

Impact of Prescription Drug Copay Regulatory Action on ACA Exchange Plans in Colorado and Montana

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
BACKGROUND	4
FINDINGS	5
Compliant Copay Only Plans	6
Marketplaces	6
Benefit Design	7
Deductibles	7
Maximum Out-of-Pocket (MOOP)	8
Specialty Drug Cost-Sharing	9
Medical Benefits	9
OBSERVATIONS	10
DATA SOURCES AND METHODOLOGY	10
Data Source	10
Methodology	10
CAVEATS	11
APPENDIX: PLAN DETAILS	12

EXECUTIVE SUMMARY

In 2015, the insurance commissioners of Colorado and Montana issued guidance to insurers participating in the Affordable Care Act (ACA) health exchanges requiring them, starting in 2016, to offer a minimum number of plans with fixed dollar prescription drug copays and no prescription drug deductible or coinsurance (percent cost-sharing) requirements. The commissioners had concerns that coinsurance cost-sharing creates access issues for patients that are prescribed high cost medications:

- The Colorado Division of Insurance, in its January 28, 2015, bulletin, cited the HHS Notice of Benefit and Payment Parameters for 2016¹ that “cautioned issuers against the use of plan benefit designs that ‘would discourage enrollment by individuals based on age or based on health conditions, in effect making those plan designs discriminatory.’” The bulletin clarified the Division’s position that “health benefit plans utilizing certain cost-sharing structures for prescription drug benefits may constitute a prohibited practice that is in violation of Colorado insurance law and regulations.”²
- The Montana Commissioner of Securities and Insurance, citing the Final 2016 Letter to Issuers in the Federally-facilitated Marketplaces³ in its advisory memorandum to insurers dated March 18, 2015, stated that “all health plans will be reviewed for possible discriminatory benefit designs.”⁴

While the data is not available to discern whether the guidance addressed potential discrimination, this report examines the marketplaces of Colorado and Montana during the time of the change.

We used the Health Insurance Exchange (HIX) database published by the Robert Wood Johnson Foundation (RJWF) and publically available market data to examine the ACA plans offered in Colorado and Montana prior to and after the guidance. We did not attempt to measure whether the commissioner’s stated goal was accomplished. Instead, our goal was to compare the availability, premium levels, and benefit design features of plans in Colorado and Montana before and after the guidance went into effect. Readers should note that many factors influence premium rates and benefit design by insurers, including insurer-specific risk profiles, provider contracts, and market strategy, and that this study is unable to establish a relationship between the availability of plans with pre-deductible fixed dollar prescription drug copay and patient access to those drugs.

We examined the number of plans offered, premiums, cost-sharing, and plan designs from 2015 to 2017 in Colorado and Montana for plans that were compliant and non-compliant with the guidance. We found that:

1. The number of plans with first-dollar coverage and fixed copays for prescription drugs increased significantly in Colorado, the larger of the two markets, but not in Montana

¹ Federal Register. Available at <https://www.federalregister.gov/documents/2014/11/26/2014-27858/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2016>.

² Consumer Cost Share for Prescription Drug Benefits. Bulletin No. B-4.82. Released by Colorado Division of Insurance, Jan 2015. Available at <https://www.colorado.gov/pacific/dora/colorado-insurance-bulletins>. Accessed on December 2016.

³ https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/2016_Letter_to_Issuers_2_20_2015.pdf

⁴ Advisory Memorandum. Commissioner of Securities & Insurance. Released by the Office of the Montana State Auditor, March 2015. Available at <http://csimt.gov/wp-content/uploads/2016formfilinginstructionsfinal.pdf>. Accessed on December 2016.

where such plan designs were available prior to release of the guidance and where the guidance was more flexible.

2. Insurers appear to have used a range of plan design adjustments to offset the prescription drug benefit design changes necessary to meet the guidance while remaining compliant with ACA rating requirements. ACA metal tier requirements mean that benefit enhancements, such as the elimination of a pharmacy deductible would need to be offset by changes in drug cost-sharing requirements or reductions in other benefits. While we found somewhat higher medical deductibles, maximum out-of-pockets, and other medical benefit cost-sharing for compliant plans, presumably to meet the ACA metal tier actuarial value requirements, the differences were modest and diffused. Furthermore, we found no discernable patterns of benefit design changes between the compliant and non-compliant plans from 2015 to 2017.
3. The number of Silver and Bronze ACA plans offered decreased and premiums increased in both states over the three years, in a manner comparable to the changes observed nationwide. The number of Silver and Bronze plans available decreased by 15% to 38% from 2015 to 2017 in Colorado and Montana, compared to an average 36% reduction for all states participating in the federal marketplaces. Furthermore, premium increases in both states between compliant and non-compliant plans were similar, as generally expected under ACA rating rules.

Overall, we found that Colorado and Montana insurers complied with the guidance and the markets experienced changes similar to other states. We were unable to assess the impact of the guidance on individual insureds.

This report was commissioned by Pfizer, Inc. Milliman does not intend to endorse any regulation or benefit any third party through this report; the report reflects the findings of the authors. Two of the authors, Gabriela Dieguez and Tia Goss Sawhney, are members of the American Academy of Actuaries and meet its qualification standards to issue this report.

BACKGROUND

In 2015 the insurance commissioners of Colorado and Montana, citing the Affordable Care Act (ACA) prohibition on discriminatory health benefit designs and stating that benefits with coinsurance cost-sharing for prescription drugs may be discriminatory, instructed insurers to offer a minimum number of ACA plans with only fixed dollar copays for prescription drugs (i.e., no coinsurance cost-sharing). These “copay-only” plans, in addition, cannot have prescription drug deductibles. We refer to these plans as “compliant”. Per the instructions (guidance⁵), the following requirements were effective for plan years starting in 2016:

- In Colorado, at least 25% of plans an insurer offers in each rating area must have copays for prescription drugs rather than coinsurance, and at least one of these plans must provide benefits with no prescription drug deductible (be compliant). The guidance applies separately to all metal tiers, except for catastrophic plans and high deductible health plans (HDHP) with health savings accounts (HSAs). Furthermore,

⁵ The instructions were issued in an advisory memorandum by Montana and in a non-binding bulletin by Colorado. We refer to them collectively as “guidance”.

insurers cannot place all or most drugs that treat a condition on the tier with the highest copay, and copays cannot exceed 1/12 of the annual maximum out-of-pocket limit.

- In Montana, a state with a much smaller population and fewer ACA plans, an insurer must offer at least one copay-only plan with no prescription drug deductible in each rating area, but not necessarily each metal tier. Copays must be “graduated and proportionately related” in all tiers, and tier assignments cannot result in a discriminatory practice.

These requirements resemble Part D non-discrimination rules around formulary placement of drugs, benefit design, and prior authorization practices.⁶

Under ACA rules, all health plans must meet the actuarial value requirement corresponding to the plan’s metal tier. Actuarial value refers to the portion of total covered expenses that is paid by the health plan (as opposed to amounts paid directly by the member). Plans meet the requirement if their actuarial value is within the specified corridor for their metal tier (plus or minus 2%). Therefore, benefit enhancements such as the elimination of a drug deductible may have to be offset by changes in drug cost-sharing requirements or reductions in other benefits in order for the plan to maintain its actuarial value. Furthermore, under ACA’s rating rules insurers cannot adjust the rates of a specific plan to reflect the expected selection of enrollees based on their health needs.⁷ These two rules limit the impact of the prescription drug requirements on premium levels for compliant plans.

This report examines the Colorado and Montana markets before and after the guidance. It evaluates available plan choices in the two markets, changes in the number of plans offered, overall market premium levels, and available benefits designs from 2015 to 2017. We did not attempt to address whether the guidance had an impact on patient access for prescription drugs, as such analysis would require detailed information about patient behavior that is not available to us.

FINDINGS

In order to examine what happened following the effective date of the prescription drug copay guidance in Colorado and Montana, we examined plans offered on the individual on-exchange marketplace in both states from 2015 to 2017. We reviewed Silver and Bronze plan offerings only, since together they account for about 90% of enrollment in those states⁸. We summarized the plan counts and cost-sharing for prescription drug and medical benefits by state, metal tier, and compliance with the new rules. This section presents our results. We focus primarily on 2017 as a two-year period allows any impact of the guidance to fully emerge. Additional details for all years are provided in the Appendix.

⁶ Medicare Managed Care Manual. Chapter 6. Part D Drugs and Formulary Requirements. Available at <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/downloads/chapter6.pdf>. Accessed on February 2017.

⁷ Overview: Final Rule for Health Insurance Market Reforms. Released by 2-27-2013 by CMS, Center for Consumer Information & Insurance Oversight (CIOO). Available at <https://www.cms.gov/CCIIO/Resources/Files/Downloads/market-rules-technical-summary-2-27-2013.pdf>. Accessed on February 2017.

⁸ Kaiser Family Foundation. Marketplace Plan Selections by Metal Level. Available at <http://kff.org/health-reform/state-indicator/marketplace-plan-selections-by-metal-level/?currentTimeframe=0>. Accessed on February 2017.

COMPLIANT COPAY ONLY PLANS

Figure 1 shows that the number of prescription drug copay-only, no deductible compliant plans on the Colorado and Montana exchanges increased from 2015 to 2016 following enactment of the guidance. The increase was particularly notable in Colorado where only one plan was compliant in 2015. The number of compliant plans decreased from 2016 to 2017, particularly for Montana Bronze. Montana insurers are not required to offer compliant plans in all metal tiers.

Figure 1. Number of Compliant Silver and Bronze plans in the Colorado and Montana marketplaces, 2015-2017

Year	Colorado Silver	Colorado Bronze	Montana Silver	Montana Bronze
2015*	1	0	9	0
2016	16	9	8	5
2017	9	7	5	1

* A minimum number of compliant plans was not required until 2016.

MARKETPLACES

Figure 2 summarizes the number of Silver and Bronze plans offered in Colorado and Montana for the period 2015-2017. We observe that Colorado’s marketplace is significantly larger than Montana’s. The total number of plans in each state declined from 2015 to 2017, with Colorado having the biggest decline. This is consistent with a nationwide decline of 36% in the number of ACA plans offered in the federally facilitated marketplace, and a drop of 28% in the total number of insurers offering ACA plans in all states.^{9,10} Therefore, these changes do not appear to be related to the guidance issued in either state.

Figure 2. Number of Silver and Bronze plans offered in the Colorado and Montana marketplaces, 2015-2017

Year	Colorado Silver	Colorado Bronze	Montana Silver	Montana Bronze
2015	55	41	12	13
2016	44	37	11	15
2017	34	33	9	11
2015-2017 % Change	-38%	-20%	-25%	-15%

% Change in number of ACA plans in federally facilitated marketplaces	-36%
% Change in number of insurers offering ACA plans (all states)	-28%

Figure 3 shows premium levels for plans compliant and non-compliant with the copay-only guidance. We find that 2017 compliant plans offer similar monthly premium rates as non-

⁹ ASPE Research Brief: Health Plan Choice and Premiums in the 2017 Health Insurance Marketplace, 2016, pg. 38. Available at <https://aspe.hhs.gov/system/files/pdf/212721/2017MarketplaceLandscapeBrief.pdf>. Accessed on February 2017.

¹⁰Kaiser Family Foundation. Number of Issuers Participating in the Individual Health Insurance Marketplaces. Available at <http://kff.org/other/state-indicator/number-of-issuers-participating-in-the-individual-health-insurance-marketplace/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D>. Accessed on March 2017.

compliant plans and are not consistently more or less expensive compared to non-compliant plans. Likewise, although monthly premiums increases from 2016 to 2017 were significant in both states for both metal tiers, rate increases for compliant plans were not consistently higher or lower than rates increases for non-compliant plans.¹¹ McKinsey reports a median 2017 rate increase of 24% for Silver plans and 27% for Bronze lowest-rate plans.¹² The Kaiser Family Foundation reports that the rates for second lowest Silver plans for the largest city in each state increased up to 145% with a mean increase of 24%.¹³

Figure 3. Average monthly premiums for 50-year olds for Silver and Bronze plans, 2017

	Colorado Silver	Colorado Bronze	Montana Silver	Montana Bronze
Compliant Plans				
Monthly Premium Rates 2017	\$577 (9)	\$491 (7)	\$700 (5)	\$604 (1)
Rate Increase 2016 to 2017	19%	26%	44%	57%
Non-Compliant Plans				
Monthly Premium Rates 2017	\$598 (25)	\$480 (26)	\$655 (4)	\$545 (10)
Rate Increase 2016 to 2017	25%	25%	34%	39%

Note: () indicates the number of participating plans used for this analysis. Figures represent simple averages.

BENEFIT DESIGNS

Due to actuarial value rules and other pricing considerations, decreases in prescription drug cost-sharing required by the guidance may have been offset with changes to medical benefit design features. We examined the changes to deductibles, maximum out-of-pocket limits, and cost-sharing for medical services. The details of this analysis are shown in the Appendix.

DEDUCTIBLES

The number of Colorado plans without a prescription drug deductible (either stand alone or combined with medical) grew between 2015 and 2017, from 1 to 16, as shown in Figure 4A.

Figure 4A. Deductible Offerings for Silver and Bronze plans, 2015 and 2017

	Colorado Silver	Colorado Bronze	Montana Silver	Montana Bronze
2015				
No Rx Deductible	1	0	9	0
Stand-alone Rx Deductible	11 (\$1,091)	2 (\$1,000)	0	0
Combined Medical and Rx	43 (\$2,344)	39 (\$5,183)	3 (\$3,417)	13 (\$4,665)
2017				
No Rx Deductible	11*	7	5	1
Stand-alone Rx Deductible	3 (\$500)	3 (\$583)	0	0
Combined Medical and Rx	20 (\$3,273)	23 (\$5,707)	4 (\$2,788)	10 (\$5,980)

Note: Figures represent number of plans offered. () indicates the average deductible of participating plans used for this analysis.

* Two of the 11 no Rx deductible plans are non-compliant.

Figure 4B presents the 2017 medical and combined average deductible level by state, metal tier, and compliance with the guidance. Within metal tiers we found that medical deductibles for compliant plans are either similar or somewhat higher than medical and combined deductibles for non-compliant plans, except when compared to Colorado Silver plans with combined deductibles where it was lower. And, as expected, Bronze plans have much higher deductibles than Silver plans. (The higher deductible generates the Bronze plan lower actuarial value.)

Figure 4B. Average annual medical and combined deductibles for Silver and Bronze plans, 2017

	Colorado Silver	Colorado Bronze	Montana Silver	Montana Bronze
Compliant Plans Medical Deductible	\$3,056 (9)	\$5,943 (7)	\$2,990 (5)	\$6,350 (1)
Non-Compliant Average Medical Deductible	\$3,098 (25)	\$5,641 (26)	\$2,788 (4)	\$5,980 (10)
Stand-alone Medical Deductible	\$2,400 (5)	\$5,133 (3)	(0)	(0)
Combined Medical and Rx Deductible	\$3,273 (20)	\$5,707 (23)	\$2,788 (4)	\$5,980 (10)

Note: () indicates the number of participating plans used for this analysis. Figures represent simple averages.

MAXIMUM OUT-OF-POCKET (MOOP)

Figure 5 presents the average MOOP levels by state, metal tier, and compliance with the guidance. On average, 2017 compliant plans have higher MOOP limits than the non-compliant plans, likely due to actuarial value rules. Nearly all Bronze plans in both states offer the maximum 2017 MOOP permitted by the ACA.

Figure 5. Average MOOP limit for Silver and Bronze plans, 2017

	Colorado Silver	Colorado Bronze	Montana Silver	Montana Bronze
Compliant Plans MOOP	\$6,739 (9)	\$7,107 (7)	\$6,610 (5)	\$7,150 (1)
Non-Compliant Plans MOOP	\$6,436 (25)	\$6,865 (26)	\$5,413 (4)	\$6,785 (10)
Maximum 2017 MOOP Permitted	\$7,150	\$7,150	\$7,150	\$7,150

¹¹ Code of Federal Regulation, Title 45, Chapter A, Subchapter B, Part 147§ 147.102 Fair health insurance premiums. Available at <https://www.law.cornell.edu/cfr/text/45/147.102>.

¹² 2017 Exchange Market: Pricing Trends. McKinsey & Company. Published November 2016. Available at www.healthcare.mckinsey.com. Accessed on February 2017.

¹³ Cox, C. et al. 2017 Premium Changes and Insurer Participation in the Affordable Care Act's Health Insurance Marketplaces, The Henry J. Kaiser Family Foundation. Published November 2016. Available at www.kff.org. Accessed on February 2017

SPECIALTY DRUG COST-SHARING

People who have specialty drug needs have exceptionally high drug costs compared to the majority of ACA insured people who do not have specialty drug needs. In 2017, Colorado plans that are compliant with the guidance have specialty drug copays, shown in Figure 6, close to the maximum allowable amount of one-twelfth of the maximum out-of-pocket (MOOP). Therefore, patients covered under a compliant plan and filling a year supply of specialty drugs (assuming 12 copays) with even a modest level of other medical costs may not see any cost-sharing relief, just a slower path to the MOOP. In contrast, Montana requires that prescription drug copayments be “reasonably graduated and proportionately related in all tier levels.” Montana’s average specialty drug copay for compliant plans is significantly less than the maximum allowable amount, and offers specialty drug patients that don’t reach the MOOP higher potential cost-sharing relief.

Figure 6. Average specialty drug copays for compliant Silver and Bronze plans, 2017
Comparison to average maximum out-of-pocket (MOOP)

	Colorado Silver	Colorado Bronze	Montana Silver	Montana Bronze
Monthly Specialty Rx Copay	\$507 (9)	\$557 (7)	\$220 (5)	\$220 (1)
Monthly Specialty Rx Copay x 12 ¹	\$6,087	\$6,686	\$2,640	\$2,640
Average MOOP	\$6,739	\$7,107	\$6,610	\$7,150

Note: () indicates the number of participating plans used for this analysis. Figures represent simple averages.
¹ Assuming patient fills 12 scripts per year.

MEDICAL BENEFITS

Because changes to prescription drug benefit design may impact a plans’ actuarial value, requiring changes to drug cost-sharing or other benefit features, we examined the average cost-sharing for primary care physician (PCP) and specialist visits for compliant and non-compliant plans. The details of this analysis can be found in the appendix. We observe that:

- For Colorado plans, not accounting for deductible requirements, the cost-sharing amount per visit is higher for compliant plans than it is for non-compliant plans. This is true for Colorado plans with both copay cost-sharing and coinsurance. However, this pattern is not observed in Montana Silver plans.
- Bronze plans often rely upon high medical deductibles to achieve their low actuarial value and waive physician visit cost-sharing after the deductible. The Colorado Bronze category had five plans with both PCP and Specialist visits subject to no charge after the deductible. There was one Colorado Silver plan that had no PCP and Specialist visits cost-sharing after the deductible. Four out of the ten non-compliant Bronze plans in Montana had no PCP and Specialists visits cost-sharing after the deductible.

Note: we recommend readers use caution when evaluating the Montana Bronze compliant plans for 2017 as there is only one plan.

OBSERVATIONS

The findings in this report suggest that the Colorado and Montana markets did not appear to experience disruption following implementation of the guidance. Premiums had been increasing in those markets before the guidance, and the number of plans available had been decreasing since 2014. These changes were comparable to those observed in other states.

At the same time, Colorado saw an increase in the number of plans available with first-dollar drug coverage and fixed copays. The impact in Montana, where plans with copays and no drug deductible were already available, appears to have been immaterial.

Changes to prescription drug benefits have the potential to impact other benefit features. Medical deductibles for compliant plans were either similar or somewhat higher than for non-compliant plans. Also, we observed somewhat higher cost-sharing for office visits for compliant plans than for non-compliant plans in Colorado, not accounting for differences in deductible requirements. This suggests that insurers made small adjustments to their non-drug benefits to offset the impact of the prescription drug benefit changes.

DATA SOURCES AND METHODOLOGY

DATA SOURCE

We relied on the 2015, 2016 and 2017 Health Insurance Exchange (HIX) Compare dataset published by the Robert Wood Johnson Foundation (RWJF), supplemented by filed and publicly released plan design information. The HIX Compare dataset is a public data file that includes information on all plans offered in the health insurance marketplace across all states.

Occasionally, we found improbable benefit designs, such as a Bronze plan with no inpatient hospital cost-sharing. In such situations, we examined the plan language in the RWJF dataset, compared it to plan materials and corrected the RWJF data as necessary. For example, we corrected the RWJF data input of “no charge” for an inpatient hospital charge under a Bronze plan to “no charge subject to the deductible” after comparing it to the original plan design released by the carrier.

Bronze and Silver plans capture the majority of enrollment in the Colorado and Montana marketplaces. In Colorado, enrollment for Bronze plans accounts for 45% of total enrollment and enrollment for all Silver plans accounts for 44%. In Montana, enrollment for Bronze plans accounts for 38% of total enrollment and enrollment for Silver plans accounts for 55%.¹⁴

METHODOLOGY

This analysis includes ACA individual on-exchange plans in the Bronze and Silver metal tiers. We counted a plan only once, irrespective of the number of geographical areas it was offered and, when calculating average premium, used the premium for the most populated geographical area that it was offered. The aggregate averages presented include copay-only or coinsurance-only cost-sharing. In cases where the service category has both copay and coinsurance, we exclude that from the aggregate average.

We grouped plans into compliant and non-compliant plans based on the definitions provided in the guidance of each state. To determine if a plan was compliant, we verified that each in-

network prescription drug tier (generic, preferred, non-preferred and specialty) had copays only and were not subject to the deductible.

We compared the number of plans, the premium rates, and the in-network prescription drug and medical benefits across compliant and non-compliant plans. Since plan-level enrollment data is not available, we calculated averages as simple averages across plans.

CAVEATS

In this analysis, we used the data source from the Robert Wood Johnson Foundation and plan designs filed or publicly released by the carrier. While we reviewed the data for reasonableness and consistency, we did not perform a detailed audit of the data. If the underlying data or information is inaccurate or incomplete, the results provided in subsequent analyses may likewise be inaccurate or incomplete. Different plan designs and rating areas will produce different results.

The development and rating of plan benefits is a complex process that takes into account many factors. Insurer-specific factors as well as market competition and the regulatory environment influence the availability and premium levels of plan offerings in the marketplaces. This study is unable to establish a relationship between the availability of plans with pre-deductible fixed dollar prescription drug copay and patient access to those drugs.

Gabriela Dieguez and Tia Goss Sawhney are employees of Milliman, Inc. They are members of the American Academy of Actuaries and meet the qualification standards of the American Academy of Actuaries to issue this summary.

¹⁴ Kaiser Family Foundation. Marketplace Selections by Metal Level. Available at <http://kff.org/health-reform/state-indicator/marketplace-plan-selections-by-metal-level/?currentTimeframe=0>. Accessed on January 2017.

APPENDIX: PLAN DETAILS

Table A1. Summary of Colorado Silver Plans

	2015	2016	2017	2016 % Change	2017 % Change
Colorado					
Silver					
Number of Plans					
Compliant Plans	1	16	9	1500%	-44%
Non-Compliant Plans	54	28	25	-48%	-11%
All Plans	55	44	34	-20%	-23%
Average Premium -- Age 27					
Compliant Plans	\$280	\$285	\$339	2%	19%
Non-Compliant Plans	\$261	\$281	\$351	8%	25%
All Plans	\$261	\$283	\$348	8%	23%
Average Premium -- Age 50					
Compliant Plans	\$478	\$486	\$577	2%	19%
Non-Compliant Plans	\$445	\$479	\$598	8%	25%
All Plans	\$445	\$482	\$593	8%	23%
Average Medical Deductible					
Compliant Plans	\$5,000 (1)	\$2,647 (16)	\$3,056 (9)	-47%	15%
Non-Compliant Plans	\$1,691 (11)	\$3,200 (4)	\$2,400 (5)	89%	-25%
Average Rx Deductible					
Non-Compliant Plans	\$1,091 (11)	\$750 (4)	\$500 (3)	-31%	-33%
Average Combined Deductible					
Non-Compliant Plans	\$2,344 (43)	\$2,582 (24)	\$3,273 (20)	10%	27%
Average MOOP					
Compliant Plans	\$5,000	\$6,619	\$6,739	32%	2%
Non-Compliant Plans	\$6,075	\$6,217	\$6,436	2%	4%
All Plans	\$6,055	\$6,363	\$6,516	5%	2%

Note: () indicates the number of participating plans used for this analysis. Figures represent simple averages.

Table A2. Summary of Colorado Silver Plans Prescription Drug Benefits

PRESCRIPTION DRUGS							
COMPLIANT				NON-COMPLIANT			
Total Number of Plans	1	16	9	Total Number of Plans	54	28	25
<u>Copayment*</u>	2015**	2016	2017	<u>Copayment</u>	2015	2016	2017
Generic	\$4	\$15	\$16	Generic	\$15 (45)	\$12 (20)	\$12 (21)
Preferred	\$45	\$43	\$43	Preferred	\$42 (28)	\$45 (20)	\$52 (20)
Non-Preferred		\$133	\$102	Non-Preferred	\$65 (13)	\$78 (14)	\$74 (8)
Specialty		\$509	\$507	Specialty		\$250 (4)	

*By definition, all compliant plans have prescription drug copays

**2015 plan Non-Preferred Drug and Specialty Drug cost-sharing is no charge after prior authorization is granted

<u>Coinsurance</u>			
Generic	28% (2)	22% (6)	25% (3)
Preferred	32% (19)	22% (6)	24% (4)
Non-Preferred	35% (38)	35% (12)	36% (16)
Specialty	34% (50)	28% (22)	33% (24)

<u>Plans with No Charge After Deductible</u>			
Generic	7	2	1
Preferred	7	2	1
Non-Preferred	3	2	1
Specialty	4	2	1

Table A3. Summary of Colorado Silver Plans Medical Benefits

MEDICAL SERVICES							
COMPLIANT				NON-COMPLIANT			
Total Number of Plans	1	16	9	Total Number of Plans	54	28	25
<u>Copayment</u>	2015	2016	2017	<u>Copayment</u>	2015	2016	2017
PCP	\$30 (1)	\$24 (12)	\$34 (7)	PCP	\$32 (40)	\$27 (21)	\$28 (21)
Specialists	\$60 (1)	\$55 (8)	\$64 (5)	Specialists	\$52 (36)	\$48 (18)	\$52 (13)
ER		\$400 (13)	\$436 (7)	ER	\$273 (38)	\$307 (14)	\$261 (9)
Inpatient		\$625 (4)	\$667 (3)	Inpatient	\$850 (5)	\$750 (4)	\$500 (2)
Outpatient				Outpatient	\$2500 (1)*	\$350 (1)	
<u>Coinsurance</u>				<u>Coinsurance</u>			
PCP		26% (4)	40% (2)	PCP	32% (7)	19% (4)	22% (3)
Specialists		24% (8)	33% (4)	Specialists	29% (11)	21% (7)	27% (11)
ER		28% (3)	30% (2)	ER	31% (23)	26% (11)	28% (15)
Inpatient		29% (12)	35% (6)	Inpatient	31% (42)	29% (20)	30% (22)
Outpatient		29% (16)	34% (6)	Outpatient	31% (46)	28% (23)	29% (24)
<u>Plans with No Charge After Deductible</u>				<u>Plans with No Charge After Deductible</u>			
PCP	-	-	-	PCP	7	3	1
Specialists	-	-	-	Specialists	7	3	1
ER	1	-	-	ER	7	3	1
Inpatient	1	-	-	Inpatient	7	4	1
Outpatient	1	-	-	Outpatient	7	4	1

* copay amount confirmed in plan design

Table A4. Summary of Colorado Bronze Plans

	2015	2016	2017	2016 % Change	2017 % Change
Colorado					
Bronze					
Number of Plans					
Compliant Plans	0	9	7		-22%
Non-Compliant Plans	41	28	26	-32%	-7%
All Plans	41	37	33	-10%	-11%
Average Premium -- Age 27					
Compliant Plans		\$229	\$288		26%
Non-Compliant Plans	\$213	\$226	\$282	6%	25%
All Plans	\$213	\$226	\$283	6%	25%
Average Premium -- Age 50					
Compliant Plans		\$390	\$491		26%
Non-Compliant Plans	\$364	\$385	\$480	6%	25%
All Plans	\$364	\$386	\$483	6%	25%
Average Medical Deductible					
Compliant Plans		\$5,967 (9)	\$5,943 (7)		0%
Non-Compliant Plans	\$3,675 (2)	\$4,500 (1)	\$5,133 (3)	22%	14%
Average Rx Deductible					
Non-Compliant Plans	\$1,000 (2)	\$500 (1)	\$583 (3)	-50%	17%
Average Combined Deductible					
Non-Compliant Plans	\$5,183 (39)	\$5,298 (27)	\$5,707 (23)	2%	8%
Average MOOP					
Compliant Plans		\$6,833	\$7,107		4%
Non-Compliant Plans	\$6,378	\$6,657	\$6,865	4%	3%
All Plans	\$6,378	\$6,700	\$6,917	5%	3%

Table A5. Summary of Colorado Bronze Plans Prescription Drug Benefits

PRESCRIPTION DRUGS							
COMPLIANT				NON-COMPLIANT			
Total Number of Plans	0	9	7	Total Number of Plans	41	28	26
<u>Copayment*</u>	2015	2016	2017	<u>Copayment</u>	2015	2016	2017
Generic		\$26	\$31	Generic	\$20 (21)	\$23 (7)	\$19 (10)
Preferred		\$77	\$96	Preferred	\$58 (3)	\$60 (3)	\$60 (2)
Non-Preferred		\$228	\$267	Non-Preferred		\$130 (3)	\$120 (2)
Specialty		\$502	\$557	Specialty		\$300 (1)	

*By definition, all compliant plans have prescription drug copays

<u>Coinsurance</u>			
Generic	40% (10)	38% (14)	38% (11)
Preferred	41% (26)	39% (18)	41% (19)
Non-Preferred	42% (30)	41% (20)	42% (19)
Specialty	41% (29)	41% (22)	42% (21)

<u>Plans with No Charge After Deductible</u>			
Generic	10	7	5
Preferred	12	7	5
Non-Preferred	11	5	5
Specialty	12	5	5

Table A6. Summary of Colorado Bronze Plans Medical Benefits

MEDICAL SERVICES							
COMPLIANT				NON-COMPLIANT			
Total Number of Plans	0	9	7	Total Number of Plans	41	28	26
<u>Copayment</u>	2015	2016	2017	<u>Copayment</u>	2015	2016	2017
PCP		\$25 (5)	\$48 (4)	PCP	\$49 (19)	\$17 (10)	\$41 (10)
Specialists		\$88 (2)	\$95 (1)	Specialists	\$73 (7)	\$100 (2)	
ER		\$450 (5)	\$650 (2)	ER	\$323 (15)	\$355 (10)	\$350 (6)
Inpatient		\$1450 (1)	\$1450 (1)	Inpatient	\$625 (4)	\$621 (7)	\$833 (3)
Outpatient				Outpatient			
<u>Coinsurance</u>				<u>Coinsurance</u>			
PCP		35% (4)	50% (2)	PCP	42% (10)	42% (10)	40% (11)
Specialists		39% (7)	48% (5)	Specialists	39% (22)	39% (18)	42% (21)
ER		45% (9)	48% (6)	ER	40% (22)	45% (11)	43% (15)
Inpatient		35% (4)	46% (4)	Inpatient	40% (25)	45% (15)	43% (20)
Outpatient		37% (8)	47% (5)	Outpatient	38% (29)	40% (20)	42% (21)
<u>Plans with No Charge After Deductible</u>				<u>Plans with No Charge After Deductible</u>			
PCP	-	-	1	PCP	12	8	5
Specialists	-	-	1	Specialists	12	8	5
ER	-	-	1	ER	12	7	5
Inpatient	-	-	1	Inpatient	12	8	5
Outpatient	-	-	1	Outpatient	12	8	5

Table A7. Summary of Montana Silver Plans

	2015	2016	2017	2016 % Change	2017 % Change
Montana					
Silver					
Number of Plans					
Compliant Plans	9	8	5	-11%	-38%
Non-Compliant Plans	3	3	4	0%	33%
All Plans	12	11	9	-8%	-18%
Average Premium -- Age 27					
Compliant Plans	\$223	\$285	\$411	28%	44%
Non-Compliant Plans	\$207	\$288	\$384	39%	34%
All Plans	\$219	\$286	\$399	30%	40%
Average Premium -- Age 50					
Compliant Plans	\$380	\$486	\$700	28%	44%
Non-Compliant Plans	\$353	\$491	\$655	39%	34%
All Plans	\$373	\$487	\$680	30%	40%
Average Medical Deductible					
Compliant Plans	\$3,306 (9)	\$2,688 (8)	\$2,990 (5)	-31%	31%
Non-Compliant Plans					
Average Rx Deductible					
Non-Compliant Plans					
Average Combined Deductible					
Non-Compliant Plans	\$3,417 (3)	\$3,767 (3)	\$2,788 (4)	10%	-26%
Average MOOP					
Compliant Plans	\$6,250	\$6,538	\$6,610	-5%	12%
Non-Compliant Plans	\$3,417	\$3,767	\$5,413	10%	44%
All Plans	\$5,542	\$5,327	\$6,078	-4%	14%

Table A8. Summary of Montana Silver Plans Prescription Drug Benefits

PRESCRIPTION DRUGS							
COMPLIANT				NON-COMPLIANT			
Total Number of Plans	9	8	5	Total Number of Plans	3	3	4
<u>Copayment*</u>	2015	2016	2017	<u>Copayment</u>	2015	2016	2017
Generic	\$12	\$11	\$15	Generic			
Preferred	\$46	\$48	\$48	Preferred			
Non-Preferred	\$81	\$85	\$93	Non-Preferred			
Specialty	\$171	\$211	\$220	Specialty			

*By definition, all compliant plans have prescription drug copays

<u>Coinsurance</u>	
Generic	25% (3)
Preferred	25% (4)
Non-Preferred	33% (4)
Specialty	35% (4)

<u>Plans with No Charge After Deductible</u>			
Generic	3	3	1
Preferred	3	3	-
Non-Preferred	3	3	-
Specialty	3	3	-

Table A9. Summary of Montana Silver Plans Medical Benefits

MEDICAL SERVICES							
COMPLIANT				NON-COMPLIANT			
Total Number of Plans	9	8	5	Total Number of Plans	3	3	4
<u>Copayment</u>	2015	2016	2017	<u>Copayment</u>	2015	2016	2017
PCP	\$34 (9)	\$28 (6)	\$30 (3)	PCP			\$35 (1)
Specialists	\$49 (8)	\$57 (5)	\$60 (2)	Specialists			\$65 (1)
ER	\$400 (3)	\$475 (4)	\$613 (4)	ER			\$200 (1)
Inpatient	\$250 (2)	\$383 (3)	\$388 (4)	Inpatient			
Outpatient		\$267 (3)	\$275 (4)	Outpatient			
<u>Coinsurance</u>				<u>Coinsurance</u>			
PCP		20% (2)	20% (2)	PCP			23% (3)
Specialists	40% (1)	27% (3)	27% (3)	Specialists			23% (3)
ER	28% (6)	30% (4)	40% (1)	ER			23% (3)
Inpatient	30% (7)	32% (5)	40% (1)	Inpatient			28% (4)
Outpatient	30% (7)	32% (5)	40% (1)	Outpatient			28% (4)
<u>Plans with No Charge After Deductible</u>				<u>Plans with No Charge After Deductible</u>			
PCP	-	-	-	PCP	3	3	-
Specialists	-	-	-	Specialists	3	3	-
ER	2	-	-	ER	3	3	-
Inpatient	2	-	-	Inpatient	3	3	-
Outpatient	2	-	-	Outpatient	3	3	-

Table A10. Summary of Montana Bronze Plans

	2015	2016	2017	2016 % Change	2017 % Change
Montana					
Bronze					
Number of Plans					
Compliant Plans	0	5	1		-80%
Non-Compliant Plans	13	10	10	-23%	0%
All Plans	13	15	11	15%	-27%
Average Premium -- Age 27					
Compliant Plans		\$226	\$354		57%
Non-Compliant Plans	\$181	\$230	\$320	27%	39%
All Plans	\$181	\$228	\$323	26%	41%
Average Premium -- Age 50					
Compliant Plans		\$385	\$604		57%
Non-Compliant Plans	\$308	\$391	\$545	27%	39%
All Plans	\$308	\$389	\$550	26%	41%
Average Medical Deductible					
Compliant Plans		\$4,880 (5)	\$6,350 (1)		30%
Non-Compliant Plans					
Average Rx Deductible					
Non-Compliant Plans					
Average Combined Deductible					
Non-Compliant Plans	\$4,665 (13)	\$5,535 (10)	\$5,980 (10)	19%	8%
Average MOOP					
Compliant Plans		\$6,690	\$7,150		7%
Non-Compliant Plans	\$6,385	\$6,565	\$6,785	3%	3%
All Plans	\$6,385	\$6,607	\$6,818	3%	3%

Table A11. Summary of Montana Bronze Plans Prescription Drug Benefits

PRESCRIPTION DRUGS							
COMPLIANT				NON-COMPLIANT			
Total Number of Plans	0	5	1	Total Number of Plans	13	10	10
<u>Copayment*</u>	2015	2016	2017	<u>Copayment</u>	2015	2016	2017
Generic		\$22		Generic	\$15 (4)		\$25 (2)
Preferred		\$110	\$50	Preferred	\$115 (4)		\$125 (2)
Non-Preferred		\$148	\$100	Non-Preferred	\$150 (4)		\$160 (2)
Specialty		\$197	\$250	Specialty	\$175 (4)		\$185 (2)

*By definition, all compliant plans have prescription drug copays

<u>Coinsurance</u>			
Generic	40% (5)	32% (5)	28% (3)
Preferred	40% (5)	38% (5)	35% (4)
Non-Preferred	40% (5)	44% (5)	48% (4)
Specialty	40% (5)	50% (5)	53% (4)

<u>Plans with No Charge After Deductible</u>			
Generic	4	5	5
Preferred	4	5	4
Non-Preferred	4	5	4
Specialty	4	5	4

Table A12. Summary of Montana Bronze Plans Medical Benefits

MEDICAL SERVICES							
COMPLIANT				NON-COMPLIANT			
Total Number of Plans	0	5	1	Total Number of Plans	13	10	10
<u>Copayment</u>	2015	2016	2017	<u>Copayment</u>	2015	2016	2017
PCP		\$40 (1)		PCP	\$29 (5)	\$10 (2)	\$40 (1)
Specialists				Specialists	\$45 (2)		
ER				ER	\$600 (1)	\$750 (3)	\$1000 (2)
Inpatient				Inpatient	\$300 (1)	\$750 (2)	\$750 (2)
Outpatient				Outpatient		\$400 (2)	\$400 (2)
<u>Coinsurance</u>				<u>Coinsurance</u>			
PCP		50% (4)	30% (1)	PCP	46% (5)	36% (5)	42% (5)
Specialists		50% (5)	30% (1)	Specialists	48% (8)	36% (5)	43% (6)
ER		50% (5)	30% (1)	ER	44% (9)	36% (5)	43% (6)
Inpatient		50% (5)	30% (1)	Inpatient	44% (9)	43% (3)	53% (4)
Outpatient		50% (5)	30% (1)	Outpatient	44% (9)	43% (3)	53% (4)
<u>Plans with No Charge After Deductible</u>				<u>Plans with No Charge After Deductible</u>			
PCP	-	-	-	PCP	3	3	4
Specialists	-	-	-	Specialists	3	5	4
ER	-	-	-	ER	4	4	4
Inpatient	-	-	-	Inpatient	4	5	4
Outpatient	-	-	-	Outpatient	4	5	4