Oregon Health Fund Board

Combining Individual, Portability, OMIP and the Uninsured – early modeling

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Data Sources and Assumptions

- Individual Market
  - Size of market from **Covering the Uninsured: The Cost to Oregon**
  - 2007 Carrier filings for 5 large carriers – individual market
  - Generalized to all individual market
  - Assumptions:
    - 85% loss ratio
    - 8% trend
    - 25% average cost sharing

Data Sources and Assumptions

- Portability
  - Size of market from **Covering the Uninsured: The Cost to Oregon**
  - 2007 Carrier filings for 5 large carriers – large group market (baseline cost)
  - OMIP portability data for these assumptions
    - 1.88 allowed charges/premium
    - 1.48 paid claims/premium
  - Other assumptions
    - Admin cost equal to Individual Market
    - 8% trend

Data Sources and Assumptions

- OMIP
  - Size of market from **Covering the Uninsured: The Cost to Oregon**
  - OMIP Stat Pack 2008 and custom data pulls from OMIP staff
  - Other assumptions
    - 8% trend

Data Sources and Assumptions

- Uninsured
  - Number of Uninsured enrolled in combined pool from **Covering the Uninsured: The Cost to Oregon**
  - Assumption Driven Estimate!
    - Per capita ~ 50% of avg cost
    - Unmet demand factor 168%
    - Assumed cost sharing in plan 25%
    - 17% of uninsured joining pool are children
    - 85% loss ratio
    - 8% trend

Qualifiers and Fine Print

- Plan design choices were not modeled
- Please view the results as order-of-magnitude, not best and final estimates
- Input on accuracy of assumptions and data sources is welcome

Summary of Results

	Number of Members	Today's Member Premium PMPM (after implicit portability subsidy and explicit OMIP subsidy)	Pooled Premium All populations (no OMIP subsidy)		Pooled Premium All populations (after OMIP subsidy)	
			Premium	% change	Premium	% change
Individual	200,000	218	265	21%	249	14%
Portability	19,000	304	265	-13%	249	-18%
OMIP	17,192	372	265	-29%	249	-33%
Uninsured (likely to join individual market)	112,000	[illegible]	265		249	

Summary of Results

not including OMIP

	Number of Members	Today's Member Premium PMPM (after implicit portability subsidy)	Pooled Premium Individual, Portability, Uninsured	
			Premium	% change
Individual	200,000	218	243	11%
Portability	19,000	304	243	-20%
Uninsured (likely to join individual market)	112,000	277	243	