

# 2019 Enrollment Recap

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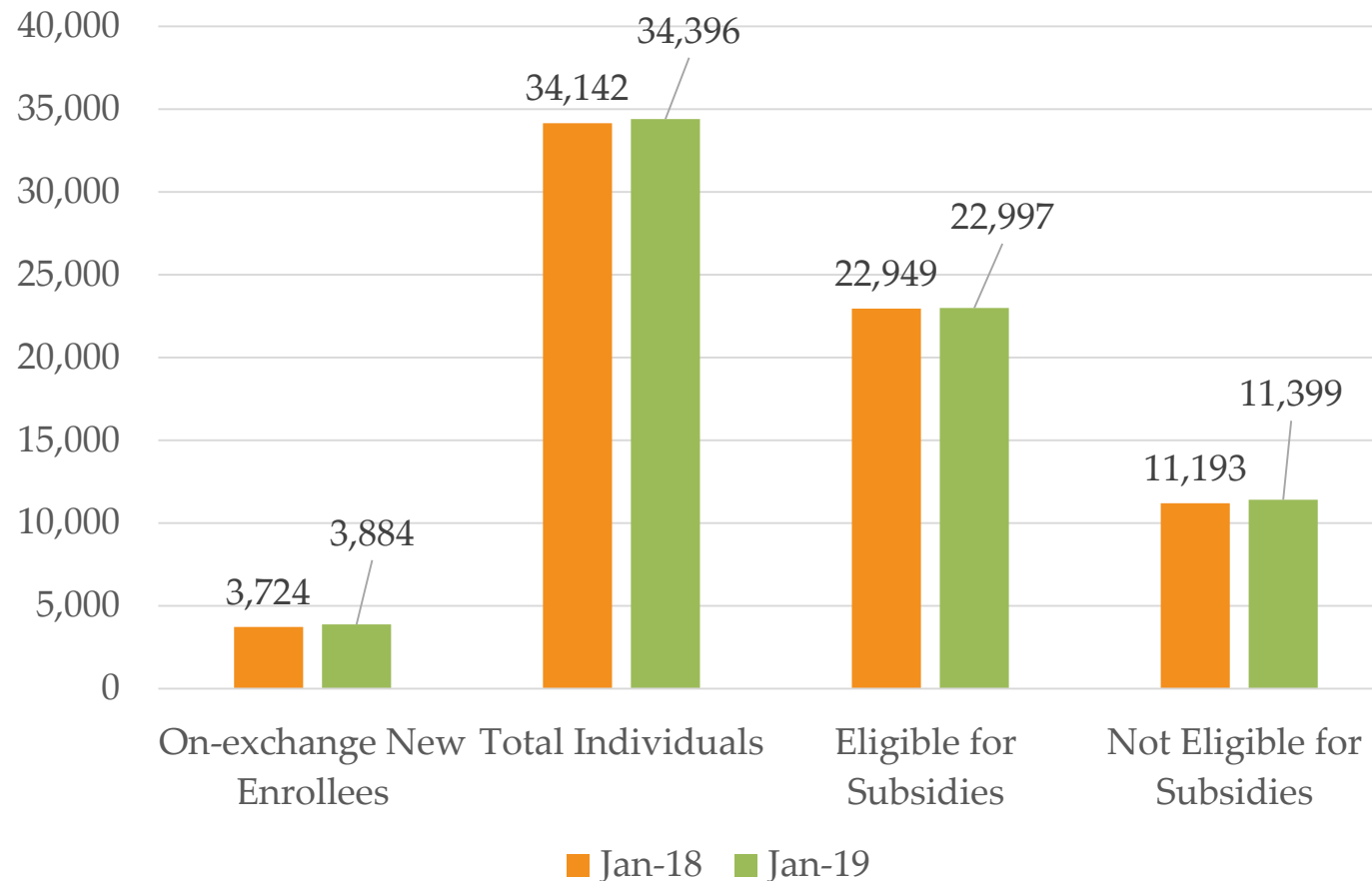
February 28, 2019

House Committee on Health Care

# Year-over-year Enrollment is Stable

While there were significant changes in federal and state policy, enrollment in Vermont's individual health plans remained stable from 2018 to 2019. The number of new members, subsidized members, and unsubsidized members all exceeded the prior year.

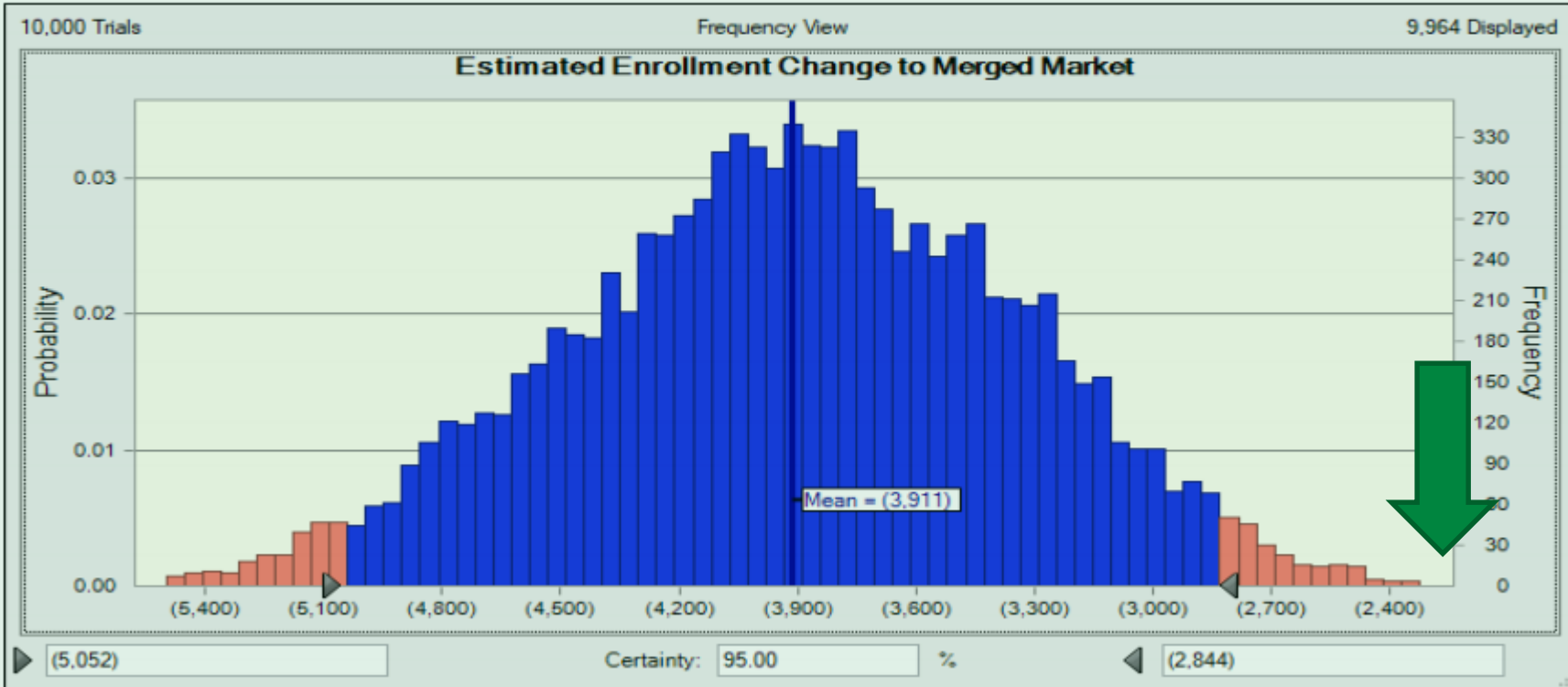
### Vermont's Individual Enrollment, Year over Year



## Individual Mandate Study forecasts the removal of federal penalty would diminish Vermont's market:

February 2018 Forecast

### Merged Market: Impact on Enrollment Decrease of 3.5 to 6%



**Predicted** change in merged market enrollment:

**-3.5 to -6.0%**

*(with a steeper drop among individuals)*

**Actual** change in individual enrollment:

**+0.7%**

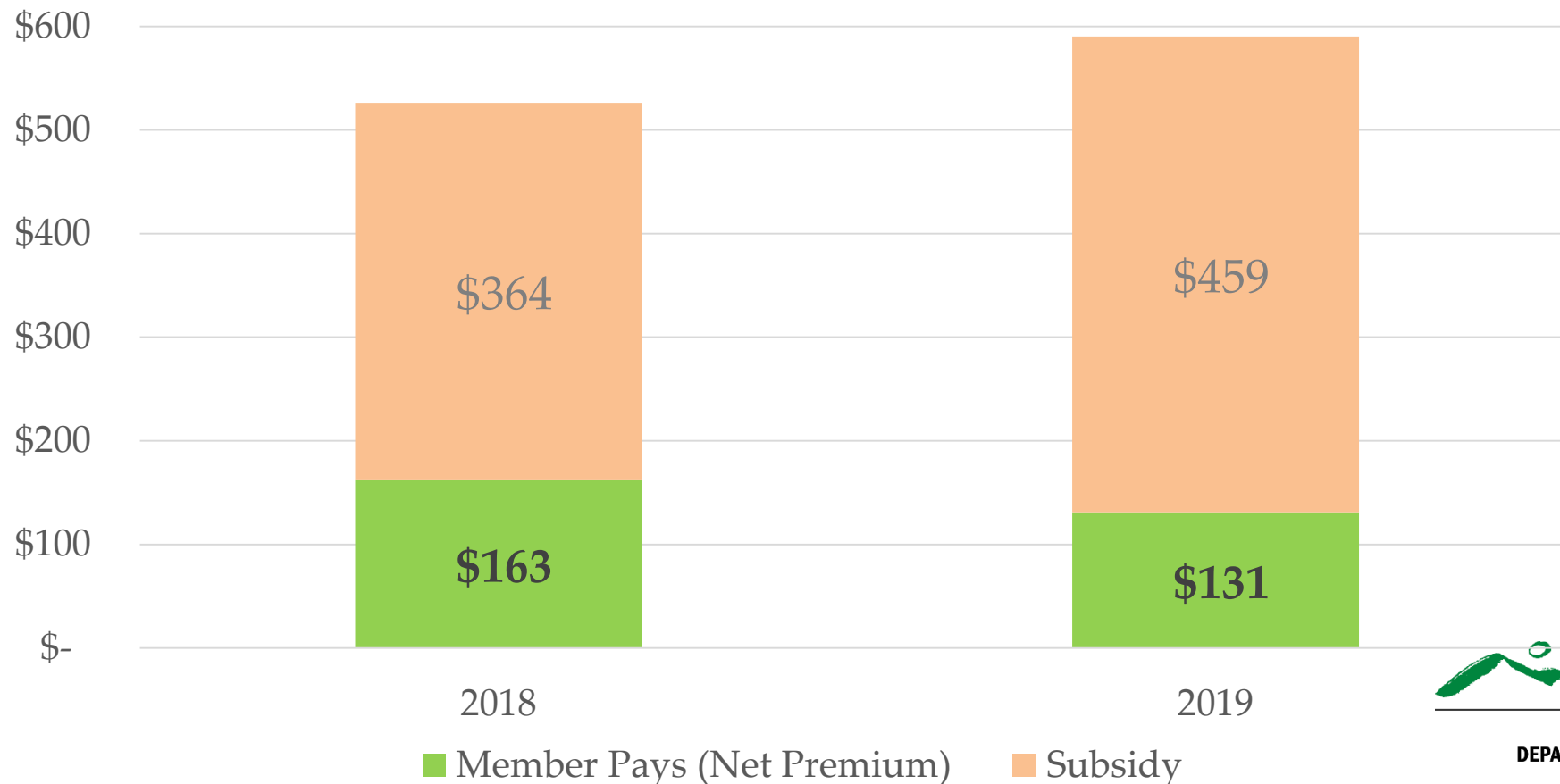
*(better than the most positive projection)*

- Decrease in enrollment in the individual and small group market of 3.5-6%
- Impact will likely be more significant on individuals than on small groups
- Decrease in younger, healthier individuals buying insurance

# Financial Help is Up

Complex policy changes led to an increase in federal premium tax credits for qualifying members (households without an offer of coverage who earn up to 400% of the federal poverty level, ~\$100,000 for a family of four). Even though members have higher incomes in 2019, the average member is still receiving \$95 more in subsidies.

Average Net Premium and Subsidy  
Per Subsidized Member, 2018 vs. 2019

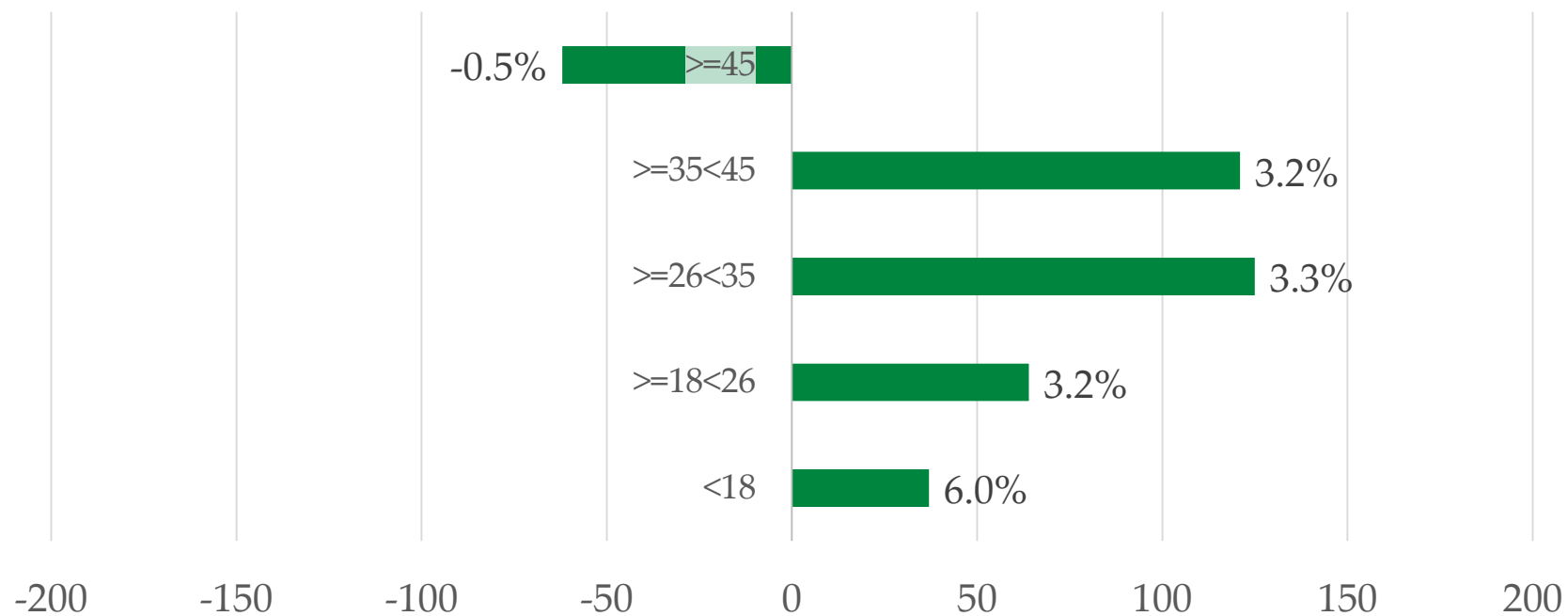


# Young Adults Take Advantage of Increased Subsidies

According to the 2018 Vermont Household Health Insurance Survey, young adults (age 26-34) have the highest uninsured rate in the state. In 2019, the number of young adults enrolled in subsidized plans increased more than any other age group. Enrollment by Vermonters age 45+ fell by 0.5% as more members turned 65 and moved into Medicare than turned 45 and moved into the 45+ age bracket.

## Enrollment Change by Age Group - Subsidized Members

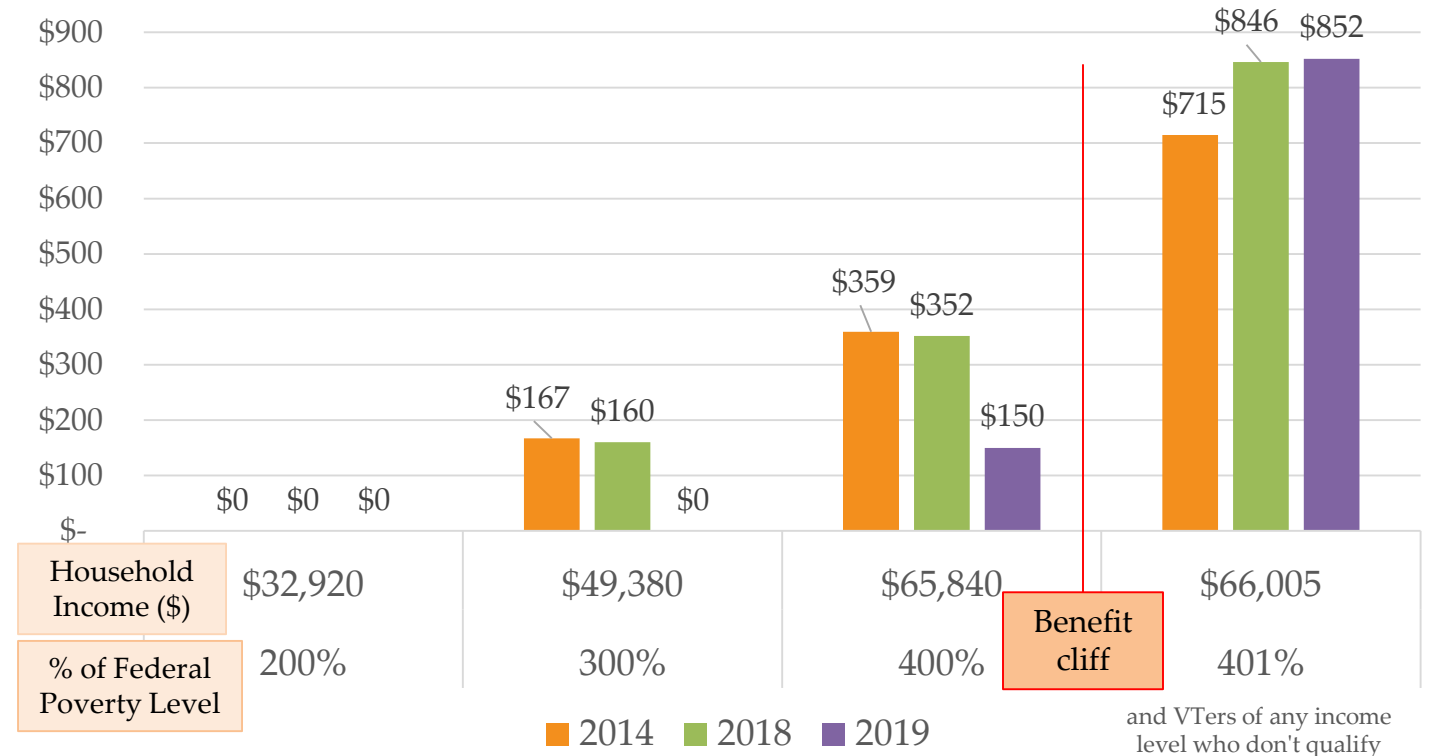
2019 enrollment relative to January 2018



# Increased Subsidies Make for Steeper Benefit Cliff

- Subsidized members could find bronze, gold, and platinum health plans with premiums significantly lower than at any point in the last five years.
  - For example, a couple earning just under \$50,000 would have paid \$167 per month for the lowest cost two-person plan in 2014.
  - In 2019, they can get that plan for \$0 as their subsidies exceed the premium.
- Vermonters just over the subsidy threshold pay slightly more than in past years and face a steeper benefit cliff.
  - Couples face the steepest cliff – paying over \$700 more per month than couples earning slightly less.
  - Households below the threshold can also end up over the cliff due to a federal policy known as the “family glitch.”
  - Nearly 300 Vermonters with incomes under 400% FPL are buying full-cost plans on the exchange due to a household member’s offer of employer-sponsored insurance.

Lowest Cost Bronze Couple Premium by Year  
 Net Monthly Premium for 2-person household, Adjusted for Inflation (2019\$)



Source: Source: Plan and subsidy costs from Vermont Health Connect. 6.33% cumulative inflation adjustment from <https://www.usinflationcalculator.com/>

