

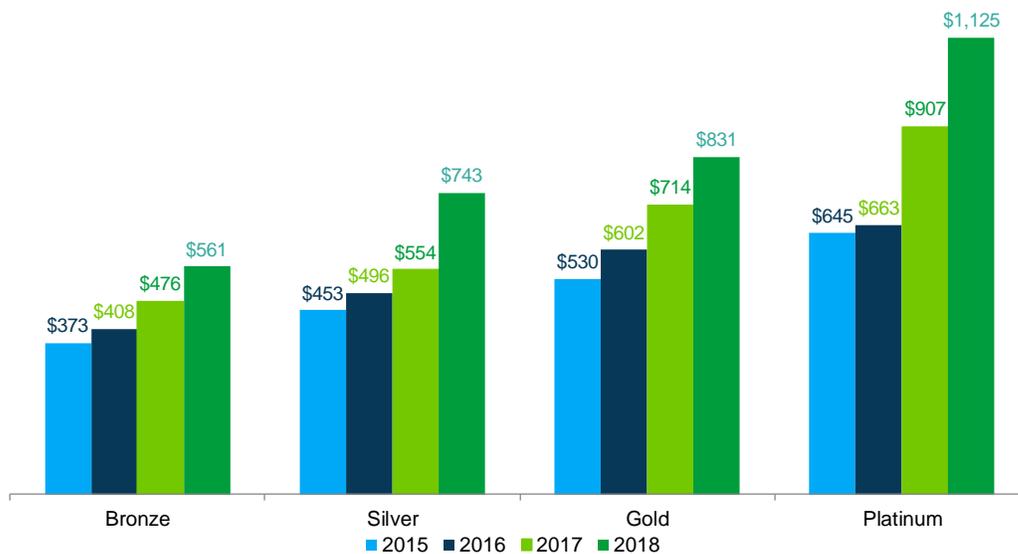
SILVER EXCHANGE PREMIUMS RISE 34% ON AVERAGE IN 2018

New analysis from Avalere finds that the 2018 exchange market will see silver premiums rise by an average of 34%. According to Avalere’s analysis of filings from Healthcare.gov states, exchange premiums for the most popular type of exchange plan (silver) will be 34% higher, on average, compared to last year. Premiums for Bronze, Gold, and Platinum plans will rise 18%, 16%, and 24%, respectively, on average, compared to last year.

“Plans are raising premiums in 2018 to account for market uncertainty and the federal government’s failure to pay for cost-sharing reductions,” said Caroline Pearson, senior vice president at Avalere. “These premium increases may allow insurers to remain in the market and enrollees in all regions to have access to coverage.”

Avalere experts attribute premium increases to a number of factors, including elimination of cost-sharing reduction (CSR) payments, lower than anticipated enrollment in the marketplace, limited insurer participation, insufficient action by the government to reimburse plans that cover higher cost enrollees (e.g., via risk corridors), and general volatility around the policies governing the exchanges. The vast majority of exchange enrollees are subsidized and can avoid premium increases, if they select the lowest or second lowest cost silver plan in their region. However, some unsubsidized consumers who pay the full premium cost may choose not to enroll for 2018 due to premium increases.

Figure 1: Average Exchange Plan Premiums by Metal Level, 2015 - 2018



“Marketplace instability is being driven by the continued debate over repeal and replace of the Affordable Care Act, uncertainty around CSR payments, and the introduction of non-ACA compliant plans through the Executive Order,” said Chris Sloan, senior manager at Avalere. “We’re seeing this marketplace instability lead to large jumps in premiums and fewer health plan offerings.”



Average premium increases will vary significantly by state. For example, Iowa will see the highest jump in average silver premium, 69%, over 2017, while Alaska will see a decrease in premiums for 2018, at -22% (Table 1). Exact premium amounts consumers can expect to pay will vary depending on their location and selected plan. Notably, in states with limited plan participation, the average silver premium maybe lower than the second lowest cost silver.

Table 1: Average Silver and Average Second Lowest Cost Silver Plan Premiums, 2017-2018

State	Average Silver Plan			Average Second Lowest Cost Silver Plan		
	2017	2018	% Change	2017	2018	% Change
HC.GOV AVERAGE*	\$554	\$743	34%	\$540	\$743	38%
AK*	\$1,278	\$996	-22%	\$1,295	\$1,016	-22%
AL*	\$627	\$752	20%	\$650	\$782	20%
AR	\$465	\$571	23%	\$420	\$506	21%
AZ*	\$828	\$779	-6%	\$867	\$820	-5%
DE*	\$641	\$820	28%	\$592	\$826	40%
FL	\$563	\$836	49%	\$543	\$821	51%
GA	\$544	\$807	48%	\$542	\$807	49%
HI	\$497	\$687	38%	\$484	\$637	32%
IA*	\$593	\$1,001	69%	\$487	\$1,054	116%
IL	\$620	\$815	31%	\$574	\$783	36%
IN	\$470	\$515	10%	\$379	\$481	27%
KS	\$577	\$745	29%	\$513	\$687	34%
KY	\$470	\$609	30%	\$399	\$580	45%
LA	\$695	\$888	28%	\$591	\$692	17%
ME	\$591	\$883	49%	\$561	\$859	53%
MI	\$493	\$636	29%	\$411	\$566	38%
MO	\$595	\$851	43%	\$571	\$791	39%
MS*	\$512	\$731	43%	\$472	\$739	56%
MT	\$678	\$762	12%	\$623	\$725	16%
NC	\$772	\$896	16%	\$766	\$871	14%
ND	\$505	\$486	-4%	\$474	\$459	-3%
NE*	\$718	\$1,018	42%	\$732	\$1,075	47%
NH	\$462	\$694	50%	\$373	\$663	78%
NJ	\$565	\$728	29%	\$473	\$574	21%
NM	\$447	\$620	39%	\$366	\$581	59%
NV*	\$535	\$693	30%	\$512	\$784	53%
OH	\$493	\$614	25%	\$383	\$528	38%
OK*	\$775	\$823	6%	\$714	\$914	28%
OR	\$536	\$605	13%	\$460	\$569	24%
PA	\$484	\$689	42%	\$478	\$682	43%
SC	\$574	\$736	28%	\$546	\$728	33%
SD	\$650	\$775	19%	\$638	\$695	9%
TN*	\$665	\$949	43%	\$704	\$1,072	52%
TX*	\$529	\$648	23%	\$491	\$675	38%
UT	\$531	\$869	64%	\$488	\$856	76%
VA	\$513	\$824	61%	\$464	\$804	73%
WI	\$602	\$820	36%	\$511	\$731	43%
WV	\$694	\$809	17%	\$642	\$744	16%
WY	\$719	\$1,187	65%	\$690	\$1,185	72%

*Note, those states indicated with an asterisk are instances where the average second lowest cost silver plan in the state is higher than the average silver plan premium in the state. This is due to a limited number of silver plans (where often the second lowest cost silver plan is the highest cost silver plan in the rating region) in a high percentage or all of the state.



Table 2: Average Bronze, Gold, and Platinum Premiums, 2017-2018

State	Average Bronze Plan			Average Gold Plan			Average Platinum Plan		
	2017	2018	% Change	2017	2018	% Change	2017	2018	% Change
HC.GOV AVERAGE	\$476	\$561	18%	\$714	\$831	16%	\$907	\$1,125	24%
AK	\$1,009	\$755	-25%	\$1,509	\$1,088	-28%			N/A
AL	\$469	\$495	6%	\$805	\$828	3%			N/A
AR	\$379	\$436	15%	\$552	\$611	11%			N/A
AZ	\$694	\$646	-7%	\$1,044	\$1,004	-4%			N/A
DE	\$523	\$664	27%	\$779	\$987	27%			N/A
FL	\$486	\$561	15%	\$776	\$902	16%	\$950	\$1,188	25%
GA	\$502	\$667	33%	\$760	\$1,097	44%	\$899	\$987	10%
HI	\$396	\$489	24%	\$593	\$667	13%	\$700	\$771	10%
IA	\$524	\$840	60%	\$806	\$1,114	38%	\$945		N/A
IL	\$523	\$608	16%	\$747	\$846	13%			N/A
IN	\$457	\$454	-1%	\$592	\$664	12%			N/A
KS	\$496	\$609	23%	\$710	\$812	14%			N/A
KY	\$408	\$452	11%	\$576	\$729	27%			N/A
LA	\$573	\$676	18%	\$849	\$973	15%	\$849	\$1,118	32%
ME	\$502	\$603	20%	\$814	\$962	18%			N/A
MI	\$380	\$440	16%	\$634	\$706	11%	\$701	\$749	7%
MO	\$513	\$687	34%	\$772	\$1,097	42%			N/A
MS	\$501	\$660	32%	\$630	\$922	46%			N/A
MT	\$545	\$568	4%	\$853	\$863	1%			N/A
NC	\$634	\$662	4%	\$981	\$975	-1%			N/A
ND	\$414	\$421	2%	\$633	\$642	1%			N/A
NE	\$636	\$830	30%	\$855	\$1,133	33%			N/A
NH	\$368	\$565	53%	\$592	\$868	47%	\$563		N/A
NJ	\$481	\$522	9%	\$998	\$1,084	9%			N/A
NM	\$374	\$481	29%	\$527	\$618	17%			N/A
NV	\$465	\$545	17%	\$737	\$838	14%			N/A
OH	\$431	\$465	8%	\$600	\$735	22%			N/A
OK	\$597	\$606	2%	\$969	\$920	-5%			N/A
OR	\$440	\$461	5%	\$631	\$665	5%			N/A
PA	\$397	\$533	34%	\$694	\$720	4%	\$894	\$1,012	13%
SC	\$505	\$522	4%	\$709	\$788	11%			N/A
SD	\$527	\$603	14%	\$820	\$865	6%			N/A
TN	\$492	\$573	16%	\$1,030	\$1,285	25%			N/A
TX	\$470	\$530	13%	\$693	\$741	7%			N/A
UT	\$413	\$555	35%	\$813	\$997	23%			N/A
VA	\$430	\$646	50%	\$662	\$1,049	59%	\$722	\$809	12%
WI	\$516	\$599	16%	\$703	\$817	16%	\$728	\$789	8%
WV	\$600	\$696	16%	\$843	\$1,009	20%			N/A
WY	\$615	\$829	35%	\$846	\$1,011	20%			N/A

ADDITIONAL CONTEXT

Importantly, these rates reflect the data current displayed on HealthCare.gov. These rates may change prior to open enrollment depending on how states respond to the elimination of CSR funding for the 2018 plan year. States where health plans were not permitted to provide an amended or second set of rates assuming the loss of CSRs may permit health plans to refile their rates prior to 2018 open enrollment, due



to the elimination of the CSR payments. In states where this occurs, it is expected that the newly updated rates will be substantially higher for the 2018 plan year.

METHODOLOGY

To conduct the analysis, Avalere utilized the recently released 2018 Individual Market HHS Landscape Files of 2018 exchange plan premiums in Healthcare.gov states. Avalere then compared the average unweighted premiums within each state by metal level to prior years analysis of the Individual Market HHS Landscape files. To calculate the average premiums, Avalere deduped the files to unique plans in each rating region in each state. Avalere used premiums for a 50 year old individual to calculate the averages.

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