SESSION III: THE PRIVATE INSURANCE MARKET

Princeton Conference April 2014



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Changing Insurer Landscape: Shift Happens

- ▶ New individual enrollees in public exchanges
- ▶ New fees, underwriting rules and MLR constraints
- ▶ Shape and future of ESI unclear
- ▶ Surprising emergence of private exchanges
- ▶ Provider restructuring and payment reform pressuring traditional provider relations approach
- ▶ Only certainty is continued uncertainty

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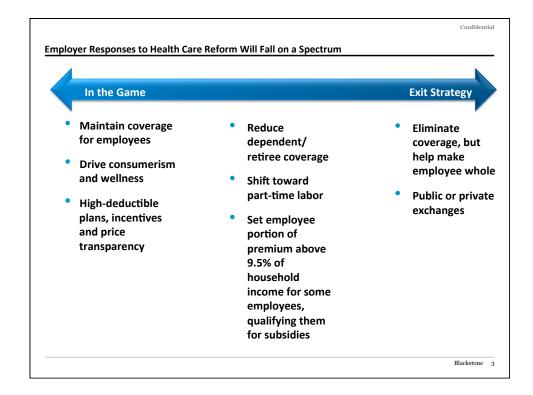
Whither Employers: It's All About Stratification

- ► Group I: don't offer today
- ► Group II: offer today
 - In sectors with high turnover, part time jobs and non-technical workers

► Group III

- A. In sectors with high degree of labor competition
- B. Strong cultural (or CEO) beliefs in health as a business strategy or lack of trust in government
- C. In healthcare space commercially

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Big Picture: Portfolio Companies New to Equity Healthcare

- ➤ Tim Jost, Washington and Lee impact of the ACA on the individual market, including changes in underwriting, the benefit package and cost sharing; the role of the exchanges; the individual mandate and the effect of the transition policy
- ▶ Claire McAndrew, Families USA marketplace issues from a consumer perspective, including the need for private insurance plans that can meet consumer need; in particular, premium affordability, cost-sharing design, and provider network issues
- ▶ Joe Zubretsky, Aetna Aetna's innovative work with providers to help re-orient the delivery system and in addition how it has addressed the transition of the market to a more consumer focus.
- ▶ James Capretta, AEI some of the constraints and burdens of the ACA and how they are impeding the marketplace from developing products that are attractive to a diverse customer base

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