



OHIO MARKET LANDSCAPE

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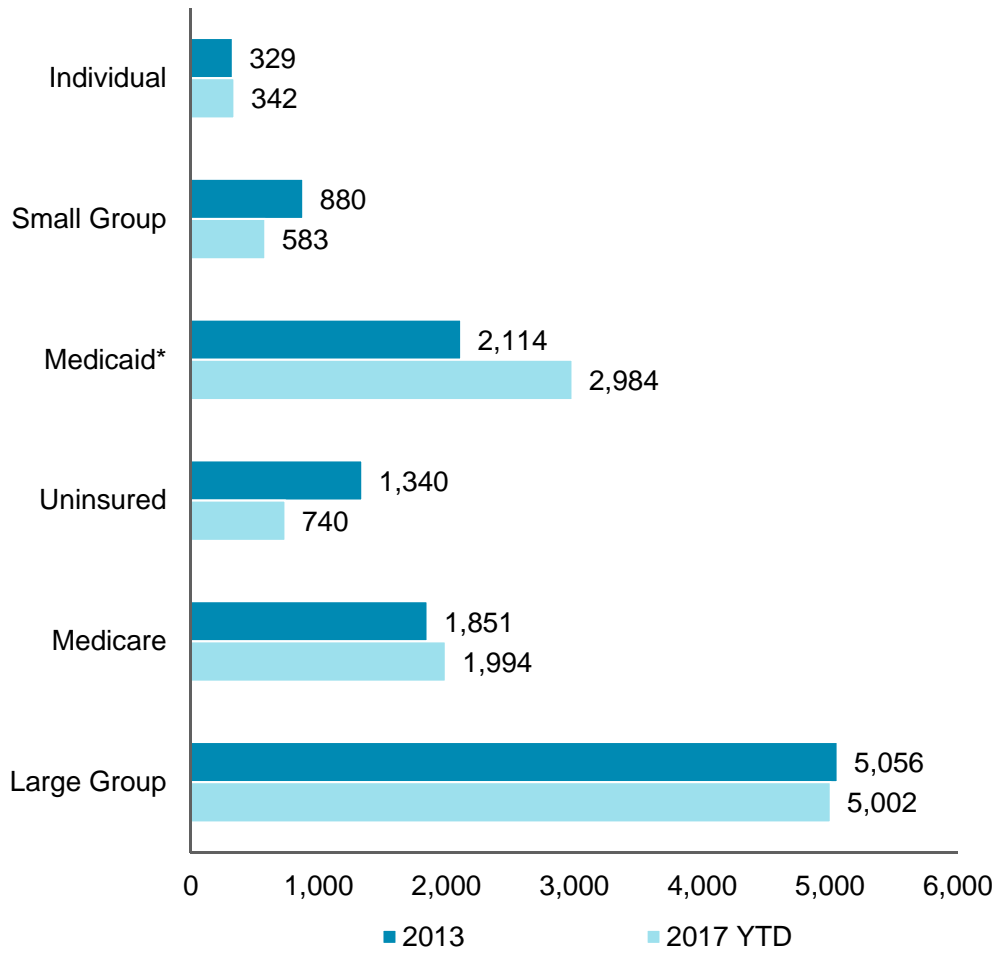
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The number of uninsured Ohioans has decreased, however the ACA has not increased the size of the individual market

Distribution of Enrollment by Market (in 1,000s)



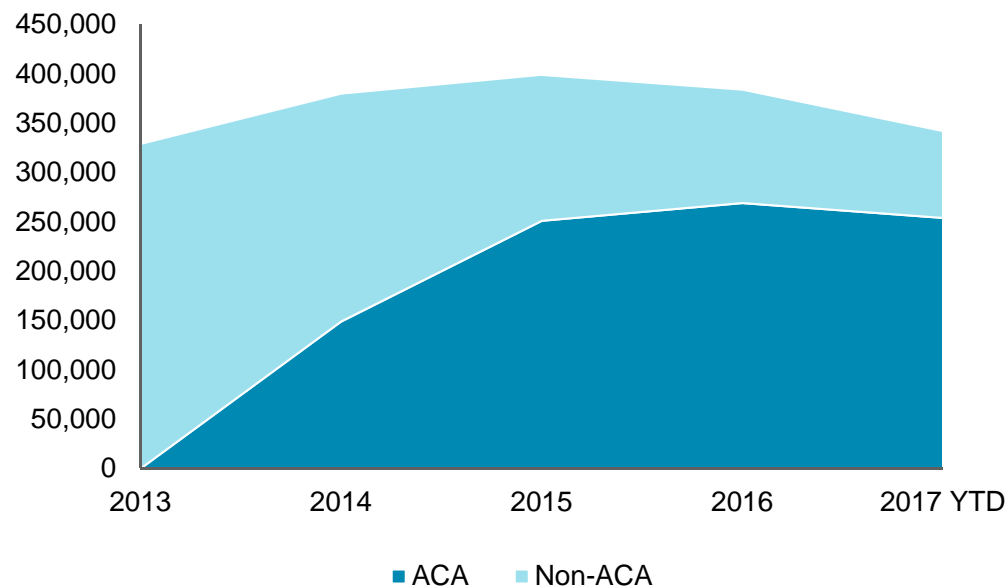
- The uninsured rate has decreased from 11.6% in 2013 to 6.4% in 2017
 - Primarily driven by the expansion of Medicaid
- The small group market has experienced a significant decline in enrollment
- Individual market enrollment has increased marginally between 2013 and 2017
 - Carrier data suggests the number of individuals enrolled in ACA individual market coverage will decrease in 2017 relative to 2016
- The proportion of the population enrolled in Medicare has increased slightly, due to aging of the population
- The proportion of the population enrolled in large group employer coverage has remained relatively unchanged

Sources: Carrier data call, ASPE reports, Statutory financial statements, Ohio Medicaid reports, CMS Medicare reports, various Census Bureau reports

Enrollment in both the ACA and non-ACA individual markets declined in recent years

- Enrollment in the individual market increased from 2013 to 2015, but has since decreased as enrollment in transitional and grandfathered plans has decreased

Average Annual Individual Market Enrollment



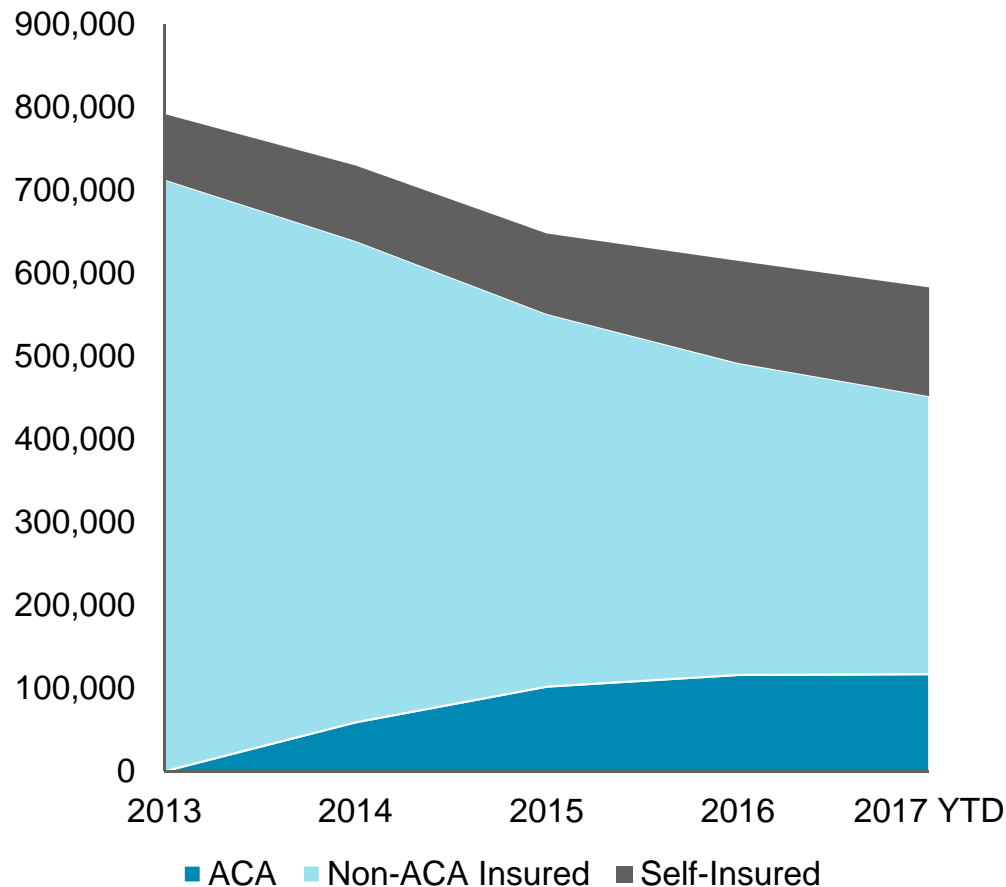
Percent of ACA Members Receiving Premium Subsidies

2015	2016	2017 YTD
57.7%	56.5%	57.8%

- The proportion of individuals in ACA policies receiving premium subsidies has not changed materially from 2015 to 2017, while the distribution of ACA enrollees by income has remained fairly steady

Enrollment in the small group markets has declined in recent years even with growth in coverage through self-insured or ACA products

Average Annual Small Group Market Enrollment



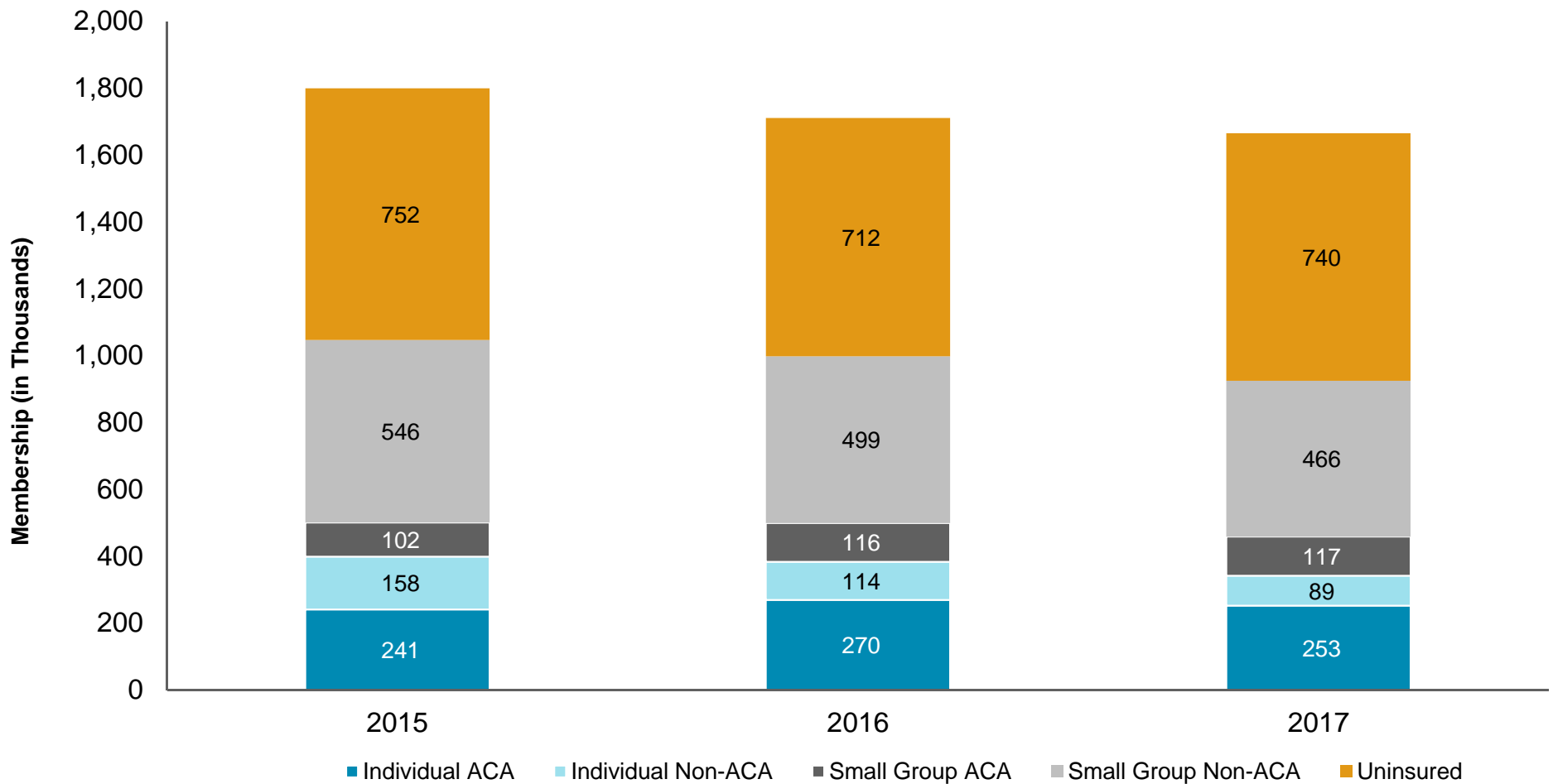
SG Enrollment Change Observations

- Small group employment in the State of Ohio grew by 9.8% between 2013 and 2016¹
- Enrollment in the small group market declined by 26.4% between 2013 and 2017 with most of the reductions occurring in the grandfathered and transitional policies
- The total reduction in small group enrollment (approximately 209 thousand) is only moderately below the total growth in ACA compliant individual policies (approximately 254 thousand)

Sources: Carrier Data Call, Medical Expenditure Panel Survey Data, statutory financial statements

1. Taken from the Medical Expenditure Panel Survey Data

Current membership (baseline data) indicate both the individual and small group markets have been shrinking in recent years
 Individual, Small Group, Uninsured



Sources: Carrier data call, ASPE, Statutory financial statements, various Census Bureau reports

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