

Dirigo Health Agency – Board of Trustees Discussion Document
 April 12, 2010

- Agency projects an annual \$ 38 million Dirigo Choice subsidy budget.
- Agency projected a \$ 342 subsidy PMPM (SFY 2011) in absence of any eligibility or plan changes.
- Membership 9,250

	Option 1 Status Quo	Option 2 Alternate Plan	Option 3 Alternate Plan / modified subsidy			
DirigoChoice Membership ¹	11,725	12,925	12,175			
Agency Subsidy Cost PMPM	\$ 270	\$ 245	\$ 260			
Actuarial Value ²	.815	.789	.789			
Total Premium Revenue PMPM	\$ 550.66	\$ 523.94	\$ 523.94			
Unadjusted community single rates and the application of subsidy ³						
	Member	DHA	Member	DHA	Member	DHA
Individuals						
B	\$ 109.57	\$ 586.20	\$ 136.33	\$ 545.32	\$ 109.57	\$ 574.30
C	\$ 219.15	\$ 421.86	\$ 252.06	\$ 378.09	\$ 219.15	\$ 414.71
D	\$ 328.72	\$ 279.41	\$ 335.02	\$ 223.35	\$ 328.72	\$ 256.55
E	\$ 438.30	\$ 142.45	\$ 446.69	\$ 111.67	\$ 438.30	\$ 136.96
Sole Props						
B	\$ 398.62	\$ 297.15	\$ 463.52	\$ 218.13	\$ 398.62	\$ 291.12
C	\$ 416.37	\$ 224.64	\$ 478.91	\$ 151.24	\$ 416.37	\$ 220.84
D	\$ 460.19	\$ 147.94	\$ 469.03	\$ 89.34	\$ 460.19	\$ 135.83
E	\$ 504.02	\$ 76.73	\$ 513.69	\$ 44.67	\$ 504.02	\$ 73.77
Small Groups ⁴						
B	\$ 31.56	\$ 228.81	\$ 32.54	\$ 130.16	\$ 31.56	\$ 138.49
C	\$ 63.11	\$ 161.76	\$ 65.09	\$ 97.61	\$ 63.11	\$ 106.94
D	\$ 94.67	\$ 106.53	\$ 97.63	\$ 65.07	\$ 94.67	\$ 75.38
E	\$ 126.22	\$ 55.25	\$ 130.17	\$ 32.53	\$ 126.22	\$ 43.83

¹ Agency estimates. Actual subsidy PMPM will vary depending on demographic mix of the enrolled population, medical trend, and selected plan deductibles.

² Based on HPHC response to RFP. Actuarial value represents the amount, on average, the insurance plan will pay of a member's medical costs.

³ Actual premium rates will depend on demographic adjustments, number of family members covered, and plan deductible.

⁴ Small Group cost rate breakouts do not include the employer portion which, under current rules, must be at least 60% of the single premium.