



ODI

Ohio Department
of Insurance

John R. Kasich, Governor

Mary Taylor, Lt. Governor/Director

Insurance Market 2014 and Beyond

ACA Overview

- Sweeping law that overhauls much of the health insurance marketplace
- Can be broken down into five broad categories
 - Employer/individual mandates
 - Insurance market reforms
 - Exchanges
 - Medicaid/subsidies
 - Taxes or tax related changes

Insurance Market Reforms

- Numerous insurance market-wide changes that impact Ohio's market dramatically
 - No Pre-X/Guaranteed issue
 - Rating changes: Age (3:1), Tobacco (1.5:1), geographic location, family comp.
 - Expanded covered benefits (EHB)
 - Largest small group plan is benchmark for 2014/2015
 - Applies to individual and small group **both on/off exchange**
 - Caps on cost sharing
 - ~~Deductibles limits \$2K/\$4K~~, OOPM limits \$6600/13,200
 - AV: Bronze (60%), Silver (70%), Gold (80%), Platinum (90%)
 - Impact won't be fully realized for several years due to “transitional policies”



Exchanges

- Every state has an exchange either run by the state or the federal government
- Ohio elected not to operate its exchange
 - Overlaid OHT principles w/ ACA exchange concept
 - Lack of state flexibility in the regulations
 - Cost to state \$63 M to build, \$20- \$43 M annually
- The state continues to retain regulatory authority over insurance market

Exchange Landscape

- On average, individual market rates increase 41% from 2013 to 2014
- 2013 Individual market plans average premiums were \$236.29 (per month) compared to \$332.58 in 2014
- On average, small group market rates increased 18% from 2013 to 2014
- 2013 Small group market average premiums were \$341.03 (per month) compared to \$401.99 in 2014



Department's Role

- Companies can't sell insurance in Ohio without being licensed and/or obtaining product approval
- ACA/Exchange does not change this requirement
- ODI continues to issue COAs (license), review rate and form filings and resolve consumer complaints

Impact to the Department

- All new companies need to be licensed and forms and rates on file/approved before selling products in Ohio
- > 40 separate legal entities in Ohio (health)
- ACA largely impacted individual & small group market, limited large group impact
- Increased solvency and fraud monitoring
- Increased/changing nature of consumer complaints

Moving Forward

- The Department is already reviewing policy forms for 2015 coverage
- 2015 rate filings will be submitted later this month
- Ongoing research on new rules and requirements issued by HHS etc.- still waiting on a number of regulations to be finalized
- Work continues on solvency monitoring and licensing new companies
- Resolving consumer complaints- nature of complaints is changing

Contact Information

Main number:	614-644-2658
Consumer hotline:	1-800-686-1526
Fraud hotline:	1-800-686-1527
OSHIIP hotline:	1-800-686-1578

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