

Leavitt Partners: Health Insurance Marketplace Update

December 9th, 2013

Health Insurance Marketplace Update

- Federal Marketplace Update
- State Exchange Update
- Questions

Healthcare.gov

October 1 to Nov 1, 2013	Dec 1, 2013 ^[1]
Unresponsive	More than 400 software fixes
Account creation issues	50,000 concurrent users
42% uptime ^[1]	90% uptime
Random error codes with no detail	Queuing system during high traffic
106,185 select a plan ^[2]	Error rate under 1%
25% error rate with 834s ^[3]	Continue to have issues with 834s
	80% of users can navigate system

[1] As reported by CMS on 12/1/13

[2] CMS Health insurance marketplace: November enrollment report 11/13/13

[3] As reported by CMS on 12/6/13

State Marketplace Overview

A review of functionality over first two months

California



- Recently conducted a survey of users, 70% of Covered CA users said it was easy / intuitive to pick a health plan

Enrollment since October 1st

- Private Health Plans: 79,891
- Medicaid: 72,007*

*As of 11/12/2013

- SHOP opened Dec. 4th to positive reviews from initial small business customers

Colorado

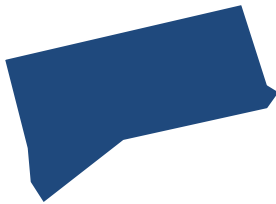


Enrollment since October 1st

- Private Health Plans: 9,980
- Medicaid: 64,290

- Initially, experienced enrollment bottleneck because of deficient communication with the Medicaid program
- Currently experiencing enrollment surge
- One of few exchanges that contracted with CGI and appear to be working well

Connecticut



Enrollment since October 1st

- Private Health Plans: 14,365
- Medicaid: 9,075

- HHS ranked CT as number 1 SBM for actual enrollment versus expected enrollment
- Experiencing enrollment upward of 1,000 people a day
- Experiencing some minor identity proofing issues
- Contemplating ways to lessen reliance on federal technologies

District of Columbia



Enrollment since October 1st

- Private Health Plans: 1,115

- Open enrollment on the SHOP started on 11/11
- Enrollment has been problematic for lawmakers too
- Numerous crashes
- Problems with account creation and verifying eligibility

Hawaii



Enrollment since October 1st

- Private Health Plans: N/A
- Medicaid: N/A

- Individual exchange did not go online until 10/15
- Little transparency
- Recent shake-ups in leadership suggest things are not going well

Kentucky

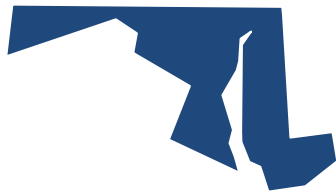


Enrollment since October 1st

- Private Health Plans: 11,775
- Medicaid: 48,507

- Case study of a successful exchange roll-out given short timelines
- Very simple, basic web-site architecture
- It works... but it ain't pretty

Maryland



Enrollment since October 1st

- Private Health Plans: 3,758
- Medicaid: 101,162*

*State is transferring its membership from a state-based, Primary Adult Care, program to the expanded Medicaid program

- Roll-out has been plagued by technical issues
- Availability of SHOP portal has been delayed until April
- Recent leadership shake-ups and staff augmentations suggest IT issues are severe

Massachusetts



Enrollment since October 1st

- Private Health Plans: N/A
- Medicaid: N/A

- Systems have had difficulty in adapting to new federal requirements
- No enrollment data has been released thus far

Minnesota



Enrollment since October 1st

- Private Health Plans: 4,478
- Medicaid: 14,405

- Have not yet gone online with SHOP – hoping for later this month.
- Accuracy of premium subsidy calculations still being vetted
- Doubling staff at MNsure call center

Nevada



Enrollment since October 1st

- Private Health Plans: 2,991
- Medicaid: 16,590

- Appears to be working well
- Broker portal still experiencing website glitches
- Some of the most robust consumer tools available

New York



Enrollment since October 1st

- Private Health Plans: 50,119
- Medicaid: 40,984

- Perhaps the least transparent of all exchanges
- Currently experiencing high volumes of enrollment
- Staff have reported minor bugs and glitches, though “no serious patterns of trouble appear to exist”

Oregon



Enrollment since October 1st

- Private Health Plans: 1,371
- Medicaid: N/A

- Hoping for website launch on December 14th
- Deadline for January 1st coverage has passed (owing to use of paper applications)
- Exchange Board has been extremely upset with technology vendor Oracle

Rhode Island



Enrollment since October 1st

- Private Health Plans: 1,192
- Medicaid: 3,213

- Minor issues but appears to be working well
- 12 health plans from 2 carriers in the individual market

Vermont

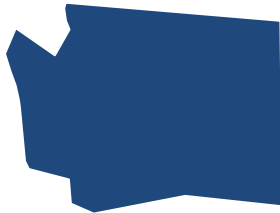


Enrollment since October 1st

- Private Health Plans: 4,629
- Medicaid: N/A

- Experiencing significant technical issues
- Attempting to withhold funds from their technology vendor CGI
- SHOP will not be available online until early-2014

Washington



Enrollment since October 1st

- Private Health Plans: 18,131
- Medicaid: 46,827

- Taken off-line for bulk of last week to locate and fix bugs in their system
- Much higher call volumes than anticipated
- Due to lack of participation, SHOP will not be an option for majority of state residents in 2014



A health care intelligence business

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