

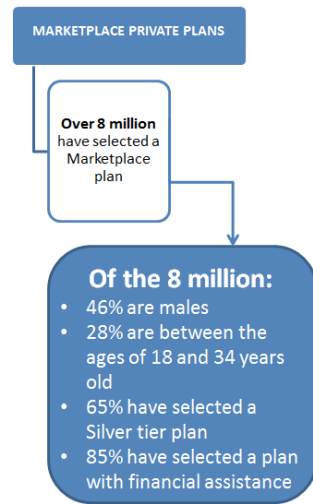
The Affordable Care Act and the Private Insurance Market

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ACA Impact

- Enrollment
 - Over **8 million** in marketplaces through 4/19;
 - **4.8 million** additional in Medicaid/CHIP during open enrollment (HHS figures)
- Uninsured
 - Decline: Gallup and Urban Institute both found ~2% decline from fall 2013 to March 2014; Rand found ~4.5%
- Consumer protections changing the face of coverage



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Beyond enrollment: Plans that meet consumer needs

- Plan Design/ Cost-sharing
- Provider networks
- Premiums

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Plan Design/ Cost-sharing

- Choice is key; MIX of plan options ideal
- Average silver plan deductible: \$2,500
- Families USA findings: silver plans with \$0 medical deductible or that exempt services from the deductible available
- Standardized plan designs; active purchasing; voluntary offering

“Our research proves that it is possible to design silver plans that don’t have high deductibles and that do have more affordable cost-sharing for routine and minor care.”

— Designing Silver Plans with Affordable Out-of-Pocket Costs for Lower- and Moderate-Income Consumers Brief

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Network Adequacy

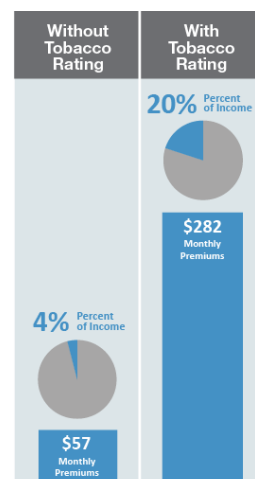
- ACA: Networks sufficient in the number and types of providers, including providers that specialize in mental health and substance abuse services, to assure all services will be accessible without unreasonable delay.
- Provider directory must be available online and in hard copy and must indicate which providers are not accepting new patients.

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Premiums

- Tobacco rating can drastically increase rates.
- Growth rate affects subsidy size.
- Rate review can help.
- Underlying costs matter most.



Note: This example is based on 2014 premium estimates for the second-lowest cost silver plan under the Affordable Care Act, which, on average, covers 70 percent of the costs of covered benefits for enrollees. The premium for this plan is used to calculate an enrollee's premium tax credit and is adjusted for age and family type.¹

Source: Kaiser Family Foundation, Health Reform Subsidy Calculator (Washington: Kaiser Family Foundation, May 2013), available online at <http://kff.org/interactive/subsidy-calculator.aspx>.

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