Individual Mandate Repealed - 2019

• *Tax Cuts and Jobs Act* reduces the ACA’s individual mandate penalty to zero, effective in 2019

• Individual mandate continues to be in effect for 2017 and 2018
• Penalty is $695 per person or up to 2.5% of income (greater of)
• Keep in mind that that 2018 penalties will be assessed when filing your federal income taxes in early 2019
• There are some exemptions to the individual mandate: taxpayers with income below filing threshold, religious conscience objectors, etc.
• Enforcement? -IRS has stated that the 2018 filing season will be the first time the IRS will not accept tax returns that omit health coverage information.
State of the Individual Market

- Individual Health Insurance Market is rapidly deteriorating

- Enrollment is down (slightly)

- Major national carriers like United Healthcare, Anthem, etc. have pulled out of the ACA exchanges

- In 2014, there were an average of 5 insurers participating in the ACA exchanges in each state and in 2018 that number will drop to 3.5
  - Indiana had 8 carriers participating at its peak in 2015 and are now just down to 2 options for 2018 (with many counties having just 1 option)

- Many states will have just 1 option: Alaska, Delaware, Iowa, Mississippi, Nebraska, Oklahoma, South Carolina and Wyoming

- Nationally, the premium for the lowest-cost silver plan is increasing by an average of 32% for 2018 (before tax credit)
State of the Individual Market

• Nationally, 11.7 million signed up for health insurance coverage through ACA exchanges in 2018
  • Down slightly (-3.7%) from 12.2 million in 2017
• In Indiana, 166,711 utilized the Federal ACA exchange
  • Also down slightly (-4.5%) from 174,611 in 2017
• Why is enrollment down?
  • Reductions in federal funding for outreach and navigators
  • Shorter enrollment period
  • Less carriers and more expensive
  • Political uncertainty surrounding the law
State of the Individual Market

Percent Change in Lowest-Cost Metal Plan Before and After Tax Credit, 2017-2018

SOURCE: Kaiser Family Foundation analysis of premium data from Healthcare.gov and a review of state rate filings.
State of the Individual Market

- Premium increases vary by county
- Marion, Hamilton, Boone, Hendricks: -2% reduction in premiums
  - $276/mo. in 2017 vs. $270/mo. in 2018
- Knox, Daviess – hit the hardest with 31% increases
  - $201/mo. In 2017 vs. $264/mo. In 2018

SOURCE: Kaiser Family Foundation analysis of premium data from Healthcare.gov and a review of state rate filings.
## State of the Individual Market

### 2018 Indiana Average Premium Costs (before APTC)

<table>
<thead>
<tr>
<th>Individual ACA Major Medical Compliant Plans</th>
<th>Available on Healthcare.gov</th>
<th>SERFF Tracking Number</th>
<th>2018 Premium Average</th>
<th>Approved Rate Increase</th>
<th>Minimum Rate Change</th>
<th>Maximum Rate Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthem Insurance Companies, Inc.</td>
<td>Off Marketplace</td>
<td>AWLP-130980256</td>
<td>$324.65</td>
<td>48.3%</td>
<td>48.3%</td>
<td>48.3%</td>
</tr>
<tr>
<td>CareSource Indiana Inc.</td>
<td>Marketplace</td>
<td>CASO-131080896</td>
<td>$497.59</td>
<td>20.0%</td>
<td>-9.2%</td>
<td>38.9%</td>
</tr>
<tr>
<td>Celtic Insurance Company / MHS</td>
<td>Marketplace</td>
<td>CELT-131010210</td>
<td>$496.00</td>
<td>35.7%</td>
<td>26.2%</td>
<td>138.1%</td>
</tr>
</tbody>
</table>

Source: [https://www.in.gov/idoi/3054.htm](https://www.in.gov/idoi/3054.htm)
State of the Individual Market

• 2 Forms of Assistance on Cost:

  1. Premium costs can be reduced if you are eligible for an *Advance Premium Tax Credit (APTC)*
     • APTC’s are available for those that fall between 100% and 400% of the federal poverty line (FPL)
     • 2018 Range: $12,060 for an individual and $24,600 for a family of four at 100% FPL to $48,240 for an individual and $98,400 for a family of four at 400% FPL

  2. Further relief can be extended to you in the form of *Cost Sharing Reductions (CSRs)* that can lower your annual out-of-pocket maximum
     • Those in the 100% - 250% of the FPL are eligible
     • Must choose a Silver Level Plan

• Bronze (60%), Silver (70%), Gold (80%) or Platinum (90%) plans should be available
State of the Individual Market

• Indiana utilizes the Federal Marketplace/Exchange – www.healthcare.gov

• Indiana has two health insurance carriers to choose from:
  
  • Ambetter from MHS (https://ambetter.mhsindiana.com/)
  
  • Caresource (https://www.caresource.com/members/indiana/)
State of the Individual Market

• 2018 Open Enrollment is over, however, you may qualify for a Special Enrollment Period.
  • Loss of coverage, moving, getting married, having a baby, etc.
  • Usually have 60 days following the event to enroll

• 2019 Open Enrollment dates have not been published yet, however, it usually occurs in the fall and ends in mid-December
State of the Individual Market

What lies ahead?

- Marketplace stability is a huge bi-partisan concern
- Federal cost of CSR payments are being used as political leverage
- Trump administration wants to give more power to the States
- Senate Democrats are lining up behind several “Medicare for all” bills
- Will be interesting to see how health care plays a role in the mid-term elections
Thank you and Questions

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