



*Health Benefit Exchange
Financial Sustainability*

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2014 Health Insurance Premium Tax Revenue Increase

- The increase in premium tax revenue will be highly sensitive to the number of new insureds and the change in average premium levels, see examples below
- The baseline estimates below from Milliman were not specifically intended for the purpose of calculating premium tax revenue, should the State want to pursue this funding mechanism, further analysis should be performed

	Milliman - Baseline	Fewer Enrollees	Lower Premium	Fewer Enrollees and Lower Premium
Number of new covered lives (all markets)	365,000	200,000	365,000	200,000
Increase in average PMPY premium (all markets)	17%	17%	8%	8%
Estimated increase in HI premium tax revenue	\$90 million	\$69 million	\$63 million	\$44 million