



2020 AFFORDABLE CARE ACT HEALTH INSURANCE MARKETPLACE

Introduction

The seventh annual open enrollment period for the Kansas health insurance marketplace created by the Affordable Care Act (ACA) began November 1, 2019, and ends December 15, 2019. The 45-day window to sign up is the same length of time as the previous two years. Last year, 84,304 Kansans obtained coverage through the Kansas marketplace. The federal government continues to operate the marketplace in Kansas through Healthcare.gov. Coverage for individuals who enroll during this open enrollment period becomes effective January 1, 2020.

Plan Options

Consumers shopping for a 2020 plan on the Kansas marketplace are able to choose from among 82 health insurance plans offered by five insurers (Figure 1, page 2). For plan year 2019, 23 plans were available from three insurers.

For 2020, two new insurers, Cigna and Oscar Insurance Company, joined the three insurers who offered plans in 2019, Ambetter from Sunflower Health Plan,



Blue Cross and Blue Shield of Kansas and Medica Insurance Company. All five insurers are offering bronze, silver and gold plans, and two also are offering catastrophic plans. For the third consecutive year, there are no platinum plans being offered on the Kansas marketplace. All counties in Kansas have at least two insurers offering coverage.

Some of the available plans include both health and dental coverage. Dental coverage is an essential health benefit for children enrolled in a plan, but not for adults. One premium covers both health and dental coverage for such plans and is eligible for Advance Premium Tax Credits (APTC).

KEY POINTS

- ✓ Consumers shopping for a 2020 plan on the Kansas marketplace are able to choose from among 82 health insurance plans offered by five insurers.
- ✓ Following the trend from previous years, all of the plans offered for 2020 have a “narrow network” of providers which generally covers only services provided in-network, except in an emergency.
- ✓ The average monthly premium decreased slightly in Kansas for 2020 to: \$426 for a single adult age 27; \$1,660 for a family of two 40 year-old parents with two children; and \$2,205 for a 60 year-old couple.
- ✓ Advance Premium Tax Credits (APTC) may reduce the cost of premiums paid by consumers with family income between 100 and 400 percent of the federal poverty level (FPL).
- ✓ Out-of-pocket costs continue to increase. While consumers with family income less than 250 percent of FPL receive additional assistance to reduce out-of-pocket costs, a family of four with an annual income just above 250 percent FPL (\$64,375 in 2019) could be expected to pay up to \$16,300 in out-of-pocket costs in addition to their premiums.

Figure 1. Marketplace Health Insurance and Dental Plans Available in Kansas, 2020 Plan Year

		Company	Type	Availability by County	Catastrophic	Bronze	Silver	Gold	Platinum
Health Insurance Plans		Blue Cross and Blue Shield of Kansas, Inc.	EPO	Not available in Johnson and Wyandotte	0	2	2	1	0
		Medica Insurance Company	EPO	Plans available statewide	2	12	4	5	0
		Ambetter from Sunflower Health Plan	HMO	Johnson, Wyandotte, Leavenworth, Miami, Allen, Bourbon, Butler, Cherokee, Cowley, Crawford, Douglas, Harvey, Linn, Sedgwick, Sumner and Woodson	0	6	24	4	0
		Cigna Health and Life Insurance Company	EPO	Johnson, Wyandotte, Leavenworth, Miami, Harvey, Sumner, Butler and Sedgwick	0	4	4	2	0
		Oscar Insurance Company	EPO	Johnson and Wyandotte	1	4	4	1	0
Total Health Plans: 82					3	28	38	13	0
								Individual or Family	
Dental Plans		BEST Life and Health Insurance Company							4
		Dentegra Insurance Company							2
		Renaissance Life & Health Insurance Company of America							4
		TruAssure Insurance Company							2
Total Dental Plans: 12								12	
<p>Note: Companies offering plans on the marketplace also must offer those plans off the marketplace. However, Advance Premium Tax Credits (APTC) and cost-sharing reductions are available only when enrolling in coverage through the marketplace.</p> <p>Source: 2020: Overview of the Health Insurance Market in Kansas, Kansas Insurance Department.</p>									

A total of 12 stand-alone dental plans are available on the marketplace from four insurers. When buying a stand-alone dental plan, consumers also must be enrolled in a health plan and will be responsible for two premiums. APTC does not apply to stand-alone dental plan premiums.

Continuing the trend over the past few years, all plans offered have a “narrow network” of providers which generally covers only services provided in-network, except in an emergency. These plans are typically exclusive provider organizations (EPO) and health maintenance organizations (HMO). There are no preferred provider organizations (PPO) offered on the Kansas marketplace.

Health Insurance Premiums

After several years of increases, health insurance premiums being offered on the marketplace for 2020 have either decreased or risen only slightly from 2019. Monthly premiums reported in Figure 2 (page 3) are the 2020 average statewide premiums for the silver benchmark plan, which is considered “middle-

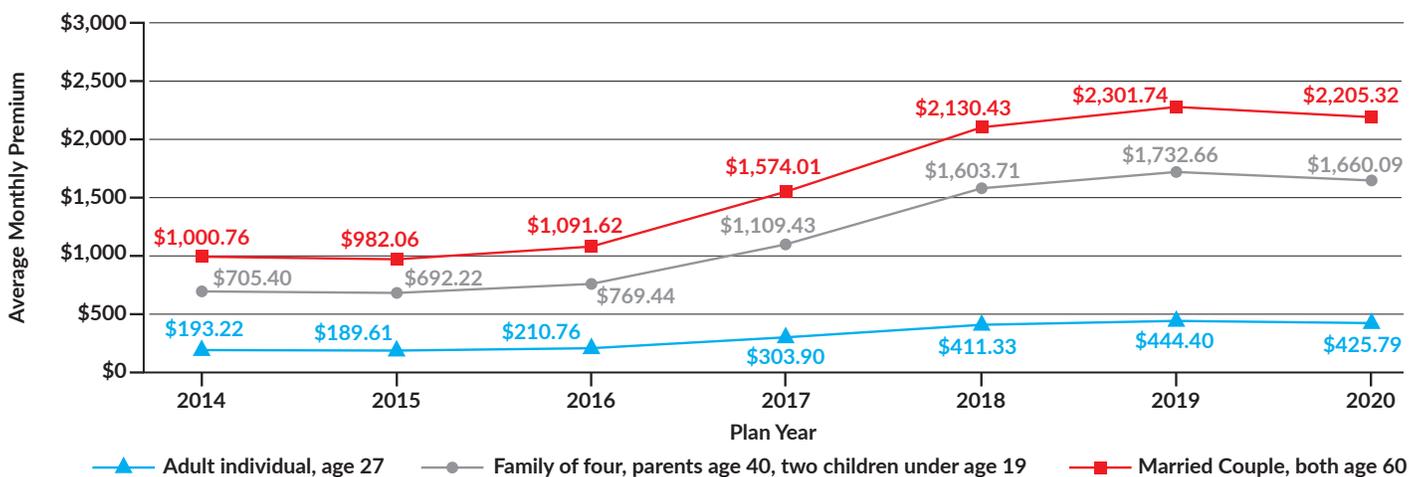
of-the-road” in terms of cost and coverage among available plans on the marketplace. However, there is considerable variation in the cost of insurance premiums across the seven “rating areas” in Kansas based on regional factors such as the cost of care, cost of living and number and type of providers available (Figure 4, see insert).

The premiums also vary based on characteristics of persons being covered: their age, where they live, whether or not they smoke and how many people are covered. Higher rates cannot be charged based on gender or for people with pre-existing conditions.

Advance Premium Tax Credits

The premium amount paid by people covered with insurance through the Kansas marketplace may be reduced substantially through subsidies available to those with income between 100 and 400 percent of the federal poverty level (FPL) through Advance Premium Tax Credits (APTC). The APTC is based on the cost of the “benchmark plan,” which is the second-lowest-cost silver plan, but may be used to purchase any metal level coverage available on the

Figure 2. Average Monthly Premium, Before APTC, for the Silver Benchmark Plan on the Kansas Marketplace, 2014-2020 Plan Years



Note: Premium, before application of Advance Premium Tax Credits (APTC). The amounts shown are the actual average monthly premiums for the "benchmark plan," a middle-of-the-road plan in terms of covered benefits and cost among the plans available on the marketplace. Technically, the benchmark plan is the second-lowest-cost silver plan (SLCSP).

Source: KHI analysis of data from the Centers for Medicare and Medicaid Services Health Insurance Marketplace, 2014-2020.

marketplace. APTC may not be used to purchase coverage outside of the marketplace. The impact of the APTC on reducing the premium amount actually paid by Kansans qualifying for the subsidy is shown in Figure 5 (see insert).

Out-of-Pocket Costs Continue to Rise

Since the ACA was implemented in the fall of 2013, health policy analysts and consumer advocates have studied both the cost and quality of health insurance provided to consumers on the marketplace. Concern has been expressed about the increasing financial burden of health care, even for those who are insured, and especially among those with low and moderate incomes. The cost of health care for consumers depends on both the insurance premiums they pay, as well as the out-of-pocket costs they incur for deductibles, copays and co-insurance.

Under the ACA, insurers are required to limit the amount of annual out-of-pocket expenses that certain "eligible" consumers have to spend for in-network essential health benefits covered in ACA-compliant plans sold through the marketplace. These eligible consumers include individuals and families with household income between 100 and 250 percent of FPL who enroll in a silver plan. This additional cost-sharing reduction is not available with any other metal level.

Based on the most recent federal guidance, a family of four with annual income just above 250 percent FPL (\$64,375 in 2019) could be expected to pay up to \$16,300 in out-of-pocket costs in addition to their premiums in 2020. How the cost-sharing limits have changed over time is shown in Figure 3 (page 4).

Reduced Navigator Funding

Under the ACA, the health insurance marketplace is required to establish navigator programs for outreach and education for consumers who are interested in purchasing marketplace health insurance coverage. Navigators are typically organizations, such as health systems, patient advocacy organizations, universities and other trusted local organizations that have existing relationships with uninsured or underinsured consumers who are likely eligible to enroll in the marketplace.

Since passage of the ACA, the federal government has provided funding to states using Healthcare.gov for navigator programs through grants to organizations in each state. For plan year 2020, a total of \$10 million to 34 organizations was awarded nationally, down from \$67 million for 105 organizations in 2014. Kansas received \$213,317 for two organizations in 2020, down from \$886,085 for three organizations in 2014. The two Kansas organizations will be serving primarily 17 counties throughout northeast, central and western Kansas.

Figure 3. Cost-Sharing Limits for Self-Only and Family Coverage, 2014-2020 Plan Years

Self-Only Coverage							
Eligibility Category	PLAN YEAR						
	2014	2015	2016	2017	2018	2019	2020
100-200% FPL (<i>\$12,490-\$24,980 in 2019</i>)	\$2,250	\$2,250	\$2,250	\$2,350	\$2,450	\$2,600	\$2,700
>200-250% FPL (<i>\$24,981-\$31,225 in 2019</i>)	\$5,200	\$5,200	\$5,450	\$5,700	\$5,850	\$6,300	\$6,500
>250% FPL (<i>Above \$31,225 in 2019</i>)	\$6,350	\$6,600	\$6,850	\$7,150	\$7,350	\$7,900	\$8,150
Family Coverage							
100-200% FPL (<i>\$25,750-\$51,500 for a family of four in 2019</i>)	\$4,500	\$4,500	\$4,500	\$4,700	\$4,900	\$5,200	\$5,400
>200-250% FPL (<i>\$51,501-\$64,375 for a family of four in 2019</i>)	\$10,400	\$10,400	\$10,900	\$11,400	\$11,700	\$12,600	\$13,000
>250% FPL (<i>Above \$64,375 for a family of four in 2019</i>)	\$12,700	\$13,200	\$13,700	\$14,300	\$14,700	\$15,800	\$16,300

Note: Family coverage is coverage other than self-only coverage.

Source: KHI analysis of data from the Centers for Medicare and Medicaid Services Notice of Benefits, 2014-2020.

Looking Ahead

Enrollment in the Kansas marketplace has decreased slightly over the last few years. Uncertainty about the future of the ACA overall, ongoing legal battles about specific parts of the law and increased attention to immigration enforcement are among the likely reasons. Enrollment in the Kansas marketplace peaked at 89,566 in 2016 and was 84,304 in 2019. The

addition of more plans and insurers to choose from and the moderation of premium price increases could be expected to increase enrollment in 2020. A continued strong economy and the availability of lower-cost options outside the marketplace could be expected to decrease enrollment. Watching the trends in insurance coverage and carefully assessing the cost and adequacy of the coverage available are important responsibilities of states in this rapidly changing health care environment.

ABOUT THE ISSUE BRIEF

This brief is based on work done by Linda J. Sheppard, J.D., Madison Hoover M.S., and Hina Shah, M.P.H. It is available online at khi.org/policy/article/19-46.

KANSAS HEALTH INSTITUTE

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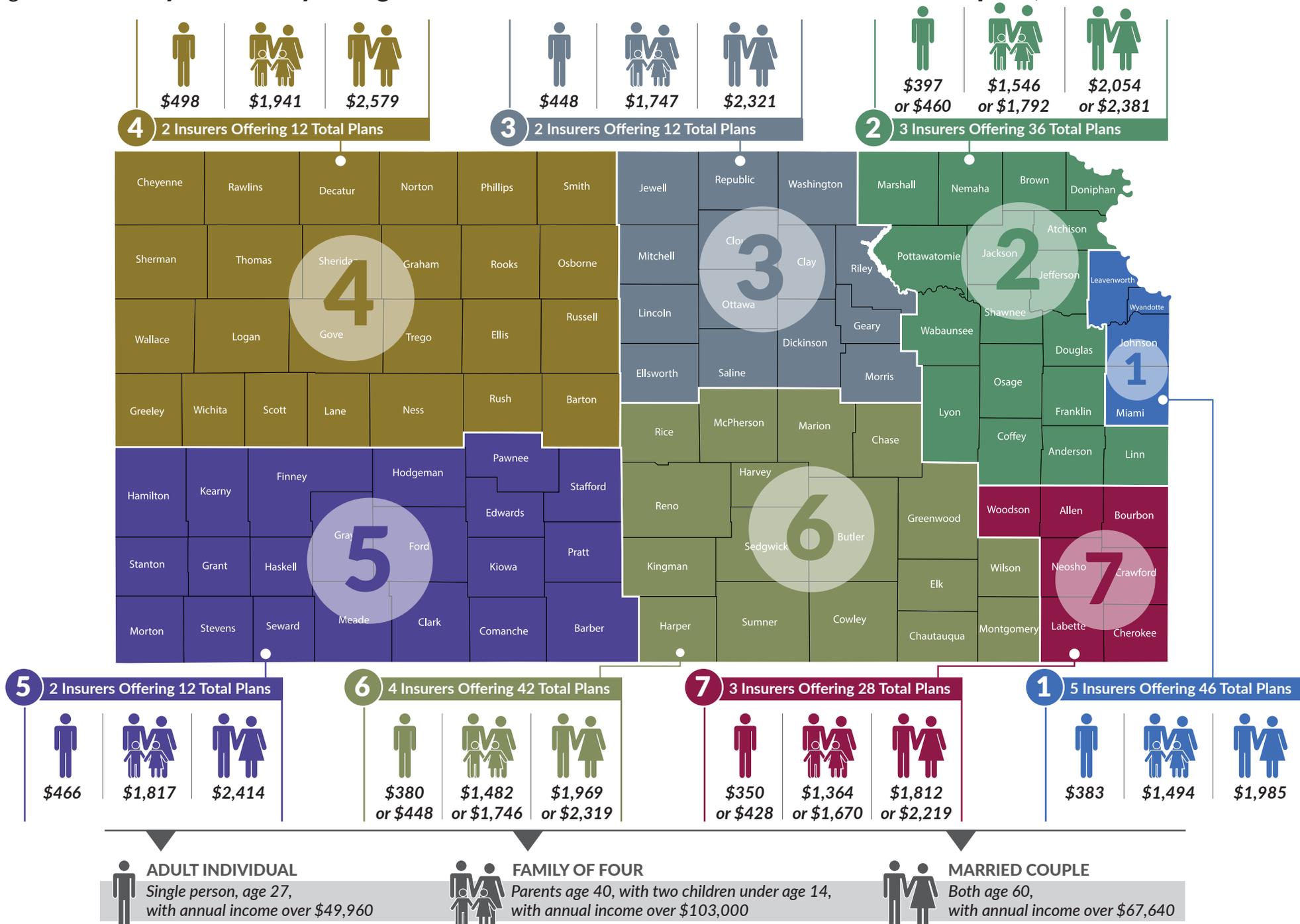


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Figure 4: Monthly Premium by Rating Area for Silver Benchmark Plan on the Kansas Marketplace, 2020 Plan Year



Note: Premiums shown are before application of Advanced Premium Tax Credits (APTC). Data are actual monthly premiums for the “benchmark plan,” a middle-of-the-road plan in terms of covered benefits and cost among the plans available on the Kansas marketplace. Technically, the benchmark plan is the second-lowest-cost silver plan (SLCSP). Some rating areas have more than one silver benchmark plan because some insurers offer plans in only some counties within a rating area. Number of total health plans includes all bronze, expanded bronze, silver, gold and catastrophic health insurance plans offered in each rating area. The same plan may be offered in more than one rating area.

Source: Kansas Health Institute analysis of 2020 health insurance marketplace data provided by the Centers for Medicare and Medicaid Services.

Figure 5. Monthly Premium Before Advance Premium Tax Credits (APTC) on the Kansas Marketplace, 2020 Plan Year

Below are the monthly premiums, before APTC, in the seven Kansas rating areas for the following plans: silver benchmark, lowest-cost bronze, highest-cost gold and the lowest-cost catastrophic. Some rating areas have more than one silver benchmark plan because some insurers offer plans in only some counties within a rating area.

Adult Individual: Single Person, Age 27

Rating Area	Benchmark Plan	Lowest-Cost Bronze	Highest-Cost Gold	Lowest-Cost Catastrophic
1	\$383	\$306	\$513	\$238
2	\$397 or \$460	\$314	\$571	\$320
3	\$448	\$306	\$565	\$318
4	\$498	\$340	\$544	\$306
5	\$466	\$318	\$552	\$310
6	\$380 or \$448	\$303	\$457	\$240
7	\$350 or \$428	\$293	\$550	\$309

Note: Expanded bronze plans are included in the lowest-cost bronze plan column. Catastrophic plans are only available to individuals under age 30 and those with a hardship waiver.

Family of Four: Parents Age 40, Two Children Under Age 19

Rating Area	Benchmark Plan	Lowest-Cost Bronze	Highest-Cost Gold	Lowest-Cost Catastrophic
1	\$1,494	\$1,194	\$1,999	\$929
2	\$1,546 or \$1,792	\$1,224	\$2,226	\$1,249
3	\$1,747	\$1,193	\$2,203	\$1,238
4	\$1,941	\$1,325	\$2,121	\$1,192
5	\$1,817	\$1,241	\$2,154	\$1,210
6	\$1,482 or \$1,746	\$1,182	\$1,780	\$937
7	\$1,364 or \$1,670	\$1,141	\$2,143	\$1,205

Note: Expanded bronze plans are included in the lowest-cost bronze plan column. Catastrophic plans are only available to individuals under age 30 and those with a hardship waiver. Table assumes that both children are included in the family premium and not enrolled in Medicaid or the Children's Health Insurance Program (CHIP). Premiums will be lower if children are covered by Medicaid or CHIP.

Married Couple: Both Age 60

Rating Area	Benchmark Plan	Lowest-Cost Bronze	Highest-Cost Gold	Lowest-Cost Catastrophic
1	\$1,985	\$1,586	\$2,656	\$1,234
2	\$2,054 or \$2,381	\$1,626	\$2,958	\$1,659
3	\$2,321	\$1,585	\$2,927	\$1,645
4	\$2,579	\$1,761	\$2,817	\$1,583
5	\$2,414	\$1,649	\$2,861	\$1,608
6	\$1,969 or \$2,319	\$1,571	\$2,365	\$1,244
7	\$1,812 or \$2,219	\$1,515	\$2,847	\$1,600

Note: Expanded bronze plans are included in the lowest-cost bronze plan column. Catastrophic plans are only available to individuals under age 30 and those with a hardship waiver.



**MONTHLY
PREMIUM**



**PREMIUM
TAX CREDIT**



**ACTUAL
MONTHLY COST
TO CONSUMER**

Advance Premium Tax Credit (APTC) on the Kansas Marketplace, 2020 Plan Year

The Advance Premium Tax Credit (APTC) is based on the premium for the silver benchmark plan in each county. The APTC can then be applied to any plan on the marketplace, excluding catastrophic plans. The APTC shown in this figure is based on the cost of the benchmark plan in Sedgwick County, which is in Rating Area 6, and may vary slightly in other rating areas.

Adult Individual: Single Person, Age 27

Annual Income	Percent of the Federal Poverty Level	Monthly Advance Premium Tax Credit Estimate
Below \$12,490	100%	\$0
\$20,000	160%	\$303
\$30,000	240%	\$182
\$40,000	320%	\$54
Above \$49,960	400%	\$0

Family of Four: Parents Age 40, Two Children Under Age 19

Annual Income	Percent of the Federal Poverty Level	Monthly Advance Premium Tax Credit Estimate
Below \$25,750	100%	\$0
\$30,000	117%	\$1,431
\$60,000	233%	\$1,098
\$90,000	350%	\$749
Above \$103,000	400%	\$0

Note: Amount of APTC shown in the table assumes that eligible children will enroll in Medicaid or CHIP. In Kansas, children may be eligible if family income is less than 235 percent of the federal poverty level (FPL) (\$60,513 for a family of four in 2019).

Married Couple: Both Age 60

Annual Income	Percent of the Federal Poverty Level	Monthly Advance Premium Tax Credit Estimate
Below \$16,910	100%	\$0
\$20,000	118%	\$1,935
\$40,000	237%	\$1,709
\$60,000	355%	\$1,480
Above \$67,640	400%	\$0