

GETTING GEORGIA COVERED

**WHAT WE CAN LEARN FROM CONSUMER
AND ASSISTER EXPERIENCES DURING THE
FIFTH OPEN ENROLLMENT PERIOD**

OE5

FIFTH OPEN ENROLLMENT PERIOD
2018

A PUBLICATION BY

OE5

By the Numbers

Total Enrollment
480,912

New Consumers
(30.6%)
147,066

Re-enrollees
(69.4%)
333,846

Consumers who actively switched plans (49.4%)
237,706

The Affordable Care Act's (ACA) fifth open enrollment period (known as OE5) ran from November 1 to December 15, 2017 and differed from the preceding four as a result of significant policy changes made by the U.S. Department of Health and Human Services. Understanding key information about consumer enrollment, cost, choice, and experience in this enrollment period can inform the work of advocates and policymakers to reach the shared goals of reducing the uninsured, improving access to care, addressing affordability, and protecting consumers.

Enrollment, costs, and choice for Georgia consumers

During the fifth open enrollment period, 480,912 Georgians enrolled in health plans through the Health Insurance Marketplace (also called the Marketplace or healthcare.gov). Enrollment by Georgia consumers was 2.6% lower than in 2017, but the state's enrollment decline was less pronounced than other states and was one percentage point lower than the national enrollment decline of 3.6%.

Urban-rural enrollment trends were consistent with previous years, as enrollment remained robust in urban areas and lagged in rural areas of the state. As in all previous Marketplace open enrollment periods, residents in nine metro-Atlanta counties and Chatham County made up 60% of Georgia's enrollees. Like in 2017, the state's most dramatic enrollment declines were seen in rural counties where drops of up to 35% were recorded.

TABLE 1.
TOP TEN GEORGIA COUNTIES BY ENROLLMENT FOR OE5

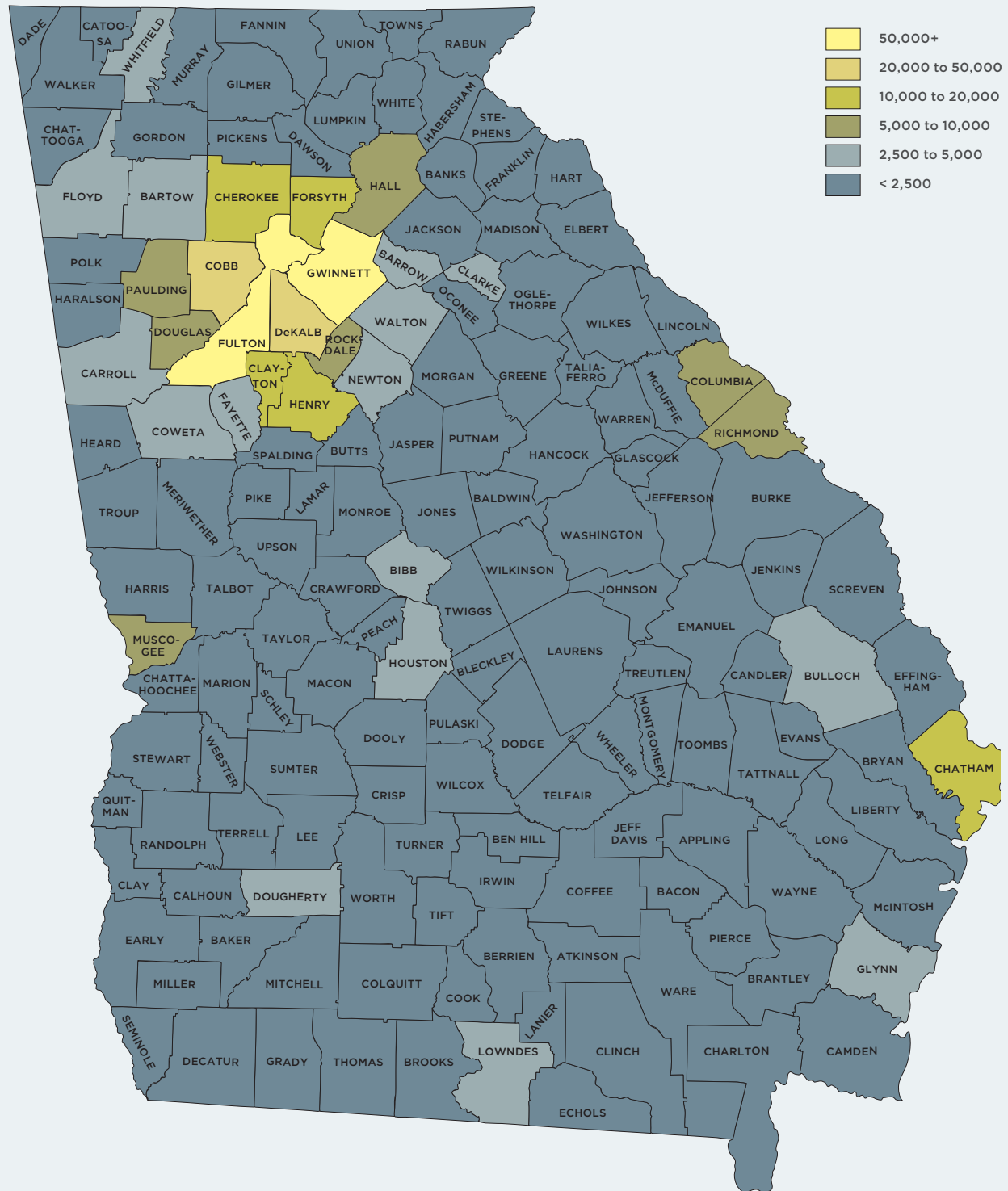
| County | 2018 Enrollment | Percent Change from 2017 |
|-------------|-----------------|--------------------------|
| 1. Gwinnett | 78,810 | 2.5% |
| 2. Fulton | 51,100 | -3.8% |
| 3. Cobb | 45,590 | 3.4% |
| 4. DeKalb | 42,070 | -6.6% |
| 5. Clayton | 16,530 | -5.5% |
| 6. Chatham | 12,750 | -8.6% |
| 7. Cherokee | 12,260 | -3.4% |
| 8. Forsyth | 11,600 | 0.0% |
| 9. Henry | 10,500 | -7.0% |
| 10. Hall | 8,950 | 2.6% |

TABLE 2.
COUNTIES WITH THE LARGEST DECLINES IN PLAN SELECTIONS

| County | 2018 Enrollment | Percent Change |
|------------|-----------------|----------------|
| Macon | 330 | -135% |
| Atkinson | 140 | -37% |
| Marion | 250 | -29% |
| Wheeler | 110 | -28% |
| Coffee | 930 | -27% |
| Washington | 570 | -23% |
| Ware | 590 | -22% |
| McDuffie | 700 | -21% |
| Charlton | 210 | -21% |

2018

Enrollment by County



Costs and affordability

Affordability remains a top concern for consumers as they choose and enroll in health care coverage, especially in light of the 54% jump in health insurance rates ahead of the 2018 plan year. Among consumers who received financial assistance through the Marketplace, this worry was less pronounced as they saw little difference in their costs; for consumers with incomes above 400% of the Federal Poverty Level (FPL), the price increases were burdensome.

To assist low- and moderate-income consumers in purchasing affordable health coverage, the ACA provides two kinds of financial assistance:

ADVANCED PREMIUM TAX CREDITS (APTCs)

APTCs are tax credits made available to eligible consumers on a monthly basis to lower monthly premium payments. Consumers with annual incomes of 100-400% of the federal poverty level (FPL) who are purchasing health insurance through the Marketplace and are not eligible for Medicaid or job-based health insurance may receive APTCs

In Georgia, 85% of Georgians who selected Marketplace plans received an APTC, lowering the average monthly premium from \$609 to \$146.¹

APTCs grow in response to the cost of a silver-level plan. For those consumers who receive APTCs, the tie between the tax credits and the cost of a plan insulates them from significant jumps in premium prices, as was the case in 2018.

COST-SHARING REDUCTIONS (CSRs)

CSRs are discounts that lower the amount consumers must pay towards deductibles, co-insurance, and co-payments for consumers with annual incomes of 100-250% FPL. CSRs only apply to silver-level plans.

In Georgia, 65% of consumers who selected a plan through the Marketplace received a CSR

OE5

By the Numbers

Average premium:

\$609

Avg. premium after APTC:

\$146

Consumers with APTCs and/or cost-sharing reduction:

409,621
(85%)

Consumers with APTC:
408,933
(85%)

Consumers with CSR:
312,087
(65%)

Average APTC among consumers receiving APTC:

\$545

Silver-loading

The Trump administration, in October 2017, announced that the government would no longer make CSR subsidy payments to insurers unless Congress provided an appropriation for the payments. As a result, for plan year 2018, insurers incorporated the expected costs of CSR assistance (which they were still legally required to provide) into plan premiums.

In Georgia and 37 other states, insurance regulators directed insurers to “load” the costs of CSR payments onto only silver level plans. The prevalence of “silver loading” caused silver-level plan premiums to rise by 32% nationwide in 2018, while premiums for gold-level plans rose by only 18% and bronze plan premiums by 17%.³ Since premium tax credits increased correspondingly with the jump in silver plan premiums, some consumers found it advantageous to shift from silver plans to gold-level plans with lower premiums or bronze-level plans that in many cases required no additional premium beyond the premium tax credit.

The fifth open enrollment period brought with it a significant shift in the types of plans selected by Georgia consumers. Platinum plans, which were reintroduced to the Georgia Marketplace in 2017, saw a massive 470% increase in enrollments and gold plans saw an impressive 189% increase in enrollments.² (See Table 3.)

This shift in consumer preference for higher value plans is likely a consequence of the Trump administration’s decision to halt cost-sharing reduction (CSR) reimbursement payments to carriers. Insurance carriers are legally required to provide the CSR assistance to eligible enrollees, regardless of reimbursement by the federal government, and in the months leading up to the administration’s decision, insurers and advocates warned that such a move would increase premium costs by 20%. Insurers largely made up for their expected CSR-related losses by increasing rates for silver-level plans only through a technique called “silver-loading”. Because the size of advanced premium tax credits (APTCs) is directly tied to the cost of a silver-level benchmark plan, much higher premiums for the benchmark plan caused the tax credits to increase by more than the amount of the premium increases in most cases.

As a result, many consumers were able to purchase gold and platinum level plans for as much or less than they could purchase silver plans.

TABLE 3. GEORGIA CONSUMER PLAN SELECTIONS BY METAL TIER

| Metal Tier | 2018 Plan Selections | 2017 Plan Selections | % Change |
|--------------|----------------------|----------------------|----------|
| Catastrophic | 4,767 | 7,526 | -37% |
| Bronze | 77,624 | 75,066 | 3% |
| Silver | 373,612 | 403,044 | -7% |
| Gold | 22,932 | 7,937 | 189% |
| Platinum | 1,977 | 347 | 470% |
| Total | 480,912 | 493,920 | -2.6% |

CHOICE OF INSURERS

Four health insurance carriers offered plans on the Georgia Marketplace during the fifth open enrollment period. Of the five insurers that participated in 2017, Humana opted not to return for the 2018 plan year and Blue Cross Blue Shield of Georgia scaled back to cover only the 85 counties in which it was the only carrier.⁴

In 145 counties, consumers were limited to one choice of insurer, while consumers in the remaining 14 counties, all of which were located in the metro-Atlanta region, were able to select plans from two insurance carriers. While a choice of insurers was limited for consumers in the majority of Georgia counties, these shoppers made up a minority (39%) of Georgia’s Marketplace enrollees; more than six in ten (61%) Georgians were offered a choice of insurers.

Although competition in the Marketplace was limited among insurers, consumers were offered a variety of plan options. On average, 16 qualified health plans were available in each county and each insurer offered ten plans, down slightly from 12 in 2017.⁵

TABLE 4. PERCENT OF CONSUMERS WITH CHOICE OF INSURERS IN THE ACA MARKETPLACE

| | 2017 | 2018 |
|------------------------|------|------|
| Three or more insurers | 55% | 0% |
| Two insurers | 29% | 61% |
| One insurer | 16% | 39% |

The consumer experience

Georgians for a Healthy Future conducted interviews with enrollment assisters from across Georgia to identify common themes in consumer experiences with their enrollment or coverage through the Marketplace. This year’s interviews revealed the following themes:

A SHORTER OPEN ENROLLMENT PERIOD AND REDUCED CONSUMER ASSISTANCE LEFT CONSUMERS BEHIND

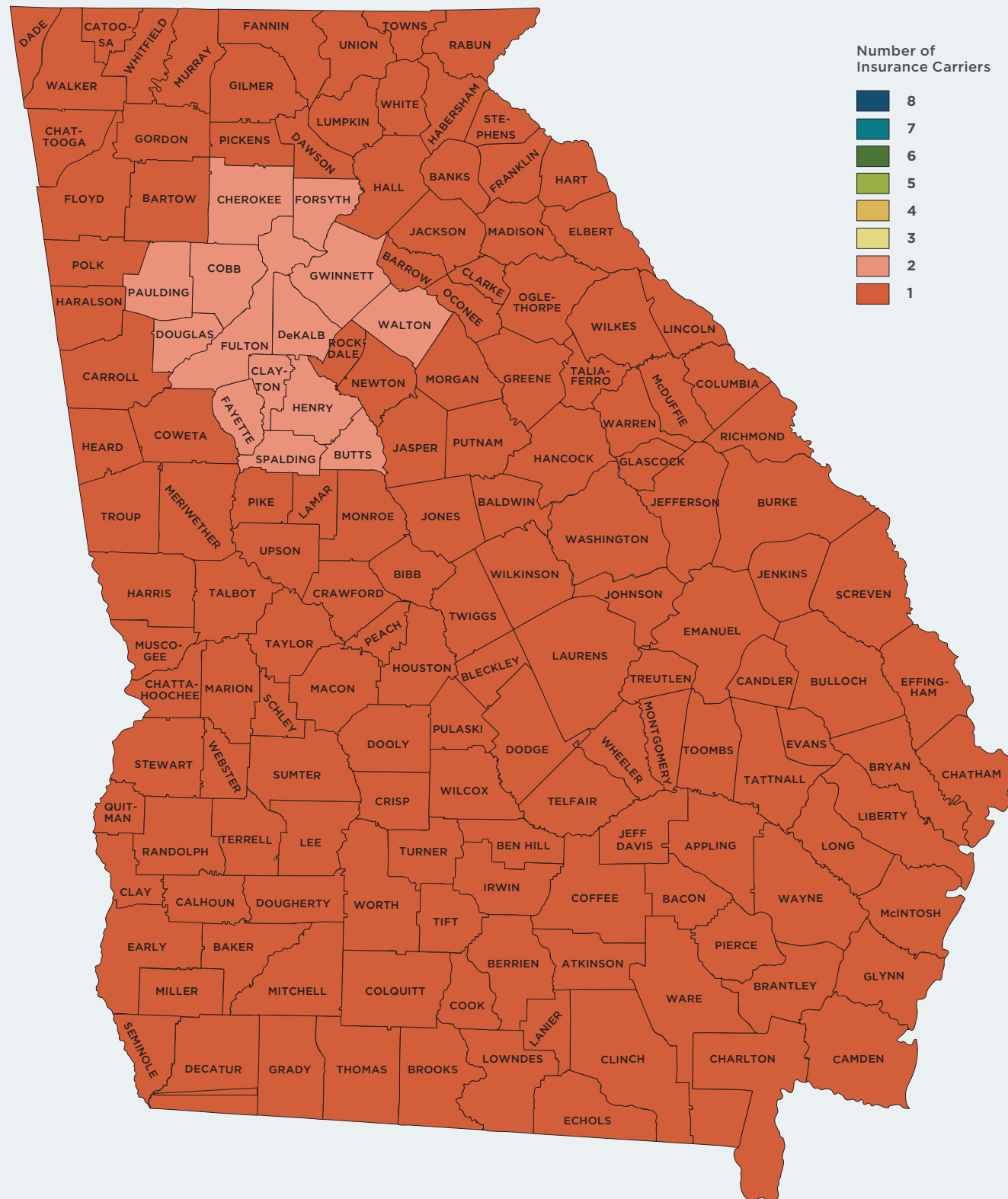
In 2017, the Trump administration announced that the fifth open enrollment period would last for 45 days (from November 1 to December 15, 2017), instead of the 60-90 days provided for previous enrollment periods. Months later, the administration also announced that would be slashing its Marketplace advertising budget by 90% and cutting funds for Georgia’s health insurance navigator program by 61%. The result was a dramatic reduction in the public marketing campaign to consumers about the opportunity to enroll in health insurance and a drastic fall-off in the capacity to reach and assist consumers directly.⁶ All of the enrollment assisters interviewed reported that they were unable to serve the volume of consumers who requested their help to enroll, and that they had to turn people away because consumers had unknowingly missed the enrollment deadline.

HEALTHCARE.GOV AND HEALTH LITERACY GAINS HELP CONSUMERS ENROLL MORE EASILY

Over the last several open enrollment periods, the federal government has made incremental improvements to healthcare.gov, the online shopping platform for the Marketplace, including increased capacity to handle large volumes of website visitors, the ability to filter health plans by features, and comparison shopping tools. These improvements have enhanced the consumer shopping experience, and as consumers return to healthcare.gov to purchase coverage year after year, their familiarity with the system has further eased the shopping experience for many.

2018

Number of Participating Carriers By County



Consistent with prior years, returning consumers demonstrated gains in health literacy that allowed them to more easily shop for coverage and better understand the financial implications of their choices. Several enrollment assisters interviewed suggested that the Congressional debates about health care in 2017 also worked to improve consumers' understanding of health insurance.

NARROW NETWORKS AND CONTINUITY OF COVERAGE REMAINS A CHALLENGE FOR RURAL CONSUMERS

As in previous years, enrollment assisters who serve rural areas of the state expressed concern about consumers' ability to access specialty care in a timely manner because the provider networks offered by insurance plans are so narrow. Some enrollment assisters reported that consumers have to drive an hour in one direction or wait up to four months for the next available appointment with a specialist. A 2015 study by the Robert Wood Johnson Foundation and the University of Pennsylvania listed Georgia as 50th in its ranking of states with the narrowest provider networks.⁷

In the counties where consumers were left with one option of insurance carrier, assisters reported that the simplicity helped consumers more easily select a plan; however, for those consumers who were forced to switch insurers and had on-going health needs, the change posed a challenge for the continuity of their care with a consistent provider. This challenge also arose for metro-Atlanta consumers who were previously enrolled in a Blue Cross Blue Shield plan, but were forced to switch when the insurer no longer covered the region.

Policy and Advocacy Opportunities

EXPAND ACCESS TO HEALTH INSURANCE

An estimated 240,000 low-income Georgians are stuck in the coverage gap, unable to gain health care coverage. Many of these consumers come to enrollment assisters to try to enroll in health insurance only to find out they do not qualify for any type of coverage (tax credits for Marketplace coverage are available only for people with incomes of 100-400% FPL). Thirty-three states have closed their coverage gaps thus far with promising results, including lower Marketplace premiums for consumers purchasing private coverage.⁸ We encourage Georgia policymakers to take this important step as well to ensure that all Georgians have a pathway to coverage.

ADDRESS AFFORDABILITY

Health insurance rates in Georgia jumped dramatically ahead of the 2018 plan year, and middle-income consumers who do not receive financial assistance shouldered most of the increases. If insurance costs continue to rise unabated, these consumers will be unable to afford the increasing costs. Thus far, seven states have secured approval of 1332 waivers to implement state-specific

reinsurance programs, which reimburse insurance carriers for very high-cost claims.⁹ Reinsurance programs have helped to increase competition in insurance markets, reduce prices for consumers, and save money for the federal government in the states where they have been implemented.¹⁰ We encourage Georgia’s policymakers to pursue a tailored reinsurance program to lower health insurance costs for Georgia consumers.

BUILD A MARKET WITH STRONG FOUNDATIONS

In 2018, new federal rules undercut the Marketplace by allowing skimpy short-term limited duration (“short-term plans”) to last as long as 364 days and to be re-issued for up to three years.¹¹ The increased availability of short-term plans endangers consumers by offering insufficient, junk coverage marketed for people experiencing life changes (like changing jobs or moving); however, the ACA provides special enrollment periods for comprehensive coverage (and financial assistance for eligible consumers) for the same transitional periods. The increased availability of short-term plans puts consumers at financial risk and increases premiums as it drains young, healthy consumers from the Marketplace risk pool. We encourage Georgia’s policymakers to limit the availability of short-term plans to less than three months with no successive renewal.

ENSURE ACCESS TO CARE AND FINANCIAL PROTECTIONS

Health insurance plans with the lowest premiums are often a first choice for consumers, but these plans are commonly more affordable because of narrow provider networks. Although narrow networks can hold down the cost of health insurance, they can result in insufficient coverage, inhibit continuity of care, and lead to burdensome surprise medical bills if consumers unknowingly receive services from out-of-network providers. We encourage Georgia’s policymakers to address network adequacy and surprise out-of-network billing in tandem by developing a comprehensive network adequacy standard, based on National Association of Insurance Commissioners (NAIC) model act released in the fall of 2015 and passing legislation that protects consumers from surprise out-of-network billing by placing limits on allowable out-of-network charges, setting disclosure and transparency requirements for health care providers, and establishing a process to resolve billing disputes between patients, providers, and health care facilities.^{12,13}

ELIMINATE UNCERTAINTY FOR GEORGIA CONSUMERS

The Affordable Care Act provides protections for large swaths of consumers as a way to ensure all people have access to needed health care and coverage. For the 30% of Georgia consumers with pre-existing conditions their continued ability to access care has been and continues to be uncertain.^{14,15} Also uncertain are the nondiscrimination protections in Section 1557 of the ACA, granted to millions of Georgia consumers who are people of color, in need of reproductive health services, foreign born, have a disability, or identify as LGBT. For the benefit of all Georgians, certainty about the ability to access needed health coverage and services is critical. Continued uncertainty around these protections destabilizes Georgia’s insurance market and stresses

Georgia families and individuals. We recommend that Georgia’s policymakers pass legislation that mirrors the Affordable Care Act’s protections for people with pre-existing conditions and enact statewide nondiscrimination protections for that prohibit discrimination on the basis of race, color, national origin, sex, sexual orientation, gender identity, or disability in areas of everyday life, to include health care.

REFERENCES

| 2018 FEDERAL POVERTY LEVELS | | | |
|-----------------------------|----------|----------|-----------|
| Family Size | 100% FPL | 250% FPL | 400% FPL |
| 1 | \$12,140 | \$30,350 | \$48,560 |
| 2 | 16,460 | \$41,150 | \$65,840 |
| 3 | \$20,780 | \$51,950 | \$83,120 |
| 4 | \$25,100 | \$62,750 | \$100,400 |
| 5 | \$29,420 | \$73,550 | \$117,680 |
| 6 | \$33,740 | \$84,350 | \$134,960 |

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GHF annually examines the consumer experience in Georgia’s Marketplace in order to inform public policy discussions that may impact the accessibility, costs, or quality of consumer coverage in Georgia. The content of this policy brief was developed through reviewing and compiling existing data sources, synthesizing consumer feedback received by our staff, and interviewing enrollment assisters across Georgia.

This report was written by Laura Colbert and Michelle Conde at Georgians for a Healthy Future. The authors would like to thank the enrollments assisters who participated in the informational interviews. The recommendations made in this report reflect only the views of Georgians for a Healthy Future.



50 Hurt Plaza SE, Suite 806
Atlanta, GA 30303

TEL 404 567 5016

FAX 404 935 9885

EMAIL info@healthyfuturega.org

healthyfuturega.org