

Out-of-Pocket Maximums in Individual ACA market

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Background on Out-of-Pocket Maximums

- The out-of-pocket maximum (aka maximum out-of-pocket aka MOOP) is the maximum amount a consumer has to pay for covered, in-network services before insurance company covers at 100%
 - Amounts paid toward deductibles, copays, or coinsurances are all accumulated toward the MOOP
 - Premium payments, amounts paid for non-covered services, and the balance billing portion of out-of-network claims do NOT count toward the MOOP
 - MOOP under ACA includes both medical and drug spending
 - Change from pre-ACA where most plans in the Individual market had no MOOP for drug spending, only one for medical

Background on MOOPs (cont)

- ACA set annual limits on the MOOP
 - Annual limit applies to combined medical/drug MOOP
 - 2014 MOOP limit was set at \$6,350 for an individual, matching IRS MOOP limit for HDHPs
 - ACA indexed MOOP limit to premium growth, while IRS is indexed to general inflation
 - 2023 ACA MOOP = \$9,100 while 2023 HDHP MOOP = \$7,500
 - Family MOOP limit is double the Individual limit
 - Lower MOOP for low income families eligible for silver CSR plans
 - \$3,000 MOOP limit in 2023 for those between 100% and 200% FPL
 - \$7,250 MOOP limit for those between 200% and 250% FPL

MOOP trends in the Individual market

- Pre-ACA, the average MOOP was \$4,700.
- Between 2014 and 2018, the average MOOP for non-CSR plans increased rapidly to \$7,000
- Between 2019 and 2022, the average MOOP has increased at a slower pace to \$7,500
 - Marketwide shift away from bronze and towards gold, driven by “silver loading”, has been the primary driver of this slowed MOOP growth
- 2023 average MOOP will increase to \$7,600 with no enrollment shifts
 - With continued enrollment shift towards gold, might only increase to \$7,550

How many people hit their OOP Max?

- With the rapid increase in OOP max, there was concerns about the impact on members
- MIA was asked by MHBE to do a data call to the carriers to quantify what proportion of the market has been reaching their OOP maximum
- Data was collected for 2019 through 2021 plan years for each carrier.
 - Data split between on and off-exchange
 - Data split by metal level
 - Data split between self-only and family contracts
- MIA has aggregated data from all carriers for this presentation

Self-Only MOOP by metal level

| % of Self-Only Members reaching their MOOP by Metal Level | | | | | | | |
|---|----------|-----------------|----------|-----------------|----------|-----------------|-----------------|
| | 2019 | | 2020 | | 2021 | | 3-Year Average |
| Metal Level | Ave MOOP | % Reaching MOOP | Ave MOOP | % Reaching MOOP | Ave MOOP | % Reaching MOOP | % Reaching MOOP |
| Catastrophic | \$ 7,900 | 0.1% | \$ 8,150 | 0.4% | \$ 8,550 | 0.4% | 0.3% |
| Bronze | \$ 7,387 | 5.2% | \$ 7,502 | 4.6% | \$ 7,941 | 4.8% | 4.9% |
| Silver: Base | \$ 6,992 | 3.3% | \$ 7,869 | 3.0% | \$ 7,967 | 3.6% | 3.3% |
| Silver: 73% CSR | \$ 6,279 | 1.4% | \$ 6,484 | 3.1% | \$ 6,450 | 3.5% | 2.7% |
| Silver: 87% CSR & 94% CSR | \$ 2,096 | 3.0% | \$ 2,056 | 3.5% | \$ 2,052 | 4.3% | 3.6% |
| Gold | \$ 6,704 | 2.1% | \$ 6,703 | 1.9% | \$ 6,812 | 2.2% | 2.1% |
| Platinum | \$ 4,000 | 0.5% | \$ 4,000 | 0.6% | \$ 4,000 | 0.8% | 0.6% |

Self-Only MOOP On vs Off Exchange

| % of Self-Only Members Reaching their MOOP: On vs Off Exchange, 3-Year average | | | | | |
|--|-------------|--------------|-------|--|-------------------------|
| Metal Level | On-Exchange | Off-Exchange | Total | | Off vs On Exchange Diff |
| Catastrophic | 0.3% | 0.3% | 0.3% | | 0.0% |
| Bronze | 4.3% | 6.4% | 4.9% | | 2.0% |
| Silver: Base | 2.4% | 3.8% | 3.3% | | 1.4% |
| Gold | 1.6% | 3.4% | 2.1% | | 1.9% |
| Platinum | 0.7% | 0.6% | 0.6% | | -0.1% |

Family MOOP by Metal Level

| % of Family Contracts reaching their MOOP by Metal Level | | | | | | | |
|--|-----------|-----------------|-----------|---------------|-----------|-----------------|-----------------|
| | 2019 | | 2020 | | 2021 | | 3-Year Average |
| Metal Level | Ave MOOP | % Reaching MOOP | Ave MOOP | Reaching MOOP | Ave MOOP | % Reaching MOOP | % Reaching MOOP |
| Catastrophic | \$ 15,800 | 0.0% | \$ 16,300 | 0.0% | \$ 17,100 | 0.5% | 0.2% |
| Bronze | \$ 14,998 | 0.1% | \$ 15,044 | 0.9% | \$ 15,771 | 1.1% | 0.7% |
| Silver: Base | \$ 13,912 | 0.0% | \$ 15,764 | 0.3% | \$ 15,904 | 0.6% | 0.3% |
| Silver: 73% CSR | \$ 12,574 | 0.1% | \$ 12,973 | 1.1% | \$ 12,903 | 0.9% | 0.7% |
| Silver: 87% CSR & 94% CSR | \$ 4,314 | 0.3% | \$ 4,213 | 0.4% | \$ 4,172 | 1.0% | 0.5% |
| Gold | \$ 13,415 | 0.0% | \$ 13,409 | 0.1% | \$ 13,488 | 0.2% | 0.1% |
| Platinum | \$ 8,014 | 0.0% | \$ 8,013 | 0.2% | \$ 8,000 | 0.0% | 0.1% |

Family MOOP: On vs Off Exchange

| % of Family Contracts Reaching their MOOP: On vs Off Exchange, 3-Year average | | | | | |
|---|-------------|--------------|-------|--|-------------------------|
| Metal Level | On-Exchange | Off-Exchange | Total | | Off vs On Exchange Diff |
| Catastrophic | 0.3% | 0.0% | 0.2% | | -0.3% |
| Bronze | 0.5% | 1.2% | 0.7% | | 0.8% |
| Silver: Base | 0.5% | 0.2% | 0.3% | | -0.2% |
| Gold | 0.1% | 0.1% | 0.1% | | 0.0% |
| Platinum | 0.1% | 0.0% | 0.1% | | -0.1% |

Appendix

2019 Detailed MOOP data

| | | | | | Average | Average | On Exchange | Off Exchange | On Exchange | Off Exchange |
|------------------------------|--------------------------|---------|---------------|---------------|-----------------|-----------------|--------------|--------------|-------------|--------------|
| | | | On | Off | On Exchange | Off Exchange | Number | Number | % of | % of |
| | | Federal | Exchange | Exchange | OOP | OOP | Reaching | Reaching | Reaching | Reaching |
| | | AV | Members | Members | Max | Max | OOP Max | OOP Max | OOP Max | OOP Max |
| ACTUAL MEMBERS 2019 | | | | | | | | | | |
| | Metal | | | | | | | | | |
| | Catastrophic/Young Adult | 57% | 2,376 | 3,558 | \$7,900 | \$7,900 | 2 | 1 | 0.1% | 0.0% |
| | Bronze | 60% | 15,446 | 6,328 | \$7,260 | \$7,697 | 683 | 457 | 4.4% | 7.2% |
| | Silver | | | | | | | | | |
| | Base Plan | 70% | 4,130 | 6,684 | \$7,304 | \$6,800 | 90 | 272 | 2.2% | 4.1% |
| | CSR | 73% | 3,639 | - | \$6,279 | | 52 | - | 1.4% | |
| | CSR | 87% | 14,215 | - | \$2,450 | | 557 | - | 3.9% | |
| | CSR | 94% | 19,324 | - | \$1,835 | | 458 | - | 2.4% | |
| | Silver Subtotal | | 41,308 | 6,684 | \$2,985 | \$6,800 | 1,157 | 272 | 2.8% | 4.1% |
| | Gold | 80% | 20,442 | 9,318 | \$6,702 | \$6,708 | 301 | 320 | 1.5% | 3.4% |
| | Platinum | 90% | 1,086 | 506 | \$4,000 | \$4,000 | 7 | 1 | 0.6% | 0.2% |
| | TOTAL | | 80,658 | 26,394 | \$4,904 | \$7,077 | 2,150 | 1,051 | 2.7% | 4.0% |
| ACTUAL CONTRACTS 2019 | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | Metal | | | | | | | | | |
| | Catastrophic/Young Adult | 57% | 110 | 155 | \$15,800 | \$15,800 | - | - | 0.0% | 0.0% |
| | Bronze | 60% | 5,822 | 2,549 | \$14,791 | \$15,468 | 7 | 1 | 0.1% | 0.0% |
| | Silver | | | | | | | | | |
| | Base Plan | 70% | 1,517 | 3,068 | \$14,595 | \$13,575 | 2 | - | 0.1% | 0.0% |
| | CSR | 73% | 1,408 | - | \$12,574 | | 1 | - | 0.1% | |
| | CSR | 87% | 5,312 | - | \$4,952 | | 12 | - | 0.2% | |
| | CSR | 94% | 5,881 | - | \$3,738 | | 17 | - | 0.3% | |
| | Silver Subtotal | | 14,118 | 3,068 | \$6,243 | \$13,575 | 32 | - | 0.2% | 0.0% |
| | Gold | 80% | 9,048 | 4,786 | \$13,394 | \$13,456 | 1 | 2 | 0.0% | 0.0% |
| | Platinum | 90% | 378 | 188 | \$8,000 | \$8,041 | - | - | 0.0% | 0.0% |
| | TOTAL | | 29,476 | 10,746 | \$10,184 | \$13,906 | 40 | 3 | 0.1% | 0.0% |

2020 Detailed MOOP data

| | | | | | Average | Average | On Exchange | Off Exchange | On Exchange | Off Exchange |
|------------------------------|-----------------|---------------|---------------|-----------------|-----------------|--------------|--------------|--------------|-------------|--------------|
| ACTUAL MEMBERS 2020 | | | On | Off | On Exchange | Off Exchange | Number | Number | % of | % of |
| | Federal | | Exchange | Exchange | OOP | OOP | Reaching | Reaching | Reaching | Reaching |
| Metal | AV | Members | Members | Max | Max | OOP Max | OOP Max | OOP Max | OOP Max | OOP Max |
| Catastrophic/Young Adult | 57% | 2,732 | 3,428 | \$8,150 | \$8,150 | 8 | 16 | 0.3% | 0.5% | |
| Bronze | 60% | 18,943 | 7,202 | \$7,449 | \$7,641 | 794 | 405 | 4.2% | 5.6% | |
| Silver | Base Plan | 70% | 3,191 | 5,914 | \$7,903 | \$7,850 | 55 | 215 | 1.7% | 3.6% |
| | CSR | 73% | 2,257 | - | \$6,484 | | 69 | - | 3.1% | |
| | CSR | 87% | 12,912 | - | \$2,470 | | 611 | - | 4.7% | |
| | CSR | 94% | 19,130 | - | \$1,777 | | 524 | - | 2.7% | |
| Silver | Subtotal | | 37,490 | 5,914 | \$2,821 | \$7,850 | 1,259 | 215 | 3.4% | 3.6% |
| Gold | 80% | 30,290 | 11,131 | \$6,705 | \$6,698 | 424 | 363 | 1.4% | 3.3% | |
| Platinum | 90% | 1,416 | 596 | \$4,000 | \$4,000 | 9 | 3 | 0.6% | 0.5% | |
| TOTAL | | 90,871 | 28,271 | \$5,259 | \$8,941 | 2,494 | 1,002 | 2.7% | 3.5% | |
| ACTUAL CONTRACTS 2020 | | | On | Off | Average | Average | Number | Number | % of | % of |
| | Federal | | Exchange | Exchange | OOP | OOP | Contracts | Contracts | Contracts | Contracts |
| Metal | AV | Contracts | Contracts | Max | Max | OOP Max | OOP Max | OOP Max | OOP Max | OOP Max |
| Catastrophic/Young Adult | 57% | 111 | 130 | \$16,300 | \$16,300 | - | - | 0.0% | 0.0% | |
| Bronze | 60% | 6,749 | 2,933 | \$14,986 | \$15,177 | 40 | 45 | 0.6% | 1.5% | |
| Silver | Base Plan | 70% | 997 | 2,503 | \$15,838 | \$15,734 | 5 | 6 | 0.5% | 0.2% |
| | CSR | 73% | 915 | - | \$12,973 | | 10 | - | 1.1% | |
| | CSR | 87% | 4,473 | - | \$4,985 | | 20 | - | 0.4% | |
| | CSR | 94% | 5,734 | - | \$3,611 | | 17 | - | 0.3% | |
| Silver | Subtotal | | 12,119 | 2,503 | \$5,831 | \$15,734 | 52 | 6 | 0.4% | 0.2% |
| Gold | 80% | 12,594 | 5,371 | \$13,403 | \$13,426 | 14 | 8 | 0.1% | 0.1% | |
| Platinum | 90% | 403 | 228 | \$8,000 | \$8,036 | 1 | - | 0.2% | 0.0% | |
| TOTAL | | 31,976 | 11,165 | \$10,809 | \$14,327 | 107 | 59 | 0.3% | 0.5% | |

2021 Detailed MOOP data

| | | | | | Average | Average | On Exchange | Off Exchange | On Exchange | Off Exchange |
|------------------------------|-----------------|-----------|---------------|---------------|-----------------|-----------------|--------------|--------------|-------------|--------------|
| ACTUAL MEMBERS 2021 | | | On | Off | On Exchange | Off Exchange | Number | Number | % of | % of |
| | Federal | Exchange | Exchange | OOP | OOP | Reaching | Reaching | Reaching | Reaching | |
| | AV | Members | Members | Max | Max | OOP Max | OOP Max | OOP Max | OOP Max | |
| Catastrophic/Young Adult | 57% | 2,315 | 2,759 | \$8,550 | \$8,550 | 10 | 11 | 0.4% | 0.4% | |
| Bronze | 60% | 19,945 | 6,838 | \$7,933 | \$7,965 | 864 | 426 | 4.3% | 6.2% | |
| Silver | Base Plan | 70% | 2,191 | 5,242 | \$8,033 | \$7,939 | 72 | 197 | 3.3% | 3.8% |
| | CSR | 73% | 1,669 | - | \$6,450 | | 58 | - | 3.5% | |
| | CSR | 87% | 9,579 | - | \$2,534 | | 506 | - | 5.3% | |
| | CSR | 94% | 18,573 | - | \$1,804 | | 693 | - | 3.7% | |
| Silver | Subtotal | | 32,012 | 5,242 | \$2,691 | \$7,939 | 1,329 | 197 | 4.2% | 3.8% |
| Gold | 80% | 37,530 | 11,868 | \$6,846 | \$6,707 | 671 | 425 | 1.8% | 3.6% | |
| Platinum | 90% | 1,614 | 731 | \$4,000 | \$4,000 | 12 | 7 | 0.7% | 1.0% | |
| TOTAL | | | 93,416 | 27,438 | \$5,647 | \$7,369 | 2,886 | 1,066 | 3.1% | 3.9% |
| ACTUAL CONTRACTS 2021 | | | On | Off | On Exchange | Off Exchange | Number | Number | % of | % of |
| | Federal | Exchange | Exchange | OOP | OOP | Reaching | Reaching | Reaching | Reaching | |
| | AV | Contracts | Contracts | Max | Max | OOP Max | OOP Max | OOP Max | OOP Max | |
| Catastrophic/Young Adult | 57% | 107 | 98 | \$17,100 | \$17,100 | 1 | - | 0.9% | 0.0% | |
| Bronze | 60% | 7,105 | 2,989 | \$15,802 | \$15,698 | 49 | 64 | 0.7% | 2.1% | |
| Silver | Base Plan | 70% | 725 | 2,167 | \$16,002 | \$15,871 | 6 | 11 | 0.8% | 0.5% |
| | CSR | 73% | 643 | - | \$12,903 | | 6 | - | 0.9% | |
| | CSR | 87% | 3,321 | - | \$5,098 | | 25 | - | 0.8% | |
| | CSR | 94% | 5,298 | - | \$3,592 | | 57 | - | 1.1% | |
| Silver | Subtotal | | 9,987 | 2,167 | \$5,593 | \$15,871 | 94 | 11 | 0.9% | 0.5% |
| Gold | 80% | 14,656 | 5,742 | \$13,510 | \$13,431 | 26 | 13 | 0.2% | 0.2% | |
| Platinum | 90% | 499 | 271 | \$8,000 | \$8,000 | - | - | 0.0% | 0.0% | |
| TOTAL | | | 32,354 | 11,267 | \$11,496 | \$14,403 | 170 | 88 | 0.5% | 0.8% |