



ENROLLMENT IN KANSAS MARKETPLACE STEADY IN 2018 DESPITE UNCERTAINTY AND SHORTENED SIGN-UP PERIOD

98,238 Kansans enrolled for 2018 coverage

Introduction

The U.S. Department of Health and Human Services (HHS) released final summary enrollment data on April 3, 2018, for the fifth open enrollment period of the federally facilitated health insurance marketplace created by the Affordable Care Act (ACA). The open enrollment period for the 2018 plan year lasted only 45 days, from November 1, 2017, through December 15, 2017 (with a run-out period until December 23, 2017), for individuals who wished to purchase individual health insurance through the marketplace for coverage beginning on January 1, 2018. The open enrollment periods for the 2016 and 2017 plan years were three months long, from November 1 through January 31. The ACA still allows some consumers to enroll for 2018 marketplace coverage outside of the open enrollment period if they experience a “life event” (e.g., loss

of previous coverage or change in family status) and enroll within 60 days from the date of that qualifying event.

For 2018 open enrollment, three insurers offered coverage on the marketplace in Kansas. Medica Insurance Company offered plans in every county in the state. Sunflower Health Plan entered the marketplace for the first time and offered plans only in Johnson and Wyandotte counties. Blue Cross and Blue Shield of Kansas offered plans in all counties except Johnson and Wyandotte.

This brief looks back at the results of this fifth open enrollment period, which was for plan year 2018, during which 98,238 Kansans—and 11.8 million consumers nationwide—selected or were automatically re-enrolled in a marketplace plan. Despite the uncertainty regarding the future of the ACA, including the individual mandate, enrollment in the Kansas

KEY POINTS

- ✓ Despite a shortened enrollment period and general uncertainty about the future of the Affordable Care Act (ACA), enrollment in the Kansas marketplace was essentially unchanged in 2018 (98,238 compared to 98,780 in 2017).
- ✓ The average monthly premium for a health insurance plan on the Kansas marketplace in 2018 was \$624, an increase of \$148 (31.1 percent) from 2017.
- ✓ However, more than four in five (83.0 percent) Kansans who enrolled in the marketplace received financial assistance in the form of Advanced Premium Tax Credits (APTCs).
- ✓ The APTC available in 2018 to help offset the cost to low/moderate-income Kansans was \$555 per month, an increase of \$177 (46.8 percent) from 2017. The net impact was a \$25 reduction in the average monthly premium, after the APTC, paid by those receiving APTCs (from \$110 in 2017 to \$85 in 2018, a reduction of 22.7 percent.)

Figure 1. Kansas and U.S. Marketplace Enrollees: 2018 Plan Year, by Metal Level

	Catastrophic	Bronze	Silver	Gold	Platinum
Kansas					
Number of Plans Available in Kansas	2	9	6	6	0
Kansans Enrolled	927	27,867	48,679	20,765	—
Percent of Total Kansas Enrollees	0.9%	28.4%	49.6%	21.1%	0
United States					
Percent of Total U.S. Enrollees	0.8%	28.6%	62.6%	7.1%	0.9%

Note: Platinum plans were not offered by the three Kansas health insurance companies participating in the Kansas marketplace for the 2018 plan year.
Source: U.S. Centers for Medicare & Medicaid Services (CMS) 2018 Marketplace Open Enrollment Period Public Use Files.

marketplace was essentially unchanged in 2018 (542 fewer Kansas enrollees) and 3.8 percent lower nationally (465,828 fewer enrollees).

Enrollee Characteristics

The data from HHS show that 121,151 Kansans shopped for a marketplace plan for 2018 and were determined eligible to enroll, but only 98,238 Kansans completed their enrollment and selected a plan or were automatically re-enrolled. Nearly three-quarters (72.2 percent or 70,905) of Kansans selecting a marketplace plan had been enrolled in 2017. There were 52,465 active re-enrollees, of which half (50.3 percent or 26,404) switched plans. Another 18,440 returning enrollees were automatically re-enrolled by the marketplace. More than one-quarter (27.8 percent or 27,333) of Kansas enrollees were “new consumers” who did not have marketplace coverage in 2017. HHS has not yet released information on the percentage of enrollees who have “effectuated” their enrollment by paying their premiums.

Plan Selection

During the 2018 open enrollment period, 23 insurance plans in four “metal” tiers (catastrophic, bronze, silver, and gold) were offered on the Kansas marketplace (Figure 1). About half (49.6 percent or 48,679) of Kansas enrollees selected a silver plan, which covers about 70 percent of a typical population’s health care expenses, and 21.1 percent

(20,765) selected a gold plan, which covers about 80 percent of a typical population’s health care expenses.

Plan selection in Kansas was similar to selections nationally for catastrophic and bronze plans but was much lower for silver plans (49.6 percent compared to 62.6 percent nationally) and much higher for gold plans (21.1 percent compared to 7.1 percent nationally). The decrease in silver plan selection (from 65.5 percent in the Plan Year 2017) and increase in gold plan selection (from 7.9 percent) in Kansas may be due to higher premium rates set by Kansas insurers for silver plans to offset the loss of federal funding for providing Cost-Sharing Reduction subsidies (CSRs).

Under the ACA, insurance companies are required to offer CSRs (to reduce out-of-pocket costs for deductibles, co-payments and coinsurance) through silver plans to individuals with incomes between 100 and 250 percent of the federal poverty level (FPL; \$24,600 to \$61,500 for a family of four in 2017). Although the federal government has been reimbursing insurers for providing CSRs to low-income consumers since 2014, the Trump administration started to signal in early 2017, when insurers were preparing their premium rate filings for 2018, that those payments would be discontinued. Kansas insurers, like many insurers around the country, were allowed to adjust their premium rates for their silver plans for 2018 to

recoup the loss of federal funding for the CSRs. Since the premium rates for silver plans are used by the federal government to calculate the advanced premium tax credits (APTCs) that enrollees with incomes between 100 and 400 percent of FPL (\$24,600 to \$98,400 for a family of four in 2017) may use to reduce their premium costs, the increase in silver plan premiums also increased the APTCs. For some Kansas consumers, the increased APTCs may have allowed them to purchase a more benefit-rich gold plan for less than or close to the cost of a silver plan.

Financial Assistance and Premiums

The average premium for a Kansas marketplace plan for all insurers in 2018 was \$624 per enrollee per month, \$148 more than the average premium for 2017. More than four in five (83.0 percent or 81,500) enrolled Kansans received APTCs to reduce the cost of their monthly premium payments (Figure 2) similar to the national percentage of 83.2 percent. The average monthly APTC for Kansas enrollees receiving APTC was \$555 (\$177 higher than 2017) and their average monthly premium after APTC was \$85 (\$25 lower than 2017). Less than half of Kansas enrollees (43.8 percent or 43,076) received CSRs in the 2018 plan year, which is less than the national rate (53.0 percent).

This financial assistance is likely an important feature for low-income Kansans who purchase coverage on the marketplace. Two-thirds (65.8 percent or 64,689) of Kansas enrollees had family incomes between 100 and 250 percent of FPL, and one in five (21.4 percent or 20,998) had family incomes between 250 and 400 percent of FPL.

Age

More than one in four (27.8 percent or 27,293) 2018 Kansas enrollees were age 18–34 (Figure 3). This age demographic is often noted as important because younger adults are generally healthier, and their premiums often help support the cost of older enrollees.

Kansans age 55–64 made up more than a quarter (28.4 percent or 27,899) of total enrollees for the 2018 plan year. For individuals in this age group, who are more likely to have a preexisting

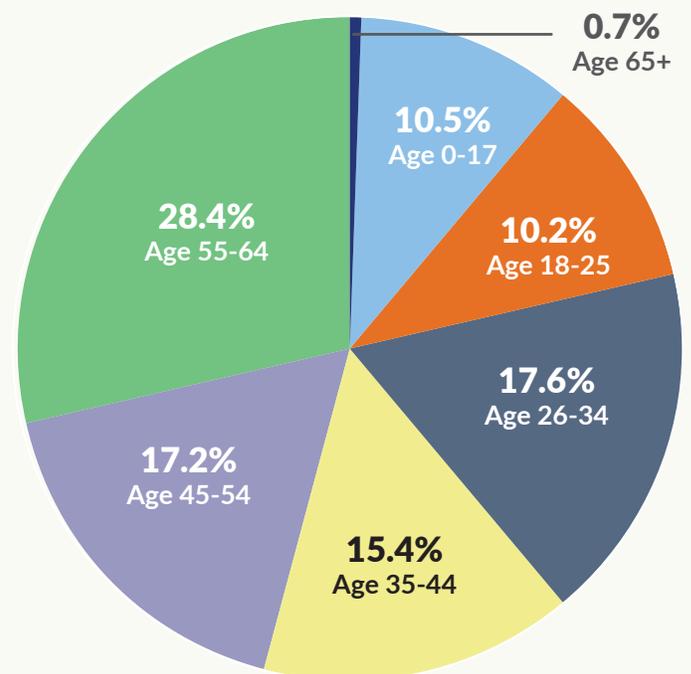
Figure 2. Kansas Marketplace Enrollees: 2018 Plan Year, by Financial Assistance

Enrollment Status	Kansans Enrolled	Percent of Total Kansas Enrollees
With APTC and/or CSR	81,724	83.2%
With APTC	81,500	83.0%
With CSR	43,076	43.8%

Note: Under the Affordable Care Act, enrollees with household incomes between 100 and 400 percent of FPL (\$24,600 to \$98,400 for a family of four in 2017) may be eligible for advanced premium tax credits (APTCs) to help them purchase plans on the marketplace. Enrollees with incomes between 100 and 250 percent of FPL (\$24,600 to \$61,500 for a family of four in 2017) also may be eligible for cost-sharing reduction subsidies (CSRs) that reduce out-of-pocket costs, such as deductibles, co-payments, and coinsurance.

Source: U.S. Centers for Medicare & Medicaid Services (CMS) 2018 Marketplace Open Enrollment Period Public Use Files.

Figure 3. Kansas Marketplace Enrollees: 2018 Plan Year, by Age



Source: U.S. Centers for Medicare & Medicaid Services (CMS) 2018 Marketplace Open Enrollment Period Public Use Files.

or chronic health condition, the ACA-required comprehensive health benefits included in marketplace plans are likely very attractive.

One in ten (10.5 percent or 10,348) Kansas marketplace enrollees were children age 0–17, which was higher than the national proportion for that age group (8.5 percent).

Race/Ethnicity

Of Kansans selecting a marketplace plan for 2018, nearly two-thirds (62.9 percent) reported their race as White (Figure 4), and only 3.0 percent as Black. The 2018 data also show that 6.7 percent of Kansas enrollees reported Hispanic/Latino ethnicity. Nearly one-quarter (24.1 percent) of Kansas enrollees did not indicate their race, and one-fifth (20.2 percent) did not indicate their ethnicity when selecting a marketplace plan.

Stand-alone Dental Insurance

For 2018 there were 12 stand-alone dental policies offered on the Kansas marketplace. The policies were described as either high-coverage or low-coverage, with high-coverage plans having higher premiums but lower co-payments and deductibles, and low-coverage plans having lower premiums but higher co-payments and deductibles. Of the 14,626 Kansans who selected or were automatically re-enrolled in a stand-alone dental plan, 10,347 (70.7 percent) Kansans were enrolled in a low-coverage plan and 4,279 (29.3 percent) in a high-coverage plan.

Looking Ahead

Although uncertainty about the future of the ACA and the shortened enrollment period did not significantly impact enrollment for the 2018 plan year, there may be more change in 2019. The federal Tax Cuts and Jobs Act of 2017 signed by President Trump in December reduced the fine for not having ACA-compliant health insurance in 2019 to zero, effectively eliminating the individual mandate penalty for not having minimum essential coverage and potentially reducing the number of consumers that will return to the marketplace.

The final “Notice of Benefit and Payment Parameters for 2019” rule issued by HHS on April 9, 2018, which sets the rules that will apply to the individual and small group health insurance markets for 2019, provides

states with greater flexibility in how they select their essential health benefits (EHB) benchmark plan. The final rule provides states with many more options, including choosing from the 50 EHB plans used for the 2017 plan year in other states or selecting specific EHB categories, such as drug coverage or hospitalization, from among the categories used for the 2017 plan year in other states. The plan offerings on the ACA marketplace for 2019 may look very different with regard to cost and EHB and could impact the number of consumers who choose to enroll.

The 2019 marketplace enrollment period is set for November 1, 2018, through December 15, 2018.

Figure 4. Kansas Marketplace Enrollees: 2018 Plan Year, by Race and Ethnicity

Race	Number of Kansas Enrollees	Percent of Kansas Enrollees
Asian	5,454	5.6%
Black	2,963	3.0%
White	61,789	62.9%
Multiracial	2,258	2.3%
Other Race	2,119	2.2%
Unknown Race	23,655	24.1%
Ethnicity		
Hispanic/Latino	6,556	6.7%
Not Hispanic/Latino	71,854	73.1%
Unknown Ethnicity	19,828	20.2%

Note: “Other Race” includes Other Race, American Indian/Alaska Native and Native Hawaiian/Pacific Islander. Enrollees provided their race and ethnicity separately. Percentages may not sum to 100 percent due to rounding.

Source: U.S. Centers for Medicare & Medicaid Services (CMS) 2018 Marketplace Open Enrollment Period Public Use Files.

ABOUT THE ISSUE BRIEF

This brief is based on work done by Hina B. Shah, M.P.H., and Linda J. Sheppard, J.D. It is available online at khi.org/policy/article/18-14.

KANSAS HEALTH INSTITUTE

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