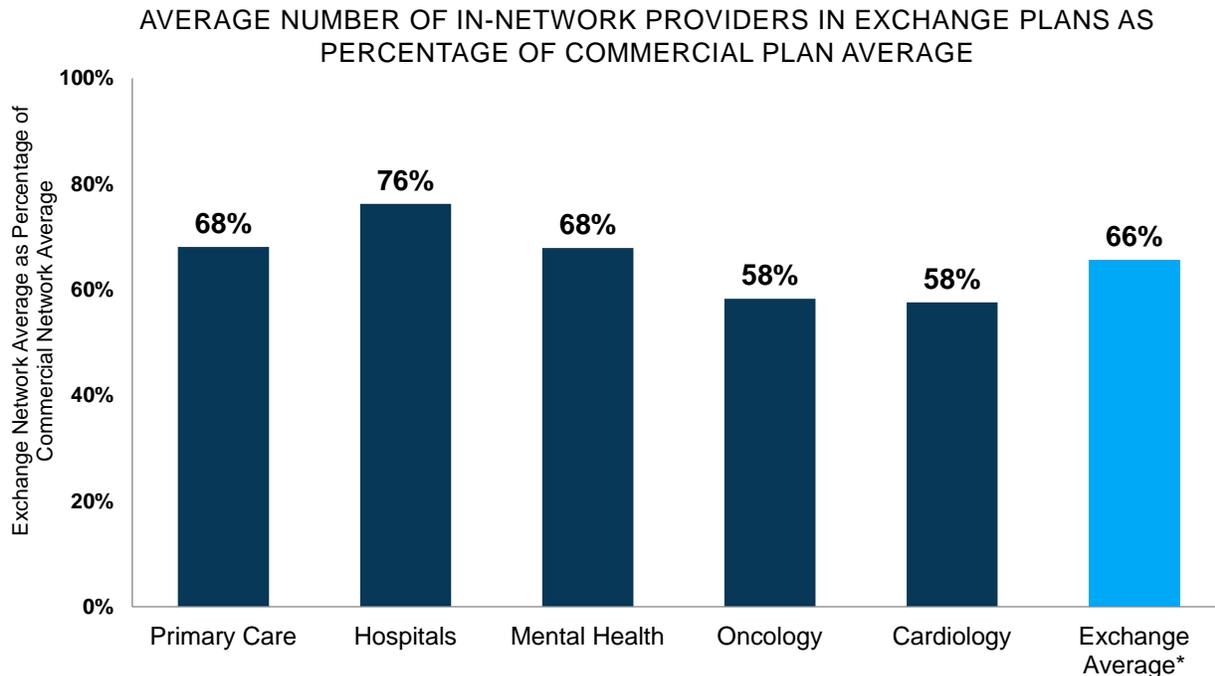




Exchange Plans Include 34 Percent Fewer Providers than the Average for Commercial Plans

New analysis from Avalere finds that the average provider networks for plans offered on the health insurance exchanges created by the Affordable Care Act (ACA) include 34 percent fewer providers than the average commercial plan offered outside the exchange. The new data quantifies anecdotal reports that exchange networks contain fewer providers than traditional commercial plans.

“Plans continue to test new benefit designs in the exchange market,” said Dan Mendelson, CEO at Avalere. “Given the new requirements put in place by the ACA, network design is one way plans can drive value-based care and keep premiums low.”



*Reflects average across provider types; exchange network average as percentage of commercial network average weighted equally for each provider type.
Source: Avalere PlanScape®, a proprietary analysis of exchange plan features, June 2015.
Provider network affiliation data used in this analysis was provided by Strenuus for the 2015 plan year.

Specifically, the analysis finds that exchange plan networks include 42 percent fewer oncology and cardiology specialists; 32 percent fewer mental health and primary care providers; and 24 percent fewer hospitals. Importantly, care provided by out-of-network providers does not count toward the out-of-pocket limits put in place by the ACA.

“Patients should evaluate a plan’s provider network when picking insurance on the exchange,” said Elizabeth Carpenter, vice president at Avalere. “Out-of-network care does not accrue toward out-of-pocket maximums, leaving consumers vulnerable to high costs if they seek care from a provider not included in their plan’s network.”

In its annual guidance to plans seeking to offer insurance on the federal exchange, the Centers for Medicare and Medicaid Services (CMS) noted that they would focus in particular on hospital systems, mental health providers, oncology providers, and primary care providers, when evaluating plans for compliance with network adequacy standards.

Methodology

Avalere examined the largest rating region in the top five states by 2015 exchange effectuated enrollment: Florida, California, Texas, Georgia, and North Carolina. In each of these rating regions, Avalere compared the average number of providers included, for each of the five provider types examined, in exchange networks compared to commercial networks in the same geographic area. Commercial network data includes plans offered in the group and individual markets outside the exchange. Provider network affiliation data used in this analysis was provided by Strenuus for the 2015 plan year.

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