

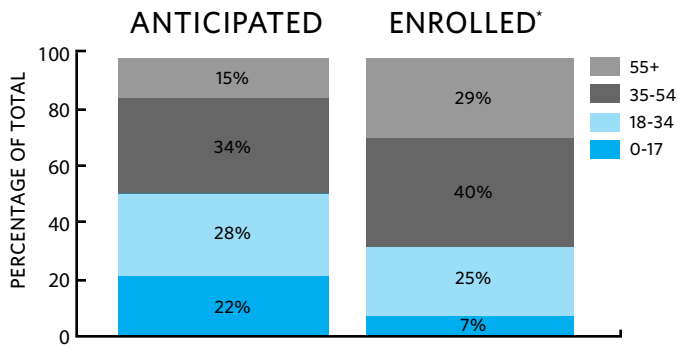
2014 BCBSNC Enrollment Data for Individual Health Insurance Under the ACA



ACA Enrollees Older than Expected

Total Actual Enrollees as of May 1, 2014: 232,000*

70 percent of Exchange enrollees were not BCBSNC customers in 2013*

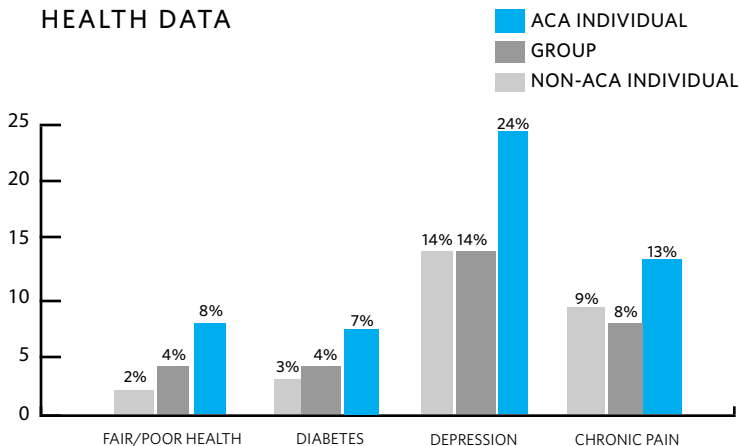


Chronic Health Conditions Cause for Concern

Early self-reported data indicates that BCBSNC's young ACA customers (ages 18-34) are less healthy and seeking more medical treatment than we typically see in this age group.

Self-reported health assessments by ACA individual customers also reveal they are reporting a higher percentage of chronic conditions including diabetes, depression and asthma. Customers with conditions like these cost **six times** more than enrollees of similar ages without chronic conditions.

HEALTH DATA



The Affordable Care Act's (ACA) first open enrollment period has come to a close.

Enrollment in North Carolina was stronger than in most states, ranking fifth in the nation.

Not as many of the state's young and healthy enrolled as expected. Younger, healthier customers are needed in the customer mix to offset the costs of older customers or those with chronic conditions. While preparing for the rollout of the ACA, Blue Cross and Blue Shield of North Carolina (BCBSNC) anticipated 50 percent of its new ACA customers would be younger than 35. However, only 32 percent of the customers BCBSNC enrolled are younger than 35, leaving BCBSNC with a higher number of older customers who often have more chronic conditions.*

Developments to Watch

In the coming months, three factors could affect ACA plans and place upward pressure on ACA plan premiums for 2015 and beyond:

Health care utilization

The frequency and types of care ACA customers receive and the conditions for which they are being treated are key factors that will determine future premiums.

Policy changes from Washington

The ACA is a complex machine with many interlocking parts. If one part changes, it affects the way the whole machine functions. The decision to allow customers to remain on non-ACA plans is an example. It benefited many consumers, but there will be cost implications for the ACA pool.

Non-payment/dropped coverage

Some new customers may use their benefits early and then quickly drop coverage.

*Data represents Exchange enrollments only through May 1, 2014.