



# ENROLLMENT IN KANSAS HEALTH INSURANCE MARKETPLACE DECLINES

89,993 Kansans enrolled for 2019 plan year

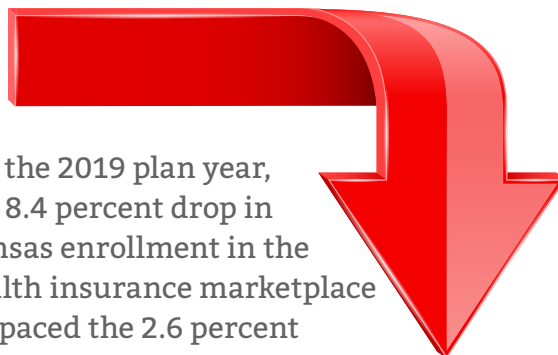
## Introduction

Almost 90,000 Kansans enrolled for individual health insurance through the federally facilitated marketplace during the latest open enrollment period – 8,245 fewer than the previous year. The absence of an individual mandate penalty, which was reduced to \$0 this year as part of the Tax Cuts and Jobs Act of 2017, might have caused a decrease in enrollment for individuals who had enrolled in previous years to avoid paying the penalty.

The Centers for Medicare & Medicaid Services (CMS) released final summary enrollment data on March 25, 2019, for the sixth open enrollment period of the health insurance marketplace created by the Affordable Care Act (ACA). This issue brief examines the results for the 2019 plan year, during which 89,993 Kansans – and 11.4 million consumers nationwide – selected or were automatically re-enrolled in a marketplace plan. The 8.4 percent drop in Kansas enrollment outpaced the 2.6 percent drop nationally (306,034 fewer enrollees).

Like last year, the open enrollment period for the 2019 plan year lasted 45 days, from November 1, 2018, through December 15, 2018, for coverage beginning on January 1.

## Open Enrollment Decline



For the 2019 plan year, the 8.4 percent drop in Kansas enrollment in the health insurance marketplace outpaced the 2.6 percent drop nationally.

The ACA also allows consumers to enroll for 2019 marketplace coverage outside of the open enrollment period if they experience a qualifying “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 the 2019 plan year, three insurers offered coverage on the marketplace in Kansas. Medica Insurance Company offered plans in every county in the state. Blue Cross and Blue Shield (BCBS) of Kansas offered plans in all counties except Johnson and Wyandotte. Ambetter from Sunflower Health Plan offered plans in Johnson, Wyandotte, Leavenworth and Miami counties.

## KEY POINTS

- ✓ During the latest open enrollment period, 89,993 Kansans enrolled in individual health insurance through the federally facilitated marketplace – 8,245 fewer than the previous year.
- ✓ The average premium for a Kansas marketplace plan for enrollees in 2019 was \$661 per enrollee per month. In 2018, the average was \$624.
- ✓ More than four in five (86.1 percent or 77,446) enrolled Kansans received Advanced Premium Tax Credits (APTCs) to reduce the cost of their monthly premium payments.
- ✓ The net average monthly premium for Kansas enrollees receiving APTC was \$76.

Figure 1. Kansas and U.S. Marketplace Enrollees, 2019 Plan Year, by Metal Level

	Catastrophic	Bronze	Silver	Gold	Platinum
<b>Kansas</b>					
Number of Plans Available in Kansas	2	9	7	5	0
Kansans Enrolled	652	22,473	42,927	23,941	0
Percent of Total Kansas Enrollees	0.7%	25.0%	47.7%	26.6%	—
<b>United States</b>					
Percent of Total U.S. Enrollees	0.8%	30.6%	59.3%	8.4%	0.9%

Note: Kansas marketplace enrollees = 89,993. Bronze plans also may include expanded bronze plans, which either cover and pay for at least one major service, other than preventative services before the deductible, or meet the requirements to be a high deductible health plan. Platinum plans were not offered by the three Kansas health insurance companies participating in the Kansas marketplace for the 2019 plan year.

Source: Centers for Medicare & Medicaid Services (CMS) 2019 Marketplace Open Enrollment Period Public Use Files.

## Enrollment

The data from CMS show that 118,463 Kansans applied for a marketplace plan for 2019 and 109,277 were determined eligible to enroll, but only 89,993 Kansans completed their enrollment by selecting a plan or were automatically re-enrolled. CMS has not yet released information on the percentage of enrollees who have “effectuated” their enrollment by paying their premiums. This year, less than one-quarter (22.2 percent or 19,958) of Kansas enrollees were “new consumers” who did not have marketplace coverage in 2018. The other three-quarters (77.8 percent or 70,035) were enrolled last year. Of these returning enrollees, there were 52,261 active re-enrollees, of which one-third (32.4 percent or 16,953) switched plans. The remaining 17,774 returning enrollees were automatically re-enrolled by the marketplace in the same or a similar plan to the previous year.

## Plan Selection

During the 2019 open enrollment period, 23 insurance plans in four “metal” levels (catastrophic, bronze, silver and gold) were offered on the Kansas marketplace. Almost half (47.7 percent or 42,927) of Kansas enrollees selected a silver plan, which covers about 70 percent of health care expenses for a typical population, and 26.6 percent (23,941) selected a gold plan, which covers about 80 percent

of health care expenses for a typical population (Figure 1). Similar to previous years, a small percent (0.7 percent) of enrollees selected a catastrophic plan, which covers essential health benefits and certain preventive services at no cost, but has low monthly premiums and very high deductibles. The plan is available for people under age 30 or of any age with a hardship or affordability exemption.

In addition to standard bronze plans, which offer the lowest monthly premium and the highest cost when you seek care, this year companies also offered expanded bronze plans. The expanded bronze plans either cover and pay for at least one major service (e.g., primary care visits, specialist visits, emergency room services, generic drugs), other than preventive services, before the deductible or meet the requirements to be a high deductible health plan.

Plan selection in Kansas was similar to selections nationally for catastrophic and bronze plans but was lower for silver plans (47.7 percent compared to 59.3 percent nationally; Figure 1) and much higher for gold plans (26.6 percent compared to 8.4 percent nationally). This is similar to the 2018 plan year and might be due to a continuation of the “silver loading” that began last year when Kansas insurers were allowed to set higher premium rates for silver plans to offset the loss of federal funding for providing Cost-Sharing Reduction subsidies (CSRs). Under the ACA, individuals receiving Advanced Premium Tax Credits (APTCs) were able to apply them to the purchase of

Figure 2. Kansas Marketplace Enrollees, 2019 Plan Year, by Financial Assistance

Enrollment Status	Kansans Enrolled	Percent of Total Kansas Enrollees	Percent of Total U.S. Enrollees
With APTC and/or CSR	77,600	86.2%	—
With APTC	77,446	86.1%	84.9%
With CSR	38,952	43.3%	50.3%

Note: Kansas marketplace enrollees = 89,993. Under the ACA, enrollees with household incomes between 100 and 400 percent of FPL (\$25,100 to \$100,400 for a family of four in 2018) may be eligible for APTCs to help them purchase plans on the marketplace. Enrollees with incomes between 100 and 250 percent of FPL (\$25,100 to \$62,750 for a family of four in 2018) also may be eligible for CSRs that reduce out-of-pocket costs, such as deductibles, co-payments and co-insurance. "With APTC and/or CSR" is not reported for the U.S. because some state-based exchanges did not report this data.

Source: Centers for Medicare & Medicaid Services (CMS) 2019 Marketplace Open Enrollment Period Public Use Files.

a more benefit-rich gold plan for less than or close to the cost of a silver plan.

## Financial Assistance and Premiums

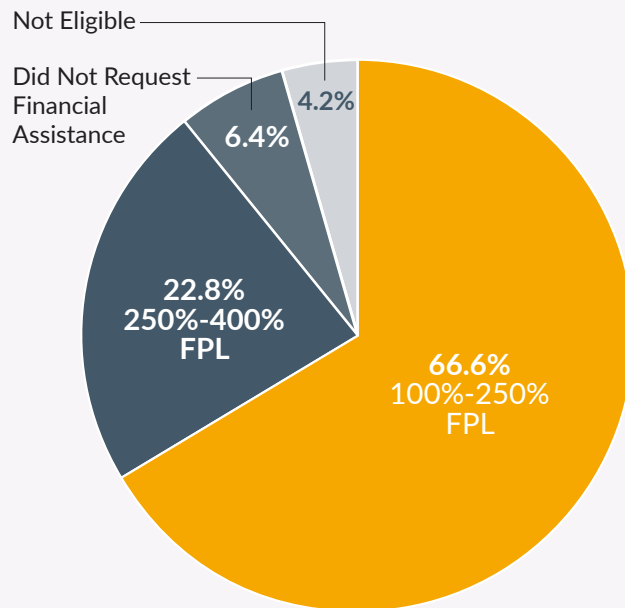
The average premium for a Kansas marketplace plan for enrollees in 2019 was \$661 per enrollee per month. In 2018, the average was \$624. More than four in five (86.1 percent or 77,446) enrolled Kansans received APTCs to reduce the cost of their monthly premium payments (Figure 2), similar to the national percentage of 84.9 percent. For those Kansas enrollees receiving APTC, their net average monthly premium was \$76. For 2019, less than half of Kansas enrollees (43.3 percent or 38,952) received CSRs, which reduce out-of-pocket costs such as deductibles, co-payments and co-insurance. This is less than the national rate (50.3 percent).

## Enrollee Characteristics

### Family Income

Nine in 10 (89.4 percent) Kansas enrollees may have been eligible for financial assistance on the marketplace, if requested by the enrollee. Two-thirds (66.6 percent) of Kansas enrollees had family incomes between 100 and 250 percent of FPL and may have been eligible for both CSRs and APTC, and one-quarter (22.8 percent) of Kansas enrollees had

Figure 3. Kansas Marketplace Enrollees, 2019 Plan Year, by Family Income



Note: Kansas marketplace enrollees = 89,993. Under the ACA, enrollees with household incomes between 100 and 400 percent of FPL (\$25,100 to \$100,400 for a family of four in 2018) may be eligible for Advanced Premium Tax Credits to help them purchase plans on the marketplace. Enrollees with incomes between 100 and 250 percent of FPL (\$25,100 to \$62,750 for a family of four in 2018) also may be eligible for Cost-Sharing Reduction subsidies that reduce out-of-pocket costs such as deductibles, co-payments and co-insurance.

Source: Centers for Medicare & Medicaid Services (CMS) 2019 Marketplace Open Enrollment Period Public Use Files.

Figure 4. Kansas Marketplace Enrollees, 2019 Plan Year, by Age

Age	Kansans Enrolled	Percent of Total Kansas Enrollees
Age 0-17	8,898	9.9%
Age 18-25	8,770	9.7%
Age 26-44	29,655	33.0%
Age 45-64	41,934	46.6%
Age ≥ 65	736	0.8%

Note: Kansas marketplace enrollees = 89,993. Percentages may not sum to 100 percent due to rounding.

Source: Centers for Medicare & Medicaid Services (CMS) 2019 Marketplace Open Enrollment Period Public Use Files.



family incomes between 250 and 400 percent of FPL and may have been eligible for APTC only (Figure 3).

## Age

One-third (33.0 percent or 29,655) of Kansas enrollees for the 2019 plan year were age 26-44 (Figure 4, page 3). This demographic often is noted as important because younger adults generally are healthier, and their premiums often help support the cost of older enrollees.

Nearly half (46.6 percent or 41,934) of 2019 Kansas enrollees were age 45-64. Individuals in this age group are more likely to have a pre-existing or chronic health condition. The ACA-required comprehensive health benefits included in marketplace plans likely are very attractive.

One in 10 (9.9 percent or 8,898) Kansas marketplace enrollees were children under age 18.

## Race and Ethnicity

Of Kansans selecting a marketplace plan for 2019, two-thirds (66.5 percent) reported their race as White (Figure 5) and 6.0 percent as Asian. The 2019 data also show that 6.9 percent of Kansas enrollees reported Hispanic/Latino ethnicity. One-fifth (19.9 percent) of Kansas enrollees did not indicate their race, and 15.1 percent did not indicate their ethnicity when selecting a marketplace plan.

## Stand-Alone Dental Insurance

For the 2019 plan year, there were 12 stand-alone dental policies offered on the Kansas marketplace and 13,558 Kansans selected a standalone dental plan. Stand-alone dental plans also may offer the pediatric dental essential health benefit (EHB). The majority of Kansas standalone dental plan enrollees were between the age of 26 and 64 (84.0 percent).

## Looking Ahead

The 2020 marketplace enrollment period is set for November 1, 2019, through December 15, 2019. The

Figure 5. Kansas Marketplace Enrollees, 2019 Plan Year, by Race and Ethnicity

Race	Number of Kansas Enrollees	Percent of Kansas Enrollees
Asian	5,404	6.0%
Black	2,733	3.0%
White	59,820	66.5%
Multiracial	2,104	2.3%
Other Race	2,012	2.2%
Unknown Race	17,920	19.9%
Ethnicity		
Hispanic/Latino	6,206	6.9%
Not Hispanic/Latino	70,228	78.0%
Unknown Ethnicity	13,559	15.1%

Note: Kansas marketplace enrollees = 89,993. "Other Race" includes Other Race, American Indian/Alaska Native and Native Hawaiian/Pacific Islander. "Unknown Race" includes enrollees who did not indicate a race. "Unknown Ethnicity" includes enrollees who did not indicate an ethnicity. Enrollees provided their race and ethnicity independently. Percentages may not sum to 100 percent due to rounding.

Source: Centers for Medicare & Medicaid Services (CMS) 2019 Marketplace Open Enrollment Period Public Use Files.

final "Notice of Benefit and Payment Parameters for 2020" rule issued by HHS on April 18, 2019, which sets the rules that will apply to the individual and small group health insurance markets for 2020, includes a number of changes that might impact premium rates and out-of-pocket costs for marketplace enrollees. The changes include a reduction of the user fee that insurers must pay to offer plans on the marketplace, allowing insurers to exclude cost-sharing amounts paid by enrollees for some non-generic prescription drugs from their out-of-pocket maximum limits, and a 3.2 percent increase in the out-of-pocket maximum limit to \$8,150 for self-only coverage and \$16,300 for family coverage.

### ABOUT THE ISSUE BRIEF

This brief is based on work done by Linda J. Sheppard, J.D., Hina B. Shah, M.P.H., and Madison Hoover, M.S. It is available online at [khi.org/policy/article/19-32](http://khi.org/policy/article/19-32).

### KANSAS HEALTH INSTITUTE

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