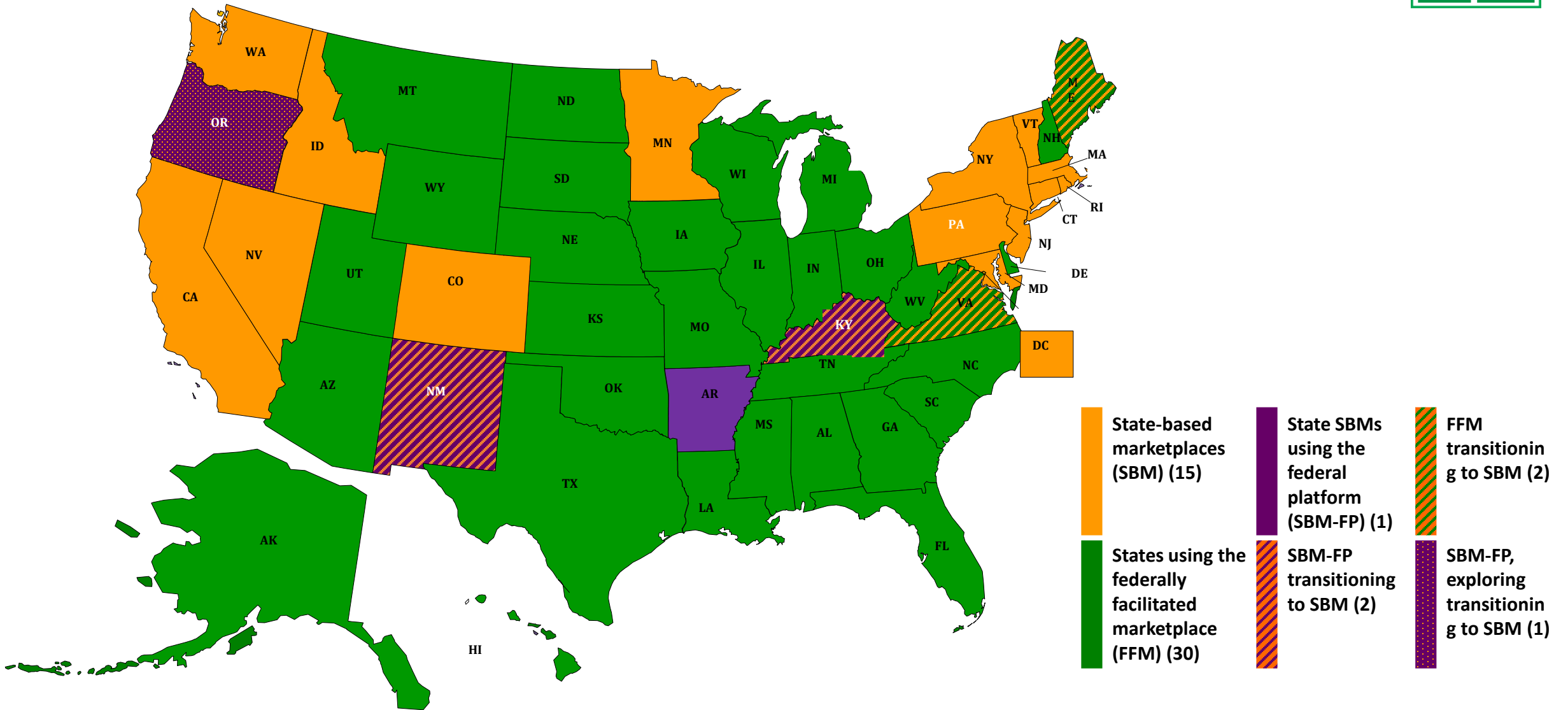


State-Based Health Insurance Marketplace Performance

June 2020



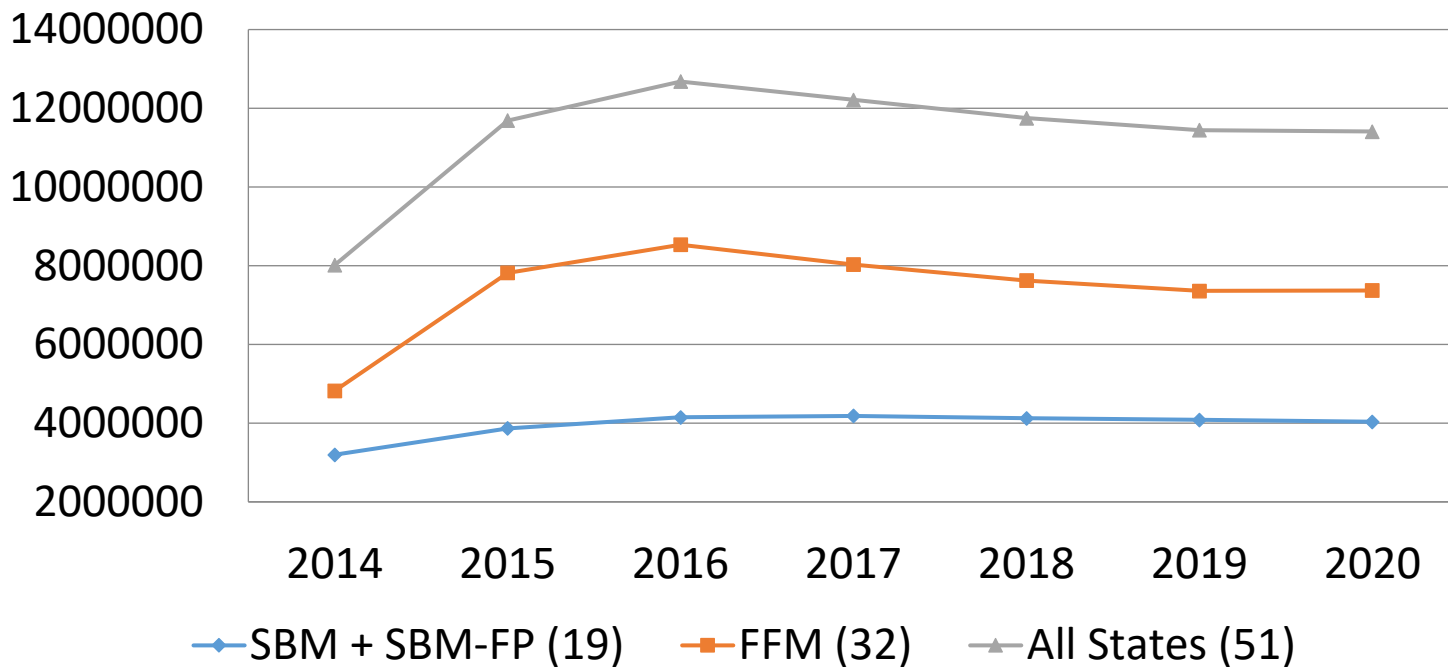
Current Marketplace Models



State-based marketplace (SBM) enrollment holds steady



Health Insurance Marketplace Enrollment (Plan Selections) 2014-20



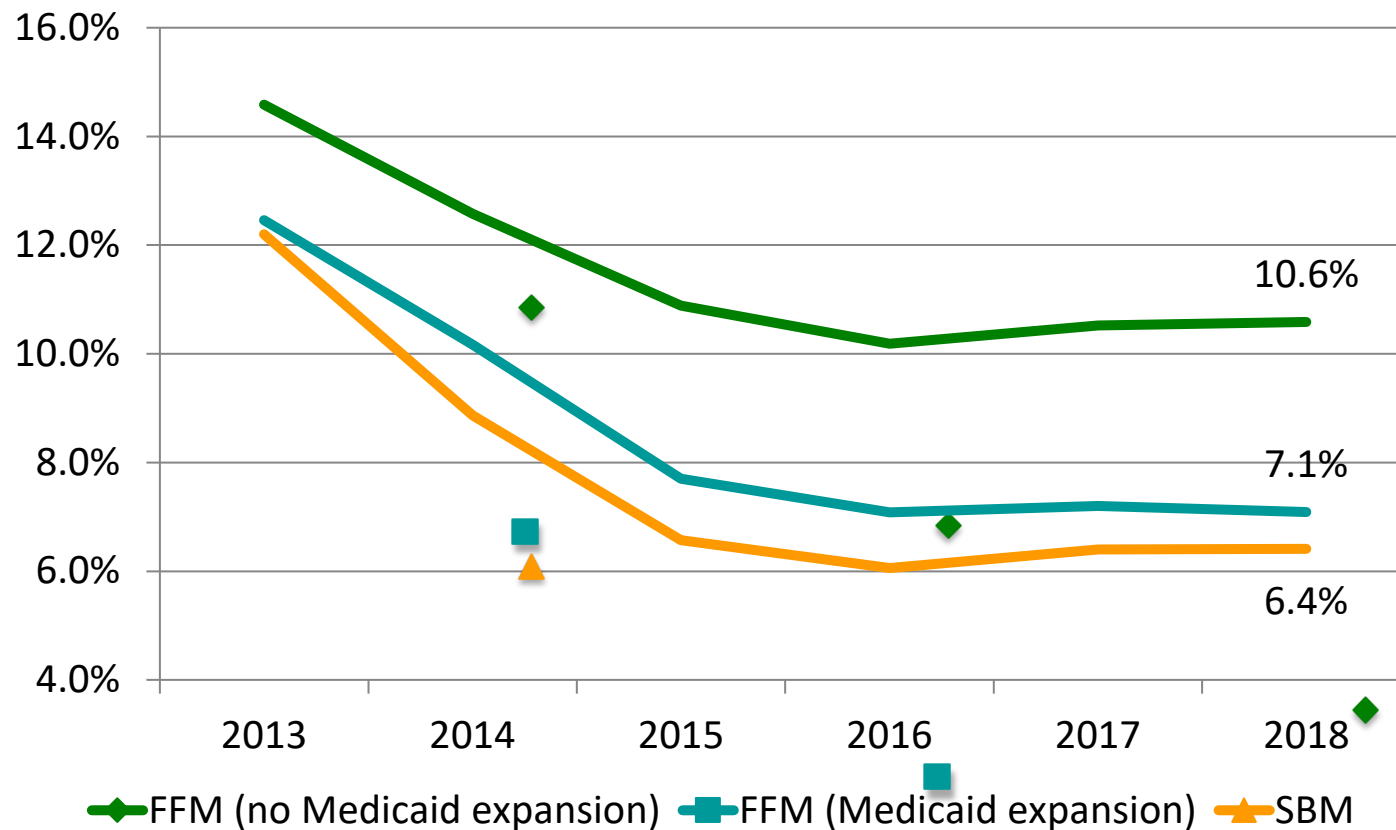
Since 2016, enrollment has remained steady in SBM states.

- SBM enrollment decreased marginally from 2019 to 2020.
- Enrollment in the FFM dropped by 3.7% in 2019. (increased by .15% between 2019 and 2020)

CMS Marketplace Open Enrollment Period Public Use Files, 2016-2020, available at: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/index.html>; ASPE Health Insurance Marketplace 2015 Open Enrollment Period: March Enrollment Report <https://aspe.hhs.gov/pdf-report/health-insurance-marketplace-2015-open-enrollment-period-march-enrollment-report>; Health Insurance Marketplace Summary Enrollment Report for the Initial Annual Open Enrollment Period <https://aspe.hhs.gov/pdf-report/health-insurance-marketplace-summary-enrollment-report-initial-annual-open-enrollment-period>

SBM states have had greater success in reducing the number of uninsured

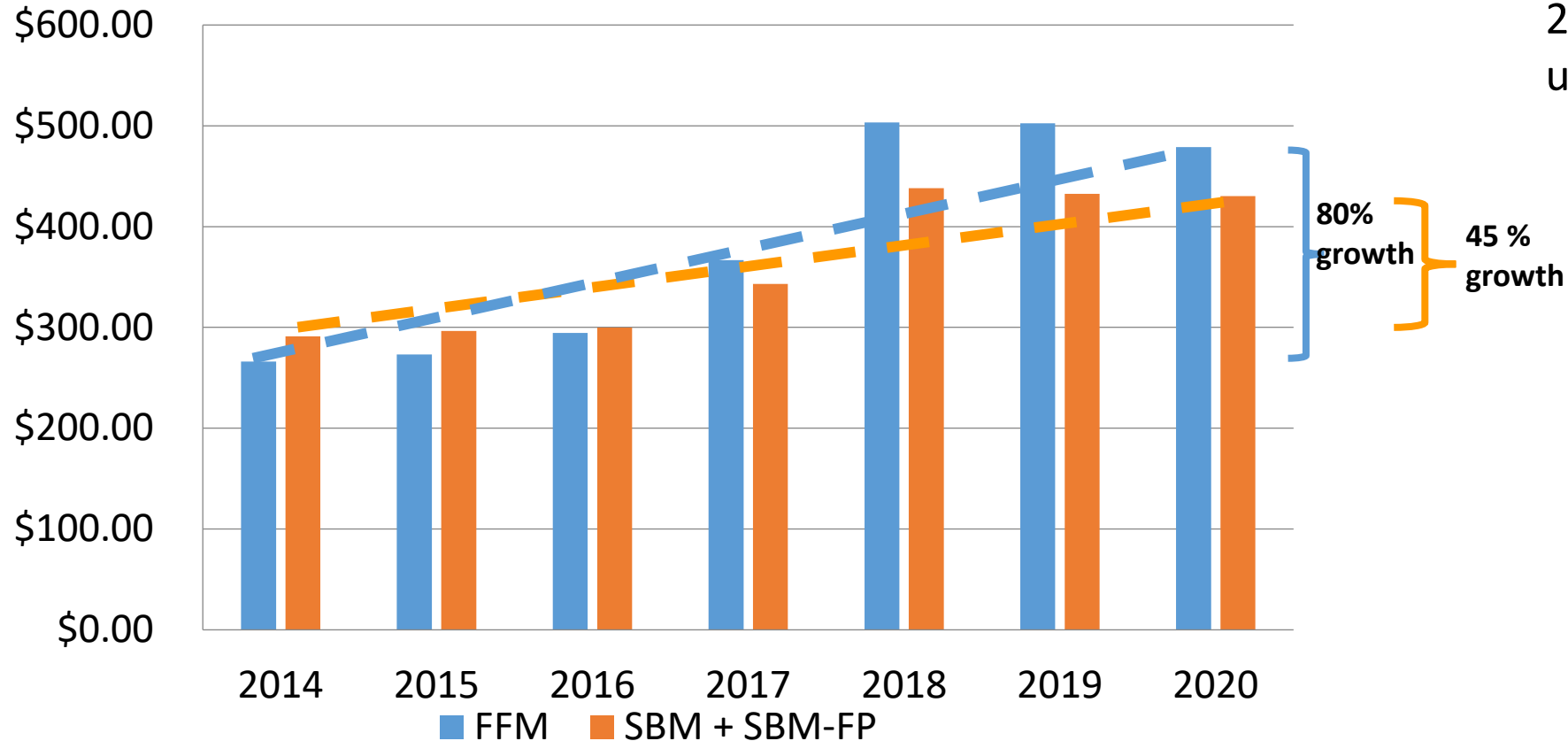
Average Uninsured Rate 2013-2018



- SBM states have seen a 50.5% reduction in their total number of uninsured since 2013—compared with a 30.4% reduction in FFM states.
- Since 2016, the number of uninsured has risen by 6.1% in FFM states. SBM states have held steady with an increase of only 0.5%

SBMs Curb Premium Growth

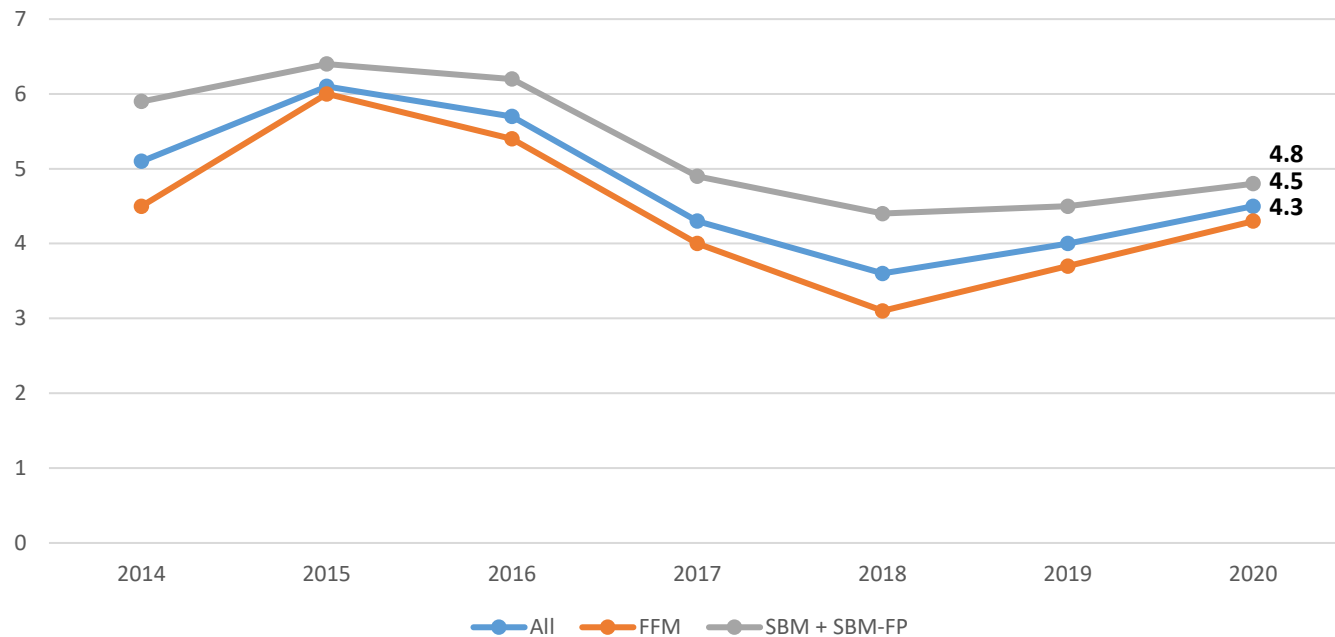
Average Benchmark Premiums 2014-2020



- Premiums spiked from 2016 to 2018 driven in part by market uncertainty caused by:
 - Elimination of cost-sharing reduction payments;
 - Conclusion of the federal reinsurance program;
 - Uncertainty over the future of the individual mandate;
 - Reduction in federal outreach and marketing dollars; and
 - Instability driven by anticipated expansion of short-term and association health plans.

SBM efforts yield more competition and choice

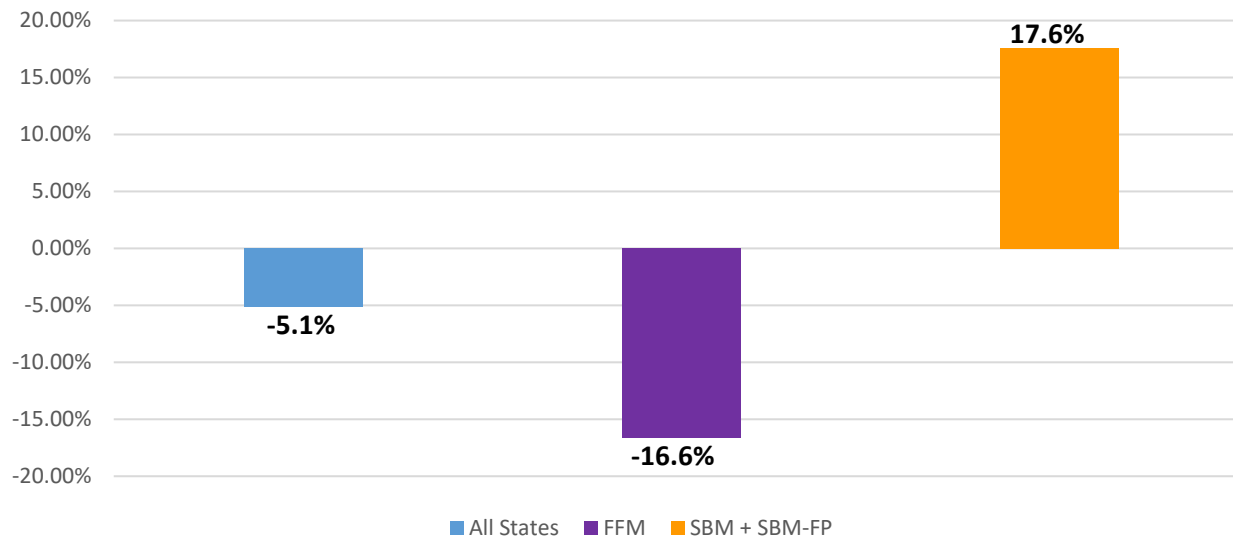
Average Number of Insurers Offering Marketplace Coverage per State



- SBM states have consistently provided more insurer competition to their consumers, surpassing the average number of FFM plans 1.12 to 1.
- Research has shown that increased competition leads to premium reductions and is one reason why SBMs may have maintained lower premium growth over time.

SBMs target younger enrollees

**% Change in Total Enrollment Individuals
Age 0-34, 2015-2020**

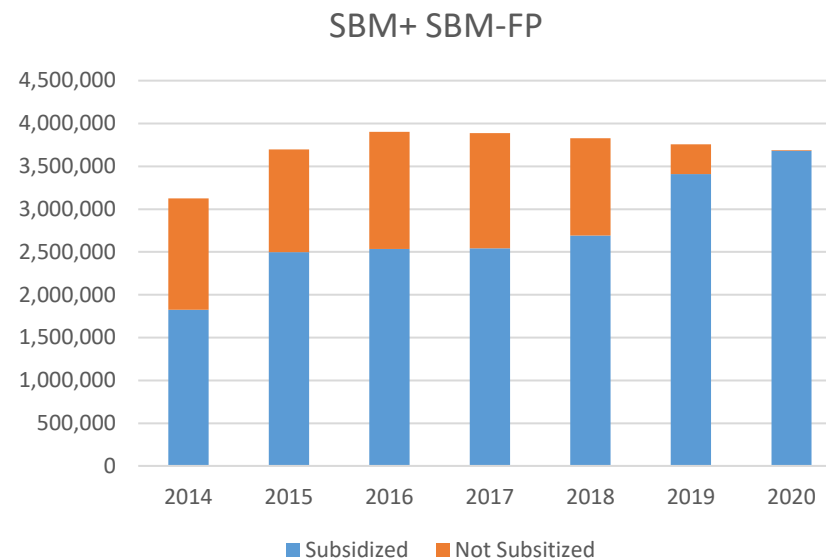
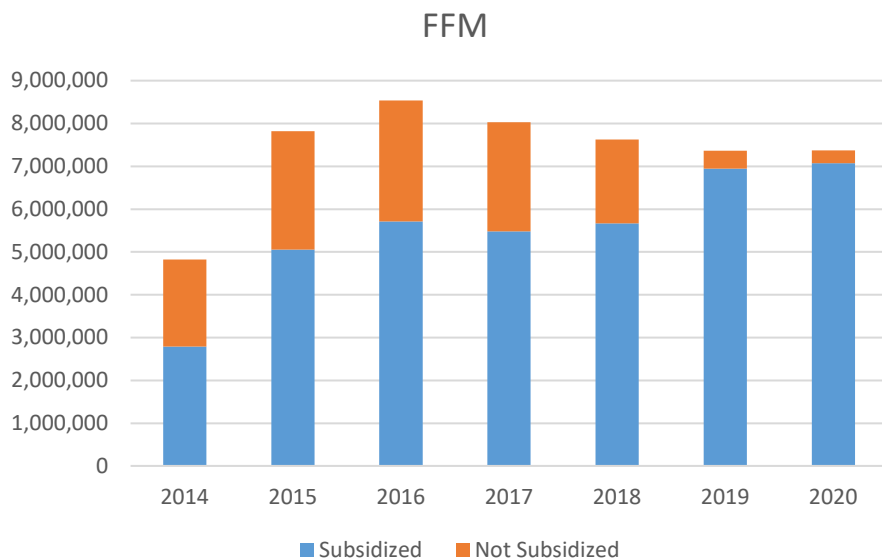


- SBMs have tailored efforts, including marketing and outreach strategies, to engage younger enrollees.
- Younger enrollees, considered healthy and lower-cost, are essential to maintain a good risk mix and lower overall premiums.
- Total enrollment among young enrollees has risen by 17.6% in SBM + SBM-FP states, while dropping by 16.6% in FFM states.

Enrollment is measured by plan selections. State-by-state data by age is unavailable for 2014; calculations for 2015 based on plan selections with available data on enrollment type. CMS Marketplace Open Enrollment Period Public Use Files, 2016-2020, available at: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/index.html>; ASPE Health Insurance Marketplace 2015 Open Enrollment Period: March Enrollment Report <https://aspe.hhs.gov/pdf-report/health-insurance-marketplace-2015-open-enrollment-period-march-enrollment-report>

SBM states enroll a greater proportion of unsubsidized individuals in coverage

Subsidized and unsubsidized individual market enrollment, 2014-2020



- SBM actively engage consumers to find the most affordable options—even if sold outside of the marketplace
- State decisions to “silver-load” as a result of termination of CSR payments has led to the availability of more affordable options off-exchange for some unsubsidized populations

Center for Medicare and Medicaid Services Data available at: <https://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/Trends-Subsidized-Unsubsidized-Enrollment-BY17-18.pdf>

Data not available from Massachusetts and Vermont; small group and individual insurance markets are merged in these states. Massachusetts officials report that enrollment for unsubsidized individuals has grown every year since 2014.