

Quality health plans & benefits
Healthier living
Financial well-being
Intelligent solutions



Individual Health Insurance Premiums in 2016

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August 7, 2015



Agenda

- Who is Aetna and what is our role?
- What factors are driving 2016 premium increases?
- How are premiums set?
- What is Aetna doing to keep premiums low?



Who is Aetna and what is our role?



Our Goals

- Quality health plans and benefits
- Healthier living
- Financial well-being
- Intelligent solutions

Our purpose is to empower people to live healthier lives.

What factors are driving 2016 premiums?

2014 Costs Under the ACA

- First full-year view of costs under the ACA.
- ACA market is still developing.

Changes in Government Reinsurance

- The Federal Government's payments to insurers for members with exceptionally high claims are being phased out.
- This program was designed to assist during the first few years of coverage under the Affordable Care Act.

Medical Cost Increases

- These include increases in visits and increases in how much we pay hospitals and physicians.
 - Also included are increases to drug costs due to new higher cost drugs.
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How are premiums set?

Who will sign up?

What will the impact of the risk adjustment program be?

How will people react to the individual mandate penalty?

Many questions remain...

How will the rules change?

What will competing carriers do?

In what ways will the usage and costs of medical services change?

What is Aetna doing to keep premiums low?

Accountable Care Organizations and High Performance Networks

- Innovative provider partnerships that reward quality and value rather than volume
- Care centered around patient/primary care physician

Piloting ways to engage members in health and wellness activities

- Digital member engagement tools
 - Rewards for wellness and condition management activities
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Developing simpler plan designs and improving cost transparency

- Help members understand cost of care and alternative options



Thank you

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