

## Anthem and the Individual Marketplace

### *Access and Affordability*

Anthem Blue Cross and Blue Shield is pleased to be participating in New Hampshire's Health Insurance Exchanges and will be offering new products to individuals beginning on January 1, 2014. While New Hampshire is served by a number of national and regional carriers, Anthem is the only carrier that has chosen to offer new products on the Exchange in 2014. We are pleased to announce that both the NH Department of Insurance and the Centers for Medicare and Medicaid Services (CMS) have approved our qualified health plans ("QHP's") for sale on the Health Insurance Exchange Marketplace.

Anthem's new individual plans will include all essential health benefits mandated by the Affordable Care Act (ACA). These plans also feature a select provider network called *Pathway* which exceeds New Hampshire network adequacy requirements and offers a price point that is approximately 25% lower than a product using the broad Anthem network. Utilizing Pathway, Anthem will offer eleven (11) HMO medical plan options on the individual Exchange Marketplace; five (5) plans at the bronze level; three (3) plans at the silver level; two plans (2) at the gold level; and one (1) catastrophic plan option.

It is important that consumers understand who is and who is not impacted by these changes. All individuals that purchase health plans on or off the Exchange as well as small groups that chose to purchase coverage on the SHOP Exchange will utilize this new Pathway network. To enjoy the full benefit of the network cost savings, individual members (those who purchase their own coverage) will need to purchase individual plans offered on the Exchange Marketplace. For those individuals who earn less than 400% of the federal poverty level and purchase insurance through the Exchange, the ACA provides subsidies to assist individuals with the cost of health insurance.

#### Those not impacted by the Pathway Network include:

- Individual members who bought their plans prior to March 23, 2010 (also called "Grandfathered plans")
- Seniors on Medicare
- Employees who receive their health benefits through small group employers (off the Exchange)
- Employees who receive their health benefits through large group employers

## Anthem's Pathway Network

Anthem is choosing to offer this select network of providers to help offset the premium increases that would otherwise be necessary. Independent studies performed by both the NH Department of Insurance and the Society of Actuaries predicted that the average increase, driven primarily by higher claims of the previously uninsured and those covered through existing high risk pools, could be significant, as much as 30-40%. In order to offset this average increase, the providers in Anthem's Pathway network are offering rate concessions for our projected individual Exchange customers, many of whom may not have had coverage previously. Without the use of the new network, all individual Exchange members would have seen much higher premiums than they will now see.

Pathway is a comprehensive provider network that meets New Hampshire's network adequacy requirements for all counties. While it does not include every hospital in the state, it does include:

- 74% of Primary Care Providers (PCPs)
- 85% of Specialists, Allied, and Other Professional Providers
- 83% of Ambulatory Surgery Providers
- 98% of the current Ancillary network (e.g. Lab, Durable Medical Equipment, Ambulance, Home Care)
- Essential Community Providers (ECPs)
- The majority of New Hampshire's Acute Care General Hospitals plus one Massachusetts tertiary hospital

On the following page we have developed illustrative examples aimed at giving consumers a general sense of the individual products available both on and off the Exchange and the corresponding premium rates. In addition, we have developed a helpful health reform guide which can be found here <http://myplan.anthem.com/ACAguide>

## Premium rates without subsidies

Off Exchange	Deductible/Coinsurance	21 year old	40 year old	60 year old	
<b>B</b> Bronze	Single	\$5,950/20%	\$237	\$303	\$643
	Family*	\$11,900/20%	\$775	\$907	\$1,587
<b>S</b> Silver	Single	\$3,000/10%	\$288	\$368	\$782
	Family	\$6,000/10%	\$943	\$1,103	\$1,931
<b>G</b> Gold	Single	\$1,500/10%	\$332	\$425	\$902
	Family	\$3,000/10%	\$1,087	\$1,271	\$2,226

On Exchange	Deductible/Coinsurance	21 year old	40 year old	60 year old	
<b>B</b> Bronze	Single	\$5,750/10%	\$177	\$227	\$482
	Family	\$11,500/10%	\$580	\$679	\$1,188
<b>S</b> Silver	Single	\$2,500/10%	\$226	\$288	\$612
	Family	\$5,000/10%	\$738	\$863	\$1,511
<b>G</b> Gold	Single	\$1,000/10%	\$268	\$342	\$727
	Family	\$2,000/10%	\$876	\$1,025	\$1,794

## Example of On Exchange plans applying subsidies (tax credit & cost share)

Individual income \$11,490 or family of four income \$23,550

On Exchange FPL 100%**	Deductible/Coinsurance	21 year old	40 year old	60 year old	
<b>B</b> Bronze	Single	\$5,750/10%	\$0	\$0	\$0
	Family	\$11,500/10%	\$0	\$0	\$0
<b>S</b> Silver	Single	\$500/0%	\$18	\$18	\$17
	Family	\$1,000/0%	\$37	\$36	\$34
<b>G</b> Gold	Single	\$1,000/10%	\$61	\$72	\$132
	Family	\$2,000/10%	\$175	\$198	\$317

## Example of On Exchange plans applying subsidy (tax credit)

Individual income \$34,470 or family of four income \$70,650

On Exchange FPL 300%**	Deductible/Coinsurance	21 year old	40 year old	60 year old	
<b>B</b> Bronze	Single	\$5,750/10%	\$177	\$210	\$140
	Family	\$11,500/10%	\$399	\$372	\$232
<b>S</b> Silver	Single	\$2,500/10%	\$226	\$272	\$271
	Family	\$5,000/10%	\$557	\$557	\$554
<b>G</b> Gold	Single	\$1,000/10%	\$268	\$326	\$385
	Family	\$2,000/10%	\$695	\$718	\$837

Rates shown on this page are non tobacco rates.

\* For family contracts, assumes spouse is same age as contract holder and two children under the age of 21.

\*\*Federal Poverty Level (FPL) based on 2013 Poverty Guidelines

Later this month, we will be conducting extensive outreach to our customers to inform them of their insurance options and provide details on the new Pathway network available to them. This effort, which will include member mailings, has a host of additional educational tools such as informational brochures, special web sites, and a subsidy calculator. These tools are designed to help every consumer make the best coverage decisions for themselves and their families. In the meantime, members with specific questions about their coverage can call the number on the back of their ID card for further information.

**Additional resources for consumers include:**

- New Hampshire Insurance Department: [www.nh.gov/insurance](http://www.nh.gov/insurance) or 603-271-2261
- Centers for Medicare and Medicaid Services (CMS): [www.cms.gov](http://www.cms.gov)
- HealthCare.gov: [www.healthcare.gov](http://www.healthcare.gov) or toll-free at 1-800-318-2596  
<http://healthcarereform4you.com/>