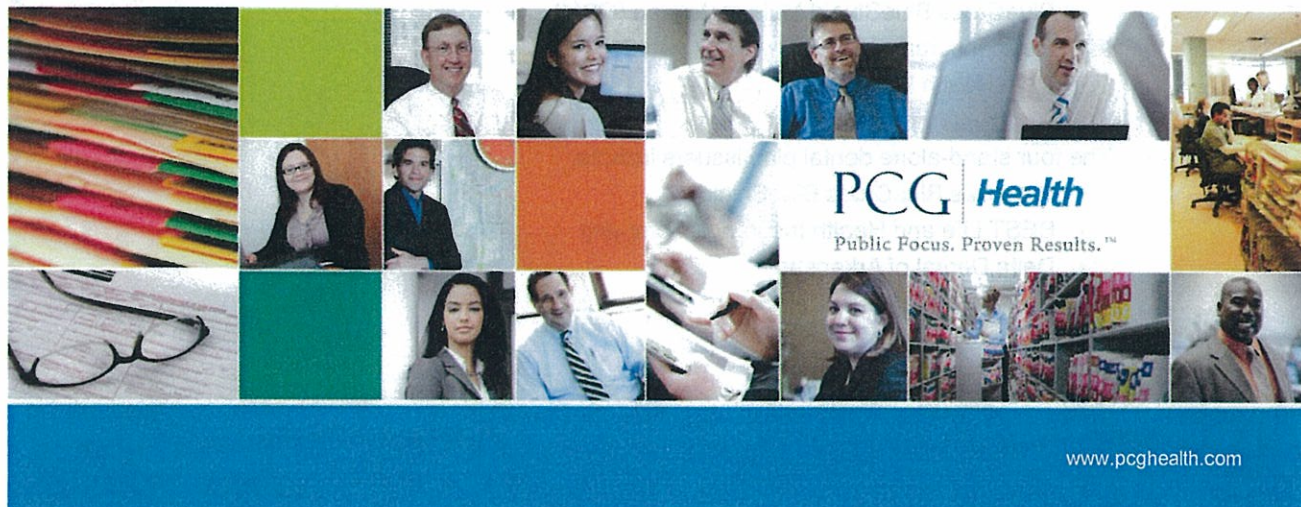


2014 Arkansas Qualified Health Plans

Individual Market Overview

September 27, 2013



Topics

Overview of QHPs in the Individual Market

- QHP Issuers
- Plan Summary
- Service Area Coverage
- Premium Rates and Cost-Sharing
- Private Option QHPs

Plan Summary

- There are 24 stand alone dental QHPs (SADPs) participating in the AR Marketplace in the Individual Market.
- A breakdown of the actuarial values of medical individual plans is shown in the chart below.
 - Low = 70% of qualifying health expenses are covered by the plan
 - High = 85% of qualifying health expenses are covered by the plan

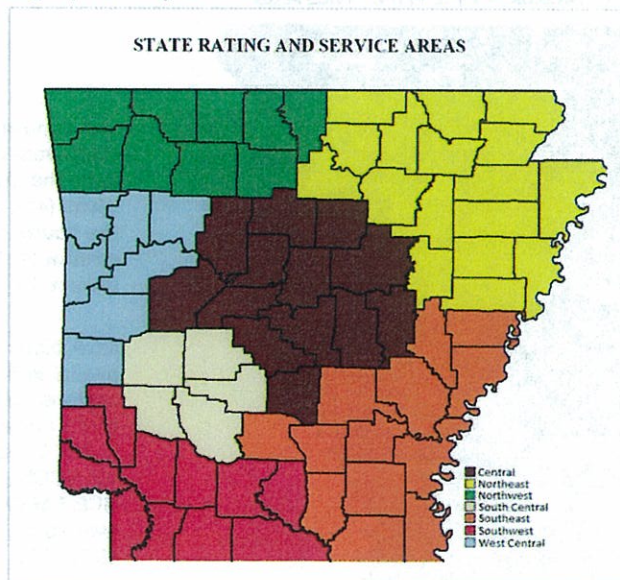
NUMBER OF SADPs PER ACTUARIAL LEVEL

Actuarial Level	Number of Plans
Low	12
High	12
Total	24

Of the 24 plans, 9 are child-only plans and 15 are both adult and child plans.

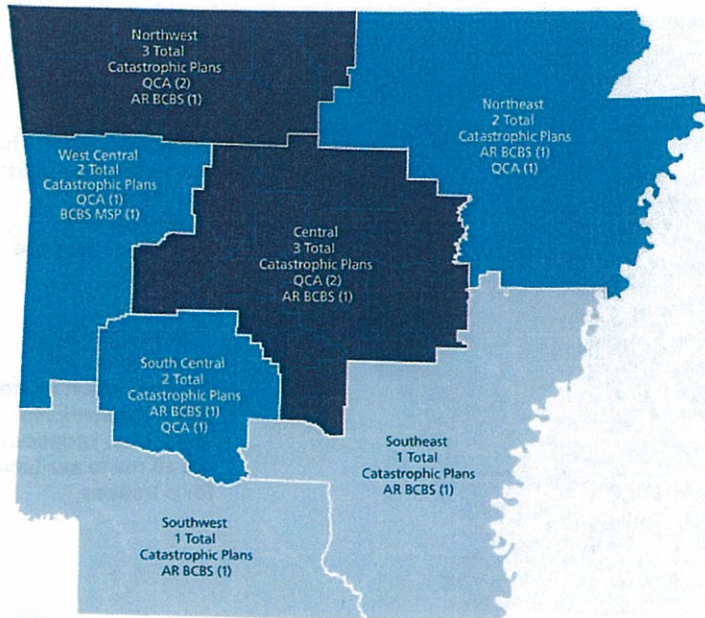
Service Area Coverage

- Per AID Bulletin 3B-2013, QHPs are required to cover all counties in any geographic region included in its service area.



Service Area Coverage

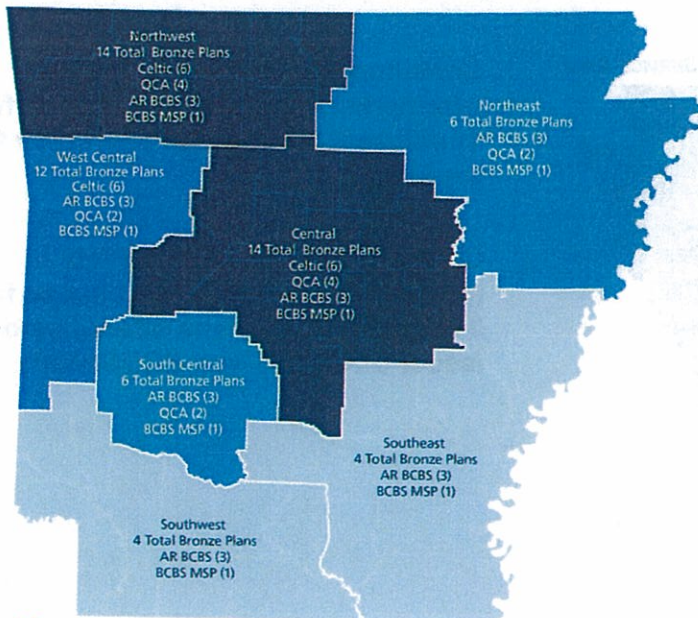
TOTAL NUMBER OF CATASTROPHIC PLANS PER SERVICE AREA



The central and northwest regions have the most catastrophic plans (3), while the southeast and southwest have the fewest (1).

Service Area Coverage

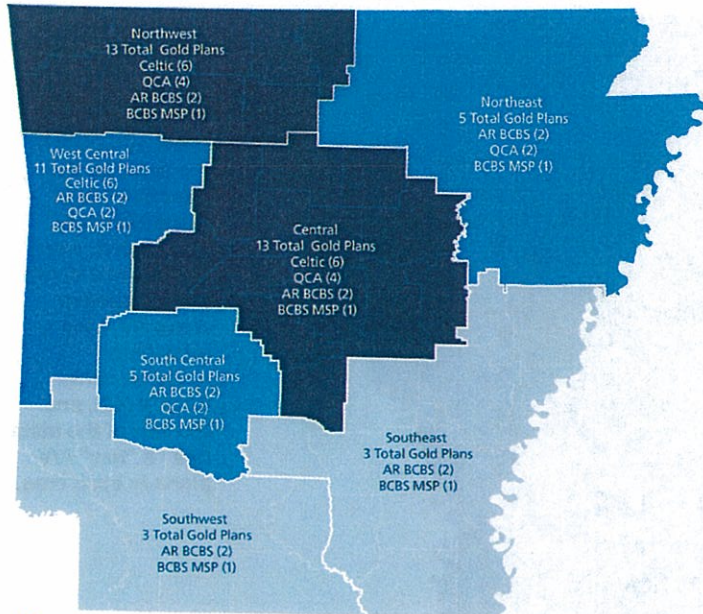
TOTAL NUMBER OF BRONZE PLANS PER SERVICE AREA



The central and northwest regions have the most bronze plans (14), while the southeast and southwest have the fewest (4).

Service Area Coverage

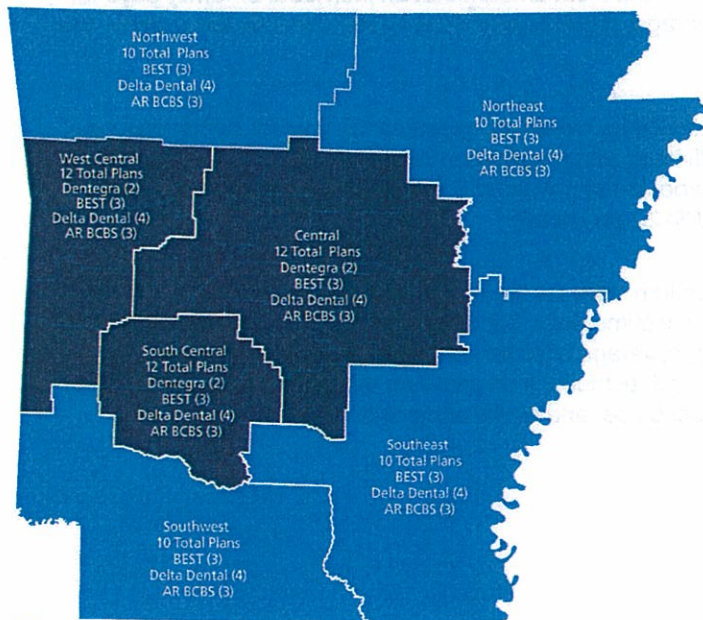
TOTAL NUMBER OF GOLD PLANS PER SERVICE AREA



The central and northwest regions have the most gold plans (13), while the southeast and southwest have the fewest (3).

Service Area Coverage

SADP "HIGH" PLANS AVAILABLE BY SERVICE AREA



The central, west central, and south central service areas have the most "high" actuarial value SADPs (12), and the rest of the state has 10 "high" A/V plans in each area.

Premium Rates – Individual Market

Premium Rating Scenarios per Rating Area

Premiums can vary depending on where the enrollees are located in the state. The table below shows the average premium for various locations in the state.

PREMIUM RATING SCENARIOS BY SERVICE AREA TABLE

	Central	Northeast	Northwest	South Central	Southeast	Southwest	West Central
Adult (Age 40)	328.05	302.17	342.68	290.03	289.63	292.44	326.85
2 Adults + 2 Kids	971.30	892.00	1,012.94	856.02	860.48	868.84	969.80
Child (0-20)	157.60	143.83	163.79	137.98	140.61	141.98	158.05
Adult (Age 64)	770.07	709.33	804.40	680.83	679.87	686.49	767.25



Example

Purchasing a Silver Plan

An individual (age 40) that purchases a silver plan in Hot Springs, AR would pay a minimum monthly premium of \$262.91 for a standard silver plan *before tax credits*.

The same individual living in Little Rock, AR would pay a minimum monthly premium of \$293.65 *before tax credits*. She would pay about the same amount in the Southeast and Southwest rating areas.



Premium Rates – Individual Market

Average Silver Premiums by Issuer

These are the average silver premiums for each issuer with non-tobacco and tobacco rates. Arkansas BlueCross BlueShield and BlueCross BlueShield Multi-state plan (OPM) do not charge a tobacco premium Celtic Insurance Company QCA Health Plan charge a tobacco premium of approximately 20%.

STATE AVERAGE INDIVIDUAL MEDICAL RATE SCENARIOS WITHOUT COST SHARING REDUCTIONS

Issuer	Average Premium Rate (\$)	Average Premium Rate for Tobacco Users (\$)
AR BCBS	\$368.77	\$368.77
BCBS Multi-State	\$383.21	\$383.21
Celtic	\$480.30	\$576.35
QCA	\$435.74	\$522.16

Premium Rates – Individual Market

Minimum, Median, and Maximum Silver Premiums by Issuer

These are the average silver premiums for each issuer with non-tobacco and tobacco rates. Arkansas BlueCross BlueShield and BlueCross BlueShield Multi-state plan (OPM) do not charge a tobacco premium Celtic Insurance Company QCA Health Plan charge a tobacco premium of approximately 20%.

STATE AVERAGE INDIVIDUAL MEDICAL RATE SCENARIOS WITHOUT COST SHARING REDUCTIONS

Issuer	Minimum Premium Rate(\$)	Median Premium Rate(\$)	Maximum Premium Rate(\$)
AR BCBS	130.58	368.07	718.74
BCBS Multi-State	138.60	361.64	731.61
Celtic	162.97	399.51	1,225.69
QCA	144.06	391.27	1,021.41

Premium Rates – Individual Market

Advanced Premium Tax Credits Applied– Family of Four

The table below shows examples of premium rates after tax credits for a family of four. See page 4 for definitions of terms used in table.

ESTIMATED PREMIUM RATES WITH APTC APPLIED FOR FAMILY OF FOUR – ADULTS AGE 40

Percent of FPL	Annual Income (\$)	Premium Limit (%)	Maximum Annual Premium (\$)	Monthly Subsidy (\$)	Average Base Premium (\$)	Adjusted Monthly Premium (\$)
100-138%	Eligible for Private Option (No Premium)					
139%	32,734.50	3.00%	982.04	792.40	874.24	81.84
150%	35,325.00	4.00%	1,413.00	756.49	874.24	117.75
200%	47,100.00	6.30%	2,967.30	626.97	874.24	247.28
250%	58,875.00	8.05%	4,739.44	479.29	874.24	394.95
300%	70,650.00	9.50%	6,711.75	314.93	874.24	559.31
<400%	94,200.00	9.50%	8,949.00	128.49	874.24	745.75

Families with income of 400% FPL or more are not eligible for subsidies.



Example

Premium Tax Credits for a Family of Four

A family with Arkansas median household income of around \$40,000 per year would be expected to contribute 4% of annual income towards premiums, or about \$133 per month.

On average, the second-lowest silver premium for a family of four is about \$875, so the monthly premium would be subsidized by about \$742 per month.



Premium Rates and Plan Cost Sharing

Silver Plans

EXAMPLE SILVER RATE AND PLAN COST SHARING (PLANS WITH LOWEST AND HIGHEST DEDUCTIBLE AVAILABLE)

Individual Deductible	Individual MOOP	Average Monthly Premium
\$150.00	\$6,350.00	\$373.78
\$4,000.00	\$6,350.00	\$452.03

Gold Plans

EXAMPLE GOLD RATE AND PLAN COST SHARING (PLANS WITH LOWEST AND HIGHEST DEDUCTIBLE AVAILABLE)

Individual Deductible	Individual MOOP	Average Monthly Premium
\$500.00	\$3,500.00	\$402.34
\$2,500.00	\$6,350.00	\$552.75

Reduced Cost Sharing

• Silver Plan Variations

- In addition to premium subsidies, eligible individuals (up to 250% FPL or below) and families may receive cost-sharing reductions, which means that they will have lower copays and will have a reduced maximum –out-of-pocket limitation. For individuals, this is approximately \$28,700 per year and approximately \$58,000 for families.
- This benefit is limited to silver plans only. If a gold or bronze plan is chosen, the eligible consumer will not receive cost-sharing reductions but may still receive an advanced premium tax credit.
- Cost-sharing reductions are only available in the individual market.

Private Option QHPs

- **Service Areas and Availability**
 - All silver plans participating in the Marketplace will be available to Private Option participants. There are two variations submitted with each silver plan that will be used to facilitate enrollment and plan cost-sharing, the "Zero Cost Sharing Variation" and the "High-Silver Cost Sharing Variation"
- **High- Silver Plan Variation (94% Actuarial Value)**
 - The high-silver 94% actuarial value plan variation will be used to cover individuals between 100% and 138% FPL. There are some required copays and cost sharing that participants will pay.
- **Zero Cost Sharing Plan Variation**
 - The zero cost sharing plan variation covers individuals up to 100% FPL, there are no copays or other cost sharing.

2014 Arkansas Qualified Health Plans

SHOP Small Group Market Overview

September 13, 2013



Plan Summary

- There are 3 medical QHPs participating in the AR Marketplace in the SHOP Market.
- There is one medical plan offered at each metal level: one bronze, one silver, and one gold.
 - Bronze = 60% of qualifying health expenses are covered by the plan
 - Silver = 70% of qualifying health expenses are covered by the plan
 - Gold = 80% of qualifying health expenses are covered by the plan
 - Platinum = 90% of qualifying health expenses are covered by the plan

Plan Summary

- There are 19 stand alone dental QHPs (SADPs) participating in the AR Marketplace in the SHOP.
- A breakdown of the actuarial values of medical individual plans is shown in the chart below.
 - Low = 70% of qualifying health expenses are covered by the plan
 - High = 85% of qualifying health expenses are covered by the plan

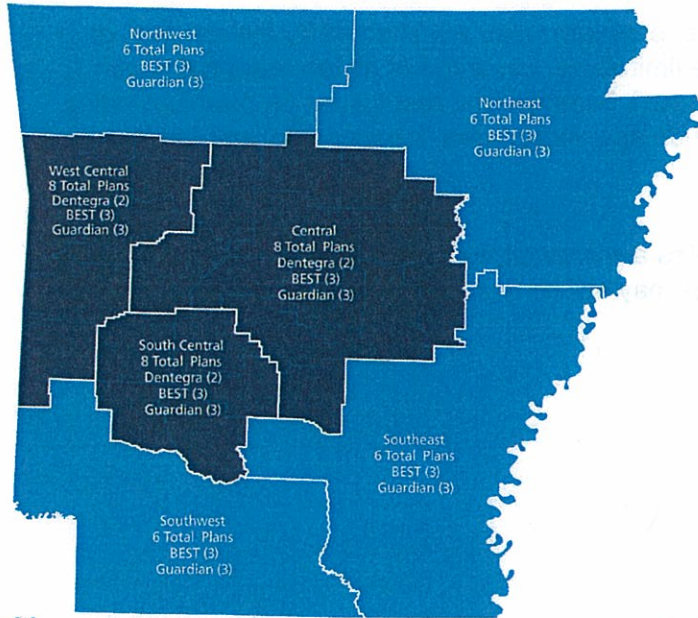
NUMBER OF SADPs PER ACTUARIAL LEVEL

Actuarial Level	Number of Plans
Low	11
High	8
Total	19

Of the 19 plans, 5 are child-only plans and 14 are both adult and child plans.

Service Area Coverage

TOTAL NUMBER OF "HIGH" LEVEL SADPs PER SERVICE AREA

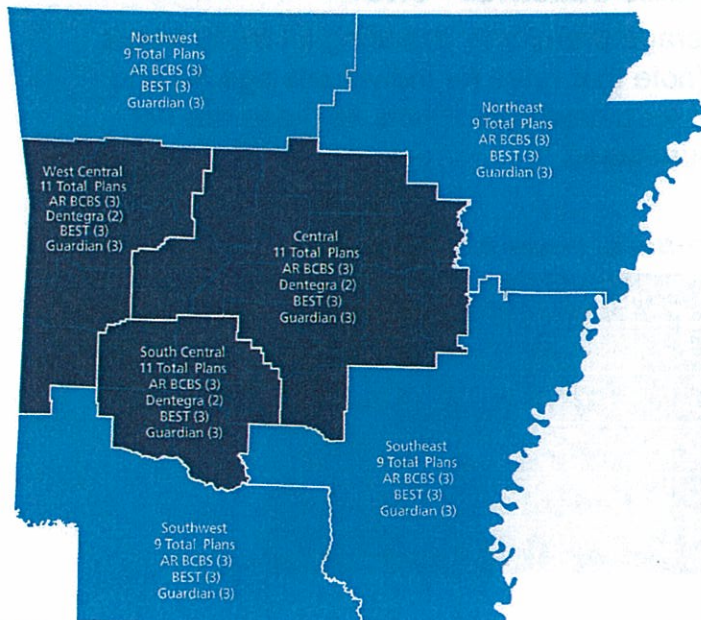


The central, west central, and south central regions have the most plans (8) and the remaining service areas have 6.

Dentegra plans are available in the west central, central, and south central regions; Guardian and BEST plans are available statewide.

Service Area Coverage

TOTAL NUMBER OF "LOW" LEVEL SADPs PER SERVICE AREA



The central, west central, and south central regions have the most plans (11) and the remaining service areas have 9.

AR BCBS dental plans are available at the "Low" actuarial value level only. Dentegra plans are available in the west central, central, and south central regions; The remaining plans are available statewide.

Premium Rates and Plan Cost Sharing

Premium Rating Scenarios per Rating Area

The table below shows the average premium for an adult (age 40), 2 adults + 2 kids, a child (age 0-20), and an adult age 64.

AVERAGE PREMIUM RATING SCENARIOS BY SERVICE AREA TABLE

	Central	Northeast	Northwest	South Central	Southeast	Southwest	West Central
Adult (age 40)	\$318.22	\$295.30	\$298.80	\$293.39	\$315.35	\$318.22	\$284.80
2 adults + Kids	\$952.65	\$884.04	\$894.52	\$878.34	\$944.07	\$952.65	\$852.61
Child (age 0-20)	\$158.11	\$146.72	\$148.46	\$145.78	\$156.69	\$158.11	\$141.51
Adult (age 64)	\$746.98	\$693.18	\$701.40	\$688.71	\$740.25	\$746.98	\$668.54

Premium Rates and Plan Cost Sharing

SHOP Medical Plans

SHOP MEDICAL QHPs (BRONZE, SILVER, AND GOLD)

Company	Metal Level	Deductible	Deductible	MOOP	Average Premium	Service Area(s)
AR BCBS	Gold	\$1,500	\$3,000	\$3,000	\$442.87	All
AR BCBS	Silver	\$2,000	\$4,000	\$6,350	\$386.75	All
AR BCBS	Bronze	\$3,000	\$6,000	\$6,350	\$343.94	All