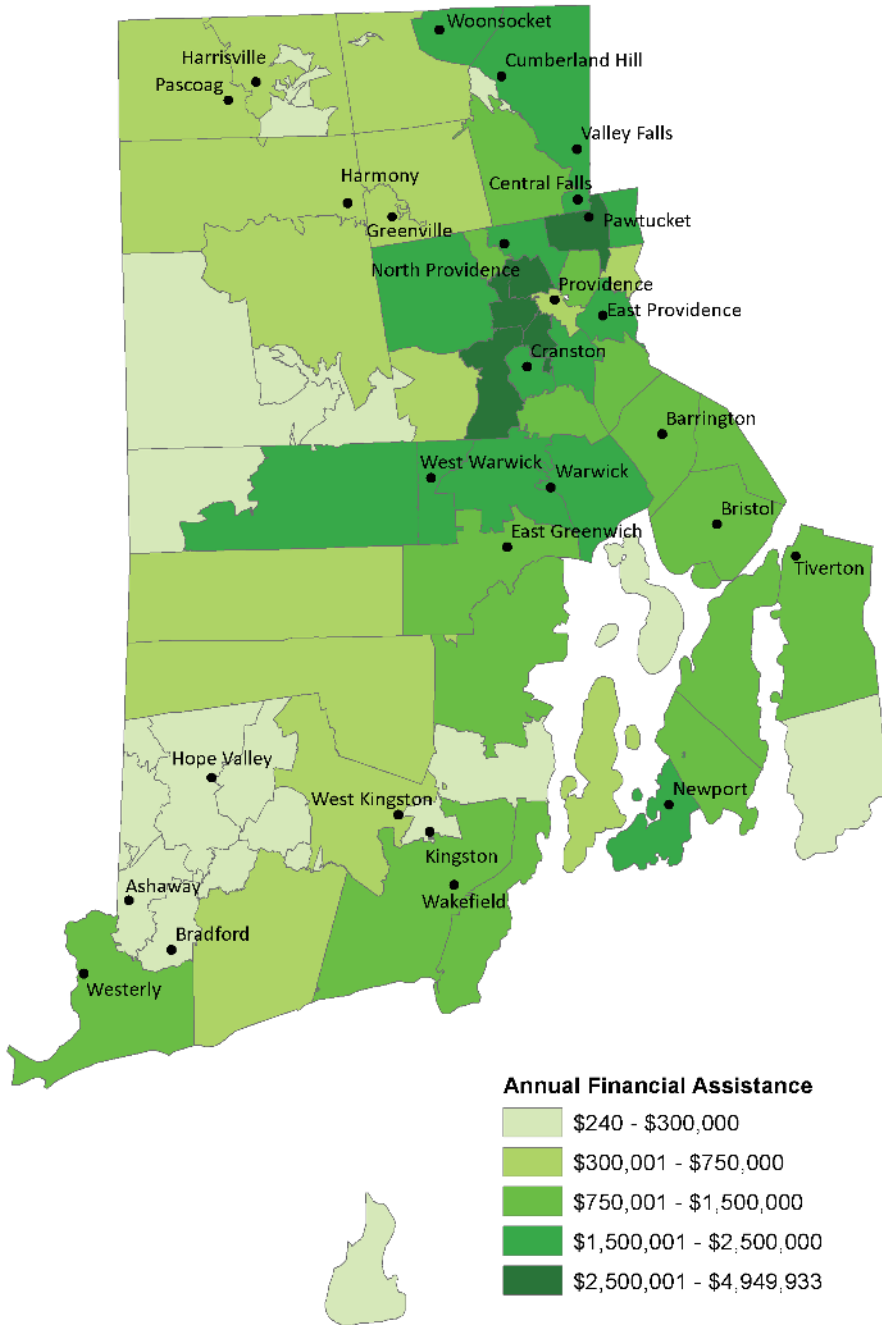


2017 Financial Assistance by Geography

During Open Enrollment 2017, the top five cities by financial assistance were the same as for Open Enrollment 2016

Top 5 Enrollment Towns and Cities

1. Providence
2. Cranston
3. Warwick
4. East Providence
5. Pawtucket

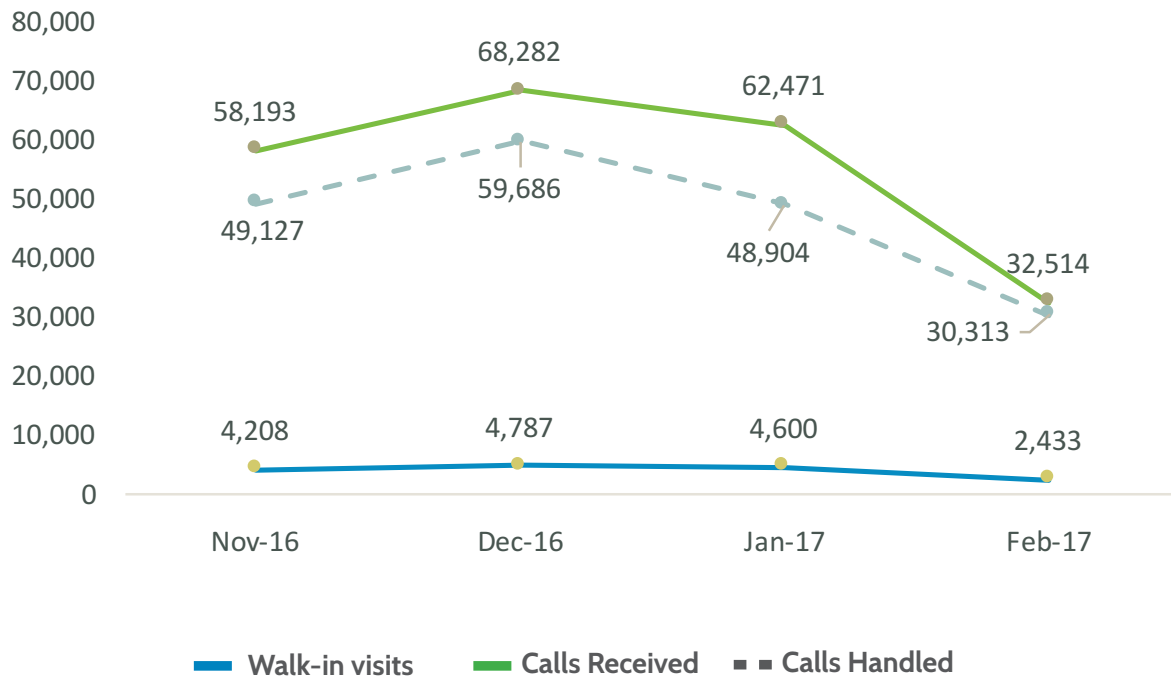




Customer Service by Channel

Open Enrollment 2017 experienced reduced inbound call volume overall, with higher volumes coming in December

November 1, 2016 – January 31, 2017*



HealthSource RI hired a new contact center vendor in mid 2016. The contract with the new vendor included service level agreements related to wait times and call handle times. The new agreement also allowed HealthSource RI to reopen its walk-in center to help customers in person.

In Open Enrollment 2017, contact call center volume increased slightly (7%) since Open Enrollment 2016. The call center received an average of 13,496 calls a week compared to an average of 12,500 calls a week during Open Enrollment 2016. During the last Open Enrollment, the call center was able to handle 83% of calls received, almost 50% more calls than 2016.

For the bulk of the Open Enrollment period, average call handle times were lower than previous Open Enrollments (approximately 8 minutes, compared to 20 minutes)



HealthSourceRI.com

Website Activity on HealthSourceRI.com

November 1, 2016 – January 31, 2017*

Website Visits (number of times people visited the site): **281,919**

Unique Visitors (number of unique people who visited the site): **136,943**

Website Visits to HealthSourceRI.com by week



*Data shown through Open Enrollment payment deadline week

HealthSource RI's website also had less activity during Open Enrollment 2017 compared to previous Open Enrollment periods. This decrease in volume, especially during the start of open enrollment, might be related to marketing campaign starting in December instead of November this year.

During Open Enrollment 2017, website visits to HealthSourceRI.com spiked in the days leading up to the January 23 deadline to pick a plan.



Community-based Enrollment Assistance

Outreach Team, Navigators* and Certified Application Counselors provided additional in-person enrollment assistance to individuals and families

During Open Enrollment 2017, the outreach team planned, organized and staffed 15 community events, assisting close to 600 individuals and families across Rhode Island (see the tables below for details).

A combined Enrollment Fair with insurance companies was held in December, at which 199 customers were served by 17 enrollers with 20 additional support staff from HealthSource RI, Deloitte, Rhode Island Department of Human Services (DHS), United Way of Rhode Island, and the Economic Progress Institute. Two smaller enrollment fair events were held at the walk-in center as well.

Additionally Navigators supported over 9,300 customer appointments during this Open Enrollment.

During the Open Enrollment 2017 period there were:

- a total of **17** navigator in 32 locations and 12 certified application counselor agencies in 18 locations across the state
- approximately **152** navigators and certified application counselors

Table 1 Community Events OE 2017

| Community Event Data | |
|-----------------------------------|-----|
| Total Customers Assisted | 595 |
| Number of Events | 15 |
| Avg. Customers Per Event | 40 |
| Avg. Length of Event (Hours) | 7 |
| Avg. Number of Enrollers at Event | 6 |

Table 2 Customer Reason for Attending Community Events

| Reason for Coming to Events | Percent |
|--------------------------------------|---------|
| Renew | 38% |
| Enroll for first time or after lapse | 23% |
| Get help with issue | 9% |
| Unknown | 29% |

Table 3 – Types of Coverage Obtained at Community Events

| Type of Coverage Customers Obtained at Community Events | Percent |
|---|---------|
| QHP (Commercial Insurance) | 41% |
| Medicaid | 13% |
| Mixed Family | 6% |
| Unknown | 39% |

*Navigator category includes federally-funded “In-person Assisters”