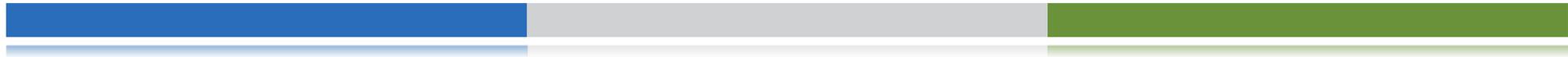




COLORADO RURAL HEALTH INSURANCE RATES

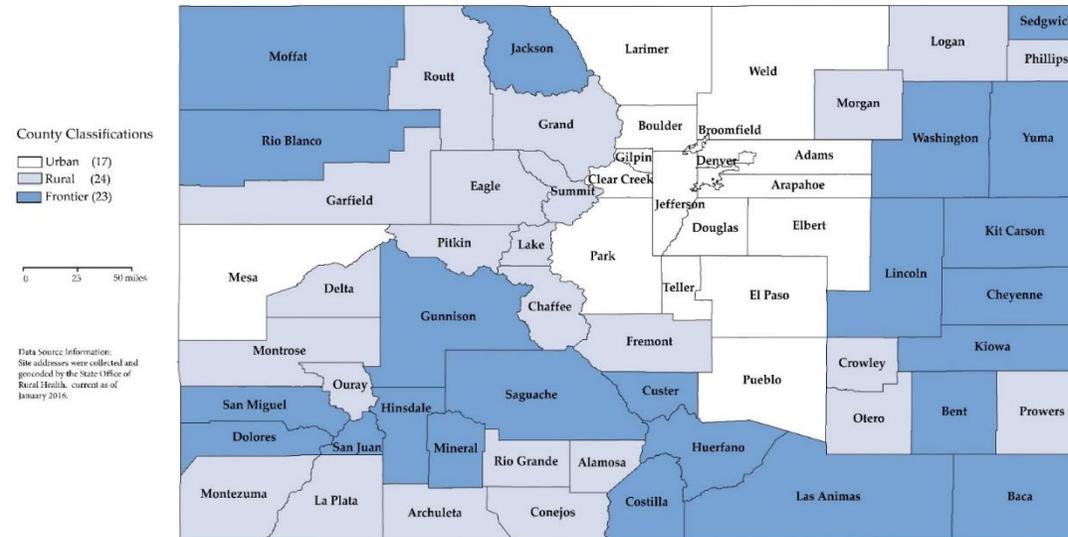


Michelle Mills, CEO
Colorado Rural Health Center
August 2, 2016

OVERVIEW

challenges facing rural colorado

- Higher Insurance Premium Rates
 - Urban vs. Rural
 - Influences
- Consumers
 - Demographics
- Time and Access
 - Access to care
- Challenge Opportunities
 - Looking for ways to make rates affordable
 - Increasing access



THE RURAL DIFFERENCE

market influences



- In Colorado, health insurance rates are set by geographic area.
There are 9 primary areas and several small sub-areas
- In rural areas, there is less competition for providers, leading to significantly higher rates.
- The population is disproportionately older and a higher ratio of people employed or engaged in physically challenging or dangerous work (mining, fracking, skiing) leads to more expensive care.
- Health literacy and integration into rural communities is lacking, and many rural residents do not have the technology to communicate with the Colorado Exchange or individual carriers.

2016 Increase in Premiums

Region	Individual
Statewide	9.8%
Boulder	5.8%
Colorado Springs	10.0%
Denver	6.2%
Fort Collins	10.0%
Grand Junction	9.4%
Greeley	9.1%
Pueblo	6.2%
Eastern Plains	9.0%
Western Slope	25.8%

Source: Colorado Division of Insurance

THE RURAL DIFFERENCE

consumers

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- 14% of rural adults are low income and lack transportation
- 10% of rural families are living below the 2015 Federal Poverty Line (\$24,250 for a family of four)
- The median rural household income is 29% lower than the average urban household
- 13 counties in Colorado do not have a hospital.
- Access to mental health providers is significantly limited with only 1 provider per 6,008 residents.



In the last 5 years, the **cost of Medicare** per beneficiary has decreased by an average of \$249; it has increased for urban residents by \$214.

household income is \$14,107 less than an urban household

10% of families in rural Colorado live in **poverty**

\$14,107



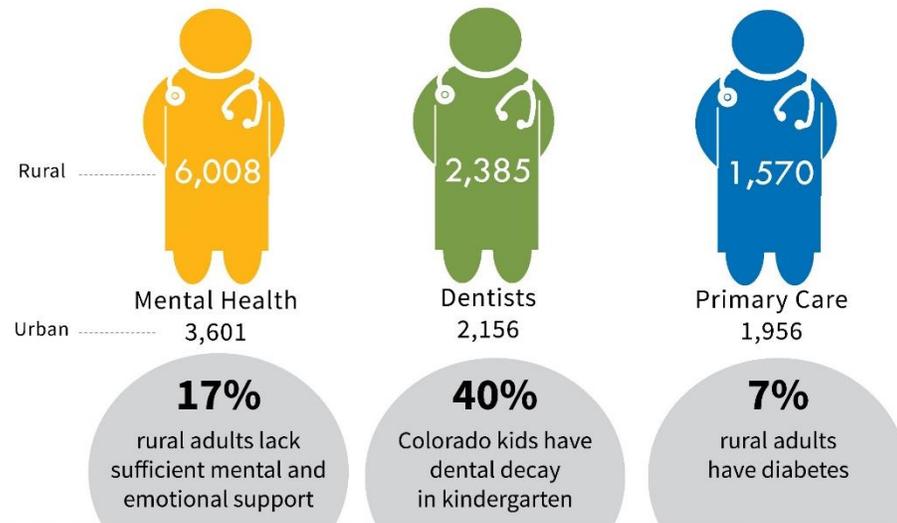
THE RURAL DIFFERENCE

access to care

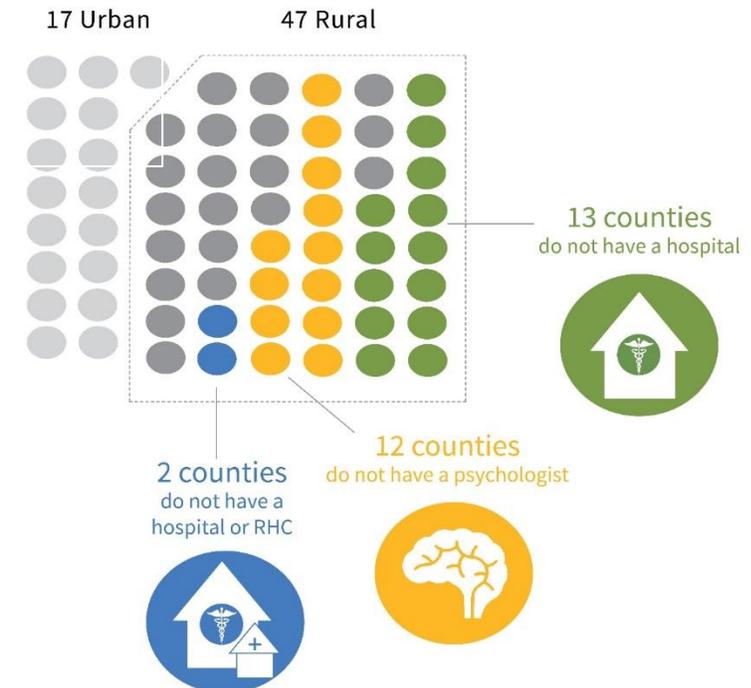
- Cost of care can be higher since patients do not often see a physician regularly or wait until an emergency arises
- Lower income residents are more likely to have chronic disease
- Approximately 10 percent of physicians practice in rural America despite nearly one-fourth of the populations lives in rural

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County Level Access to Care



THE RURAL DIFFERENCE

opportunities



- Meet Rural Needs - Support policies that make health insurance more affordable for individuals, small businesses, and the unique populations found in rural areas.
- Increase Competition - Create one geographic rating factor or rate bands to spread risk and lower costs.
- Education and Transparency - It is critical to educate consumers, and using transparency as a tool for education. Education should begin before enrollment and follow through to ensure the consumer is aware of how to use their benefits.
- Preventative Care - The importance of preventative care and considering the social determinants driving health care needs.
- Case Managers – The importance of case managers for facilitating care in smaller or more rural communities.

