

State of Oklahoma



The following information has been prepared summarizing the individual health insurance market in the State of Oklahoma.

Milliman, Inc. has prepared the information contained in this report from publicly available sources. The information was based on calendar year 2015 through calendar year 2017 data depending on the most currently available data source.

CY 2015 financial results

In 2015, approximately 192,000 average monthly individuals received individual market insurance coverage in the State of Oklahoma, including on and off exchange (marketplace) enrollment. The following table illustrates the financial results for calendar year 2015 based on medical loss ratio data information reported to the Centers for Medicare and Medicaid Services (CMS). Values are shown in both millions of dollars and on a per member per year basis. Values have been rounded. In calendar year 2015, the average premium per member per year was \$3,327. This value has not been reduced by premium assistance received in the insurance marketplace for qualifying individuals. In aggregate, insurers reported an approximate underwriting loss of \$63 million, representing (10%) of health insurance premiums. The financial results reflect the final accounting results from the Patient Protection and Affordable Care Act's (ACA) "3R" programs for each insurer.

FIGURE 1: CY 2015 INDIVIDUAL MARKET FINANCIAL RESULTS

Revenue and expenses	Dollars (in millions)	Per member per year
Health insurance premiums	\$639	\$3,327
Health claims incurred (including MLR rebates)	\$613	\$3,192
Admin expenses (including net reinsurance)	\$103	\$537
Fees and taxes	(\$14)	(\$72)
Underwriting gain/(loss)	(\$63)	(\$330)
Individual market enrollment	192,000	

Note: Values have been rounded

Marketplace enrollment and financial assistance

BETWEEN APPROXIMATELY 98,000 AND 124,000 AVERAGE MONTHLY INDIVIDUALS ARE ESTIMATED TO HAVE PURCHASED COVERAGE THROUGH THE INSURANCE MARKETPLACE DURING THE LAST THREE YEARS.

- Marketplace enrollment from 2016 to 2017 is estimated to have increased by 1,000 individuals. This estimate assumes the percentage of individuals activating and maintaining health insurance coverage during 2017 is similar to prior years.

- In 2015, marketplace enrollment represented approximately 51% of total individual market enrollment.
- The number of marketplace enrollees receiving a premium subsidy has increased by 35,000 from 2015 to 2017. In 2017, 93% of marketplace enrollees are estimated to receive a premium subsidy.
- The number of marketplace enrollees receiving a cost-sharing reduction (CSR) plan has increased by 21,000 from 2015 to 2017. In 2017, 65% of marketplace enrollees are estimated to receive a CSR plan.

FIGURE 2: OKLAHOMA HEALTH INSURANCE MARKETPLACE ENROLLMENT

	2015	2016	2017
Individual marketplace enrollment	98,000	123,000	124,000
Individuals receiving a premium subsidy	80,000	107,000	115,000
Individuals receiving CSR plan	59,000	77,000	80,000

Note: Values reflect estimated average monthly effectuated enrollment. Please see the methodology paper for more information on the estimate methodology.

THE COMBINATION OF THE PREMIUM SUBSIDIES AND CSR SUBSIDIES BENEFITED QUALIFYING INDIVIDUALS IN THE STATE OF OKLAHOMA BY \$887 MILLION IN 2017.

- For qualifying individuals, premium subsidies have reduced out-of-pocket premium expenditures between approximately \$2,500 and \$6,600 during the three-year period.
- In 2017, the average annual premium subsidy value per qualifying individual was \$6,600.
- Based on an estimated 115,000 average monthly premium subsidy recipients, out-of-pocket premium expenditures for qualifying individuals in Oklahoma were reduced by approximately \$759 million in 2017.
- For qualifying individuals, CSR subsidies reduced member claim responsibility between approximately \$83 million and \$128 million per year during the three-year period.

The following table illustrates changes in the values of premium and CSR subsidies received by qualifying households in the marketplace. Additionally, the average premium per year for individuals receiving a premium subsidy is illustrated.

FIGURE 3: SUMMARY OF AFFORDABLE CARE ACT SUBSIDIES

Annual average values	2015	2016	2017
Individual marketplace premium	\$3,500	\$4,500	\$7,500
Premium subsidy	\$2,500	\$3,600	\$6,600
CSR subsidy	\$1,400	\$1,500	\$1,600

Note: Individual marketplace premium reflects gross premium for premium subsidy-eligible individuals prior to federal financial assistance. Premium and CSR subsidy values reflect twelve month effectuated enrollment period.

National summary information along with the methodology and assumptions underlying our analysis can be found at <http://us.milliman.com/ACA-state-profiles/>