



COVID-19 ECONOMIC IMPACTS

Policy Committee Meeting
May 28, 2020

COVID-19 Impacts

- C4HCO staff examined the potential COVID-19 impacts to the Exchange through the spring and summer.
- This presentation examines what we anticipate, what we don't know, and potential opportunities.

Threats: What We Anticipate

- Incomes will continue to decrease with the increase of unemployment. Decreased income could mean decreased enrollment.
- Federal pandemic unemployment income increase serves as Medicaid expansion, since the income counts for Medicaid but not for APTC/CSR.
- Grace period extensions could increase risk for disenrollment once moratorium ends.







Threats: What We Don't Know

- Medicare and Medicaid expansions at the federal level
- Subsidized COBRA coverage
- Premium impacts to financially assisted customers due to reinsurance
- Premium impacts for unsubsidized customers
- State budget crisis causing pressure to eliminate carrier donations

Opportunities

- Small business push to individual market – education/partnering with HRA/Brokers
- Group brokers – partnering to cover uninsured members of groups
- Federal APTC expansion
- Easy enrollment bill and other SEP's
- Dept of Labor and Employment partnership
- Reduction in employer coverage due to COVID & move to individual market. Potential to create consumer stickiness to portable benefits

Potential COVID-19 Financial Impacts

Issue	Revenue and Overall Impact	Likelihood
Reduction in employer coverage/increase in Exchange enrollment		Very likely
Easy Enrollment bill		Possible
Dept of Labor links		Already happening
Decrease in enrollment due to income loss		Very likely
Medicare, Medicaid, and ESI expansions		Possible
Decrease in enrollment after expiration of grace period extension		Very likely
APTC impacts due to reinsurance	Unknown	Medium

Discussion

In a recession, do our roles or responsibilities change, or does it increase our significance?

Where can we tolerate uncertainty to take action and where do we need more certainty?

What else should we consider?