

FACT SHEET: CONNECTICUT AND THE PRESIDENT'S OPTION FOR NON-COMPLIANT INDIVIDUAL HEALTH POLICIES

What Connecticut is doing:

- Last week, President Obama gave states the option to allow insurance companies to offer plans that are not compliant with the Affordable Care Act (ACA) during 2014.
- Connecticut is joining all of its neighboring states – New York, Massachusetts, and Rhode Island, as well as Vermont and others – in forgoing this option because it is not a practical solution for our state.

The facts about canceled policies and the President's offer:

- There are 66,437 Connecticut individual policies, representing 108,287 actual members. Of that group of policies, 27,876 (42%) have been renewed – leaving 38,561 individual policies that will not be continued in 2014, either by choice or because they didn't have the option.
- Of the population not keeping their plans, **36% could not have been impacted by the President's proposal under any circumstance**, because their policies predated March 23, 2010. For these plans, the problem isn't that the ACA required that they be canceled, but simply that their insurance companies chose not to renew them.
- For the other 64%, the President's proposal would only have given Connecticut insurers an *option* to renew the remaining plans for one year. **It would not have required them to do so.** And the President's proposal certainly wouldn't have required insurance companies to offer the same plans at the same rates.

Why the President's plan doesn't make sense for Connecticut:

- First and foremost, **Connecticut's insurers have made clear that, even if they had the option, they would not renew any policy which hasn't already been offered for renewal.** So the offer simply doesn't apply to Connecticut.
- Second, in many states the problem is that individuals are losing their health plans, and they don't have other good options. Connecticut is different. Here, people have options. Because of the hard work that's been done for many months to build an effective health insurance exchange, **Connecticut's residents have the ability to access new health plans through a system that currently has a 96% customer satisfaction rating.** And for many people, the plans purchased through the exchange are subsidized.
- Third, even if Connecticut were to embrace the President's offer and Connecticut insurance companies decide to renew the plans they were going to cancel, there would be some negative consequences. Specifically, **changing the rules of the game at this point would**

throw the market into uncertainty, destabilizing the pricing in the healthcare exchange and leading to higher prices for many Connecticut residents down the road.

- Finally, it's important to keep in mind that many of the individuals whose plans have not been renewed did have an opportunity to renew them in recent weeks and months, and many people did just that. In fact, **many such individuals *still* have the opportunity to renew their plans.**

What Connecticut is doing for individuals that have lost their plan and may need help:

- Staff from Access Health CT and the Connecticut Department of Insurance are going to continue working with private insurers to help anyone and everyone that is losing their current plan. This will include **a new coordinated effort that will embed Access Health staff directly into some private carriers to better serve Connecticut residents.** They will do this by assisting the carriers in communicating Access Health options and subsidy availability to their members.
- The Governor has also asked Access Health and its members to extend the deadline for new sign ups to the exchange for one week (to December 23) in order to **give consumers a little more time to explore their options** and find insurance that works for them.

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