

**August 10, 2017**  
**HealthKeepers in Virginia**  
**Individual Market Plan Participation for 2018**  
**Questions and Answers**

**What changed? Why is HealthKeepers now pulling out of the exchange market in Virginia and reducing its off-exchange plan offerings?**

While we initially filed to offer on- and off-exchange plans in Virginia, it is important to note that those filings did not guarantee the final level of our participation. When we filed, we had hoped we would have more certainty on some of these items. However, the level of uncertainty remains and we have had to make the difficult decision *not* to offer on-exchange plans in Virginia. Additionally, HealthKeepers will reduce its 2018 Individual plan offering in Virginia and will only offer off-exchange plans in Washington and Scott Counties and in the City of Bristol, VA. There remain many marketplace uncertainties, principally cost sharing reduction subsidy funding that make it challenging to be comfortable with the level of predictability of a sustainable market.

**Why is HealthKeepers pulling out of the Federal Individual exchange for Virginia?**

A stable insurance market is dependent on products that create value for consumers through the broad spreading of risk and a known set of conditions upon which rates can be developed. Planning and pricing for ACA-compliant health plans are increasingly difficult due to a shrinking and deteriorating individual market, as well as continual changes and uncertainty in federal operations, rules and guidance, including cost sharing reduction subsidies and the restoration of taxes on fully insured coverage

**Do all members need to be concerned about changes to their health plan?**

It's important to note these changes **do not** impact the following individuals:

- Those enrolled in grandfathered Individual or family health plans (purchased before March 2010).
- Members who receive their health insurance benefits from their employer.
- Members covered by an Anthem Medicare Advantage or Medicare Supplemental plan.
- Members covered by our dental, vision or life products. Anthem will continue to offer dental, vision and life products to our Individual consumers. Members who have dental and/or vision benefits with us will get renewal details in the fall.

**If CSR funding is restored will HealthKeepers consider refiling to participate?**

Our commitment is to ensure we are able to provide consumers with access to affordable health plan choices. When any legislative or regulatory changes are made that impact our business, we carefully review them to determine how they will impact our members and operations. As the marketplace continues to evolve and adjust to changing regulatory requirements and marketplace conditions, we will reevaluate whether a more robust presence in the exchange is appropriate in the future.

**What's your message to your members who may be left with fewer choices in their market?**

Our commitment to members has always been to provide greater access to affordable, quality health care. And, since the inception of the exchanges HealthKeepers maintained its

commitment to serve consumers in *all* of the states where we provide fully insured Individual health plans. Even as other insurers elected to withdraw from the exchanges, we have continued to work with federal and regulatory leaders to advocate solutions for long-term sustainability of the marketplace.

This was a difficult decision that was only made after thoughtful consideration and ongoing discussions with state and regulatory leaders. Unfortunately, the Individual market remains volatile and these conditions do not provide us with a sustainable path to provide affordable plan choices for consumers across the country. We understand that as changes in our health care system are being discussed, many people are unsure about what this might mean for them and their families. Changes are necessary to accelerate the stabilization of exchanges and provide consumers with coverage they want at a price they can afford. To that end, HealthKeepers will continue to advocate solutions that will stabilize the market to allow us to expand coverage options in the future.

**Do members enrolled in your Individual health plans need to pick another plan right now?**

It's important to note this does not impact the benefits of members currently enrolled in our Individual health plans. They can use their health benefits without interruption until the end of the year. Members who are impacted by this change will receive a letter in the mail that will include a "formal notification" that their current HealthKeepers health plans will end at the end of 2017. We will also provide some guidance on what to do during Open Enrollment.

**How and when will members who are currently enrolled in an on- or off-exchange plan be notified?**

Members who currently have an on- or off- exchange plan with HealthKeepers will need to make a change if they want to have coverage beginning in January 2018. They will receive notice informing them of the changes and options that will be available to them in 2018. Members can choose a new health plan during Open Enrollment, which is November 1, 2017 through December 15, 2017. Members can use their health plan benefits without interruption until December 31, 2017.

**What is HealthKeepers doing to improve affordability of healthcare for its consumers?**

HealthKeepers is working to hold down the cost of insurance through, innovative, value-based, partnerships with physicians, hospitals and other providers and, by providing members with tools that allow them to make informed decisions about their health and health care. Despite these concerted efforts, and helpful regulatory improvements in areas such as risk adjustment and special enrollment periods, the Individual market remains volatile, uncertain and simply does not provide a sustainable path forward to provide affordable plan choices for consumers. HealthKeepers will continue to advocate solutions that will stabilize the market to allow us to expand coverage options in the future.

**Will HealthKeepers return to the exchange market?**

As the marketplace continues to evolve and adjust to changing regulatory requirements and marketplace conditions, we will reevaluate whether a more robust presence in the exchange is appropriate in the future. HealthKeepers will continue to advocate solutions that will stabilize the market to allow us to expand coverage options in the future.

**Anthem recently posted higher than expected profits; in that case why not participate in the exchange?**

Given the volatility of the marketplace it's difficult to predict the financial viability of the ACA-compliant product offerings. There are multiple factors needed to ensure we see a visible path towards sustainability especially, when coupled with the added uncertainty of CSR funding. We are focused on participating in only those markets which are on a visible path toward sustainability going forward, including factors like the expected financial performance, regulatory environment, and underlying market characteristics.

**If a HealthKeepers member receives their benefits from their employer, do they need to do anything?**

The changes to our Individual ACA products only impact those individuals who purchase our health plans on their own. If a member receives their health insurance benefits from their employer this does not impact their health benefits. It's important to note these changes do not impact those who are enrolled in grandfathered Individual or family health plans (purchased before March 2010).

## HealthKeepers off-exchange participation list

- Washington County
- Scott County
- City of Bristol, VA