



HealthSource RI Advisory Board Meeting

May 16, 2016



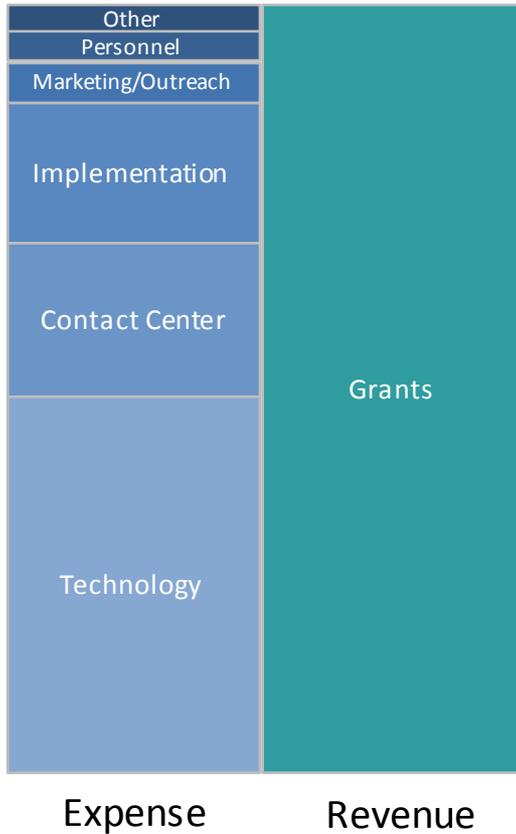
Key Financial Takeaways

- To date, the primary source of funding has been Federal grants, totaling \$152.6 m.
- FY2016 marked the beginning of the transition to financial sustainability, with a new revenue stream and significant spending reductions.
- FY2017 will be a challenging year, as HSRI spends remaining grant funds, and further implements the new financial model.
- HSRI collects health insurance premiums, held in a trust and remitted to the insurance carriers.

HSRI Budgets FY2015-2017

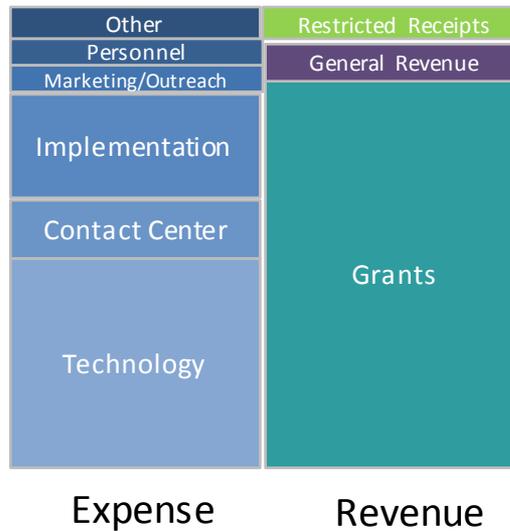
SFY 2015

\$50.9M



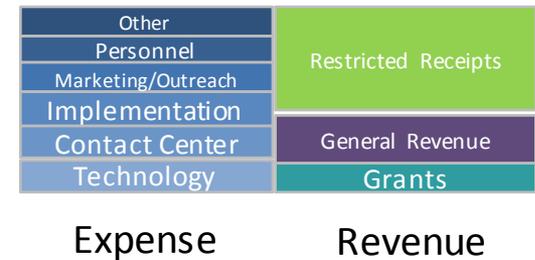
SFY 2016

\$28.9M



SFY 2017

\$11.3M



Sustainability of HSRI

- ◆ Approach in FY2016
 - ◆ Funds/Revenues – \$28.9 m
 - ◆ Establishment of 3.5% health insurance premium assessment under RIGL 42-157-4, expected revenue of \$3.0 m
 - ◆ Augmented with \$2.6 m of general revenue
 - ◆ Spending of \$23.3 m of remaining grant funds
 - ◆ Expenses \$28.9 m
 - ◆ Information Technology at \$14.8 m (~ 50%)
 - ◆ Contact Center at \$2.5 m (almost 10%)
 - ◆ Personnel at \$1.8 m (will trend up vs. contractors down)
 - ◆ Other contracts trimmed for efficiency

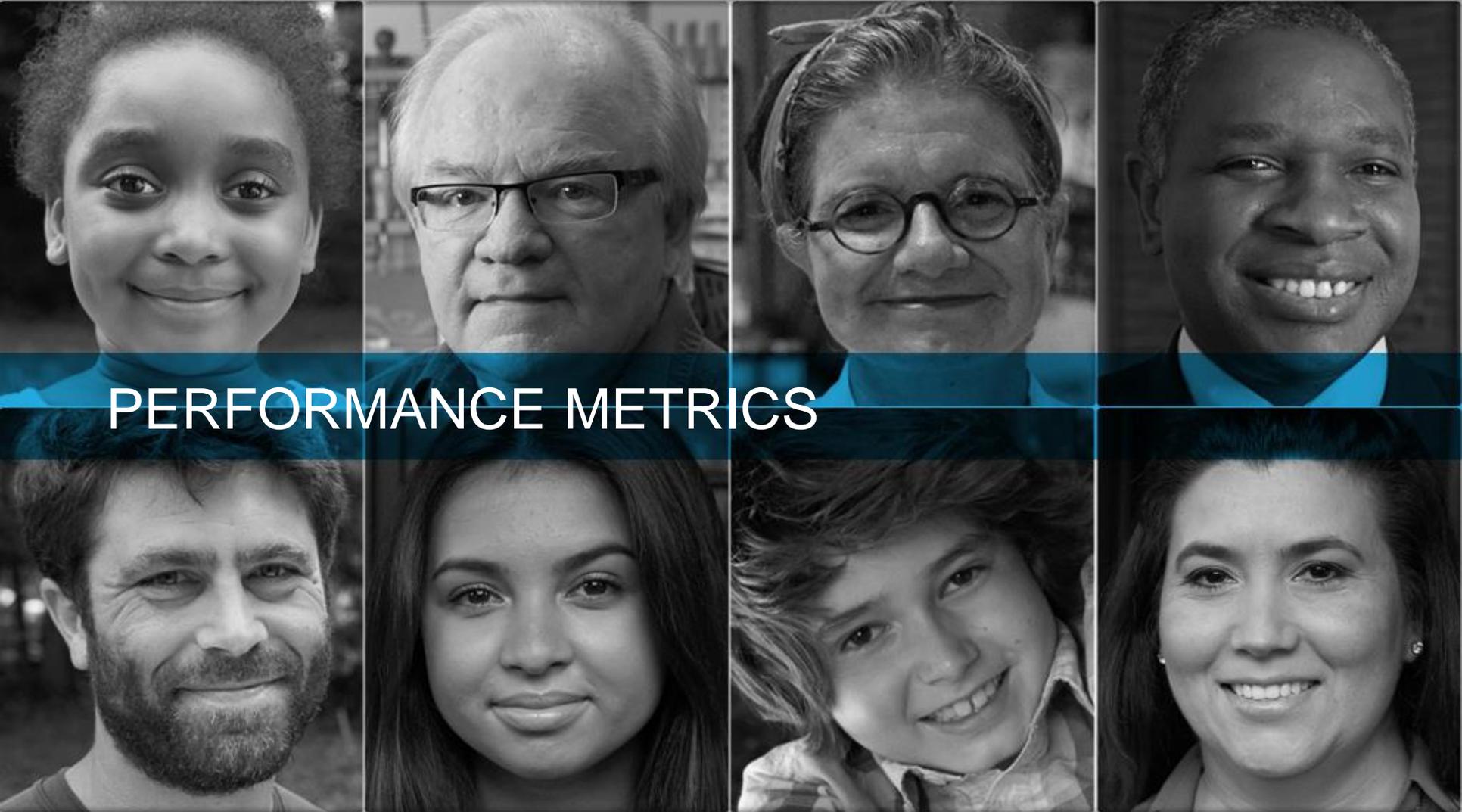
Sustainability of HSRI

- ◆ *Goal: Use fiscal discipline to achieve HSRI's program mission and satisfy compliance requirements*
 - ◆ Sustainability FY2017 and Beyond
 - ◆ Revenue growth – a key to financial health
 - ◆ Continued enrollment gains in the individual market
 - ◆ HealthSource RI for Employers – “SHOP”
 - ◆ Innovation
 - ◆ e.g. ancillary products
 - ◆ Expenses
 - ◆ Driving contract efficiency with a sharper focus in scope and clearly defined service levels
 - ◆ State FTEs picking up functions previously executed by contract workers
 - ◆ Cost sharing
 - ◆ Qualify certain shared functions for Federal Medicaid Reimbursement

FY17 Budget Update

State Account Type	Updated Total
Personnel	\$2,199,861
Contracts	\$8,533,522
Other	\$475,633
Totals	\$11,209,016
SIM Salary	\$148,784
Total w/SIM	\$11,357,800





HSRI Metrics

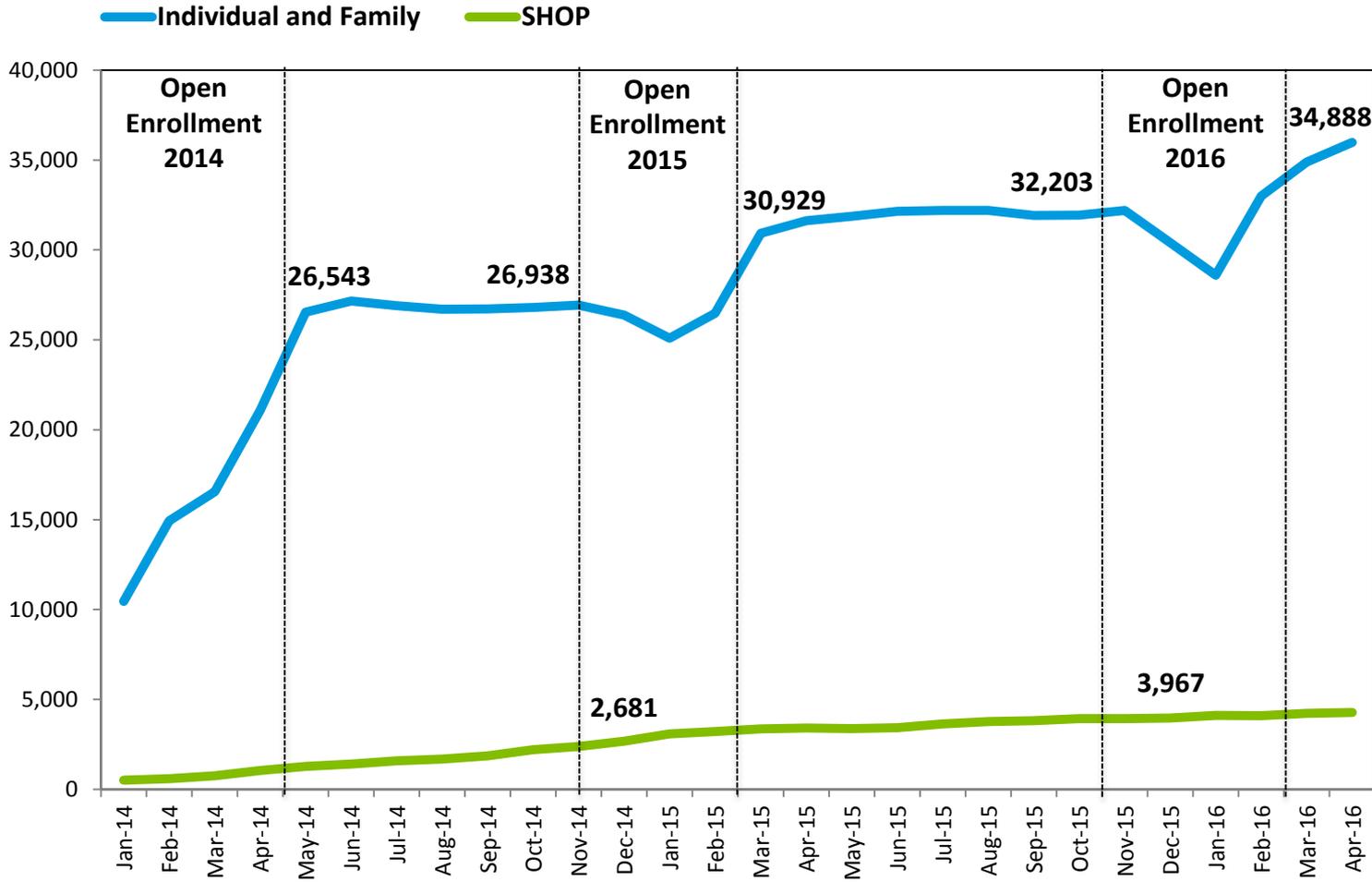
- Main sources of data:
 - Eligibility and enrollment data
 - From our technology systems
 - Household Information Survey (HIS)
 - Annual phone survey of Rhode Islanders, ~4000 respondents
 - Customer Satisfaction Survey
 - Bi-annual, email survey of HSRI customers, with ~1800 respondents
- Today, we'll cover:
 - HSRI status
 - Progress against strategic metrics
 - Highlights from recent data

HSRI Total Enrollment

January 2014 – April 2016



Individual and Family + SHOP Enrollment



HSRI Total Enrollment: **40,246**

HSRI Individual and Family Enrollment: **35,977**

HSRI SHOP Enrollment: **4,269**

As of April 30, 2016

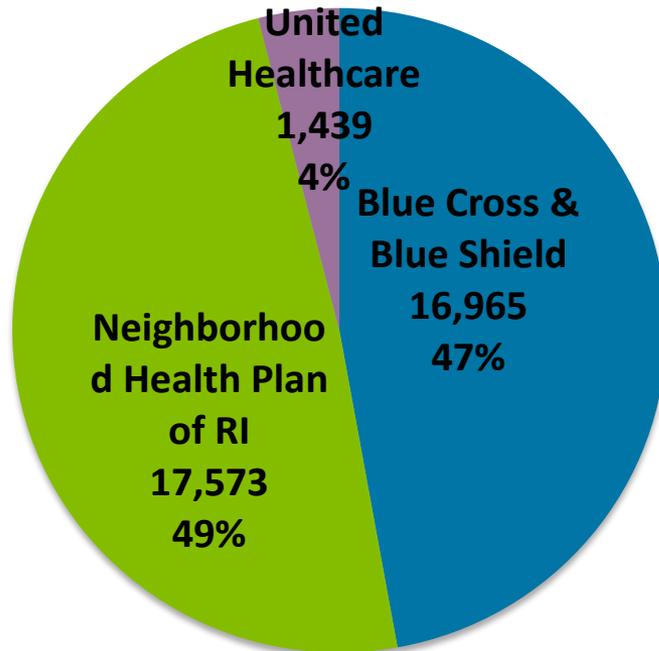
Note: Lines above indicate Open Enrollment start date and payment deadline date; values represent coverage month enrollments, Open Enrollment enrollees paying for their coverage up through the payment deadline are enrolling for the following coverage month

HSRI Individual and Family 2016 Plan Selections



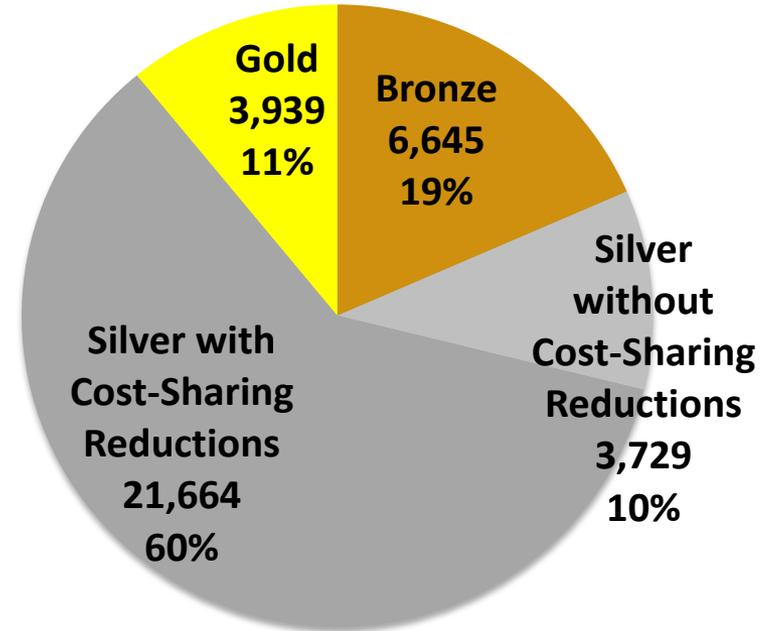
Individual and Family Enrollment as of April 30, 2016 by Metal Level and Carrier

2016 Enrollments by Carrier



Carrier	OE 2014	OE 2015
BCBS	97%	49%
NHP	3%	48%
UHC	N/A*	3%

2016 Enrollments by Metal Level



Metal Level	OE 2014	OE 2015
Bronze	23%	22%
Silver	61%	65%
Gold	15%	13%

*United Healthcare did not offer coverage on the Individual Market in 2014
Neighborhood Health Plan limited its plan offerings to individuals at or below 250% FPL in 2014, expanding its offerings to all individuals in 2015

Catastrophic level plans were available in 2014 and 2015, representing <1% of enrollments

Strategic Plan: Key Measures

HSRI Enrollment

HSRI Individual and Family Enrollment (1.2)

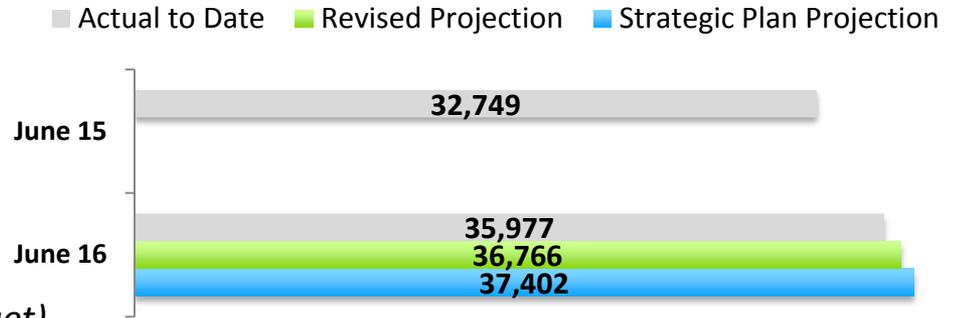
2016 Projected vs. Actual

SFY 2016 Strategic Plan Target: **37,402**

SFY 2016 February Revised Projection: 36,766

Actual Enrollment to Date – April 2016: **35,977**

Variance Actual to Date vs. Target: -1,425 (96% Target)



HSRI SHOP Enrollment (1.3)

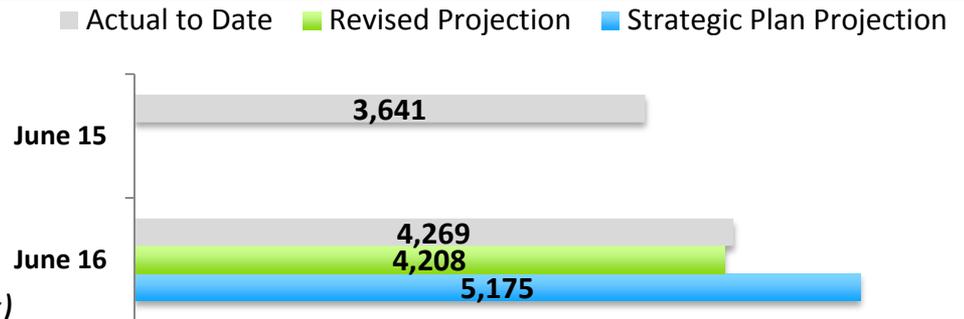
2016 Projected vs. Actual

SFY 2016 Strategic Plan Target: **5,175**

SFY 2016 February Revised Projection: 4,208

Actual Enrollment to Date – April 2016: **4,269**

Variance Actual to Date vs. Target: -906 (82% Target)



Note:

- The SHOP Strategic Plan target included projected take-up in the 51-100 market as of January 2016 for the proposed expansion of the small group market to include employers with 51-100 employees. Enrollment in the 51-100 market is no longer being assumed as of the October 2015 federal decision to delay small group market expansion

Strategic Plan: Key Measures

Customer Experience

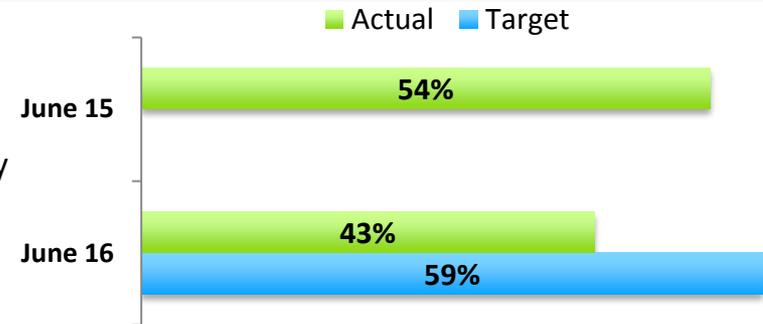
Customer Satisfaction (2.1)

Overall customer satisfaction with HSRI

Measure: % customer satisfaction survey respondents reporting Satisfied or Very Satisfied – Open Enrollment 16 Satisfaction Survey

SFY 2016 Strategic Plan Target: 59% Satisfied

SFY 2016 Actual: 43% Satisfied



Net Promoter (2.2)

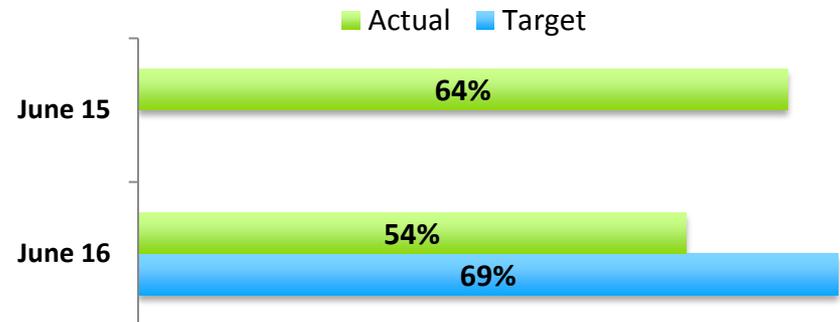
Percent of customers who would recommend HSRI to a friend or family member

Measure: % customer satisfaction survey respondents reporting Probably or Definitely – Open Enrollment 16 Satisfaction Survey

SFY 2016 Strategic Plan Target:

69% Likely to recommend

SFY 2016 Actual: 54% Likely to Recommend



Note:

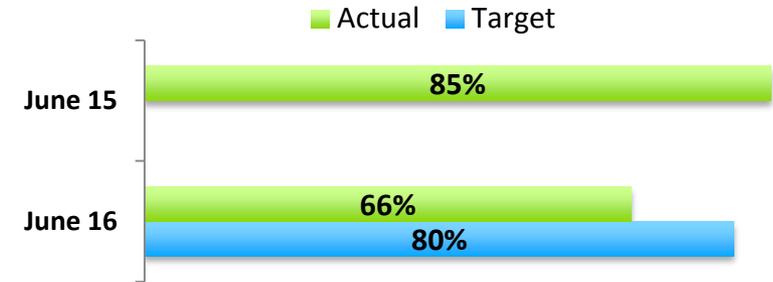
- Contact center budget and staffing reductions resulted in long wait times and low call handle rates during Open Enrollment
- As of August 2015, the walk in center no longer provided in-person assistance
- Transition to new vendor as of April 2016 promises improvements to service levels with a re-opened walk-in-center offering in-person enrollment assistance as of May 2016

Strategic Plan: Key Measures

Self-Assistance

Customers using some form of assistance in the enrollment process (3.4)

Measure: % customer satisfaction survey respondents reporting needing assistance to enroll – Open Enrollment 2016 satisfaction survey



SFY 2016 Strategic Plan Target: 80% using some form of assistance to enroll

SFY 2016 Actual: 66% using some form of assistance to enroll

Detail – Both renewing and new customers reported using less assistance this year than last. 63% of renewals reported using some form of assistance this year; 76% of new customers reported using assistance this year, indicating that the share of both renewals and new customers utilizing assistance declined compared to last year's 85%.

Note:

- The autorenewal process was introduced for Open Enrollment 2016 – for the first time this year, customers were renewed into a plan that was the same or similar to their 2015 plan and could confirm their coverage just by paying for that plan
- In Open Enrollment 2015, all renewals were required to actively complete an application and select a plan to keep their coverage
- Streamlined enrollment process impacted the need for new enrollees and renewals to seek assistance this year and drove more substantial improvements in self-service enrollment than expected

Renewal in Open Enrollment 2016

Ease of Enrollment Process

Introduction of autorenewal for Open Enrollment 2016 was intended to streamline the enrollment process for returning customers.

In addition to a decrease in the number of respondents using assistance to complete an enrollment, the Open Enrollment 2016 customer satisfaction survey found an increase in the share of returning customers reporting that the enrollment process was easier this year than last year.

Ease of Enrollment

For returning customers: Was HealthSource RI's health plan enrollment process easier this year than last year?

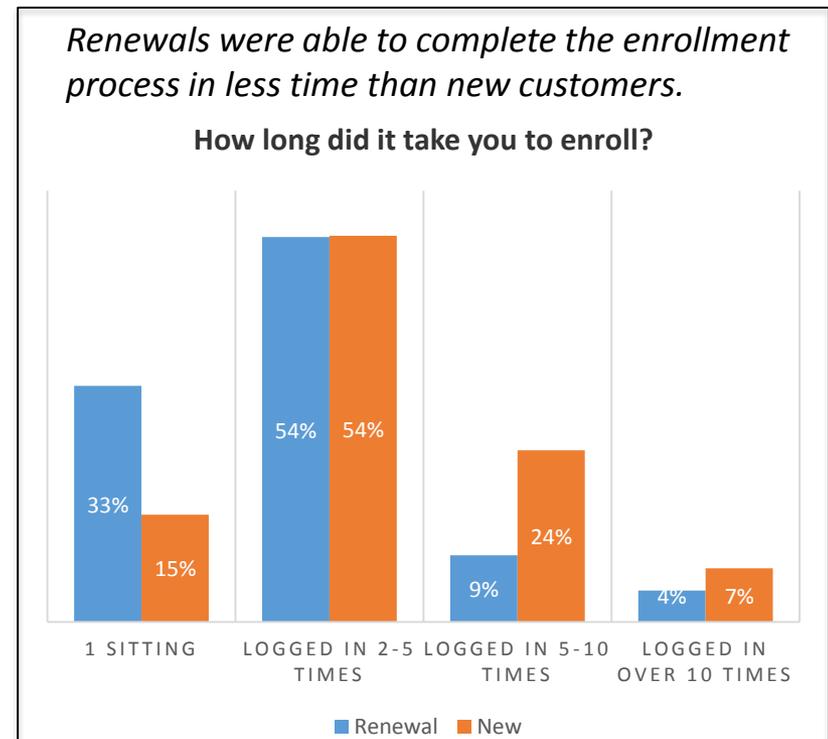
Measure: % customer satisfaction survey respondents reporting Easier or Much Easier vs. More Difficult or Much More Difficult—Open Enrollment Satisfaction Survey

OE 2015 Survey: 31% of renewals report the enrollment process was **easier in 2015 than in 2014**

30% of renewals report the enrollment process was **more difficult in 2015 than in 2014**

OE 2016 Survey: 35% of renewals report the enrollment process was **easier in 2016 than in 2015**

24% of renewals report the enrollment process was **more difficult in 2016 than in 2015**



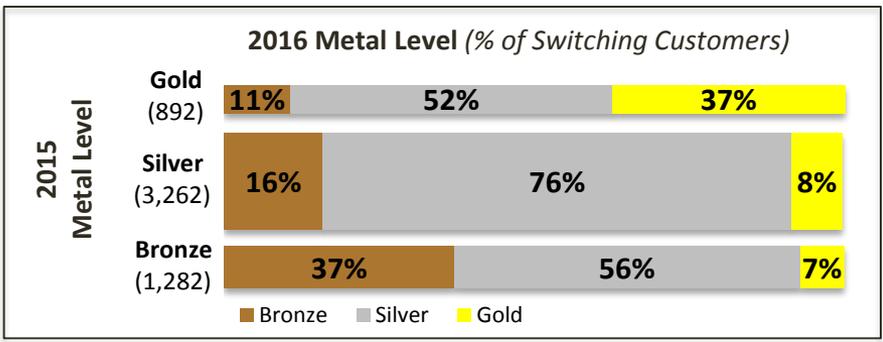
Open Enrollment 2016 Plan Switch Behavior



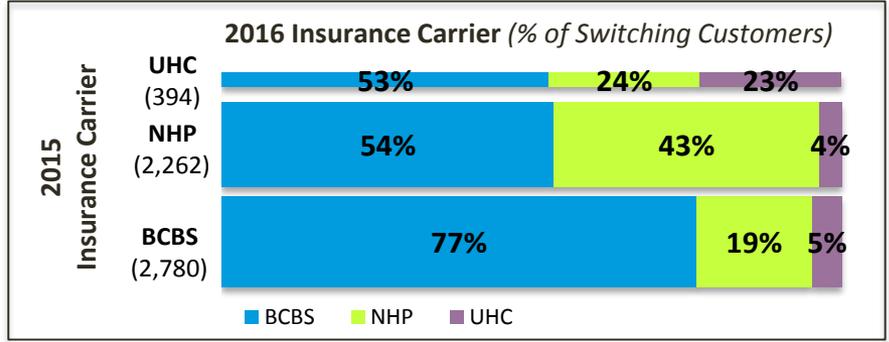
At the start of Open Enrollment 2016, existing enrollments were autorenewed into a plan that was the same or similar to their current plan. Enrollees had the opportunity to actively shop and select a new plan or confirm their autorenewed selection by paying for that plan.

1 in 5 HealthSource RI returning customers picked a different plan for 2016 than the one they were automatically renewed into.

Switching customers demonstrated a preference for silver level plans and Blue Cross & Blue Shield.



Customers were most likely to stay in the same metal level if they were enrolled in a silver plan - 76% of those initially in silver stayed with silver if switching. Those enrolled in bronze and gold metal levels were equally likely to switch levels, with the majority of people in both levels switching into silver.



Amongst carrier options, switching customers demonstrated a preference for Blue Cross Blue Shield. 77% of BCBS customers who switched plans stayed with a BCBS plan; more than half of NHP and UHC customers chose a plan with BCBS if they switched.