

The Impact of Expanding Vermont Health Connect To Include Large Group Employers

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Large Group Study

Vermont Act No. 54, enacted in 2015 by the General Assembly of the State of Vermont, charged the Green Mountain Care Board (“GMCB”) with analyzing the projected impact on rates in the large group market if large groups were allowed to purchase Qualified Health Plans (“QHPs”) through the State’s Health Insurance Marketplace, Vermont Health Connect (“VHC” or “Exchange”).

The GMCB retained Lewis & Ellis, Inc. (“L&E”) to perform the study on the financial implications of potentially opening up VHC to the large group market.

Large Group Study Scenarios

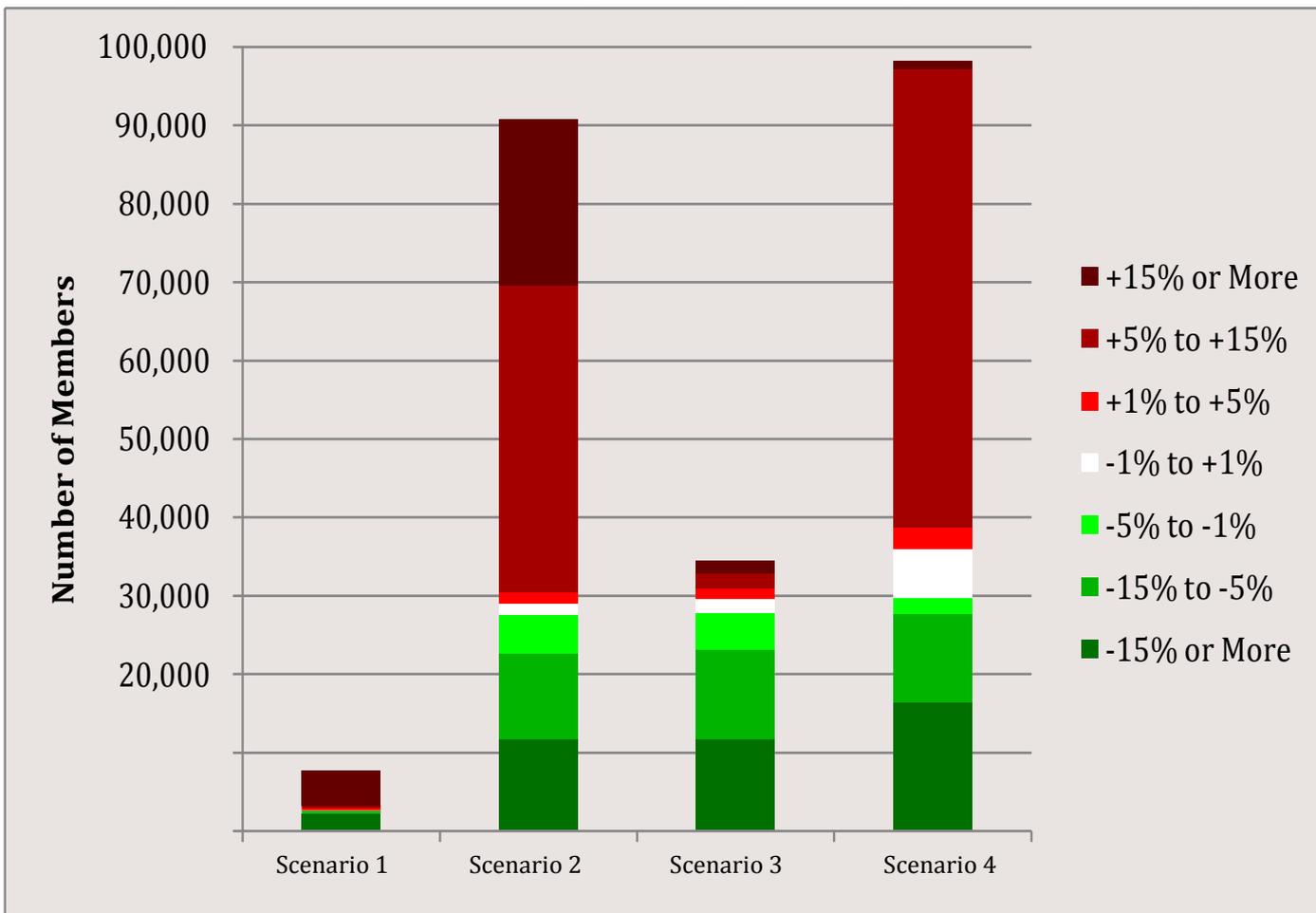
1. **A Separate Large Group Risk Pool without Government Employees:** Establish an Exchange for large groups only within VHC. The current merged individual/small group market would keep the status quo and would remain separate from the large group Exchange. The government employees would remain self-insured.
2. **A Separate Large Group Risk Pool including Government Employees:** This scenario is the same as the previous, with the exception that the government employees would be included as fully insured groups in the Exchange risk pool.
3. **Merged Risk Pool without Government Employees:** This scenario assumes a combined VHC risk pool including individuals, small groups, and all large groups, excluding the government employees which are assumed to remain self-insured.
4. **Merged Risk Pool with Government Employees:** This final scenario assumes a combined VHC risk pool including individuals, small groups, and all large groups.

Large Group Study Scenarios

The table below summarizes the results from the modeling of these four scenarios.

Scenario	1	2	3	4
LG Premiums compared to Current VHC	59%	10%	9%	6%
Impact to Individual/Small Group Premium	N/A	N/A	9%	6%
Expected Participating Large Groups	76	103	103	115
Expected LG Exchange Enrollment	7,687	90,763	34,456	98,281
Number of Persons Positively Affected by Rate Change	2,568	27,690	27,751	29,798
Number of Persons Negatively Affected by Rate Change	5,049	61,679	83,645	141,068

Impact to Premiums - Large Group Exchange Members Only



The above graph summarizes the number of persons expected to see reduced premiums if the VHC is expanded and the number of persons who would expect to see increased premiums as a result of VHC expansion. Shades of red highlight the number of persons expected to see premium increases, while the shades of green highlight the number of persons expected to see premium decreases.

To view the entire report, “Impact of Expanding Vermont Health Connect To Include Large Group Employers” access the following link on the Green Mountain Care Board website:

<http://gmcboard.vermont.gov/sites/gmcboard/files/VT%20LG%20Study%20LE%20Final%202-11-16.pdf>

If you have questions about this report, please contact Judy Henkin, General Counsel or Thomas Crompton, Senior Health Care Analyst at the GMCB (802) 828-2177.