

State of Connecticut Basic Health Program Actuarial Analysis

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1. INTRODUCTION

Milliman, Inc. (Milliman) has been retained by the State of Connecticut, Office of Policy and Management (OPM) to assist the Basic Health Program Work Group (Work Group) in modeling the various actuarial aspects of the Basic Health Program (BHP) option defined in Section 1331 of the Affordable Care Act (ACA). The project scope was established using a set of specific questions developed by the Work Group. The questions are listed below.

- What level of BHP benefit will federal funding support to assure cost neutrality for the State?
- Will the federal funding support “Medicaid like” benefits package for BHP enrollees?
- In constructing a state BHP, are there design elements that can help hedge the State’s financial risk?
- What effect will the expansion of enrollment in Medicaid and the BHP in 2014 have on commercial insurance payment rates?
- How many people may be eligible for a BHP in Connecticut?
- What is the relative risk profile of the potential BHP enrollees?
- How many eligible individuals are expected to enroll in a BHP versus the Exchange?
- How might the risk profile of BHP enrollees affect cost estimates?

This report focuses on the analysis of a Basic Health Program using Milliman pricing models for the purpose of assisting the Work Group with making a recommendation as to whether the State of Connecticut should offer a BHP. Our work is focused on the financial implications of a BHP and we understand that policy decisions would need to be made following a review and understanding of this analysis.

We do not specifically provide a response to the scope questions; rather this report provides the information necessary such that the State can answer these specific questions using the results of our analysis. We do not recommend or promote any particular decision related to the BHP.

2. EXECUTIVE SUMMARY

The Basic Health Program (BHP) option under Section 1331 of the ACA offers the State of Connecticut (State) an alternative to the Exchange for providing healthcare benefits to the population with income from 139% to 200% of the Federal Poverty Level¹ (FPL) (and legal aliens not eligible for Medicaid under 139% FPL). This report outlines the key considerations of the BHP option and offers estimates of the financial implications to the State of implementing such a program. The information presented is based on our interpretation of the ACA and may change once regulations are developed by the Department of Health and Human Services (DHHS).

BHP individuals have relatively low incomes but not low enough to qualify for Medicaid. The general approach is that DHHS will redirect funds, which were to be paid in the form of federal premium credits and cost-sharing subsidies within the Exchange, to a State established BHP trust used to finance a BHP. The financial feasibility of a BHP will depend primarily upon balancing the sources of funds (federal tax credits, federal cost-sharing subsidies, member premiums, and member point-of-service cost-sharing) and the uses of funds (BHP service costs, administrative costs, and risk tolerance adjustment). Of these, the decision-makers will be able to influence the member components of the sources of funds and all of the uses of funds through specific program design elements. The three key design choices include: BHP benefit level; provider reimbursement level; and the out-of-pocket amounts charged to enrollees (premium and point-of-service cost-sharing).

The financial feasibility was modeled by creating a range of assumptions for the primary parameters making up the sources and uses of funds. Each set of assumptions was modeled and the resulting margin was estimated as sources of funds minus uses of funds.

Figure 2-1 illustrates a subset of the scenarios modeled, most of which were selected because of the positive margin estimate under the “best estimate” risk tolerance. Three negative estimated margin scenarios (at the best estimate risk level) were also included at the request of the Work Group. There are numerous scenarios estimated to result in a negative margin (or loss) to the State that were not shown in Figure 2-1.

Figure 2-1: Estimated 2014 BHP Margin – Select Scenarios

Member Out-of-Pocket % of Max	Out-of-Pocket Avg PMPM	Provider Reimbursement	BHP Benefit Level	BHP Best Estimate - Margin %	BHP Best Estimate - Margin \$ Millions	Margin Range \$ Millions Optimistic	Margin Range \$ Millions Pessimistic
0%	\$ 0	Medicaid	Medicaid	(6.5%)	(\$ 13.5)	\$ 38.4	(\$ 64.9)
0%	\$ 0	Medicaid	EHB	0.8%	\$ 1.6	\$ 52.5	(\$ 48.7)
25%	\$ 23	Medicaid	Medicaid	(0.5%)	(\$ 1.1)	\$ 50.3	(\$ 52.0)
25%	\$ 22	Medicaid	EHB	7.0%	\$ 13.5	\$ 63.9	(\$ 36.3)
50%	\$ 47	Medicaid	Medicaid	5.7%	\$ 11.9	\$ 62.8	(\$ 38.4)
50%	\$ 45	Medicaid	EHB	13.4%	\$ 26.0	\$ 76.3	(\$ 23.3)
75%	\$ 70	Medicaid	Medicaid	11.7%	\$ 24.4	\$ 74.7	(\$ 26.0)
75%	\$ 67	Medicaid	EHB	19.6%	\$ 37.9	\$ 87.7	(\$ 10.8)
100%	\$ 94	Medicaid	Medicaid	17.6%	\$ 36.8	\$ 86.6	(\$ 12.7)
100%	\$ 90	Medicaid	EHB	26.3%	\$ 50.7	\$ 99.4	\$ 1.9
100%	\$ 100	Medicare	EHB	1.9%	\$ 4.6	\$ 57.4	(\$ 49.4)
100%	\$ 114	Commercial	EHB	(19.0%)	(\$ 60.2)	\$ 0.0	(\$ 120.4)

As illustrated in Figure 2-1, the best estimate of margin includes a range from optimistic to pessimistic results reflecting that the best estimate is a point in a range of outcomes for the specific BHP design. For example, in the scenario defined by member average cost of \$45 per member per month (50% of the maximum allowable under ACA), provider reimbursement at Medicaid payment rates, and benefits equal to the Essential Health Benefits (EHB), the best estimate margin for the State is a \$26 million gain, with a range from (\$23.3) million loss to \$76.3 million gain. The optimistic scenario represents an increased estimate of federal sources of funds and a lower estimate of BHP uses of funds. The optimistic and pessimistic assumptions do not represent the maximum or minimum gain/loss the State may incur.

As the decision-makers review these results, the following considerations may be useful:

1. Establish the risk tolerance of the decision-makers
 - Decision-makers may consider whether their appetite for risk with respect to a BHP follows the exposure offered in the Best Estimate, Optimistic, or Pessimistic assumptions.
 - The risk of the BHP may change over time – especially after the first 1 to 2 years as issues resolve. For example: Silver premiums will become measurable using actual premiums, DHHS rules will be available, and the BHP actual costs will be collected and used for future projections.
2. Identify the levers available for decision-makers with respect to the design of the BHP
 - Member out-of-pocket costs (premium and cost-sharing)
 - Provider reimbursement
 - Benefit level

Figure 2-2 summarizes the scenarios modeled based on the above considerations.

Figure 2-2: BHP Financial Scenarios

Design Element	Scenarios
Member Costs ¹	0%, 25%, 50%, and 100% of Maximum Allowed under ACA
Provider Reimbursement	Medicaid, 90% of Medicare, Medicare, 110% of Medicare, and Commercial
BHP Benefits ²	Medicaid and Essential Health Benefits
Risk Tolerance Adjustment ³	Pessimistic, Best Estimate, and Optimistic

Notes: 1. Member costs contain both premium and cost-sharing. 100% of Maximum is consistent with the expected cost to members in the Exchange.
 2. Medicaid benefits provide adult dental, adult vision, and non-ER Transportation in addition to EHB.
 3. Risk Tolerance Adjustment varies the Silver premium and BHP cost estimates.

Appendix 1 provides the estimated margin results for all scenarios modeled. Appendix 2 provides fiscal summaries for all scenarios modeled.

The remainder of this report provides the methodology and assumptions used to estimate the financial results of a BHP for the State of Connecticut. We discuss the uncertainty associated with the primary parameters and the range of results that may be expected to occur should the State implement a BHP.

3. SUMMARY OF BHP PROVISIONS IN SECTION 1331 OF THE ACA

Effective January 1, 2014, states will be permitted to offer a BHP to certain uninsured individuals in lieu of those individuals receiving federal subsidies to purchase healthcare coverage in the Exchange. If enacted, the BHP would replace the Exchange option for eligible individuals, i.e. they would not be able to select an Exchange plan. To be eligible for participating in a BHP, individuals must meet the following criteria:

- They must not be eligible for Medicaid.
- They must be under 65 years old at the beginning of the plan year.
- Their household income must fall between 139% and 200% of the federal poverty level (FPL) for U.S. citizens or below 139% for legal present aliens not eligible for Medicaid due to such alien status.
- They do not have access to minimum essential coverage (such as employer-sponsored insurance (ESI)), or the coverage is not affordable. Affordability is based on the percentage of household income as determined by the ACA.

Note that 138% of FPL is the cutoff point for Medicaid. Thus, the BHP resembles an expansion of Medicaid, designed for individuals and families with relatively low incomes, but whose income is not low enough to qualify for Medicaid.

The ACA specifies certain statutory requirements for a BHP:

- The plan must cover at least the minimum essential benefits defined in the ACA.
- Member premiums cannot exceed the premium of the second-lowest-cost Silver tier plan in the Exchange (adjusted for any premium tax credits).
- For persons with incomes under 150% of FPL, cost sharing cannot exceed that of the platinum level (10%); for persons earning at or over 150% FPL, cost sharing cannot exceed that of the gold level (20%).
- The program must maintain a minimum of 85% Medical Loss Ratio (MLR).
- The State should establish health plans through a competitive process including components for consumer choice, managed care, innovation, and performance measures.

Please note that the guidance related to the BHP is limited to the provisions contained in Section 1331 of the ACA. Department of Health and Human Services (DHHS) has not issued rules related specifically to the implementation and operation of a BHP.

4. MODELING METHODOLOGY

The financial feasibility of the BHP was modeled by creating a range of assumptions for the primary parameters making up the sources and uses of funds. Each set of assumptions was modeled and the resulting margin was estimated as sources of funds minus uses of funds.

The general formula used to estimate the BHP fiscal impact to the State was as follows:

$$\text{State Margin (Gain/Loss)} = \text{Federal Subsidies} + \text{Member Costs} - \text{BHP Allowed Costs}$$

As indicated in the formula, the fiscal impact to the State would be a gain if the federal subsidies and member costs were greater than the BHP plan costs. A loss would result if the federal subsidies plus the member costs were below the BHP plan costs.

a. Federal Subsidies

As indicated above, the federal government would provide financial assistance to states that implement a BHP. The basic idea is that the federal government would otherwise be providing premium credits and cost-sharing subsidies in the Exchange for this population group. The subsidies minus 5% would be redirected to the BHP, as the primary source of funding. The federal government's cost for this financial assistance would be lower than on the Exchange because the subsidy to the state for BHP is lower than the cost of the premium credits and cost-sharing subsidies in the Exchange. The amount of the savings is 5% of the premium credits and cost-sharing subsidies in the Exchange based on the formula below:

$$\text{Federal Subsidies} = 95\% \text{ of Exchange Premium Credits} + 95\% \text{ of Exchange Cost-sharing Subsidies}$$

It should be noted that we have interpreted the ACA as discounting the Exchange premium credits and the Exchange cost-sharing subsidy. This formula could change to the extent that future regulation differs from our interpretations in this report.

The Exchange premium credits are defined by the ACA as the difference between the premium of the second lowest cost Silver plan in the Exchange and the maximum premium for an individual based on their household income (2% of income under 133%, 3% of income from 133% to 150% FPL, and 4% of income from 150% to 200% FPL). The specific premium cost in the exchange and the income levels for 2014 are not yet known, therefore we estimated these values using a projection of Silver plan premiums and income for 2014.

The amount of the Exchange premium credits are based on the following formula:

$$\text{Exchange Premium Credits} = 2^{\text{nd}} \text{ Lowest Cost Silver Premium} - \text{Maximum Premium Based on \% of Income}$$

The Exchange cost-sharing subsidies are defined by the ACA as the amount necessary to decrease the average member cost-sharing from 30% of total allowed claim costs (Silver level cost-sharing) to 6% for the 133% to 150% FPL level and 13% for the 151% to 200% FPL level. For purposes of this report, we have assumed that the cost-sharing subsidy would be calculated based on the following formula:

$$\text{Cost-sharing Subsidy} = 2^{\text{nd}} \text{ Lowest Cost Silver Premium} * (1 - X\%) * (Y\% / 70\% - 1)$$

Where X is the administrative expense component and Y is 94% or 87% for the 133% to 150% FPL and the 151% to 200% FPL level, respectively.

b. Member Costs

The amount of the member costs are based on the following formula:

$$\text{Member Costs} = \text{Member Premium} + \text{Member Cost-Sharing}$$

The member premium cannot exceed the amount the enrollee would have to pay in a subsidized plan in the Exchange. The subsidized premium was based on the estimated premium of the second lowest cost Silver plan.

The member cost-sharing cannot exceed the Platinum level (10%) for members between 133% and 150% FPL and the Gold level (20%) for member between 151% and 200% FPL. However, in order for the BHP to be at or below the cost-sharing for the Exchange, we have assumed the average cost-sharing percent to be 6% for the 133% to 150% FPL level and 13% for the 151% to 200% FPL level.

c. BHP Allowed Costs

The BHP would provide benefits to eligible individuals through a program created and operated by the State. The State would assume the financial risk of claim costs and operational costs of the BHP. The federal subsidies and member costs discussed above would be the primary source of funds for this program. The following formula illustrates the calculation of the plan cost for the BHP:

$$\text{BHP Allowed Costs} = \text{Total BHP Allowed Service Costs} + \text{Administrative Costs}$$

The total BHP allowed service costs represent the allowed amount of claims (prior to reduction for member cost-sharing) that the State would pay for the BHP benefit. This may be in the form of payments directly to the providers or in the form of managed care capitation rates depending on the structure of the program. The administrative costs represent the costs to the State for operating the BHP. Any administrative costs associated with a managed care program are assumed to be included in the service costs.

5. PRIMARY MODELING ASSUMPTIONS

a. Overview of Primary Assumptions

The financial feasibility was modeled by creating a range of assumptions for the primary parameters making up the sources and uses of funds. Each set of assumptions was modeled and the resulting margin was estimated as sources of funds minus uses of funds. The range of assumptions illustrates the level of uncertainty associated with the primary modeling parameters. Figures 5-1 and 5-2 below provide summaries of the primary modeling assumptions, risks and their estimates.

Figure 5-1: Primary Modeling Assumptions/Risks

2 nd Lowest Cost Silver Premium in Exchange	<ul style="list-style-type: none"> • <u>It does not exist today – significant uncertainty</u> • Entire federal subsidy is based on this value • What happens if carriers are aggressive in pricing? • Range of \$300-400 per member per month based on several sources
BHP Benefits	<ul style="list-style-type: none"> • <u>Options of EHB or full Medicaid</u> • Medicaid includes non-ER transportation, adult dental and vision • EHB and full Medicaid includes infertility treatment • Net difference is EHB less than Medicaid by approximately 8%
BHP Base Cost (Medicaid benefits and reimbursement)	<ul style="list-style-type: none"> • <u>How much will benefits cost the state to provide?</u> • Recent Medicaid Husky A adult cost estimates using Medicaid reimbursement • Medicaid state plan benefits plus essential health benefits – includes infertility • Relative cost/morbidity adjustment - Medicaid to BHP • Potential first year selection and pent-up demand uncertainty
Eligible Population and take-up rates	<ul style="list-style-type: none"> • <u>How many are eligible and how many will enroll?</u> • Eligible population based on several survey sources and public information • Take-up rate assumptions – varies by current insurance coverage type • Take-up rates are assumed to be fixed for all scenarios

Figure 5-2: Primary Modeling Assumptions/Risks (Values have been rounded)

Parameter	Individual	Uninsured	Employer Sponsored	Total
ENROLLMENT				
BHP Eligibles	7,700	68,100	70,100	145,900
Estimated Take-up Rates	95%	50%	5%	31%
BHP Enrollment	7,300	34,200	3,600	45,100
EXCHANGE PREMIUM				
2nd Lowest Cost Silver (PMPM)	\$350 (Range of \$300-\$400)			
BHP Cost				
BHP Service Cost (PMPM)	\$374 (Range of \$338-\$410)			
BHP Admin Cost	3% of BHP Service Cost			
BHP Reimbursement Level	Medicaid - 78% of Medicare			
BHP Benefit Level	Medicaid benefits including addition of infertility treatment			

Assumption Scenarios

- Best estimate – assumes best estimate of silver premium and BHP cost
- Optimistic – assumes higher silver premium and lower BHP cost
- Pessimistic – assumes lower silver premium and higher BHP cost

Member Out-of-Pocket Scenarios

- Percentage of Maximum (0%, 25%, 50%, 75%, and 100%)
- Maximum means the limitations contained in Section 1331 of the ACA and is consistent with the expected cost to members in the Exchange

Levers – program design choices to impact the net financial impact of the BHP

- Benefit level – benefit level offered to the member
- Reimbursement level – amount paid for services to providers
- Member out-of-pocket – premium and cost-sharing amount member pays in BHP

b. Second Lowest Cost Silver Premium in Exchange

The assumption for BHP revenues in the form of federal subsidies is a source of significant uncertainty as it is solely based on the second lowest cost Silver premium in the Exchange starting in 2014. This number does not exist today but needs to be estimated using the best information available. Our estimate of the second lowest Silver premium ranges from \$300 to \$400 per member per month (PMPM) with a best estimate of \$350 PMPM. To develop this range, we used both national estimates from the Congressional Budget Office (CBO) and current 2012 individual and employer-sponsored insurance market premiums in Connecticut. We made adjustments to the estimates as described below:

- Benefit level – we adjusted the current market premiums to reflect a 70% actuarial value.
- Morbidity – we adjusted the current market premiums to account for the health status of the anticipated population using information provided in the Current Population Survey. The current small employer market premium in Connecticut obtained from the NAIC annual statements is assumed to best represent the average BHP morbidity in 2014. This assumption may prove to be optimistic if significant adverse selection or pent-up demand is observed in the first years of the program.
- Trend – we assumed an eight percent annual trend for medical costs inflation. This inflation rate is consistent with the annual trends observed between 2005 and 2011 based on information contained in the May 2011 Milliman Medical Index².
- Age and gender – Projected BHP enrollment split by age and gender is used to weight premium estimates from both sources.
- Provider reimbursement – we assumed that the level of provider reimbursement in the Silver plan premium would be at current Commercial market levels.

The estimate for the second lowest Silver premium is different than the estimate for the average Silver premium in the Exchange. We have observed this in current markets as well as in the current Massachusetts Connector Exchange. For example, an individual aged 37 in Worcester, Massachusetts looking for individual health insurance currently

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faces premium options ranging from \$330 PMPM to \$490 PMPM for a Silver level benefit with essentially identical coverage.

c. Basic Health Program Benefits

The State can select the level of benefits to offer through a BHP as long as they cover the minimum Essential Health Benefits. We have modeled two possible benefit plans in this report:

- Medicaid benefits – includes current Husky A benefits in addition to infertility treatment required by the ACA.
- Essential health benefits (EHB) – the minimum benefits that can be offered under the ACA. This benefit package includes infertility treatment as well as other current Husky A benefits but does not cover adult dental, adult vision, and non-emergent transportation. The EHB package is estimated to cost an average of eight percent less than Medicaid benefits.

d. Basic Health Program Base Cost

The base cost (assuming Medicaid benefits and reimbursement) for the BHP was calculated using Husky A paid claims data from 2011 Managed Care Organization (MCO) Financials provided by the Department of Social Services (DSS). Additionally, Charter Oak claims have been reviewed from this same data source to check for reasonableness. We have estimated the base cost, including adjustments for trend, morbidity, age/gender, and benefits, to range from \$338 to \$410 PMPM with a best estimate of \$374 PMPM. The following adjustments have been made to the Husky A data to estimate the BHP benefit cost.

- Behavioral Health – behavioral health benefits were added to the base data because this benefit is not included in the managed care program.
- Maternity – adjustments were applied to maternity services to reflect that the BHP population is not expected to utilize these services at the high levels observed in the Husky A program because of Medicaid eligibility rules. Current BHP guidance is not clear in relation to how BHP members who become pregnant will be treated in regard to movement from BHP to Medicaid.
- Pharmacy – pharmacy benefits were added to the base data because this benefit is not included in the managed care program.
- Infertility treatment - this benefit is added as part of the EHB estimated from the 2010 “Connecticut Mandated Health Benefits Review”.
- Dental – dental benefits were added to the base data because this benefit is not included in the managed care program.
- Age and gender – projected BHP enrollment split by age and gender was used to weight premium estimates.

We have also estimated a State administrative cost of 3% of the BHP service cost to operate the program. This cost is in addition to the service cost PMPM estimates mentioned above.

e. Eligible Population and Take-up Rates

Non-elderly adults with household income between 139% and 200% of the Federal Poverty Level (FPL) who do not have access to Medicaid, Medicare, or “affordable” health coverage through their employer (as defined in the ACA) would be eligible for the BHP. We have estimated the eligible population using survey data and other public sources.

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The 2010 American Community Survey³ (ACS) was used to estimate non-elderly (under age 65) population counts segmented by FPL level and current health insurance coverage type. For the purposes of this analysis, children under age 19, adults over age 65, Medicare/Medicaid dual eligible, and those with other government insurance (non-Medicaid) have been removed. To supplement the ACS survey, the 2011 NAIC annual statements were used to more accurately estimate the commercial market population. In addition to the 139-200% FPL eligible population, legally present aliens under 139% FPL without affordable employer coverage would be BHP eligible, as they are not eligible for Medicaid due to such alien status. We have made the following adjustments to the ACS data:

- Individual – the individual health insurance category is believed to be over-reported, as some individuals report comprehensive coverage though they are only covered by non-comprehensive plans such as mini-med, short-term, or dread disease. To correct for this, we decreased the number of people in the census with private coverage to be consistent with member counts reflected in the 2011 NAIC statutory annual statements and moved individuals into the uninsured/underinsured population.
- Legal aliens – Legally present aliens were estimated using data from both Factfinder, to estimate the count of non-US citizens residing in Connecticut, and the Federation for American Immigration Reform (FAIR), to estimate the number of illegal aliens in Connecticut. Factfinder is an online tool that provides summarized US Census Bureau information. We also use Factfinder to estimate the number of people with income between 0-138% FPL who could be eligible for the BHP. Due to a lack of additional data for this population, we assumed that those eligible have the same distribution of current health insurance type as those in the ACS data at the same income level. Take-up rates were also assumed consistent with those with higher incomes. We estimated 21,000 legal aliens will be eligible to enroll in the BHP, of which we estimated 7,300 would enroll.
- SHADAC adjustment – 2010 ACS data used for population counts comes from a summary of publicly-available 2010 ACS microdata. We have processed this data to regroup family units for income tax counting consistent with the MAGI standard which will be used to identify Medicaid, BHP, and Exchange subsidy eligibility. This methodology is consistent with that used and documented by the State Health Access Data Assistance Center (SHADAC) to enhance the reliability of estimating future health insurance coverage

We estimated take-up rates for the current Employer Sponsored Insurance (ESI), individual, and uninsured populations. We used knowledge of the current market and our actuarial judgment to develop take-up rates. Further, the current Medicaid eligible (but not enrolled) population was assumed to take-up Medicaid as opposed to the BHP. For the ESI market, we estimated take-up rates of 5% (coming mostly from smaller employers). The relatively small take-up rates reflect that in order to be eligible for a BHP, the employer would have to choose to drop coverage (and pay the penalty in the case of large employers) or the offered coverage would need to be considered “unaffordable”. For the individual market, we assume that 95% will take-up into the BHP because these members are already in the health insurance market directly paying for their insurance and should have a less expensive or better option in the BHP (or Exchange). For the uninsured market, we estimated that 50% will enroll in the BHP as it would likely be the least expensive option to obtain health insurance.

We estimated the 2014 BHP enrolled population by applying estimated take-up rates to the eligible population as shown in Figure 5-3. We have not varied the take-up rates under any scenario/assumption (such as member premium or benefit level). We believe there would be certain increases or decreases in participation due to program design; however, keeping the enrollment consistent fosters a comparison of the fiscal impacts on a comparable basis.

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Figure 5-3: 2014 eligible population and take-up into BHP

	Individual	Uninsured	Employer Sponsored	Total
BHP Eligibles	7,700	68,100	70,100	145,900
Estimated Take-up Rates	95%	50%	5%	31%
BHP Enrollment	7,300	34,200	3,600	45,100

Note – legal alien population is included in these counts.

f. Provider Reimbursement

We modeled several variations of provider reimbursement rates, including Medicaid, Medicare, and Commercial levels. The base costs for Medicaid come from the Husky A program. Public and internal data were used as a base for Medicare to establish relativities similar to common practice. We estimated that Medicaid reimbursement is 78% of Medicare (22% lower than Medicare) and that Commercial reimbursement is higher than Medicare by 29%. We modeled additional scenarios which can be found in Appendix 1 and 2, with reimbursement of 90% and 110% of Medicare that help show the sensitivity of this assumption.

g. Other Assumptions

Other assumptions that impact the results in this report are described below.

- Medicaid parents remain in Husky A instead of enrolling in the BHP
- State high risk pool dissolves into BHP/Exchange
- Population trend – assumed zero percent trend to 2014
- BHP service cost trend – assumed six percent trend based on actuarial judgment
- Silver premium trend – assumed eight percent trend based on commercial rates found in the 2011 Milliman Medical Index

6. SUMMARY OF BHP POPULATION DEMOGRAPHICS

Individuals in the 2014 BHP-eligible population generally have income above the eligibility level for Medicaid but at the lowest income level for Commercial insurance in the Exchange. The BHP-eligible cohort demographic characteristics help to provide insight into the cost and healthcare needs of this population. In this section, we summarize key demographic characteristics of the 2010 Connecticut population in each of the following current markets: Medicaid, BHP, and Commercial. The estimated population and associated characteristics were based on a combination of the 2010 American Community Survey (ACS) and Current Population Survey⁴ (CPS).

The three figures in this

Figure 6-1 illustrates the age and gender composition of the current adult Medicaid, the BHP, and the current Commercial market. The average age in the BHP is similar to Medicaid, however Medicaid includes a higher proportion of women aged 19-39 due to pregnancy coverage eligibility. The age/gender distribution in the Commercial market is more evenly dispersed.

Figure 6-1: Non-elderly adult age and gender in Connecticut by health insurance type

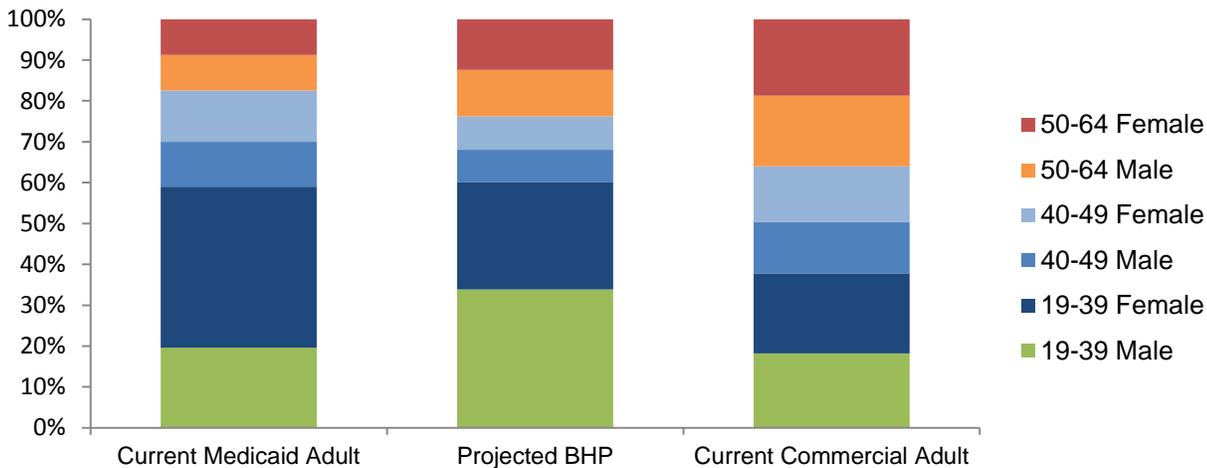


Figure 6-2 on the following page illustrates the segmentation of the self-reported health status as indicated in the CPS data. Health statuses are a standard question on the survey where participants choose between choices excellent, very good, good, fair, poor, and disabled. The Medicaid population has a much higher disabled population, which is expected to be a direct result of Medicaid eligibility due to disability. The BHP is estimated to have a lower proportion of members with fair/poor health status and members with disabilities. This could indicate that healthcare costs for the BHP may be lower than that of the current Medicaid program. However, the BHP population is estimated to include less healthy individuals and could therefore have higher healthcare costs than the current Commercial market.

Figure 6-2: Non-elderly adult health Status composition in Connecticut by health insurance type

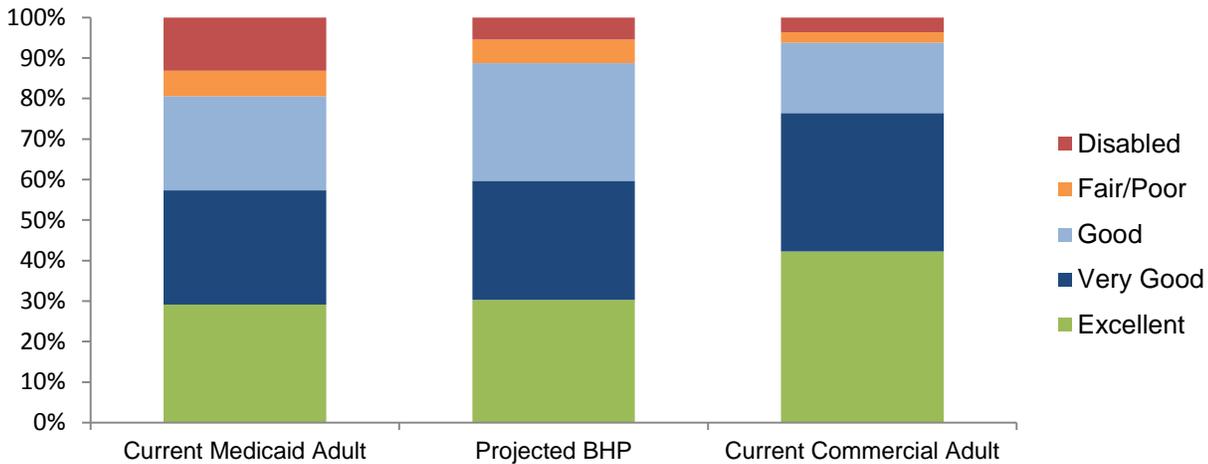
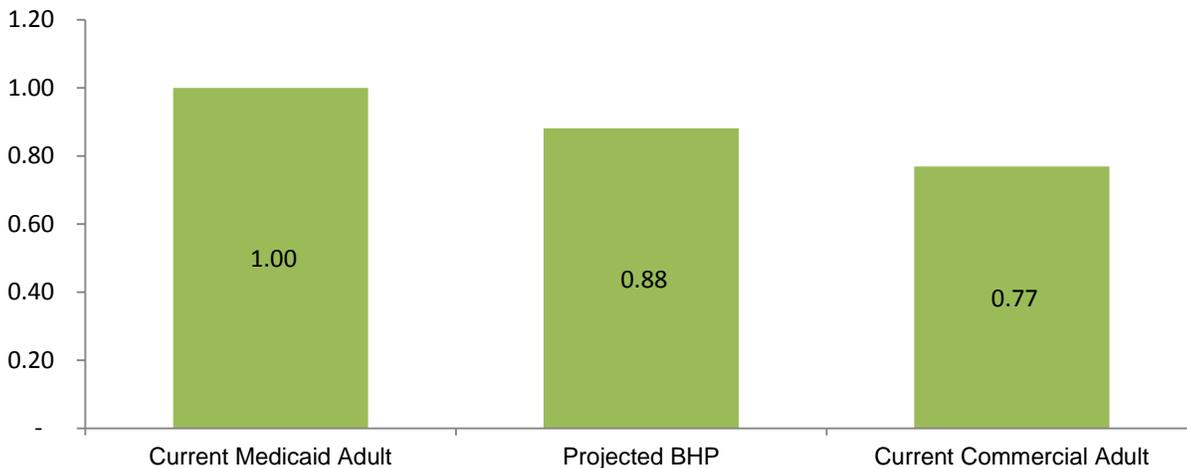


Figure 6-3 illustrates the estimated morbidity for the BHP and Commercial populations relative to those currently enrolled in Medicaid. Numbers less than 1.000 would indicate lower costs, and numbers above 1.000 indicate higher costs than the Medicaid population. This chart represents the variation in health status among the three possible markets in 2014 but does not factor in age and gender variations that are used in the overall fiscal analysis.

Figure 6-3: Non-elderly adult average morbidity in Connecticut by health insurance type



The results presented in Figure 6-3 were estimated using a relative healthcare cost assumed for each of the five health status categories reported in the CPS data. Based on this analysis, the BHP is estimated to exhibit healthcare costs that are approximately 12% better than the current Medicaid population and 11% worse than the current Commercial population.

7. SENSITIVITIES AND RANGES OF OUTCOMES

As discussed throughout this report, the resulting fiscal impact of a BHP depends on several assumptions, most of which cannot be precisely estimated. This is due in part to the significant volatility exhibited in healthcare costs as well as the uncertainty related to the premiums that may result in 2014. We have modeled ranges around many of our assumptions to demonstrate the sensitivities each with respect to the estimated margin (sources of funds minus uses of funds).

Figure 7-1 outlines the various scenarios (design elements) modeled in this report. Each of the elements has a material impact on the resulting BHP margin.

Figure 7-1: BHP Financial Scenarios

Design Element	Scenarios
Member Costs ¹	0%, 25%, 50%, and 100% of Maximum Allowed under ACA
Provider Reimbursement	Medicaid, 90% of Medicare, Medicare, 110% of Medicare, and Commercial
BHP Benefits ²	Medicaid and Essential Health Benefits
Risk Tolerance Adjustment ³	Pessimistic, Best Estimate, and Optimistic

Notes: 1. Member costs contain both premium and cost-sharing. 100% of Maximum is consistent with the expected cost to members in the Exchange.
 2. Medicaid benefits provide adult dental, adult vision, and non-ER Transportation in addition to EHB.
 3. Risk Tolerance Adjustment varies the Silver premium and BHP cost estimates.

Member Costs

- Includes the combination of monthly premiums and point-of-service cost-sharing
- Stated as a percentage of the maximum allowed under the ACA
- Maximum is defined as the amount members would face in the Exchange
 - 100% means the limitations contained in Section 1331 of the ACA and is consistent with the expected cost to members in the Exchange
 - The Exchange amounts limit premiums to a specific percentage of household income and reduce cost-sharing to yield increased actuarial values

Provider Reimbursement

- Refers to how much a BHP will pay providers (doctors, hospitals, etc.) for health care services
- Percentages are relative to current Medicare reimbursement
 - Medicaid reimbursement is estimated at 78% of Medicare
 - Commercial reimbursement is estimated at 129% of Medicare

BHP Benefits

- Medicaid benefits are those currently offered in the Husky A program in addition to any Essential Health Benefits (EHB) required under the ACA, including infertility treatment
- EHB requires fewer benefits than the Medicaid benefit level while maintaining all of those required under ACA. EHB does not include adult dental, adult vision, or non-ER transportation benefits and is estimated to be eight percent lower than the Medicaid benefits

Risk Tolerance

- Best Estimate – assumes best estimate of Silver premium and BHP cost
- Optimistic – assumes higher Silver premium and lower BHP cost
- Pessimistic – assumes lower Silver premium and higher BHP cost

There are a total of 150 combinations of results based on the parameters listed in Figure 7-1. The estimated BHP margin has a wide variance among scenarios. Appendix 1 illustrates the estimated BHP margin for each combination of design elements. The outcomes in red indicate a negative margin (or net cost to the State) while outcomes in green indicate a positive margin (or net gain to the State). It is important to consider that both the Silver premium and BHP service costs are not known today and contain significant uncertainty in estimating these amounts. For example, our best estimate margin under Medicaid reimbursement, charging 50% of the maximum member out-of-pocket, and providing Medicaid benefits could yield an \$11.9 million gain. Under optimistic assumptions (higher Silver premium, lower BHP service cost) the same plan could yield a \$62.8 million gain. However, under pessimistic assumptions (lower Silver premium, higher BHP service cost) the same plan could yield a \$38.4 million loss/cost to the State. Further, please note that the pessimistic scenarios do not represent worst case outcomes as certain outlier scenarios were not modeled.

8. CONCLUSION

The ACA allows for the State of Connecticut to implement a Basic Health Program (BHP) as an alternative to Exchange coverage for certain low-income populations. Federal subsidies and potential member cost-sharing amounts are options to help fund benefits for those eligible. One of the key differences between the BHP and Exchange involves the financial risk to the State. In an Exchange, the State is not exposed to financial risk for this population, whereas in a BHP the State assumes the risk of providing health benefits in return for receiving the federal subsidies.

The risk level associated with a BHP is greater today due to the uncertainty related to the sources of funds. The actual Exchange premiums, specifically the premium associated with the second lowest cost Silver plan, are not known, and this uncertainty increases the level of risk. The cost of providing health benefits in a BHP also contains a significant amount of uncertainty, which will be reduced in mature years of a BHP when actual experience would emerge from which to base future costs.

There are several scenarios in which a BHP may result in positive margin, and the decision-makers can look to these scenarios to design a program that balances risk with the impact to the members and other healthcare delivery system stakeholders.

This report is intended to support an informed discussion by the various parties making up the BHP Work Group in the State of Connecticut. Milliman does not recommend or promote any particular decision related to the BHP.

9. LIMITATIONS AND DATA RELIANCE

This report, including all appendices, was prepared for the internal use of the Basic Health Program work group and the Connecticut Office of Policy and Management. No portion of the report may be provided to any other party without Milliman's prior written permission. Such permission will not be unreasonably withheld. This report must be distributed in its entirety, both internally or externally.

Any reader of this report should possess a certain level of expertise in areas relevant to this analysis to appreciate the significance of the assumptions and their impact on the illustrated results. If not, the reader should be advised by professionals competent in these areas so as to properly interpret the results.

This analysis relies on data available from publicly available sources and various Connecticut State agencies participating on the work group. While we have reviewed these inputs for reasonableness, we have not audited them for accuracy or completeness. If these data sources are inaccurate or incomplete, the analysis will likewise be inaccurate or incomplete.

Differences between our estimates and actual results depend on the extent to which future experience conforms to the assumptions. It is certain that actual experience will not conform exactly to the assumptions and the actual amounts will differ from the analysis to the extent that actual experience deviates from expected experience.

Milliman does not intend to benefit any third party recipient of the work product, even if we consent to the release of the work product to such third party.

Milliman does not provide legal advice, and recommends that the Basic Health Program work group consult with its legal advisors regarding legal matters.

The terms of Milliman's Consulting Services Agreement with the Office of the Connecticut State Comptroller signed on October 1st, 2010 apply to this report and its use.

We do not recommend or promote any particular decision related to the BHP.

10. QUALIFICATIONS

This document was created by Jeremy D. Palmer, FSA. Mr. Palmer is a Principal and Consulting Actuary in the Indianapolis office of Milliman and a Fellow of the Society of Actuaries and Member of the American Academy of Actuaries. Jeremy meets the qualification standards for performing the analyses contained in this document.

11. REFERENCES

- 1 United States Census. (January 2012). 2012 HHS Poverty Guidelines. Available at <http://aspe.hhs.gov/poverty/12poverty.shtml>
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- 4 Steven Ruggles, J. Trent Alexander, Katie Genadek, Ronald Goeken, Matthew B. Schroeder, and Matthew Sobek. (February 2012). *Integrated Public Use Microdata Series: Version 5.0* [Machine-readable database]. Minneapolis: University of Minnesota. Available at <http://usa.ipums.org/usa/>

APPENDIX 1



**State of Connecticut
Basic Health Program Actuarial Analysis
CY 2014 - Best Estimate Assumptions
Margin - Percent (%) of BHP Cost**

Medicaid Benefits						Essential Health Benefits					
CY 2014 - Best Estimate Assumptions											
Member Premium / Cost Sharing - % of Maximum Allowed by ACA											
Reimbursement	%	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
MEDICAID	78%	(6.5%)	(0.5%)	5.7%	11.7%	17.6%	0.8%	7.0%	13.4%	19.6%	26.3%
	90%	(18.9%)	(13.5%)	(7.7%)	(2.3%)	3.5%	(11.8%)	(6.1%)	0.0%	5.6%	11.7%
MEDICARE	100%	(27.3%)	(22.0%)	(16.8%)	(11.5%)	(6.2%)	(20.4%)	(14.8%)	(9.3%)	(3.8%)	1.9%
	110%	(33.6%)	(28.6%)	(23.4%)	(18.5%)	(13.3%)	(27.4%)	(22.2%)	(16.9%)	(11.7%)	(6.4%)
COMMERCIAL	129%	(43.3%)	(38.7%)	(33.9%)	(29.3%)	(24.5%)	(38.5%)	(33.7%)	(28.7%)	(23.9%)	(19.0%)

CY 2014 - Optimistic Assumptions											
Member Premium / Cost Sharing - % of Maximum Allowed by ACA											
Reimbursement	%	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
MEDICAID	78%	20.4%	26.7%	33.3%	39.7%	45.9%	30.1%	36.6%	43.8%	50.3%	56.9%
	90%	5.0%	10.8%	17.0%	22.8%	28.8%	14.2%	20.2%	26.7%	32.7%	39.1%
MEDICARE	100%	(6.1%)	(0.7%)	5.2%	10.5%	16.3%	2.7%	8.3%	14.5%	20.1%	26.0%
	110%	(14.1%)	(8.8%)	(3.5%)	1.8%	7.1%	(6.3%)	(0.9%)	4.9%	10.3%	16.0%
COMMERCIAL	129%	(26.9%)	(22.0%)	(17.1%)	(12.2%)	(7.1%)	(20.3%)	(15.4%)	(10.1%)	(5.1%)	0.0%

CY 2014 - Pessimistic Assumptions											
Member Premium / Cost Sharing - % of Maximum Allowed by ACA											
Reimbursement	%	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
MEDICAID	78%	(28.4%)	(22.7%)	(16.8%)	(11.4%)	(5.6%)	(23.0%)	(17.1%)	(11.0%)	(5.1%)	0.9%
	90%	(38.1%)	(32.8%)	(27.5%)	(22.1%)	(16.9%)	(32.7%)	(27.4%)	(21.6%)	(16.3%)	(10.6%)
MEDICARE	100%	(44.6%)	(39.6%)	(34.5%)	(29.5%)	(24.6%)	(39.4%)	(34.1%)	(28.9%)	(23.7%)	(18.3%)
	110%	(49.2%)	(44.5%)	(39.7%)	(34.8%)	(30.0%)	(44.8%)	(39.9%)	(34.7%)	(29.8%)	(24.7%)
COMMERCIAL	129%	(56.7%)	(52.3%)	(47.7%)	(43.3%)	(38.8%)	(53.1%)	(48.6%)	(43.8%)	(39.3%)	(34.6%)

Note: While most pessimistic scenarios represent unfavorable outcomes to the state, they may not be the worst case outcomes because there are potential outlier scenarios not included in this report.

**State of Connecticut
Basic Health Program Actuarial Analysis
CY 2014 - Best Estimate Assumptions
Margin – Aggregate Annual Expenditures (\$ Millions)**

Medicaid Benefits						Essential Health Benefits					
CY 2014 - Best Estimate Assumptions											
Member Premium / Cost Sharing - % of Maximum Allowed by ACA											
Reimbursement	%	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
MEDICAID	78%	(\$ 13.5)	(\$ 1.1)	\$ 11.9	\$ 24.4	\$ 36.8	\$ 1.6	\$ 13.5	\$ 26.0	\$ 37.9	\$ 50.7
	90%	(\$ 45.5)	(\$ 32.5)	(\$ 18.4)	(\$ 5.4)	\$ 8.3	(\$ 26.0)	(\$ 13.5)	\$ 0.0	\$ 12.4	\$ 25.9
MEDICARE	100%	(\$ 73.1)	(\$ 59.0)	(\$ 44.9)	(\$ 30.8)	(\$ 16.5)	(\$ 49.8)	(\$ 36.3)	(\$ 22.7)	(\$ 9.2)	\$ 4.6
	110%	(\$ 98.5)	(\$ 83.9)	(\$ 68.7)	(\$ 54.1)	(\$ 38.9)	(\$ 73.6)	(\$ 59.5)	(\$ 45.5)	(\$ 31.4)	(\$ 17.2)
COMMERCIAL	129%	(\$ 148.8)	(\$ 133.1)	(\$ 116.4)	(\$ 100.7)	(\$ 84.2)	(\$ 121.8)	(\$ 106.6)	(\$ 90.9)	(\$ 75.8)	(\$ 60.2)

CY 2014 - Optimistic Assumptions											
Member Premium / Cost Sharing - % of Maximum Allowed by ACA											
Reimbursement	%	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
MEDICAID	78%	\$ 38.4	\$ 50.3	\$ 62.8	\$ 74.7	\$ 86.6	\$ 52.5	\$ 63.9	\$ 76.3	\$ 87.7	\$ 99.4
	90%	\$ 10.8	\$ 23.3	\$ 36.8	\$ 49.2	\$ 62.2	\$ 28.1	\$ 40.0	\$ 53.0	\$ 64.9	\$ 77.7
MEDICARE	100%	(\$ 14.6)	(\$ 1.6)	\$ 12.4	\$ 25.4	\$ 39.4	\$ 6.0	\$ 18.4	\$ 31.9	\$ 44.4	\$ 57.4
	110%	(\$ 37.3)	(\$ 23.3)	(\$ 9.2)	\$ 4.9	\$ 18.8	(\$ 15.2)	(\$ 2.2)	\$ 11.9	\$ 24.9	\$ 38.8
COMMERCIAL	129%	(\$ 83.3)	(\$ 68.2)	(\$ 53.0)	(\$ 37.9)	(\$ 22.1)	(\$ 57.9)	(\$ 43.8)	(\$ 28.7)	(\$ 14.6)	\$ 0.0

CY 2014 - Pessimistic Assumptions											
Member Premium / Cost Sharing - % of Maximum Allowed by ACA											
Reimbursement	%	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
MEDICAID	78%	(\$ 64.9)	(\$ 52.0)	(\$ 38.4)	(\$ 26.0)	(\$ 12.7)	(\$ 48.7)	(\$ 36.3)	(\$ 23.3)	(\$ 10.8)	\$ 1.9
	90%	(\$ 100.7)	(\$ 86.6)	(\$ 72.5)	(\$ 58.4)	(\$ 44.7)	(\$ 79.6)	(\$ 66.6)	(\$ 52.5)	(\$ 39.5)	(\$ 25.7)
MEDICARE	100%	(\$ 131.5)	(\$ 116.9)	(\$ 101.7)	(\$ 87.1)	(\$ 72.5)	(\$ 106.1)	(\$ 92.0)	(\$ 77.9)	(\$ 63.9)	(\$ 49.4)
	110%	(\$ 158.6)	(\$ 143.4)	(\$ 127.7)	(\$ 112.0)	(\$ 96.7)	(\$ 132.6)	(\$ 118.0)	(\$ 102.8)	(\$ 88.2)	(\$ 73.1)
COMMERCIAL	129%	(\$ 214.3)	(\$ 197.5)	(\$ 180.2)	(\$ 163.4)	(\$ 146.5)	(\$ 185.1)	(\$ 169.4)	(\$ 152.6)	(\$ 136.9)	(\$ 120.4)

Note: While most pessimistic scenarios represent unfavorable outcomes to the state, they may not be the worst case outcomes because there are potential outlier scenarios not included in this report.

APPENDIX 2



State of Connecticut
Basic Health Program Analysis
Fiscal Summary
78% of Medicare Reimbursement, 0% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 202.4	\$ 182.9	\$ 221.9
BHP State Administrative Costs	\$ 6.0	\$ 5.4	\$ 6.5
Total BHP Program Costs	\$ 208.4	\$ 188.3	\$ 228.4
Net State Gain/(Loss) with Member Funds	(\$ 13.5)	\$ 38.4	(\$ 64.9)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 187.8	\$ 169.4	\$ 206.2
BHP State Administrative Costs	\$ 5.4	\$ 4.9	\$ 6.0
Total BHP Program Costs	\$ 193.2	\$ 174.3	\$ 212.2
Net State Gain/(Loss) with Member Funds	\$ 1.6	\$ 52.5	(\$ 48.7)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
90% of Medicare Reimbursement, 0% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 233.3	\$ 210.0	\$ 256.5
BHP State Administrative Costs	\$ 7.0	\$ 6.0	\$ 7.6
Total BHP Program Costs	\$ 240.3	\$ 215.9	\$ 264.1
Net State Gain/(Loss) with Member Funds	(\$ 45.5)	\$ 10.8	(\$ 100.7)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 214.3	\$ 192.7	\$ 236.0
BHP State Administrative Costs	\$ 6.5	\$ 6.0	\$ 7.0
Total BHP Program Costs	\$ 220.8	\$ 198.6	\$ 243.0
Net State Gain/(Loss) with Member Funds	(\$ 26.0)	\$ 28.1	(\$ 79.6)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
100% of Medicare Reimbursement, 0% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 260.3	\$ 234.3	\$ 286.3
BHP State Administrative Costs	\$ 7.6	\$ 7.0	\$ 8.7
Total BHP Program Costs	\$ 267.9	\$ 241.4	\$ 295.0
Net State Gain/(Loss) with Member Funds	(\$ 73.1)	(\$ 14.6)	(\$ 131.5)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 237.6	\$ 214.3	\$ 261.9
BHP State Administrative Costs	\$ 7.0	\$ 6.5	\$ 7.6
Total BHP Program Costs	\$ 244.6	\$ 220.8	\$ 269.5
Net State Gain/(Loss) with Member Funds	(\$ 49.8)	\$ 6.0	(\$ 106.1)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
110% of Medicare Reimbursement, 0% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 284.7	\$ 256.5	\$ 312.8
BHP State Administrative Costs	\$ 8.7	\$ 7.6	\$ 9.2
Total BHP Program Costs	\$ 293.3	\$ 264.1	\$ 322.0
Net State Gain/(Loss) with Member Funds	(\$ 98.5)	(\$ 37.3)	(\$ 158.6)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 260.9	\$ 234.9	\$ 287.4
BHP State Administrative Costs	\$ 7.6	\$ 7.0	\$ 8.7
Total BHP Program Costs	\$ 268.4	\$ 241.9	\$ 296.0
Net State Gain/(Loss) with Member Funds	(\$ 73.6)	(\$ 15.2)	(\$ 132.6)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
129% of Medicare Reimbursement, 0% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 333.9	\$ 300.9	\$ 366.9
BHP State Administrative Costs	\$ 9.7	\$ 9.2	\$ 10.8
Total BHP Program Costs	\$ 343.7	\$ 310.1	\$ 377.8
Net State Gain/(Loss) with Member Funds	(\$ 148.8)	(\$ 83.3)	(\$ 214.3)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Premium (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Member Available Funds (0% of Maximum)	\$ 0.0	\$ 0.0	\$ 0.0
Total Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
BHP Service Costs	\$ 307.4	\$ 276.6	\$ 338.3
BHP State Administrative Costs	\$ 9.2	\$ 8.1	\$ 10.3
Total BHP Program Costs	\$ 316.6	\$ 284.7	\$ 348.5
Net State Gain/(Loss) with Member Funds	(\$ 121.8)	(\$ 57.9)	(\$ 185.1)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
78% of Medicare Reimbursement, 25% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 5.4	\$ 4.9	\$ 6.0
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 12.4	\$ 11.9	\$ 13.0
Total Available Funds	\$ 207.3	\$ 238.7	\$ 176.4
BHP Service Costs	\$ 202.4	\$ 182.9	\$ 221.9
BHP State Administrative Costs	\$ 6.0	\$ 5.4	\$ 6.5
Total BHP Program Costs	\$ 208.4	\$ 188.3	\$ 228.4
Net State Gain/(Loss) with Member Funds	(\$ 1.1)	\$ 50.3	(\$ 52.0)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 4.9	\$ 4.3	\$ 5.4
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 11.9	\$ 11.4	\$ 12.4
Total Available Funds	\$ 206.7	\$ 238.1	\$ 175.9
BHP Service Costs	\$ 187.8	\$ 169.4	\$ 206.2
BHP State Administrative Costs	\$ 5.4	\$ 4.9	\$ 6.0
Total BHP Program Costs	\$ 193.2	\$ 174.3	\$ 212.2
Net State Gain/(Loss) with Member Funds	\$ 13.5	\$ 63.9	(\$ 36.3)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
90% of Medicare Reimbursement, 25% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 6.0	\$ 5.4	\$ 7.0
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 13.0	\$ 12.4	\$ 14.1
Total Available Funds	\$ 207.8	\$ 239.2	\$ 177.5
BHP Service Costs	\$ 233.3	\$ 210.0	\$ 256.5
BHP State Administrative Costs	\$ 7.0	\$ 6.0	\$ 7.6
Total BHP Program Costs	\$ 240.3	\$ 215.9	\$ 264.1
Net State Gain/(Loss) with Member Funds	(\$ 32.5)	\$ 23.3	(\$ 86.6)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 5.4	\$ 4.9	\$ 6.0
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 12.4	\$ 11.9	\$ 13.0
Total Available Funds	\$ 207.3	\$ 238.7	\$ 176.4
BHP Service Costs	\$ 214.3	\$ 192.7	\$ 236.0
BHP State Administrative Costs	\$ 6.5	\$ 6.0	\$ 7.0
Total BHP Program Costs	\$ 220.8	\$ 198.6	\$ 243.0
Net State Gain/(Loss) with Member Funds	(\$ 13.5)	\$ 40.0	(\$ 66.6)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
100% of Medicare Reimbursement, 25% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 7.0	\$ 6.0	\$ 7.6
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 14.1	\$ 13.0	\$ 14.6
Total Available Funds	\$ 208.9	\$ 239.8	\$ 178.1
BHP Service Costs	\$ 260.3	\$ 234.3	\$ 286.3
BHP State Administrative Costs	\$ 7.6	\$ 7.0	\$ 8.7
Total BHP Program Costs	\$ 267.9	\$ 241.4	\$ 295.0
Net State Gain/(Loss) with Member Funds	(\$ 59.0)	(\$ 1.6)	(\$ 116.9)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 6.5	\$ 5.4	\$ 7.0
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 13.5	\$ 12.4	\$ 14.1
Total Available Funds	\$ 208.4	\$ 239.2	\$ 177.5
BHP Service Costs	\$ 237.6	\$ 214.3	\$ 261.9
BHP State Administrative Costs	\$ 7.0	\$ 6.5	\$ 7.6
Total BHP Program Costs	\$ 244.6	\$ 220.8	\$ 269.5
Net State Gain/(Loss) with Member Funds	(\$ 36.3)	\$ 18.4	(\$ 92.0)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
110% of Medicare Reimbursement, 25% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 7.6	\$ 7.0	\$ 8.1
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 14.6	\$ 14.1	\$ 15.2
Total Available Funds	\$ 209.4	\$ 240.8	\$ 178.6
BHP Service Costs	\$ 284.7	\$ 256.5	\$ 312.8
BHP State Administrative Costs	\$ 8.7	\$ 7.6	\$ 9.2
Total BHP Program Costs	\$ 293.3	\$ 264.1	\$ 322.0
Net State Gain/(Loss) with Member Funds	(\$ 83.9)	(\$ 23.3)	(\$ 143.4)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 7.0	\$ 6.0	\$ 7.6
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 14.1	\$ 13.0	\$ 14.6
Total Available Funds	\$ 208.9	\$ 239.8	\$ 178.1
BHP Service Costs	\$ 260.9	\$ 234.9	\$ 287.4
BHP State Administrative Costs	\$ 7.6	\$ 7.0	\$ 8.7
Total BHP Program Costs	\$ 268.4	\$ 241.9	\$ 296.0
Net State Gain/(Loss) with Member Funds	(\$ 59.5)	(\$ 2.2)	(\$ 118.0)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
129% of Medicare Reimbursement, 25% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 8.7	\$ 8.1	\$ 9.7
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 15.7	\$ 15.2	\$ 16.8
Total Available Funds	\$ 210.5	\$ 241.9	\$ 180.2
BHP Service Costs	\$ 333.9	\$ 300.9	\$ 366.9
BHP State Administrative Costs	\$ 9.7	\$ 9.2	\$ 10.8
Total BHP Program Costs	\$ 343.7	\$ 310.1	\$ 377.8
Net State Gain/(Loss) with Member Funds	(\$ 133.1)	(\$ 68.2)	(\$ 197.5)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (25% of Maximum)	\$ 8.1	\$ 7.0	\$ 8.7
Member Premium (25% of Maximum)	\$ 7.0	\$ 7.0	\$ 7.0
Member Available Funds (25% of Maximum)	\$ 15.2	\$ 14.1	\$ 15.7
Total Available Funds	\$ 210.0	\$ 240.8	\$ 179.1
BHP Service Costs	\$ 307.4	\$ 276.6	\$ 338.3
BHP State Administrative Costs	\$ 9.2	\$ 8.1	\$ 10.3
Total BHP Program Costs	\$ 316.6	\$ 284.7	\$ 348.5
Net State Gain/(Loss) with Member Funds	(\$ 106.6)	(\$ 43.8)	(\$ 169.4)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
78% of Medicare Reimbursement, 50% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 10.8	\$ 9.7	\$ 11.9
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 25.4	\$ 24.4	\$ 26.5
Total Available Funds	\$ 220.3	\$ 251.1	\$ 190.0
BHP Service Costs	\$ 202.4	\$ 182.9	\$ 221.9
BHP State Administrative Costs	\$ 6.0	\$ 5.4	\$ 6.5
Total BHP Program Costs	\$ 208.4	\$ 188.3	\$ 228.4
Net State Gain/(Loss) with Member Funds	\$ 11.9	\$ 62.8	(\$ 38.4)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 9.7	\$ 9.2	\$ 10.8
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 24.4	\$ 23.8	\$ 25.4
Total Available Funds	\$ 219.2	\$ 250.6	\$ 188.9
BHP Service Costs	\$ 187.8	\$ 169.4	\$ 206.2
BHP State Administrative Costs	\$ 5.4	\$ 4.9	\$ 6.0
Total BHP Program Costs	\$ 193.2	\$ 174.3	\$ 212.2
Net State Gain/(Loss) with Member Funds	\$ 26.0	\$ 76.3	(\$ 23.3)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
90% of Medicare Reimbursement, 50% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 12.4	\$ 11.4	\$ 13.5
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 27.1	\$ 26.0	\$ 28.1
Total Available Funds	\$ 221.9	\$ 252.7	\$ 191.6
BHP Service Costs	\$ 233.3	\$ 210.0	\$ 256.5
BHP State Administrative Costs	\$ 7.0	\$ 6.0	\$ 7.6
Total BHP Program Costs	\$ 240.3	\$ 215.9	\$ 264.1
Net State Gain/(Loss) with Member Funds	(\$ 18.4)	\$ 36.8	(\$ 72.5)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 11.4	\$ 10.3	\$ 12.4
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 26.0	\$ 24.9	\$ 27.1
Total Available Funds	\$ 220.8	\$ 251.7	\$ 190.5
BHP Service Costs	\$ 214.3	\$ 192.7	\$ 236.0
BHP State Administrative Costs	\$ 6.5	\$ 6.0	\$ 7.0
Total BHP Program Costs	\$ 220.8	\$ 198.6	\$ 243.0
Net State Gain/(Loss) with Member Funds	\$ 0.0	\$ 53.0	(\$ 52.5)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
100% of Medicare Reimbursement, 50% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 13.5	\$ 12.4	\$ 15.2
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 28.1	\$ 27.1	\$ 29.8
Total Available Funds	\$ 223.0	\$ 253.8	\$ 193.2
BHP Service Costs	\$ 260.3	\$ 234.3	\$ 286.3
BHP State Administrative Costs	\$ 7.6	\$ 7.0	\$ 8.7
Total BHP Program Costs	\$ 267.9	\$ 241.4	\$ 295.0
Net State Gain/(Loss) with Member Funds	(\$ 44.9)	\$ 12.4	(\$ 101.7)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 12.4	\$ 11.4	\$ 13.5
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 27.1	\$ 26.0	\$ 28.1
Total Available Funds	\$ 221.9	\$ 252.7	\$ 191.6
BHP Service Costs	\$ 237.6	\$ 214.3	\$ 261.9
BHP State Administrative Costs	\$ 7.0	\$ 6.5	\$ 7.6
Total BHP Program Costs	\$ 244.6	\$ 220.8	\$ 269.5
Net State Gain/(Loss) with Member Funds	(\$ 22.7)	\$ 31.9	(\$ 77.9)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
110% of Medicare Reimbursement, 50% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 15.2	\$ 13.5	\$ 16.2
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 29.8	\$ 28.1	\$ 30.8
Total Available Funds	\$ 224.6	\$ 254.9	\$ 194.3
BHP Service Costs	\$ 284.7	\$ 256.5	\$ 312.8
BHP State Administrative Costs	\$ 8.7	\$ 7.6	\$ 9.2
Total BHP Program Costs	\$ 293.3	\$ 264.1	\$ 322.0
Net State Gain/(Loss) with Member Funds	(\$ 68.7)	(\$ 9.2)	(\$ 127.7)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 13.5	\$ 12.4	\$ 15.2
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 28.1	\$ 27.1	\$ 29.8
Total Available Funds	\$ 223.0	\$ 253.8	\$ 193.2
BHP Service Costs	\$ 260.9	\$ 234.9	\$ 287.4
BHP State Administrative Costs	\$ 7.6	\$ 7.0	\$ 8.7
Total BHP Program Costs	\$ 268.4	\$ 241.9	\$ 296.0
Net State Gain/(Loss) with Member Funds	(\$ 45.5)	\$ 11.9	(\$ 102.8)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
129% of Medicare Reimbursement, 50% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 17.9	\$ 15.7	\$ 19.5
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 32.5	\$ 30.3	\$ 34.1
Total Available Funds	\$ 227.3	\$ 257.1	\$ 197.5
BHP Service Costs	\$ 333.9	\$ 300.9	\$ 366.9
BHP State Administrative Costs	\$ 9.7	\$ 9.2	\$ 10.8
Total BHP Program Costs	\$ 343.7	\$ 310.1	\$ 377.8
Net State Gain/(Loss) with Member Funds	(\$ 116.4)	(\$ 53.0)	(\$ 180.2)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (50% of Maximum)	\$ 16.2	\$ 14.6	\$ 17.9
Member Premium (50% of Maximum)	\$ 14.6	\$ 14.6	\$ 14.6
Member Available Funds (50% of Maximum)	\$ 30.8	\$ 29.2	\$ 32.5
Total Available Funds	\$ 225.7	\$ 256.0	\$ 195.9
BHP Service Costs	\$ 307.4	\$ 276.6	\$ 338.3
BHP State Administrative Costs	\$ 9.2	\$ 8.1	\$ 10.3
Total BHP Program Costs	\$ 316.6	\$ 284.7	\$ 348.5
Net State Gain/(Loss) with Member Funds	(\$ 90.9)	(\$ 28.7)	(\$ 152.6)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
78% of Medicare Reimbursement, 75% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 16.2	\$ 14.6	\$ 17.3
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 37.9	\$ 36.3	\$ 39.0
Total Available Funds	\$ 232.7	\$ 263.0	\$ 202.4
BHP Service Costs	\$ 202.4	\$ 182.9	\$ 221.9
BHP State Administrative Costs	\$ 6.0	\$ 5.4	\$ 6.5
Total BHP Program Costs	\$ 208.4	\$ 188.3	\$ 228.4
Net State Gain/(Loss) with Member Funds	\$ 24.4	\$ 74.7	(\$ 26.0)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 14.6	\$ 13.5	\$ 16.2
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 36.3	\$ 35.2	\$ 37.9
Total Available Funds	\$ 231.1	\$ 261.9	\$ 201.3
BHP Service Costs	\$ 187.8	\$ 169.4	\$ 206.2
BHP State Administrative Costs	\$ 5.4	\$ 4.9	\$ 6.0
Total BHP Program Costs	\$ 193.2	\$ 174.3	\$ 212.2
Net State Gain/(Loss) with Member Funds	\$ 37.9	\$ 87.7	(\$ 10.8)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
90% of Medicare Reimbursement, 75% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 18.4	\$ 16.8	\$ 20.6
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 40.0	\$ 38.4	\$ 42.2
Total Available Funds	\$ 234.9	\$ 265.2	\$ 205.7
BHP Service Costs	\$ 233.3	\$ 210.0	\$ 256.5
BHP State Administrative Costs	\$ 7.0	\$ 6.0	\$ 7.6
Total BHP Program Costs	\$ 240.3	\$ 215.9	\$ 264.1
Net State Gain/(Loss) with Member Funds	(\$ 5.4)	\$ 49.2	(\$ 58.4)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 16.8	\$ 15.2	\$ 18.4
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 38.4	\$ 36.8	\$ 40.0
Total Available Funds	\$ 233.3	\$ 263.6	\$ 203.5
BHP Service Costs	\$ 214.3	\$ 192.7	\$ 236.0
BHP State Administrative Costs	\$ 6.5	\$ 6.0	\$ 7.0
Total BHP Program Costs	\$ 220.8	\$ 198.6	\$ 243.0
Net State Gain/(Loss) with Member Funds	\$ 12.4	\$ 64.9	(\$ 39.5)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
100% of Medicare Reimbursement, 75% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 20.6	\$ 18.4	\$ 22.7
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 42.2	\$ 40.0	\$ 44.4
Total Available Funds	\$ 237.0	\$ 266.8	\$ 207.8
BHP Service Costs	\$ 260.3	\$ 234.3	\$ 286.3
BHP State Administrative Costs	\$ 7.6	\$ 7.0	\$ 8.7
Total BHP Program Costs	\$ 267.9	\$ 241.4	\$ 295.0
Net State Gain/(Loss) with Member Funds	(\$ 30.8)	\$ 25.4	(\$ 87.1)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 18.9	\$ 16.8	\$ 20.6
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 40.6	\$ 38.4	\$ 42.2
Total Available Funds	\$ 235.4	\$ 265.2	\$ 205.7
BHP Service Costs	\$ 237.6	\$ 214.3	\$ 261.9
BHP State Administrative Costs	\$ 7.0	\$ 6.5	\$ 7.6
Total BHP Program Costs	\$ 244.6	\$ 220.8	\$ 269.5
Net State Gain/(Loss) with Member Funds	(\$ 9.2)	\$ 44.4	(\$ 63.9)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
110% of Medicare Reimbursement, 75% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 22.7	\$ 20.6	\$ 24.9
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 44.4	\$ 42.2	\$ 46.5
Total Available Funds	\$ 239.2	\$ 269.0	\$ 210.0
BHP Service Costs	\$ 284.7	\$ 256.5	\$ 312.8
BHP State Administrative Costs	\$ 8.7	\$ 7.6	\$ 9.2
Total BHP Program Costs	\$ 293.3	\$ 264.1	\$ 322.0
Net State Gain/(Loss) with Member Funds	(\$ 54.1)	\$ 4.9	(\$ 112.0)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 20.6	\$ 18.4	\$ 22.7
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 42.2	\$ 40.0	\$ 44.4
Total Available Funds	\$ 237.0	\$ 266.8	\$ 207.8
BHP Service Costs	\$ 260.9	\$ 234.9	\$ 287.4
BHP State Administrative Costs	\$ 7.6	\$ 7.0	\$ 8.7
Total BHP Program Costs	\$ 268.4	\$ 241.9	\$ 296.0
Net State Gain/(Loss) with Member Funds	(\$ 31.4)	\$ 24.9	(\$ 88.2)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
129% of Medicare Reimbursement, 75% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 26.5	\$ 23.8	\$ 29.2
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 48.2	\$ 45.5	\$ 50.9
Total Available Funds	\$ 243.0	\$ 272.2	\$ 214.3
BHP Service Costs	\$ 333.9	\$ 300.9	\$ 366.9
BHP State Administrative Costs	\$ 9.7	\$ 9.2	\$ 10.8
Total BHP Program Costs	\$ 343.7	\$ 310.1	\$ 377.8
Net State Gain/(Loss) with Member Funds	(\$ 100.7)	(\$ 37.9)	(\$ 163.4)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.1	\$ 178.1	\$ 126.6
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.8
Total Non-Member Available Funds	\$ 194.8	\$ 226.8	\$ 163.4
Member Cost-Sharing (75% of Maximum)	\$ 24.4	\$ 21.6	\$ 26.5
Member Premium (75% of Maximum)	\$ 21.6	\$ 21.6	\$ 21.6
Member Available Funds (75% of Maximum)	\$ 46.0	\$ 43.3	\$ 48.2
Total Available Funds	\$ 240.8	\$ 270.1	\$ 211.6
BHP Service Costs	\$ 307.4	\$ 276.6	\$ 338.3
BHP State Administrative Costs	\$ 9.2	\$ 8.1	\$ 10.3
Total BHP Program Costs	\$ 316.6	\$ 284.7	\$ 348.5
Net State Gain/(Loss) with Member Funds	(\$ 75.8)	(\$ 14.6)	(\$ 136.9)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
78% of Medicare Reimbursement, 100% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 21.4	\$ 19.2	\$ 23.4
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 50.5	\$ 48.3	\$ 52.4
Total Available Funds	\$ 245.6	\$ 275.2	\$ 215.9
BHP Service Costs	\$ 202.6	\$ 183.0	\$ 222.0
BHP State Administrative Costs	\$ 6.1	\$ 5.6	\$ 6.7
Total BHP Program Costs	\$ 208.7	\$ 188.6	\$ 228.6
Net State Gain/(Loss) with Member Funds	\$ 36.8	\$ 86.6	(\$ 12.7)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 19.7	\$ 17.9	\$ 21.9
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 48.8	\$ 47.0	\$ 50.9
Total Available Funds	\$ 243.9	\$ 273.9	\$ 214.4
BHP Service Costs	\$ 187.6	\$ 169.5	\$ 206.3
BHP State Administrative Costs	\$ 5.6	\$ 5.0	\$ 6.2
Total BHP Program Costs	\$ 193.2	\$ 174.5	\$ 212.6
Net State Gain/(Loss) with Member Funds	\$ 50.7	\$ 99.4	\$ 1.9

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
90% of Medicare Reimbursement, 100% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 24.5	\$ 22.2	\$ 27.2
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 53.6	\$ 51.3	\$ 56.2
Total Available Funds	\$ 248.7	\$ 278.2	\$ 219.7
BHP Service Costs	\$ 233.2	\$ 209.8	\$ 256.7
BHP State Administrative Costs	\$ 7.1	\$ 6.2	\$ 7.7
Total BHP Program Costs	\$ 240.3	\$ 216.0	\$ 264.4
Net State Gain/(Loss) with Member Funds	\$ 8.3	\$ 62.2	(\$ 44.7)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 22.6	\$ 20.4	\$ 24.8
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 51.7	\$ 49.5	\$ 53.9
Total Available Funds	\$ 246.8	\$ 276.4	\$ 217.4
BHP Service Costs	\$ 214.5	\$ 192.8	\$ 236.0
BHP State Administrative Costs	\$ 6.5	\$ 5.9	\$ 7.1
Total BHP Program Costs	\$ 221.0	\$ 198.7	\$ 243.1
Net State Gain/(Loss) with Member Funds	\$ 25.9	\$ 77.7	(\$ 25.7)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
100% of Medicare Reimbursement, 100% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 27.4	\$ 24.6	\$ 30.2
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 56.5	\$ 53.7	\$ 59.3
Total Available Funds	\$ 251.6	\$ 280.6	\$ 222.7
BHP Service Costs	\$ 260.3	\$ 234.1	\$ 286.5
BHP State Administrative Costs	\$ 7.8	\$ 7.1	\$ 8.7
Total BHP Program Costs	\$ 268.1	\$ 241.2	\$ 295.2
Net State Gain/(Loss) with Member Funds	(\$ 16.5)	\$ 39.4	(\$ 72.5)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 25.0	\$ 22.5	\$ 27.6
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 54.1	\$ 51.6	\$ 56.7
Total Available Funds	\$ 249.2	\$ 278.6	\$ 220.1
BHP Service Costs	\$ 237.6	\$ 214.6	\$ 261.7
BHP State Administrative Costs	\$ 7.1	\$ 6.6	\$ 7.8
Total BHP Program Costs	\$ 244.7	\$ 221.1	\$ 269.5
Net State Gain/(Loss) with Member Funds	\$ 4.6	\$ 57.4	(\$ 49.4)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
110% of Medicare Reimbursement, 100% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 30.0	\$ 27.2	\$ 33.0
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 59.1	\$ 56.2	\$ 62.1
Total Available Funds	\$ 254.2	\$ 283.2	\$ 225.6
BHP Service Costs	\$ 284.4	\$ 256.7	\$ 312.9
BHP State Administrative Costs	\$ 8.6	\$ 7.7	\$ 9.4
Total BHP Program Costs	\$ 293.1	\$ 264.4	\$ 322.3
Net State Gain/(Loss) with Member Funds	(\$ 38.9)	\$ 18.8	(\$ 96.7)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 27.5	\$ 24.7	\$ 30.3
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 56.6	\$ 53.8	\$ 59.3
Total Available Funds	\$ 251.7	\$ 280.7	\$ 222.8
BHP Service Costs	\$ 261.0	\$ 234.8	\$ 287.2
BHP State Administrative Costs	\$ 7.8	\$ 7.1	\$ 8.7
Total BHP Program Costs	\$ 268.8	\$ 241.9	\$ 295.9
Net State Gain/(Loss) with Member Funds	(\$ 17.2)	\$ 38.8	(\$ 73.1)

State of Connecticut
Basic Health Program Analysis
Fiscal Summary
129% of Medicare Reimbursement, 100% Max Cost Sharing (\$ Millions)

MEDICAID BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 35.2	\$ 31.8	\$ 38.6
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 64.3	\$ 60.9	\$ 67.7
Total Available Funds	\$ 259.4	\$ 287.8	\$ 231.2
BHP Service Costs	\$ 333.7	\$ 300.7	\$ 366.8
BHP State Administrative Costs	\$ 9.9	\$ 9.2	\$ 11.0
Total BHP Program Costs	\$ 343.6	\$ 309.9	\$ 377.7
Net State Gain/(Loss) with Member Funds	(\$ 84.2)	(\$ 22.1)	(\$ 146.5)

ESSENTIAL HEALTH BENEFITS

SOURCES AND USES OF FUNDS	BEST ESTIMATE ASSUMPTION	OPTIMISTIC ASSUMPTION	PESSIMISTIC ASSUMPTION
	Best Estimate Silver Premium Best Estimate BHP Cost	Higher Silver Premium Lower BHP Cost	Lower Silver Premium Higher BHP Cost
Federal Premium Subsidies (at 95%)	\$ 152.3	\$ 178.3	\$ 126.8
Federal Cost-Sharing Subsidies (at 95%)	\$ 42.8	\$ 48.7	\$ 36.6
Total Non-Member Available Funds	\$ 195.1	\$ 226.9	\$ 163.5
Member Cost-Sharing (100% of Maximum)	\$ 32.5	\$ 29.1	\$ 35.6
Member Premium (100% of Maximum)	\$ 29.1	\$ 29.1	\$ 29.1
Member Available Funds (100% of Maximum)	\$ 61.5	\$ 58.2	\$ 64.6
Total Available Funds	\$ 256.6	\$ 285.1	\$ 228.1
BHP Service Costs	\$ 307.5	\$ 276.8	\$ 338.3
BHP State Administrative Costs	\$ 9.4	\$ 8.3	\$ 10.2
Total BHP Program Costs	\$ 316.9	\$ 285.1	\$ 348.5
Net State Gain/(Loss) with Member Funds	(\$ 60.2)	\$ 0.0	(\$ 120.4)