



ANALYSIS OF CURRENT CONNECT FOR HEALTH PLAN SELECTION BEHAVIOR

Today's Discussion

We've provided preliminary information about the variation and naturally occurring standardization across plans provided and selected through Connect for Health in the last year.

Key questions:

- How might we achieve our policy goals within Connect for Health's choice architecture?
- What are the best ways our insights on customer experience can inform the State of Colorado's public option standardized benefit design?
- What other information do you need to guide Connect for Health Colorado on this issue?

PLAN SELECTION BEHAVIOR STATEWIDE IN PLAN YEAR 2019

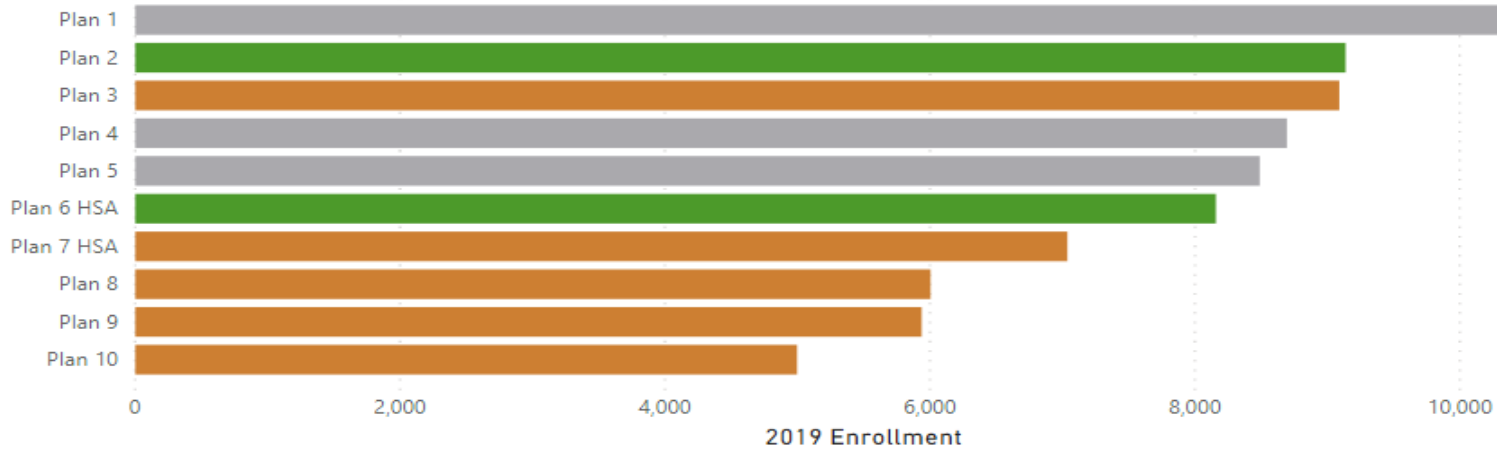
Top Plans of 2019 Plan Year Statewide

- There were a total of 124 plans on the Exchange during 2019.
- Top ten plans by enrollment account for **55%** of all enrollments in 2019.
- Top 22 plans by enrollment account for **80%** of all enrollments. This represents **17%** of all the plans sold on the exchange.
- There are 130 plans on Exchange for 2020.
- Plans 1, 2, 3 and 7 were offered on the Exchange prior to 2019, with 2, 3, and 7 being offered as far back as 2017.

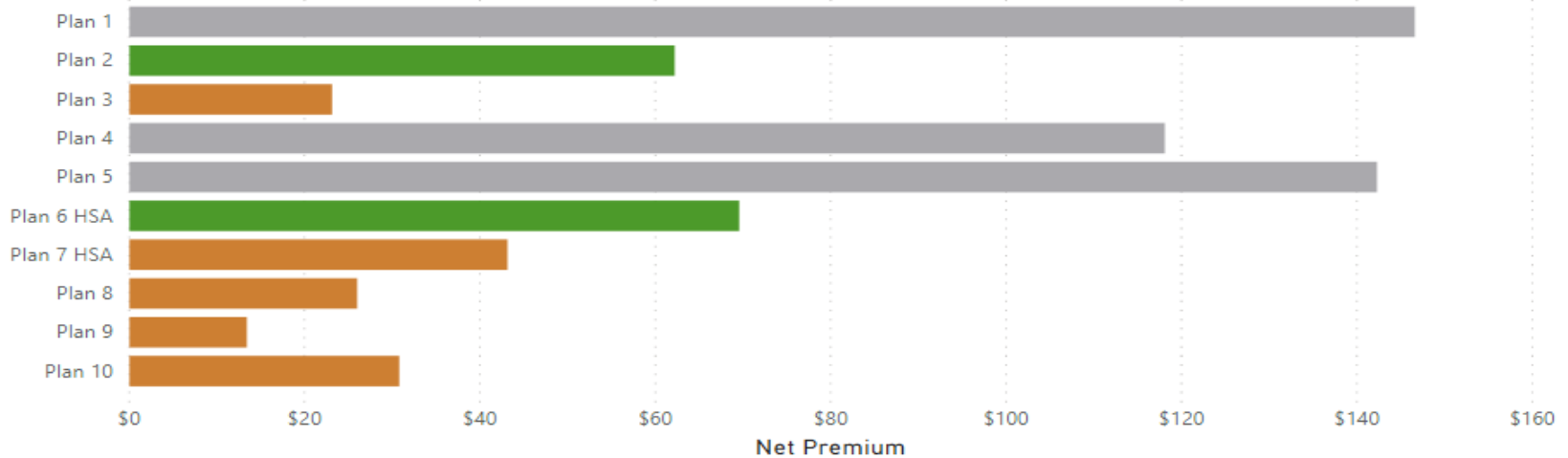
Top Customer Plan Selection Statewide

Statewide

Level of Coverage ● Bronze ● Expanded Bronze ● Silver



Level of Coverage ● Bronze ● Expanded Bronze ● Silver



2019 Plan Year Comparisons – Top Customer Plan Selections

- In comparing these plans, **cost** seems to be the main driver of enrollment.
- Within the top customer chosen plans, Bronze and Silver were divided and compared against their counterparts in 5 benefits outside of the Essential health Benefits.
- The Bronze plans varied in coverage significantly in: Generic Drugs, Co-Insurance and Primary Care visits.
- The Silver plans were not as varied as the Bronze when compared, the biggest differences included Specialty Care visits and non-preferred drugs.

Most Customer Chosen plans in Plan year 2019

TAKEAWAY: There are significant differences between benefits on plans of the same metal tier.

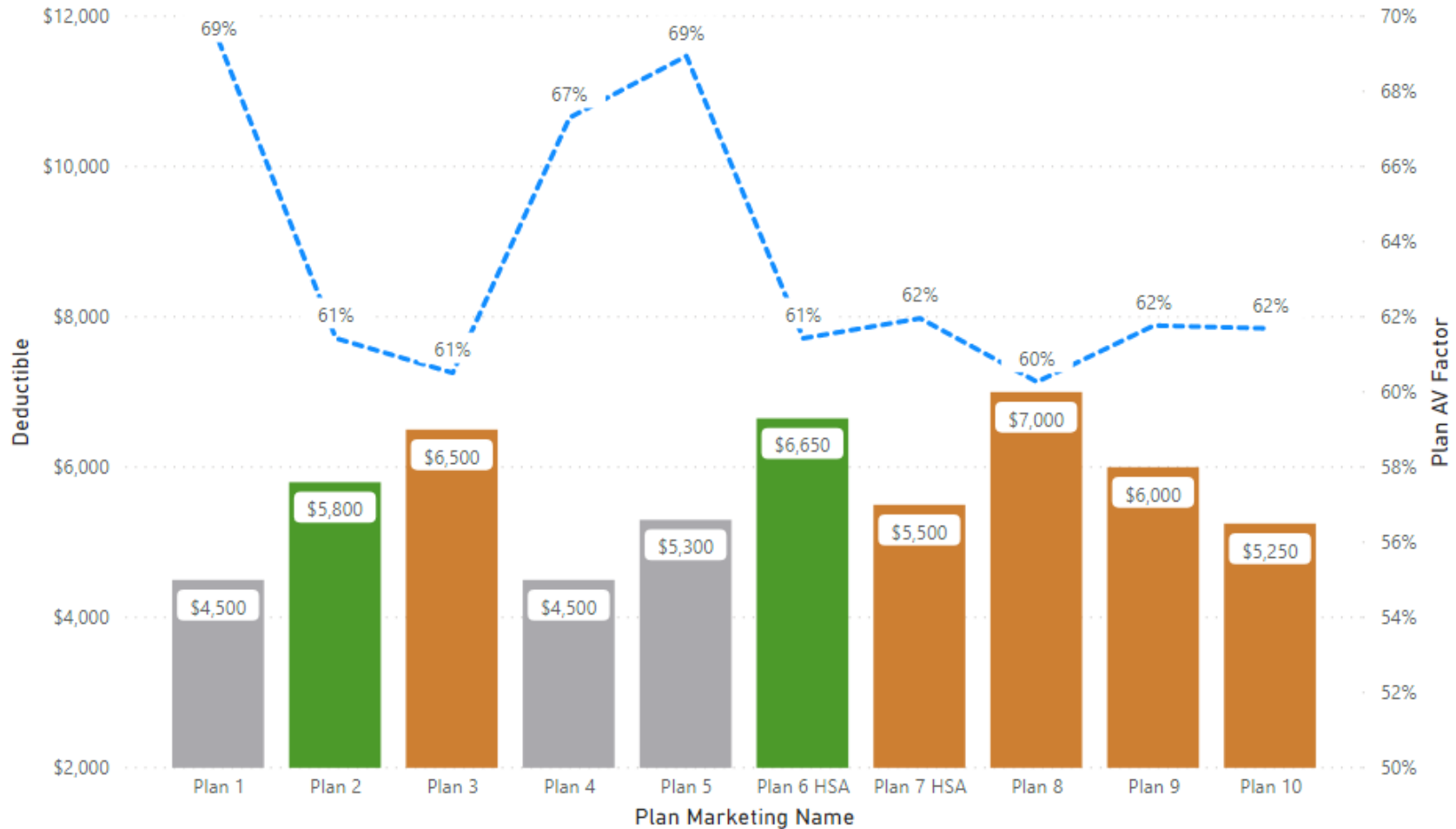
Plan Names	Deductible Ind	MaxOOP Ind	Primary Care	Spec Care	Generic	Brand	Non Pref Brand	Specialty	Hosp	Coinsurance	Average Net Premium
Plan 1	\$4,500	\$7,500	\$30	60%	\$15	\$60	35%	35%	35%	35%	\$146.60
Plan 2	\$5,800	\$7,900	\$45	30%	30%	30%	30%	30%	\$500 admin / 40%	30%	\$62.21
Plan 3	\$6,500	\$7,850	\$50 (2 visits) / 50%	50%	50%	50%	50%	50%	50%	50%	\$23.13
Plan 4	\$4,500	\$7,900	\$35 (1 to 3 visits) / 15%	15%	\$8 pref / \$25	\$60	50%	40%	15%	15%	\$118.10
Plan 5	\$5,300	\$6,800	\$35	25%	\$10	\$40	35%	50%	25%	25%	\$142.29
Plan 6 HSA	\$6,650	\$6,650	0% after Ded	0% after Ded	0% after Ded	0% after Ded	0% after Ded	0% after Ded	0% after Ded	0% after Ded	\$69.56
Plan 7 HSA	\$5,500	\$6,650	30% after Ded	30% after Ded	\$20 after Ded	30% after Ded	30% after Ded	30% after Ded	30% after Ded	30% after Ded	\$43.14
Plan 8	\$7,000	\$7,900	\$50 (1 to 2 visits) / 50%	50%	50%	50%	50%	50%	50%	50%	\$26.00
Plan 9	\$6,000	\$7,900	\$35 (2 visits) / 40%	40%	\$20	40%	40%	40%	40%	40%	\$13.42
Plan 10	\$5,250	\$7,850	\$50 (2 visits) / 40%	40%	40%	40%	40%	40%	40%	40%	\$30.80

Looking at the same five benefits for all 10 customer chosen plans, we were able to compare based on value.

Deductible and AV Comparisons in the Top Customer Chosen Plans for Plan Year 2019

Statewide

Level of Coverage ● Bronze ● Expanded Bronze ● Silver ● Plan AV Factor



PLAN SELECTION BEHAVIOR OF PLAN YEAR 2019 IN CERTAIN RATING AREAS

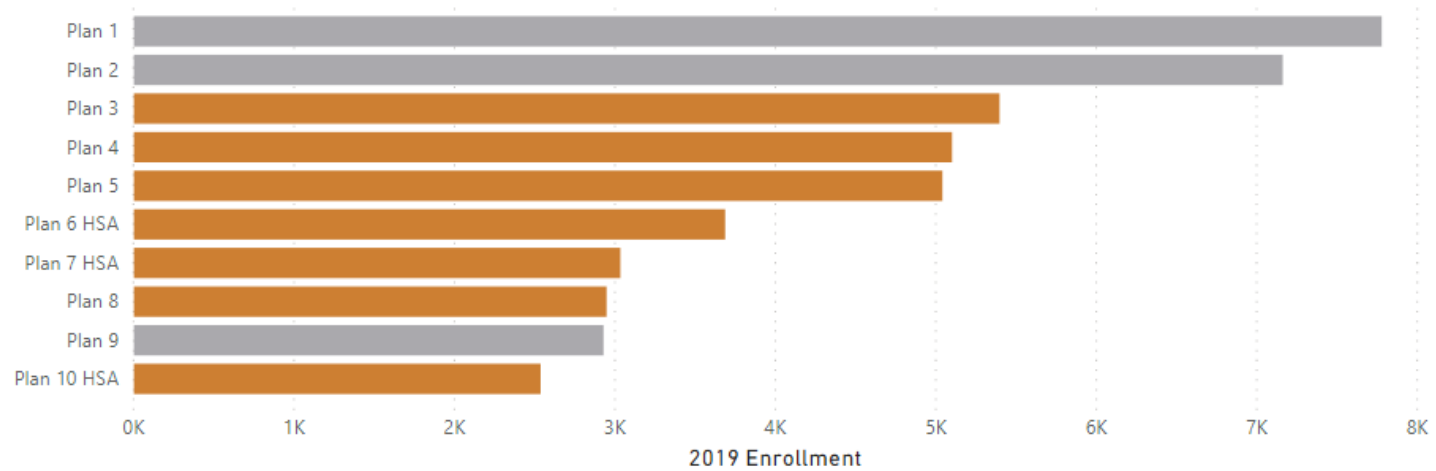
Most Customer Chosen Plans Across Certain Rating Areas

- Rural and Urban areas of Colorado for a 40 year old individual displayed distinct shopping differences.
- All Rating Areas had similar shopping patterns except areas 5 and 9.
- In Rating Areas 5 and 9 customers chose to enroll in Expanded Bronze plans.
- Customers in all other rating areas preferred to enroll in Bronze and Silver plans (Rating area 3 was used as an example).

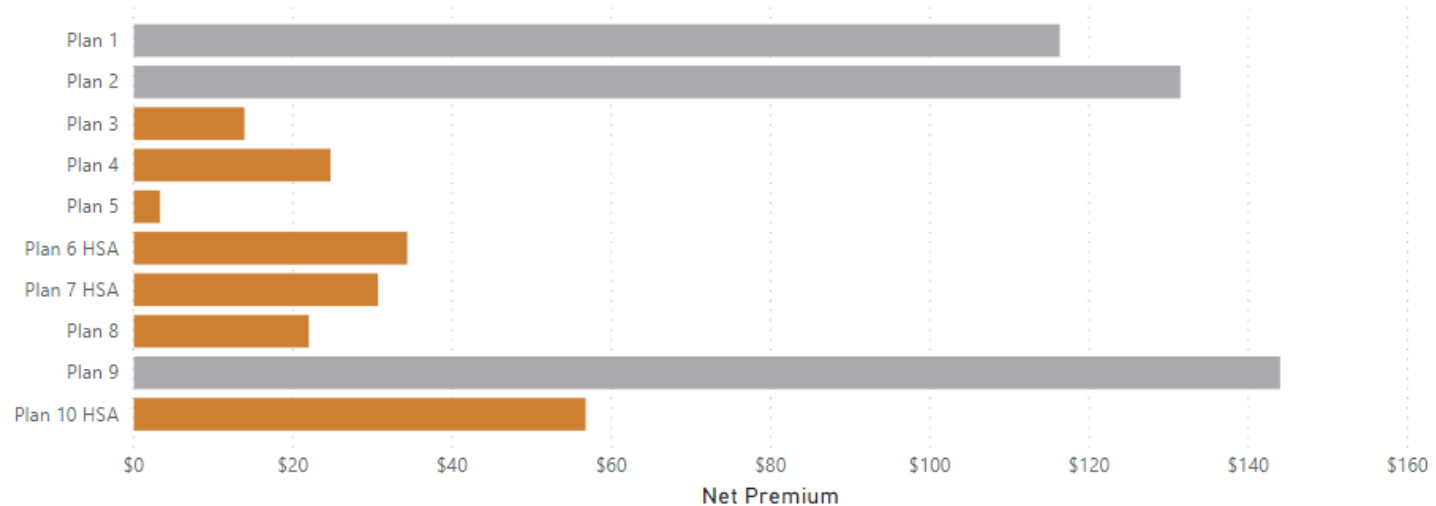
Rating Area 3 (Denver)

Rating Area 3

Metal Level ● Bronze ● Silver



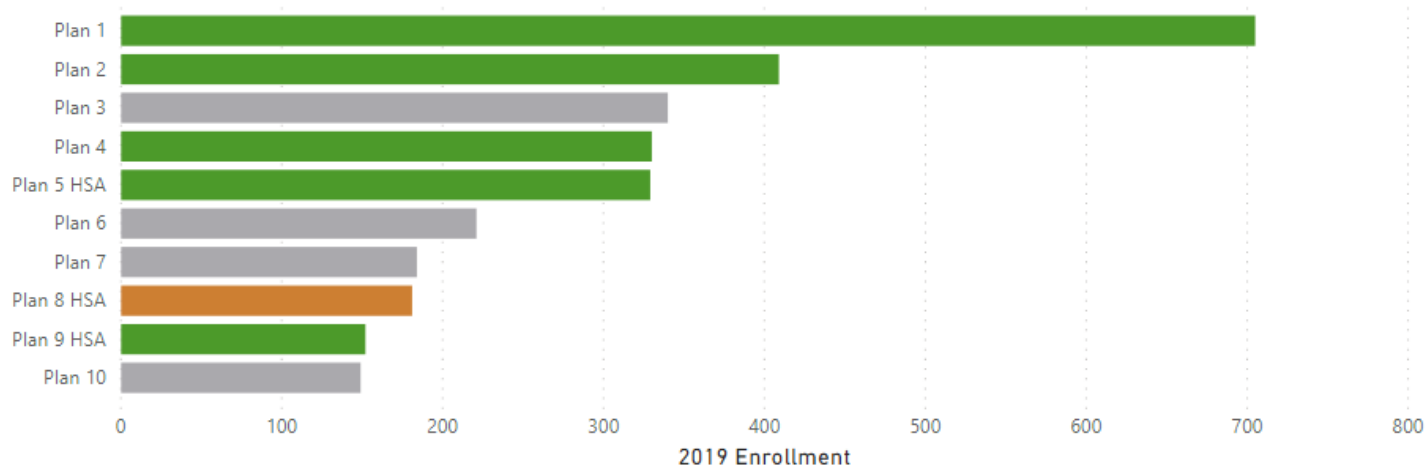
Metal Level ● Bronze ● Silver



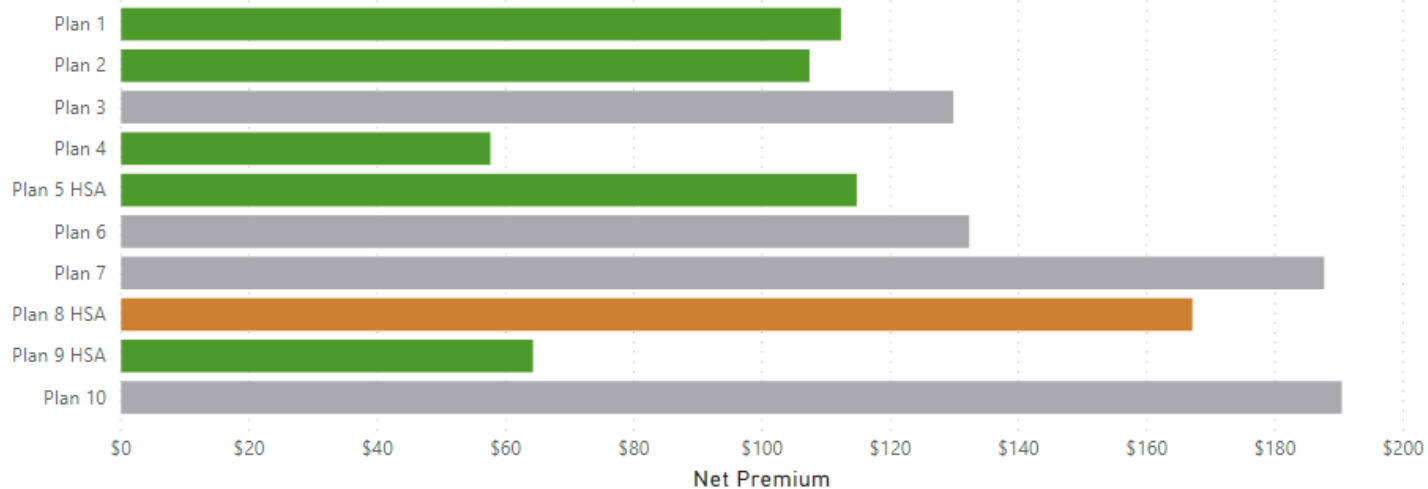
Rating Area 5 (Grand Junction)

Rating Area 5

Metal Level ● Bronze ● Silver ● Expanded Bronze



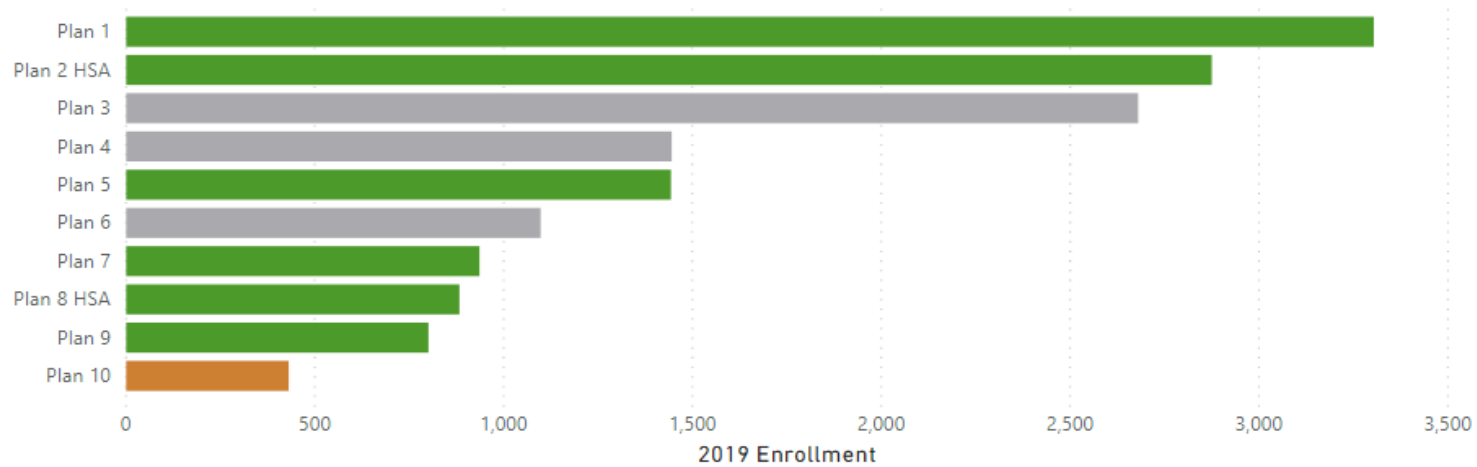
Metal Level ● Bronze ● Silver ● Expanded Bronze



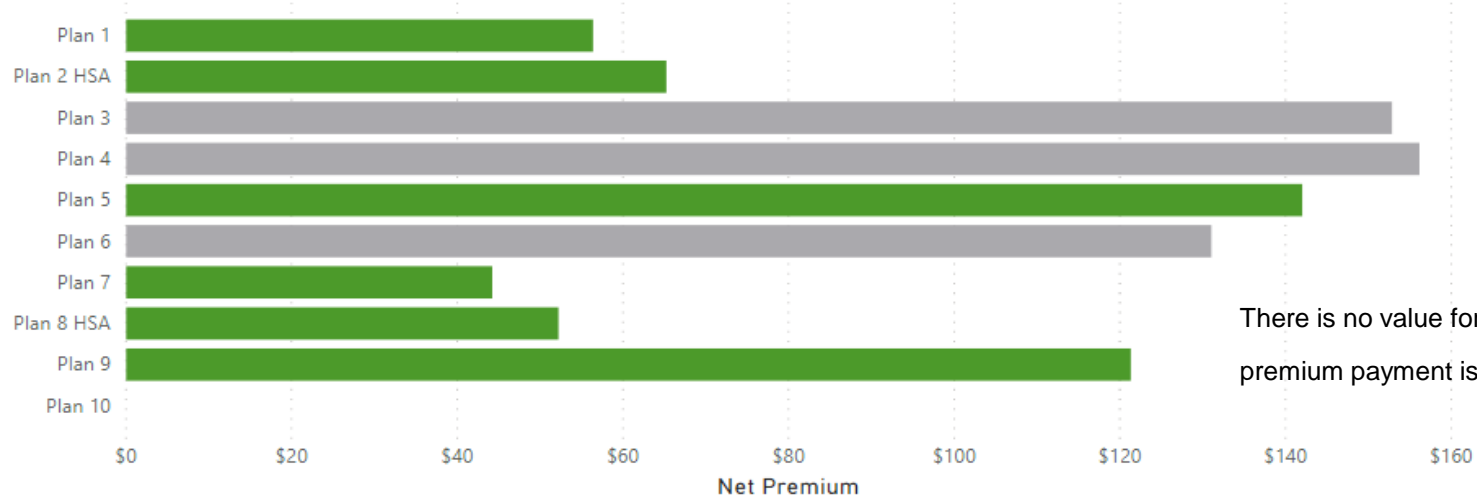
Rating Area 9 (Western Slope)

Rating Area 9

Metal Level ● Bronze ● Silver ● Expanded Bronze



Metal Level ● Bronze ● Silver ● Expanded Bronze



There is no value for plan 10. Average net premium payment is zero.

FUTURE CONSIDERATIONS AND BACKGROUND MATERIALS

Policy Considerations

To align with our *Policy Agenda Principals and Policy Roadmap* key considerations of this research should be:

- ✓ Maximize APTC for all SBM consumers.
- ✓ Enhance the shopping experience for all customers.
- ✓ Increase customers' ability to understand product benefits and financial tradeoffs.
- ✓ Adjust product offerings to create easier price and benefit comparisons

Future Considerations

- Analyze shopping preferences based on household size and effect on prices and out of pocket costs.
- Evaluate previous plan years.
- Continue evaluation of customer shopping behavior by geography.
- Gather more data about shopping preferences by age and FPL.
- Study differences in AV levels across Colorado.

Additional Reading Materials

- 1.) Day R, et al. New State Insurance Exchanges Should Follow The Example Of Massachusetts By Simplifying Choices Among Health Plans. *Health Affairs*, May 2012.
- 2.) Barnes A, et al. More intelligent designs: Comparing the effectiveness of choice architectures in US health insurance marketplaces. *Organizational Behavior and Human Decision Processes*, March 2019.
- 3.) Gunja M, et al. Americans' Experiences with ACA Marketplace Coverage: Affordability and Provider Network Satisfaction. *Commonwealth Fund*, July 2016.

QUESTIONS?