



Open Enrollment 2018

Rhode Island's fifth Open Enrollment
period for individuals and families



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Open Enrollment 2018

This report offers relevant data and analysis about HealthSource RI's fifth Open Enrollment, which began on November 1, 2017 and ended on December 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 2018 calendar year.

In late 2017, the federal administration stopped funding Cost Sharing Reduction (CSR) payments, which reimbursed insurers for providing discounted cost sharing on silver plans offered to low income HealthSource RI (HSRI) customers. HSRI partnered with the Office of the Health Insurance Commissioner (OHIC) to shield customers from premium increases due to this federal policy change. OHIC directed Blue Cross & Blue Shield of Rhode Island and Neighborhood Health Plan of Rhode Island to focus their resulting premium rate increases on Silver-level plans sold through HSRI. This created an increase in Advance Premium Tax Credits (APTCs) offered to eligible customers with household incomes between 100% and 400% of the Federal Poverty Line (FPL). In January 2018, \$7.5 million in APTCs went to HSRI customers to make their premiums more affordable, compared to \$5.1 million in January 2017, a 46% increase.

HSRI saw an increase in new and overall customers. By January 31 of 2018, 30,637 Rhode Islanders had enrolled in coverage through HealthSource RI, up five percent from the previous year. Most notably, new customer enrollments jumped by 45% compared to 2017. Of those new customers, about 35% were “young invincibles” age 18-34.

HSRI also stood out among other state-based health insurance marketplaces with among the lowest premiums in the country. In 2018, Rhode Island offered the lowest cost “benchmark plan” of any marketplace.

Quick Facts

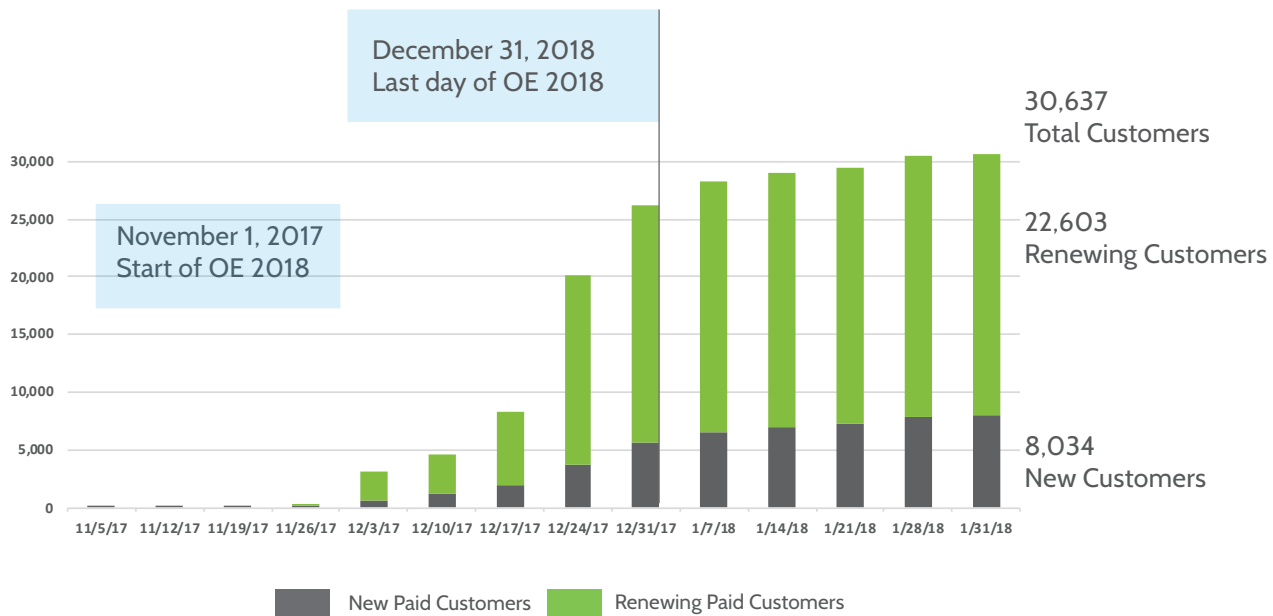
- 22,603 (77%) of HealthSource RI's 2017 customers renewed their coverage for 2018
- 8,034 new customers enrolled in coverage for 2018
- 25,159 (82%) of HealthSource RI's 2018 enrollees are receiving federal financial help

Open Enrollment 2018: At a Glance

HealthSource RI Open Enrollment 2018 ran from November 1, 2017 - December 31, 2017



New and Renewing Customers

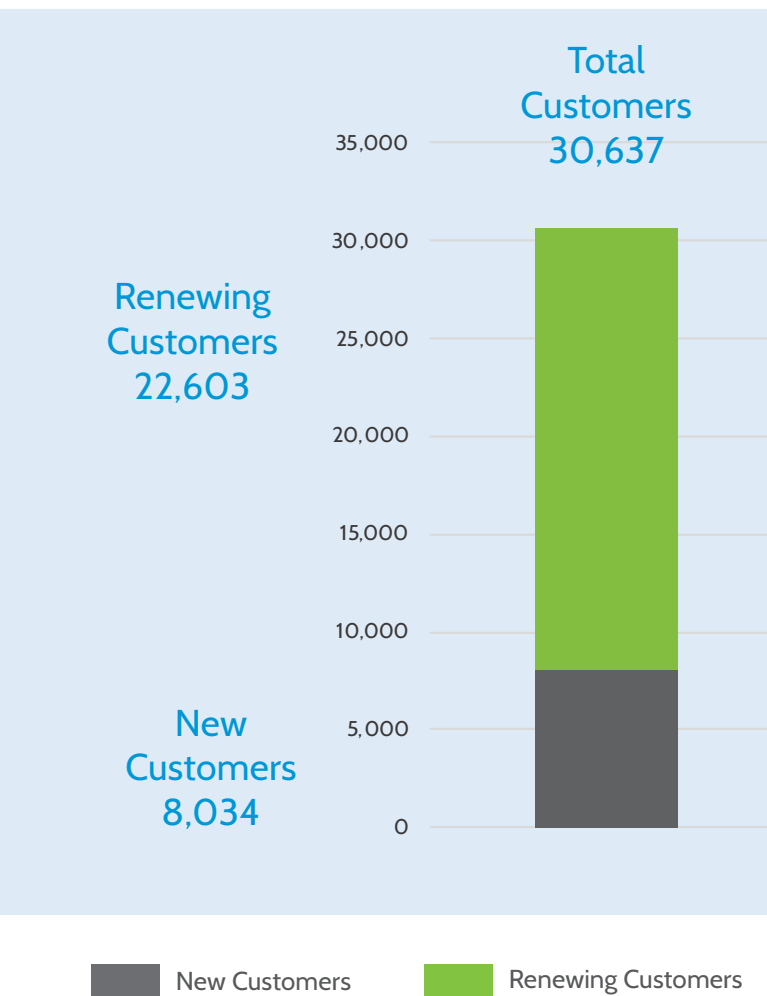


Renewal rates jumped in late December, corresponding with the December 31 deadline to pay for January coverage. Enrollment continued to slowly increase through January, an extended period for customers to take advantage of a special enrollment period available to those who partially completed their applications prior to the deadline.

Of the customers who visited HealthSource RI and picked a plan, 82% (30,637) completed the enrollment process by paying for their first month of coverage.



Open Enrollment 2018: New and Renewing Customers



Renewing Customers (22,603)

- 74% of total enrollments were customers renewing their coverage for 2018
- Returning customers were auto-renewed in a plan that was the same or similar to their 2017 coverage:
 - 63% stayed with their auto-renewal plan
 - 37% chose a different plan.

New Customers (8,034)

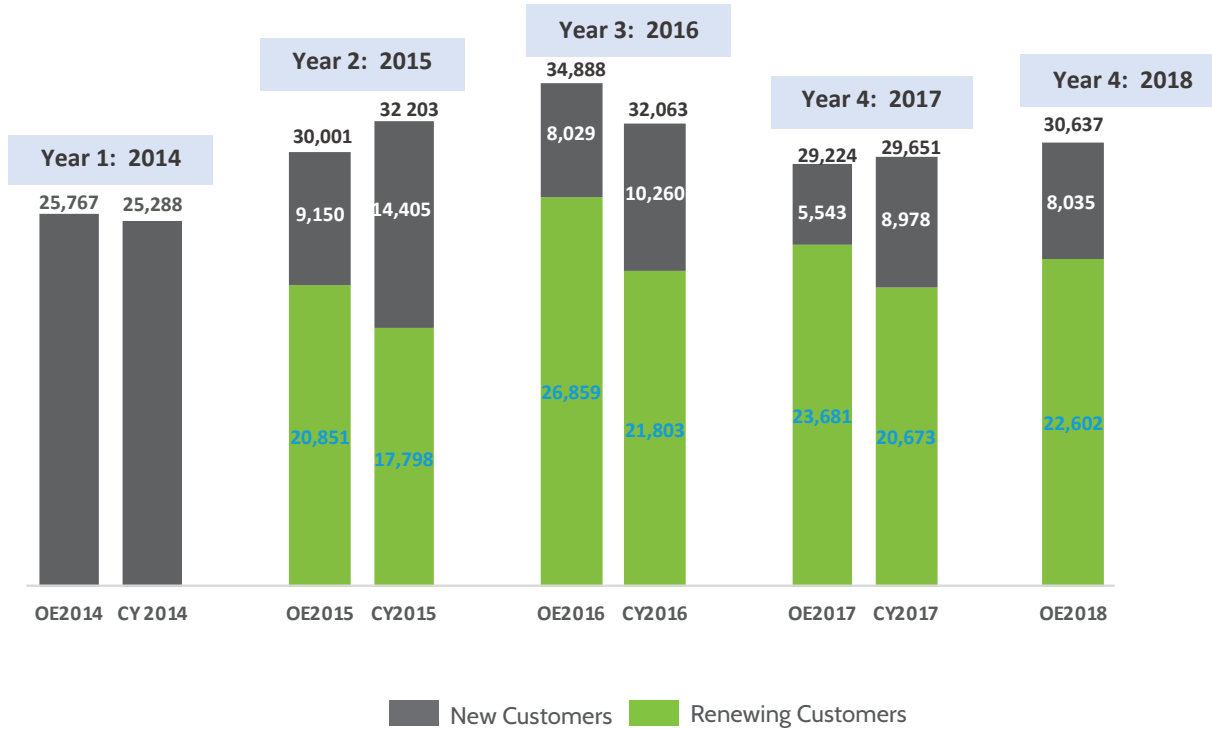
- About 75% of new customers did not have coverage, at any point, with HealthSource RI in 2017
- 25% of new customers had coverage with HealthSource RI at some point in 2017, but not at the time they enrolled in 2018 coverage.

HealthSource RI saw a 45% increase in new customers this year, up from 5,543 individuals in 2017 to 8,038 in 2018.



Open Enrollment: Year-over-Year Comparison

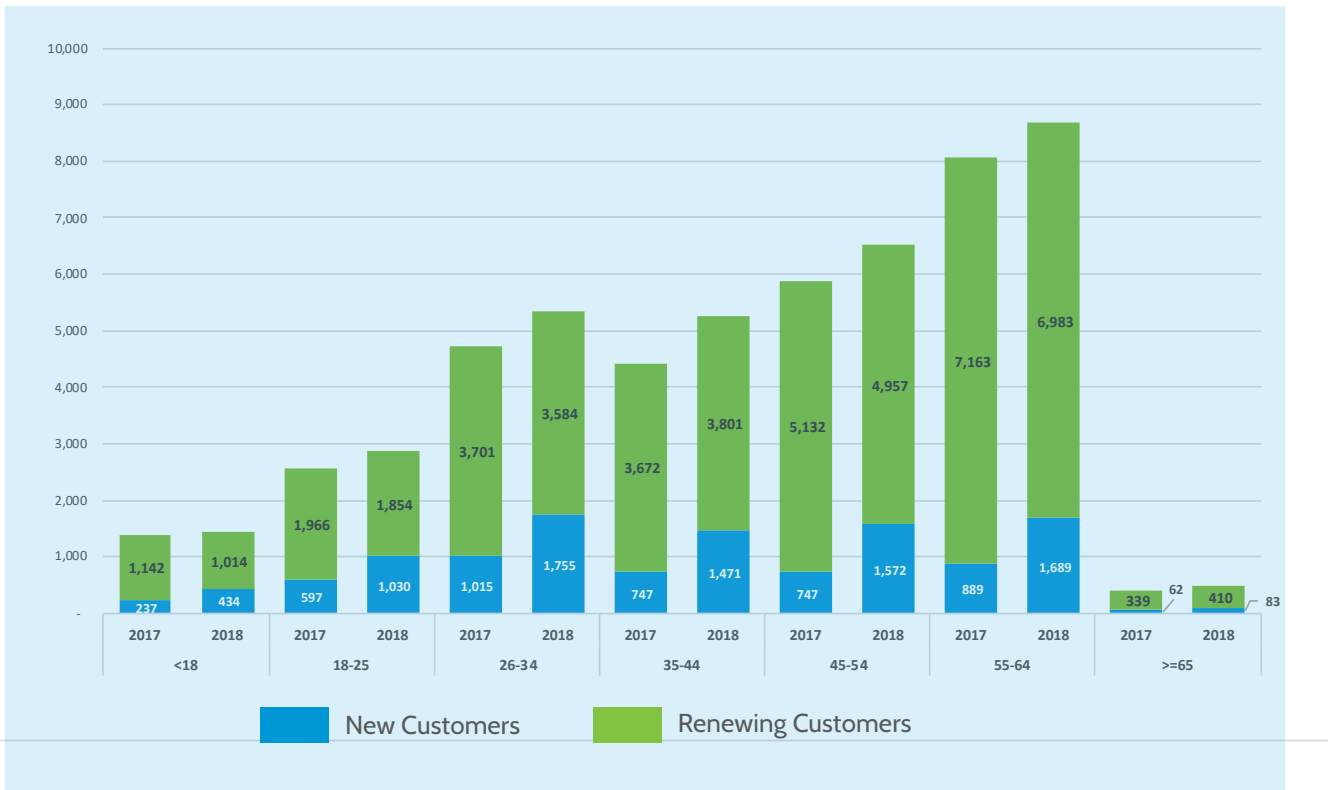
OE: End of Open Enrollment
CY: End of Calendar Year



Seventy seven percent of 2017 customers renewed their coverage for 2018. During Open Enrollment 2018, we saw an increase of 1,929 (9% from CY 2017) in renewing customer enrollments.



2018 Enrollee Demographics by Age



In 2018, HealthSource RI saw a jump in “young invincibles” among new customers. About 35% of new 2018 customers were between the ages of 18-34, up from approximately 25% in the 2017 population. Rhode Islanders younger than 45 years old make up about half of 2018 customers.

Enrollment by gender remained fairly consistent in 2018. As of January 31, the gender breakdown was 54% (16,513 individuals) female and 46% (14,124 individuals) male.



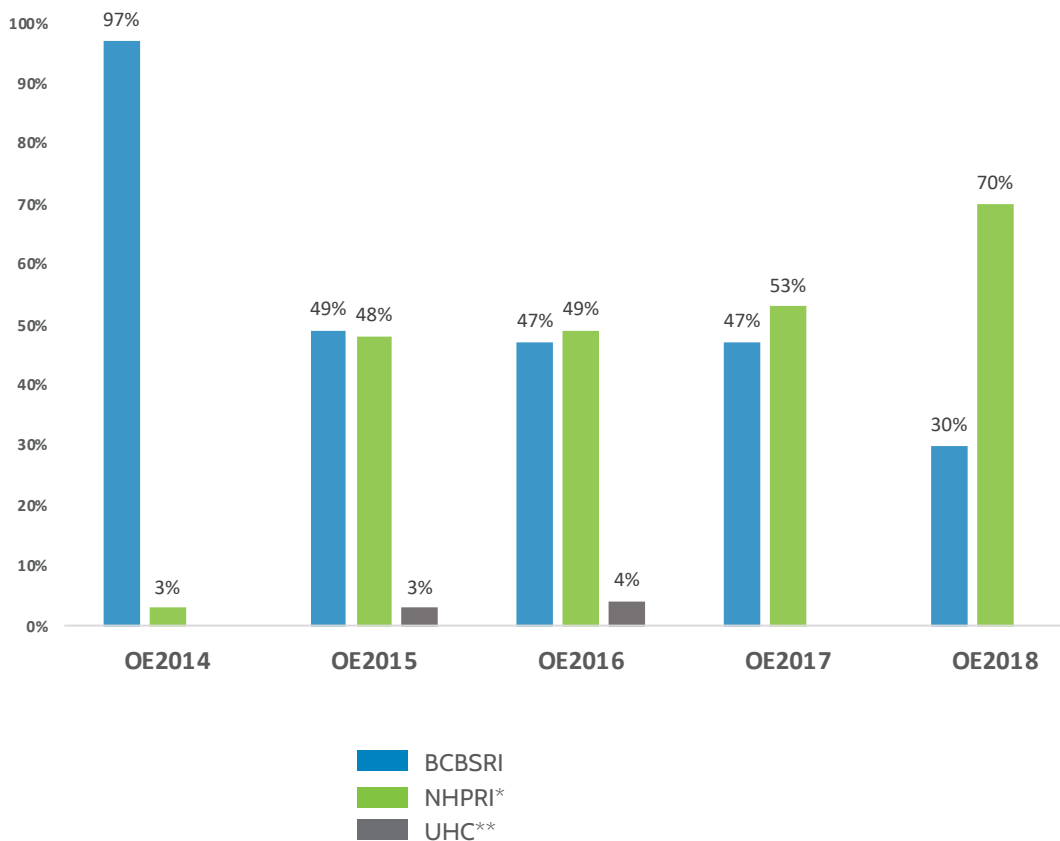
Health Insurers' Market Share

During the 2018 Open Enrollment period there was a notable increase in customers who chose to enroll in coverage through Neighborhood Health Plan of Rhode Island (NHPRI).

NHPRI's market share rose from about 50% in 2017 to 70% (21,525 individuals) this year. This trend was most pronounced in new customers, who chose NHPRI over 80% of the time. The other 30% (9,112 individuals) of 2018 HealthSource RI customers enrolled in health coverage from Blue Cross & Blue Shield of Rhode Island (BCBSRI). The shift was primarily driven by NHPRI's lower prices.

Between 2015-2017, NHPRI and BCBSRI enjoyed a fairly equal share of the market.

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 onwards

2018 Plan Options



In 2018, HealthSource RI offered 18 plans for individuals and families.

Open Enrollment 2018 Plan Choice Preferences

In 2018, the Neighborhood COMMUNITY silver plan remained HealthSource RI's most popular plan, enrolling 23.9% of all customers. The Neighborhood VALUE silver plan was the second most popular (17.9% of customers chose this plan), followed by Neighborhood PLUS at 11.4%.

BCBSRI offered two new plans for 2018 both with limited networks only including Lifespan providers.

■ Neighborhood Health Plan of Rhode Island
 ■ Blue Cross & Blue Shield of Rhode Island

Individual Market 2018 Plans	OE 2018 (as of 1/31)		Monthly Premium (21 Year Old)
	Covered Lives	%	
BRONZE	6,695	21.85%	
Neighborhood ECONOMY	1,569	5.1%	\$170
Neighborhood INNOVATION	2,797	9.1%	\$170
BlueSolutions for HSA Direct 6000/12000	1,359	4.4%	\$215
BasicBlue Direct 6850/13700	970	3.2%	\$248
SILVER	17,108	55.8%	
Neighborhood COMMUNITY	7,321	23.9%	\$225
Neighborhood VALUE	5,471	17.9%	\$243
✓ BlueCHIP Direct Advance 4650/9300	731	2.4%	\$277
BlueSolutions for HSA Direct 4100/8200	1,608	5.3%	\$301
BasicBlue Direct 4900/9800	487	1.6%	\$312
BlueCHIP Direct 4800/9600	824	2.7%	\$336
VantageBlue Direct Plan 4850/9700	666	2.2%	\$339
GOLD	6,834	22.3%	
✓ BlueCHIP Direct Advance 2300/4600	440	1.4%	\$248
Neighborhood PLUS	3,481	11.4%	\$249
Neighborhood PRINCIPAL	854	2.8%	\$256
BlueCHIP Direct 2300/4800	138	0.5%	\$307
BasicBlue Direct 2700/5500	545	1.8%	\$333
BlueSolutions for HSA Direct 1400/2800	479	1.6%	\$339
VantageBlue Direct Plan 1325/2650	897	2.9%	\$350
TOTAL	30,637	100%	

✓ New Plan for 2018



Rhode Island Premiums for Benchmark Plan

HealthSource RI is an exception to the national trend of sky rocketing health insurance rates. For the second year in a row, HealthSource RI has the least expensive benchmark (second-lowest cost Silver plan in a marketplace) plan in the country. Our standard health insurance plan is about half the cost of the national average.

In 2018, a 27-year-old would pay \$243 a month for a standard health insurance plan in Rhode Island. The national average for a similar plan is \$392 a month. These premiums are without considering any financial assistance.

Comparison of Benchmark Plan Costs: Rhode Island vs. National Average



Source: <https://www.kff.org/health-reform/state-indicator/marketplace-average-benchmark-premiums>

Customer Buying Behavior

Last minute changes at the federal level created a shift in plan prices and metal level preferences

In response to the federal administration's decision to end Cost Sharing Reduction (CSR) payments to insurers, BCBSRI and NHPRI were asked to focus their premium rate increases on Silver-level plans sold on HealthSource RI's individual market. Because the cost of these plans determines the dollar amount of federal tax credits relative to customers' income, the premium rate increases on these plans were absorbed by the tax credits for most customers.

This resulted in a phenomenon where some Gold plans were less expensive, and offered more coverage, than Silver plans. Hence, 39% of HealthSource RI's returning customers picked a different plan for 2018 with the following breakup.

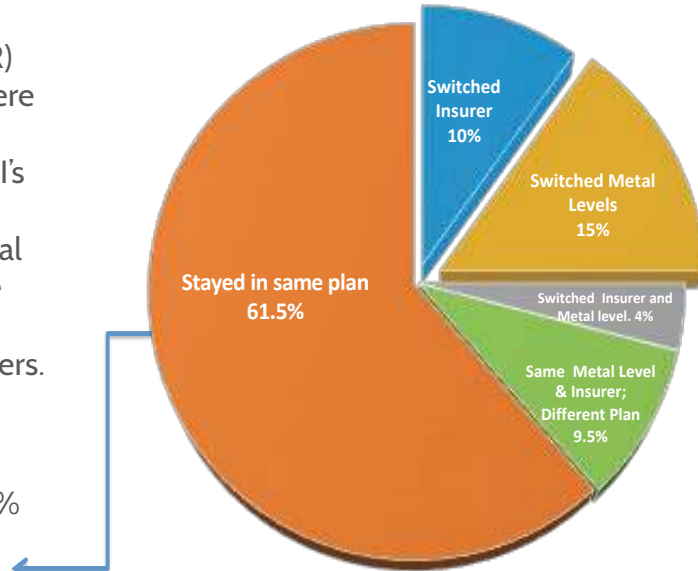
Returning customer buying behavior:

Since some Silver plans were more expensive than Gold plans for many customers, HealthSource RI saw a jump in returning customers who picked a different metal level plan for 2018. There was a significant reduction in unsubsidized Silver customers, as well as a drop in Silver customers who only received tax credits.

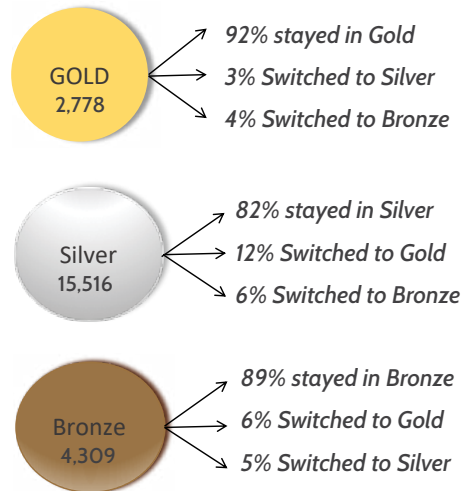
Among unsubsidized Silver-level customers who actively selected a 2018 plan, 92% chose a different metal level this year.

Most CSR eligible customers stayed in Silver plans since their tax credit absorbed most of the premium increase. Most significantly, 22% of HealthSource RI customers selected a Gold plan for 2018, up from 12% in 2017.

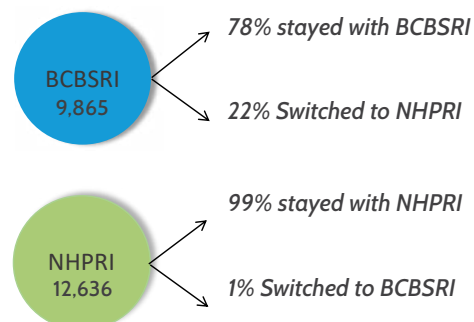
2018 Renewals



2017 Metal Level 2018 Selection



2017 Insurance Company 2018 Selection



Overall Customer Buying Decisions

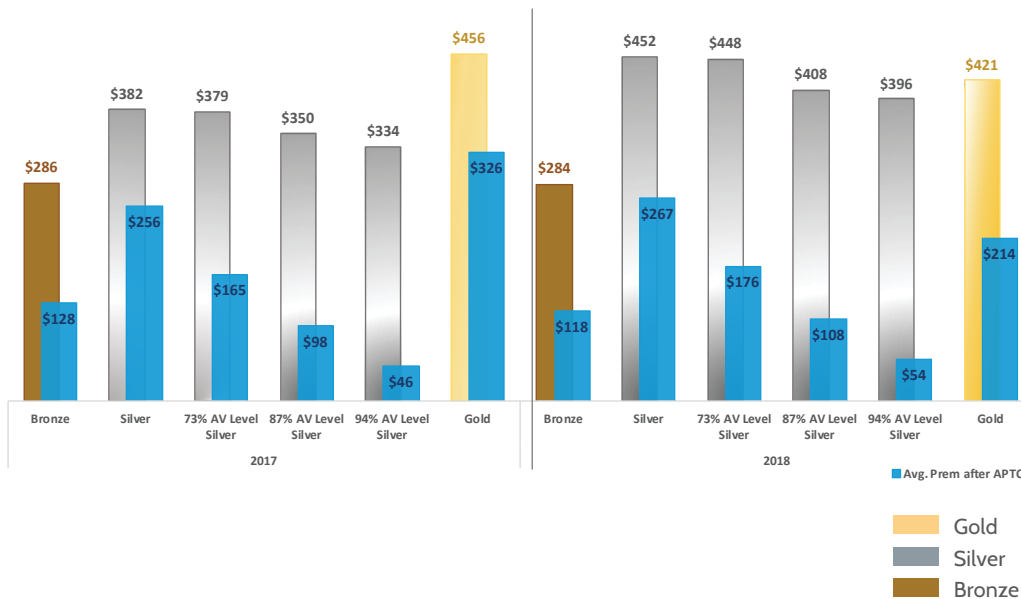
In 2018, the average subsidized customer saw steady rates due to the protective effect of their subsidies

Overall, HealthSource RI saw a shift away from Silver plans among both subsidized and non-subsidized customers. As the table below illustrates, there was a slight increase in total Bronze plan selections and a nearly 9% increase in Gold plan selections, while total Silver plan selections went down by nearly 11% and 9.3% for subsidized customers.

		TOTAL SELECTIONS			BRONZE			SILVER			GOLD		
		2017	2018	VARIANCE 2017-2018	2017	2018	VARIANCE 2017-2018	2017	2018	VARIANCE 2017-2018	2017	2018	VARIANCE 2017-2018
Rhode Island													
TOTAL	#	29,456	33,021	↑ 3,565	5,758	7,153	↑ 1,395	20,137	18,980	↓ (1,157)	3,561	6,888	↑ 3,327
	%				19.5%	21.7%	↑ 24.2%	68.4%	57.5%	↓ -5.7%	12.1%	20.9%	↑ 93.4%
SUBSIDIZED POPULATION	#	24,203	26,443	↑ 2,240	3,849	4,310	↑ 461	18,391	17,645	↓ (746)	1,963	4,488	↑ 2,525
	%				15.9%	16.3%	↑ 12.0%	76.0%	66.7%	↓ -4.1%	8.1%	17.0%	↑ 128.6%
NON-SUBSIDIZED POPULATION	#	5,253	6,578	↑ 1,325	1,909	2,843	↑ 934	1,746	1,335	↓ (411)	1,598	2,400	↑ 802
	%				36.3%	43.2%	↑ 48.9%	33.2%	20.3%	↓ -23.5%	30.4%	35.5%	↑ 50.2%

Year-over-Year Change in Medical Plan Premiums:

HealthSource RI saw a slight overall increase in 2018 premiums. Insurers were asked to focus their premium rate increases on Silver-level plans sold on HealthSource RI's individual market, as the premium rate increases on these plans is absorbed by the tax credits for most HealthSource RI customers receive. As a result, the average premium costs after health insurance subsidies remained stable and even went down in some cases, particularly for Gold plans.





Consumer Support Tools

HealthSource RI offered new tools for customers in Open Enrollment 2018.

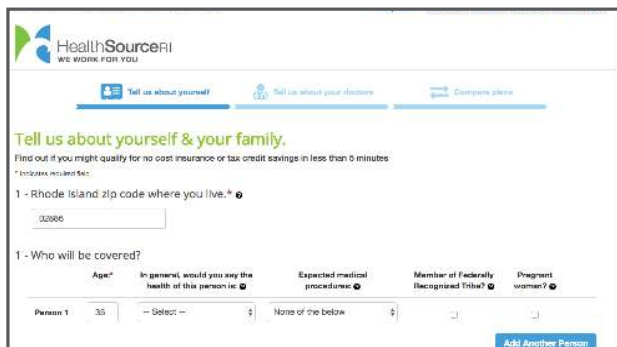
HealthSource RI developed resources to help Rhode Islanders choose and use their health insurance coverage.

- **A Unique Savings Tool**

The new Savings Tool lets customers compare plans by not only monthly premiums but out-of-pocket costs as well. The tool also features a physician directory so customers can see which plans include their preferred providers. It is mobile friendly and available in English and Spanish.

- **Educational video Series**

The short, explainer videos touch on topics from common terms to plan election and financial assistance. All videos are available in English and Spanish.



2018 Savings Tool - English



2018 Savings Tool - Spanish

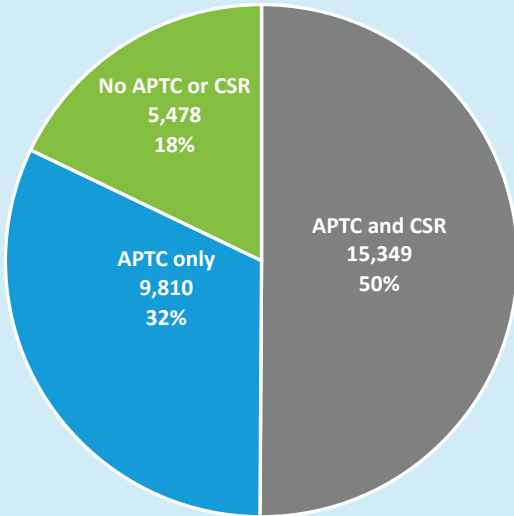


2018 Educational Videos

Financial Help

Over 8 out of 10 HealthSource RI customers received financial help in Open Enrollment 2018

HealthSource RI Enrollments by Financial Help



82% of HealthSource RI's 2018 enrolled customers received Advanced Premium Tax Credits (APTC) to help reduce the cost of their monthly premiums.

50% of HealthSource RI's 2018 customers were enrolled in Cost Sharing Reduction (CSR) plans, with discounted co-pays and deductibles, down from 59% last year.

Nationally about 84% of consumers who enrolled in a plan during the 2018 OE had premiums reduced by APTC.
(ASPE 2018 Marketplace report)

Average Individual Premiums

Average full price premium: \$398.03 per person
Average premium after tax credits: \$163.43 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

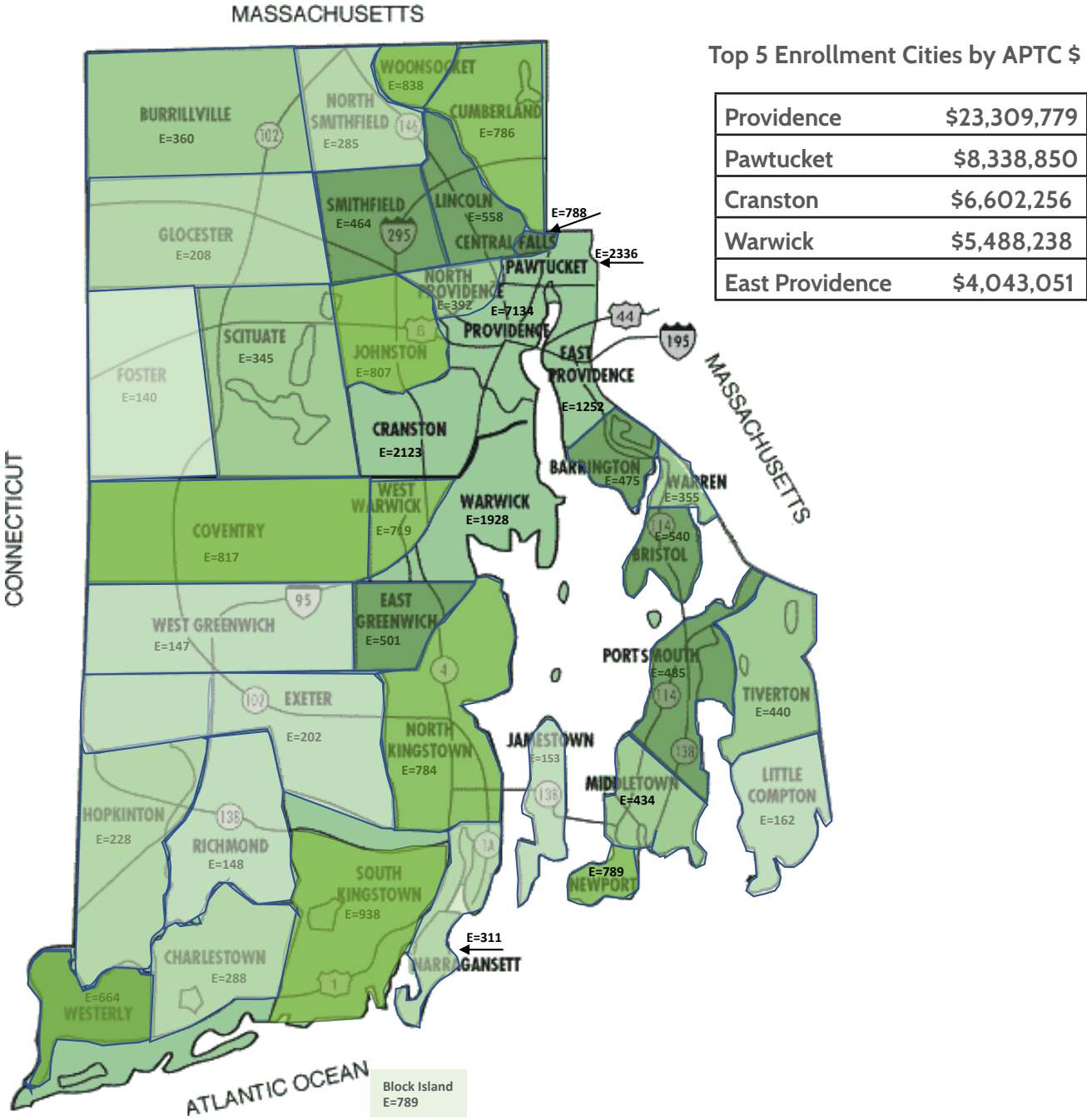
		Single Adult			Family of 4		
		Income	Monthly Premium	Deductible	Income	Monthly Premium	Deductible
Without Tax Credit		\$47,000	\$287.05	\$2,850	\$100,000	\$917.76	\$5,700
With Tax Credit	APTC Only	\$37,000	\$271.47	\$2,850	\$75,000	\$523.01	\$5,700
	APTC and CSR	\$24,000	\$102.58	\$550	\$45,000	\$161.57	\$1,100
		\$18,000	\$36.49	\$0	\$35,000	\$57.56	\$0





2018 Financial Help by Geography

The five cities receiving the most financial help were the same in 2017 and 2018.



E = Enrollees

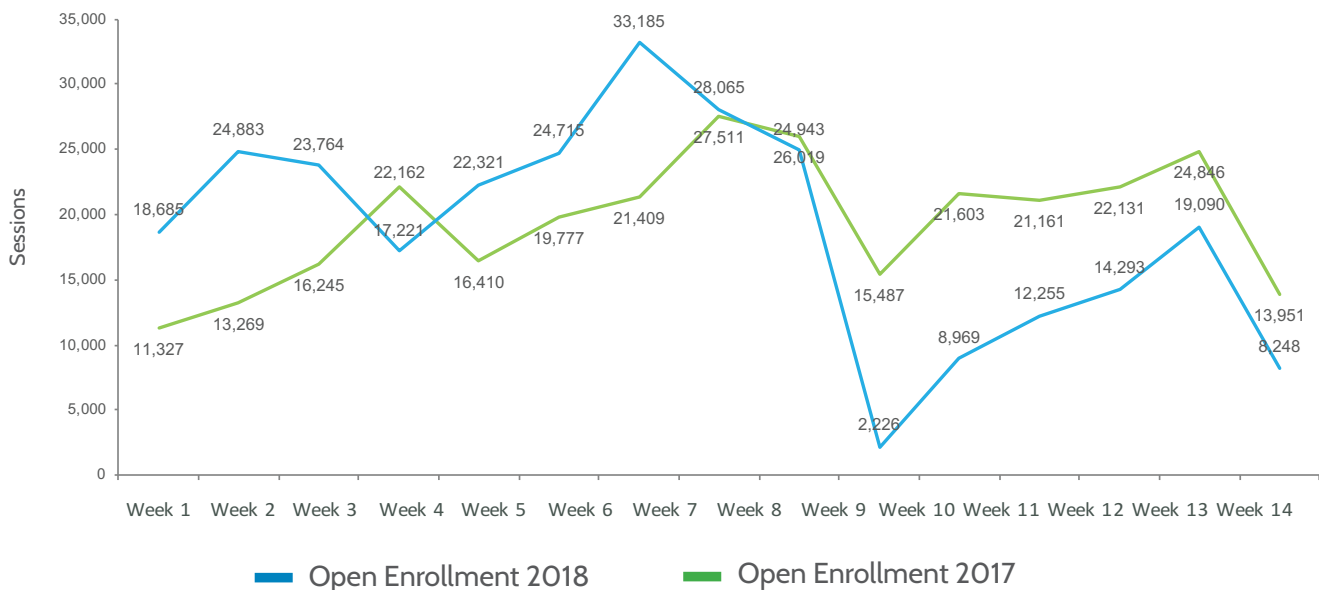


HealthSourceRI.com

Website Activity on *HealthSourceRI.com*
November 1, 2017 – January 31, 2018

Website Visits (number of times people visited the site): 282,863
Unique Visitors (number of unique people who visited the site): 156,702

Website Visits to *HealthSourceRI.com* by week



HealthSource RI's website saw a slight increase (0.3%) in total visitors during Open Enrollment 2018, but saw a greater increase in the number of unique visitors (up by 14%) compared to last Open Enrollment. During November 2017 we saw an increased web traffic compared to last year as we had a marketing campaign that began in October and ran through November, whereas our marketing campaign did not begin until December during Open Enrollment 2017.

The Savings Tool, alone accounted for over 60,000 visits during this Open Enrollment, with 53% (32,369) visits coming from HealthSource RI website homepage and 27% (16,244) being direct visits. Average time spent on the tool was about five minutes.



Community-based Enrollment Assistance

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

During Open Enrollment 2018, the HealthSource RI Outreach team planned, organized and staffed 18 community events, assisting close to 600 individuals and families across Rhode Island.

HealthSource RI also hosted two insurer-sponsored Enrollment Fairs - one in November and one in December. Customers were served by enrollers as well as with more than 20 staff members from HealthSource RI, Deloitte Consulting, the Rhode Island Department of Human Services, United Way of Rhode Island, and the Economic Progress Institute.

Additionally Navigators supported over 5,150 customer appointments during this Open Enrollment.

During the Open Enrollment 2018 period there were:

- 17 Navigator agencies in 32 locations
- 12 Certified Application Counselor agencies in 18 locations
- Approximately 190 navigators and certified application counselors

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