

# Exchange-eligible consumers heading into OEP

As we near the 2016 OEP, outreach and retention efforts are ramping up.

**Almost 10M people** have bought exchange plans. **Another 18.6M—including close to 11M uninsured**—are eligible to do so. Understanding the different consumer segments is critical for driving uptake.

Estimated size of exchange-eligible population heading into 2016 OEP<sup>1</sup>



## On-exchange enrollees

Enrollees who purchased an ACA plan through the exchange who may stay in an exchange plan

9.9M



## Off-exchange ACA enrollees

Enrollees who purchased a non-subsidized ACA plan from a non-exchange channel (e.g., directly from a payer or broker) who could move into an exchange plan

4.0M



## Non-ACA enrollees

Enrollees in a grandfathered or transitional plan or in new limited coverage, who could move into an exchange plan

3.7M



## Uninsured

Eligible uninsured who have yet to sign up for an exchange plan

10.9M

## Uninsured deep-dive: actions to drive enrollment

### Address affordability challenges



**Over 70%** of uninsured said that they did not sign up because they could not afford coverage

**6X**

Insured consumers who faced premium increases of more than 10% were **6X more likely** to leave their plan

### Increase subsidy and penalty awareness

**3.5X**

Uninsured subsidy-eligible respondents aware of their subsidy amounts were **3.5X more likely** to enroll in 2015 than those who were unaware.

**2.4X**

Uninsured respondents aware of the penalty were **2.4X** more likely to enroll in 2015 than those who were unaware.

### Leverage additional influencers



**61%** of prior uninsured had a family member or friend help them decide to sign up (over 90% of 18-29 year olds cited family or friends as influences)



Close to half (**40%**) of 50-64 year olds said they were influenced to enroll by a healthcare provider

### Strengthen perceived value of coverage



Only **15%** of uninsured said they thought having health insurance was financially important, while 71% indicated that covering day-to-day living expenses and paying down debt (39%) were more important



The most common pain point leading consumers to leave their plan was perceived value received for the money paid for insurance (**23%** cited their experience as “poor” or “very poor”)

### Improve convenience of shopping



**80%** of those who stopped shopping for an exchange plan and remained uninsured were not satisfied with their shopping experience

**8X**

Those who said they had a poor exchange experience were **8X** as likely as those with positive experiences to say that the enrollment process took more than 3 hours

## Methodology

McKinsey Predictive Agent-based Coverage Tool (MPACT) provides specific county-level demographic details about the exchange-eligible population in 2015. Exchange-eligible is defined as U.S. citizens under 65 years of age with household incomes over 100% FPL or 138% FPL depending on their states' Medicaid expansion status (except in DC, NY, MN which have higher FPL thresholds). These details are attained by merging county- and state-level data from the U.S. Census Bureau, Small Area Health Insurance Estimates (SAHIE), American Community Survey (ACS), Centers for Medicare and Medicaid Services (CMS), and Health and Human Services (HHS). They have been reconciled with publicly reported enrollment information to date, including Supplemental Health Care Exhibits, product rate filings, and exchange enrollment.

McKinsey 2015 OEP Consumer Survey was launched in February 2015 to a national sample of 3,007 QHP-eligible uninsured and individually insured consumers. The results provide insight into the intended actions, shopping and purchasing behavior of consumers who are eligible to purchase individual coverage on the ACA exchanges or elsewhere.

<sup>1</sup> Estimated population sizes as of most recent publicly reported exchange enrollment as of June 2015