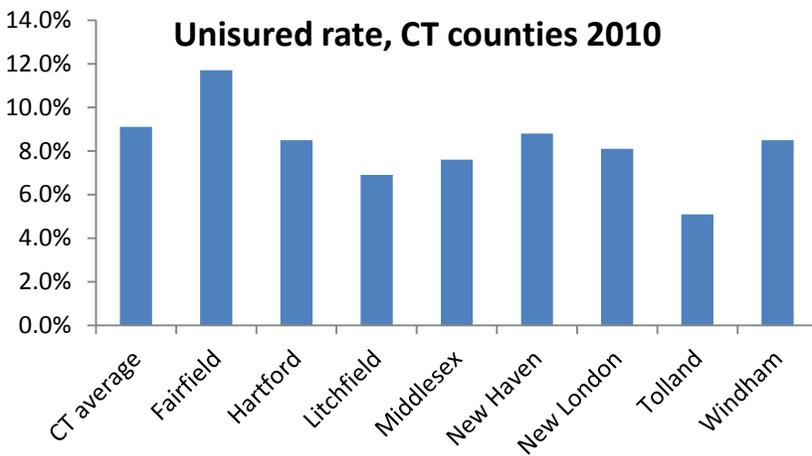
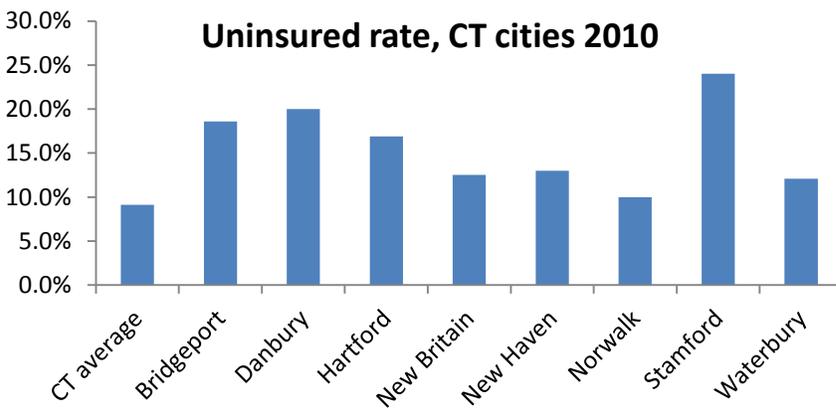


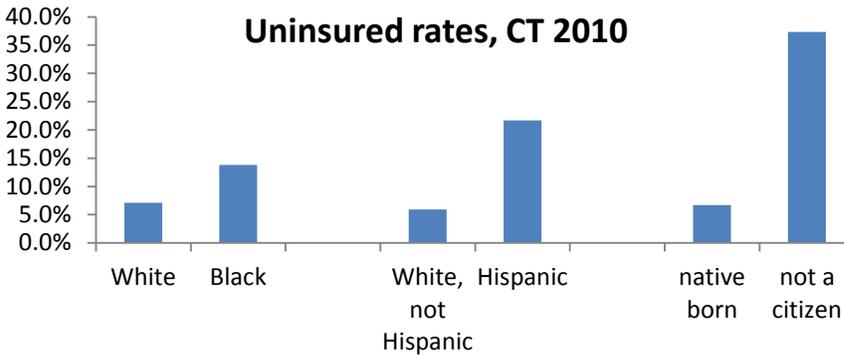
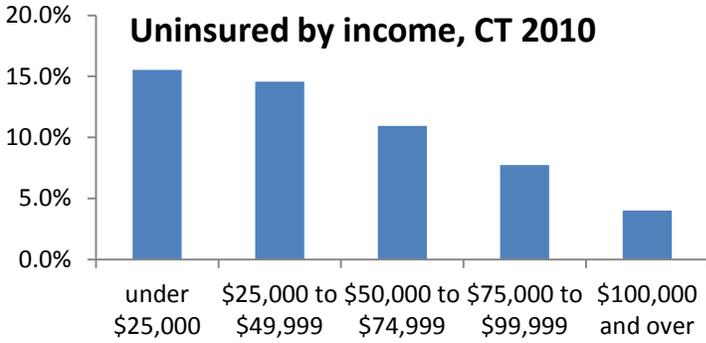
December 12, 2011, update Jan. 23, 2012

**For Sustinet Board Business Plan Committee – supplemental information to Mercer report
 Ellen Andrews**

More detail on Connecticut's uninsured

Uninsured from Census ACS, 2010

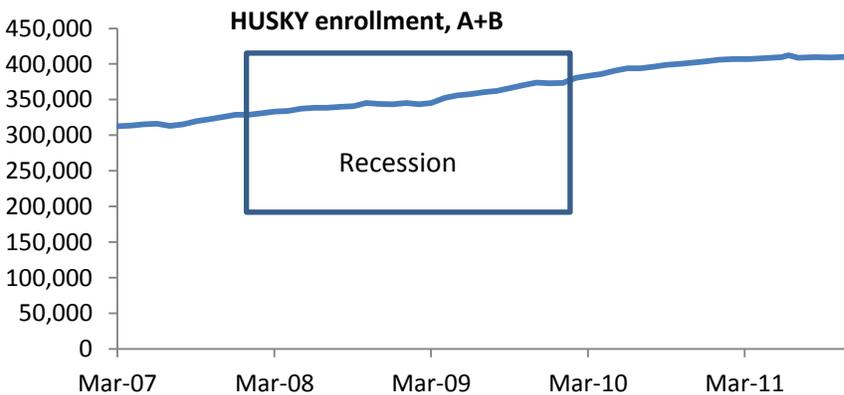




HUSKY numbers, like LIA, are up

End of the recession didn't stop growth in enrollment, didn't really seem to affect it much at all

Source: EDS



Note: in January 13th Medicaid Council meeting, DSS reported that LIA enrollment is slowing. Last year's spike in enrollment may have been a one-time bubble of pent-up demand and, in some part, eliminating the asset test. Legislators also reported that Medicaid is showing a surplus so far this year, eliminating the reasons for exploring possible benefit cuts, enrollment reductions, asset tests, etc.

Merging small group and individual markets – MA experience

From Massachusetts Health Reform: A Five Year Progress Report, BCBS Foundation of Mass, November 2011,

<http://bluecrossfoundation.org/~media/Files/Health%20Reform/Health%20Reform%20Implementation%20Massachusetts%20Health%20Reform%205%20Year%20Progress%20Report.pdf>

Like CT, MA had guaranteed issue and community benefit rating in their small group market before reform. Merging their individual and small group markets resulted in individual premiums that were 33% lower in 2008 than before reforms of 2006. In personal communications with MA legislative staff at the time, I learned that small business premiums increased <3% after the merger.

How many are underinsured? How is underinsurance defined?

How Many Are Underinsured? Trends Among U.S. Adults, 2003 And 2007
 Cathy Schoen, Sara R. Collins, Jennifer L. Kriss and Michelle M. Doty, *Health Affairs*, 27, no.4 (2008):w298-w309

Definition of underinsured:

Among those insured all year, we used respondents' estimates of out-of-pocket medical care spending, plan deductibles, and annual income (total household income) to classify them as underinsured if they experienced at least one of three indicators of financial exposure relative to income: (1) out-of-pocket medical expenses for care amounted to 10 percent of income or more; (2) among low-income adults (below 200 percent of the federal poverty level), medical expenses amounted to at least 5 percent of income; or (3) deductibles equaled or exceeded 5 percent of income.

The number of uninsured Americans was up 60% from 2003 to 2007 reaching 25 million Americans in 2007.

Affordable Care Act Reforms Could Reduce The Number Of Underinsured US Adults By 70 Percent
 Cathy Schoen, Michelle M. Doty, Ruth H. Robertson and Sara R. Collins, *Health Affairs*, 30, no.9 (2011):1762-1771

This article includes new estimates that the number of underinsured adult Americans was up again to 29 million last year.

Underinsured Americans are more likely to make less than \$20,000/yr (43%), more likely to be white non-Hispanic (69%), and 30 to 49 years old (44%).

American adults	All adults	<133% FPL	133 to 249%	250 to 399%	>400%
Uninsured	28%	51	36	15	7
Underinsured	16	26	22	15	8
Premium >5% income	17	11	27	26	15
Premium >10% income	8	9	14	8	4

Connecticut impact of national health reform, RAND economic modeling

The Impact of the Coverage-Related Provisions of the Patient Protection and Affordable Care Act on Insurance Coverage and State Health Care Expenditures in Connecticut, RAND,
http://www.rand.org/pubs/technical_reports/TR973z1.html

By 2016 RAND estimates that 40,000 CT residents will get coverage in the exchange through their small business employer, and another 270,000 will purchase it as individuals. 140,000 of the individuals will receive federal subsidies and will have to purchase insurance through the exchange. Their modeling predicts that employer sponsored coverage will not change significantly with reform, as did the Urban Institute/Gruber analysis, and as happened in MA with reform.

Mercer analysis of uninsured in CT by income

According to Mercer slides 62 and 63 of Dec 1st deck:

# uninsured in CT	
377,000	Total uninsured
155,700	<138% FPL – to Medicaid
65,400	139 to 200% -- possible BHP
100,000 (no table to support this)	200 to 400% -- subsidies
321,000	Total 0 to 400%
56,000	Left, over 400% (my calculation)

Average costs of coverage in CT by firm size

From MEPS, AHRQ, 2010

CT firms	all	<10 workers	<50	>50	
Offer benefits	59.0%	37.3%	46.5%	98.9%	
Single premium total	\$5,302	\$6,372	\$5,899	\$5,136	
Family premium	\$14,888	\$16,662	\$15,306	\$14,818	
Avg copay office visit	\$23.81		\$26.52	\$23.23	
Single deductible	\$1,201		\$1,592	\$1,087	
Family deductible	\$2,308		\$3,524	\$2,125	