

West Michigan Healthcare Economic Forecast

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January 10, 2014

Uninsured Driver Dilemma

Highway Scofflaws

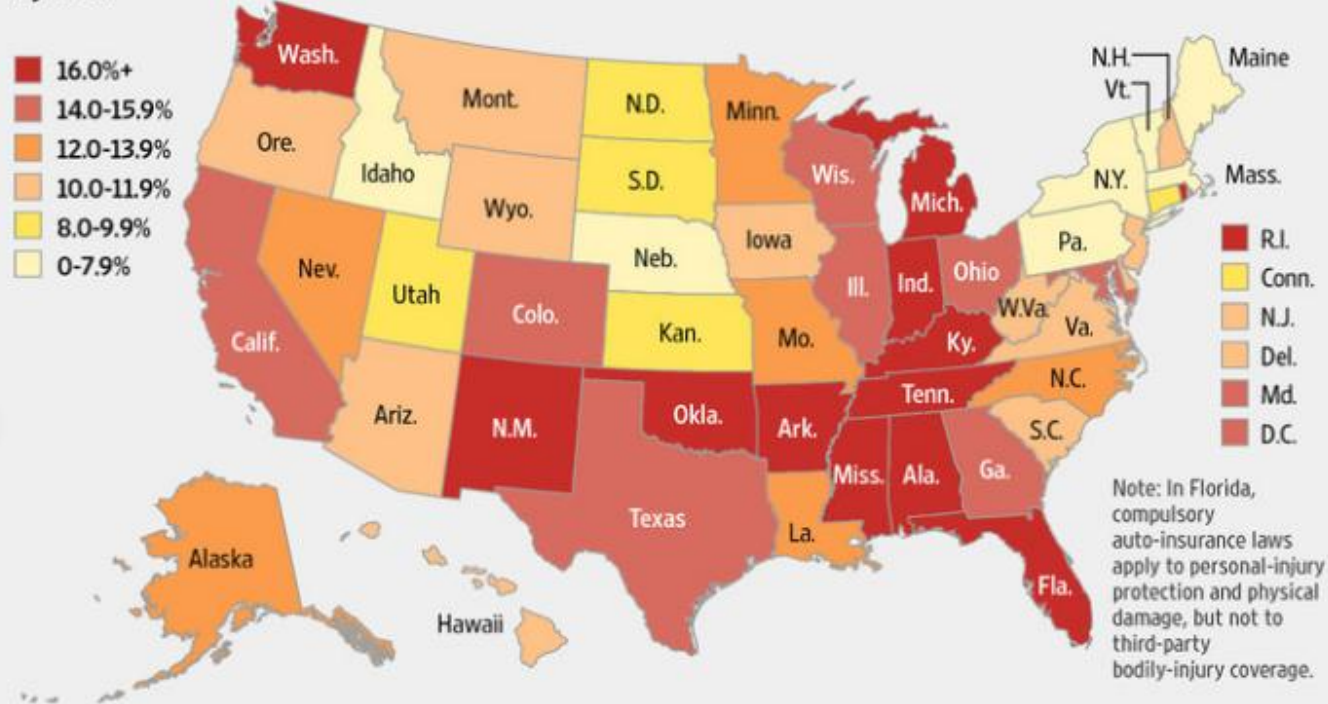
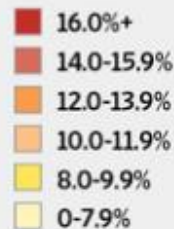
The rate of uninsured drivers has declined over the years but remains a chronic problem, despite state-imposed fines and other measures.

Percentage of uninsured motorists* in the U.S.



*Measured by the ratio of uninsured motorists claims to bodily injury claims frequencies

2009 uninsured rates†, by state



†2011 analysis of 2009 data

Source: Insurance Research Council

The Wall Street Journal

The Wall Street Journal

OPINION

Jason Furman: ObamaCare Is Slowing Health Inflation

The president's reform is contributing to an historic slowdown in spending, which is good news for wages.



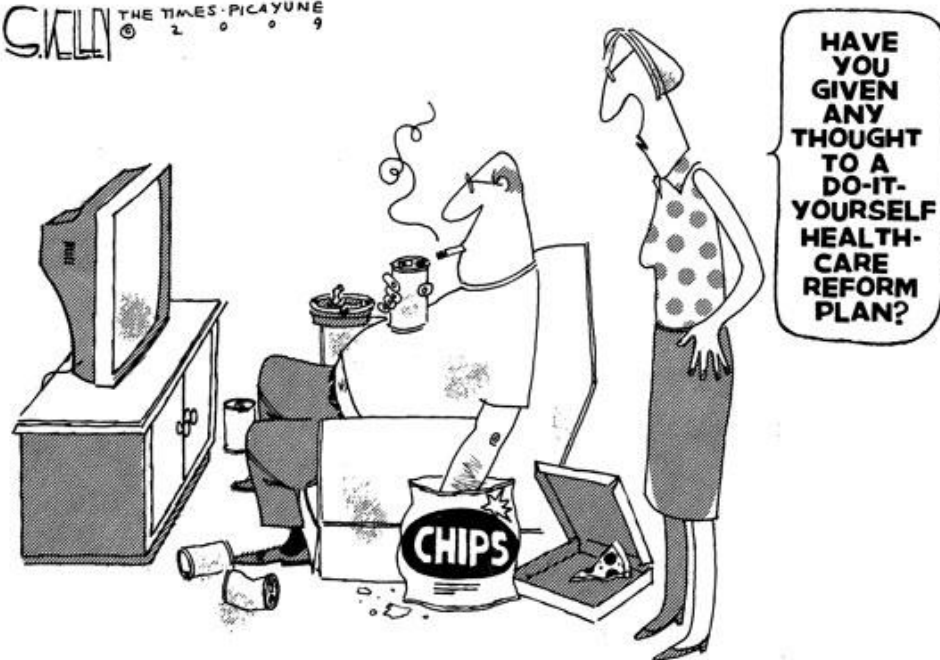


USA



France

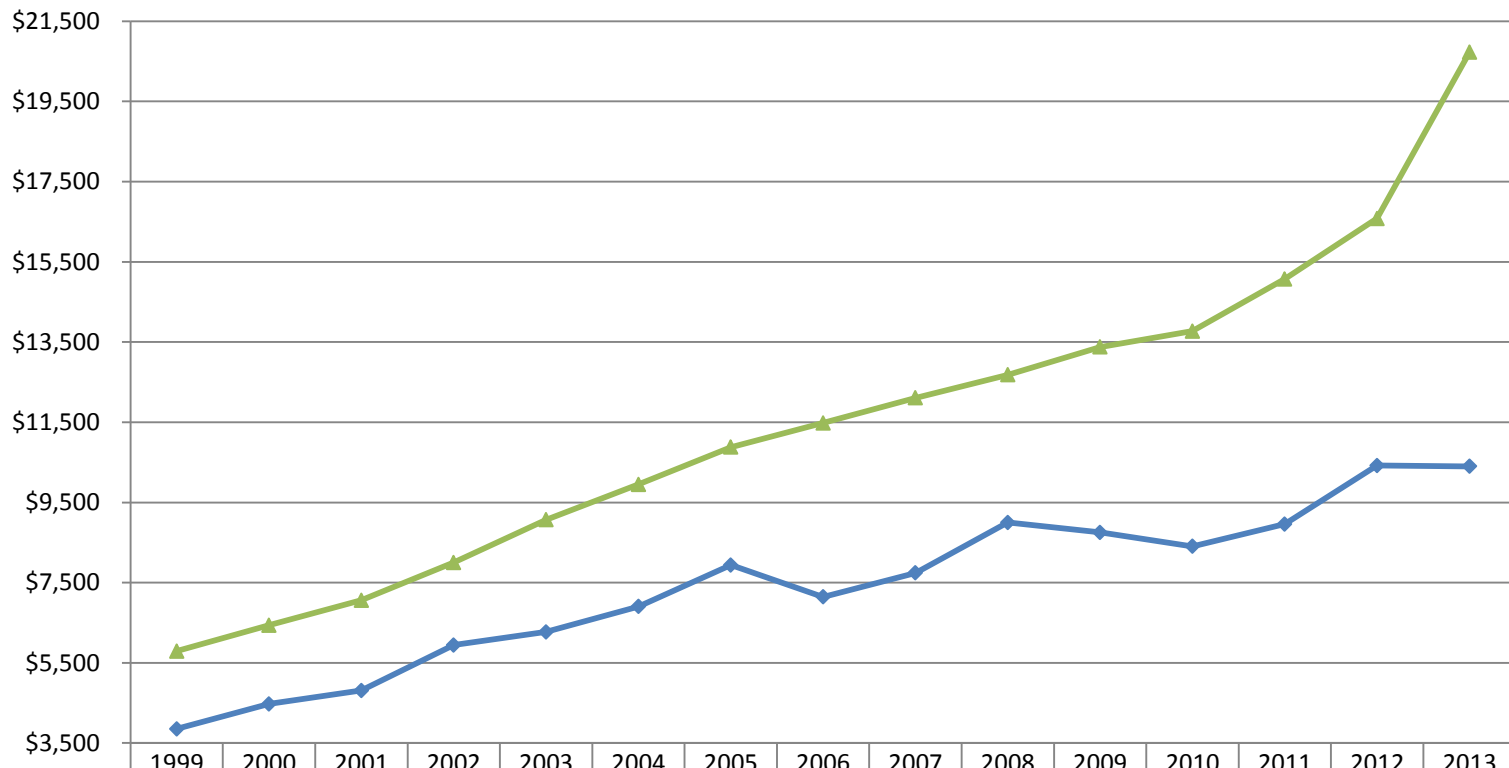
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Autocam Medical Expense Trend

Medical Costs

Autocam
Employee
Medical
Expense



Annual premiums for family (1)	\$5,791	\$6,438	\$7,061	\$8,003	\$9,068	\$9,950	\$10,880	\$11,480	\$12,106	\$12,680	\$13,375	\$13,770	\$15,073	\$16,580	\$20,725
Autocam cost per employee (2)	\$3,852	\$4,476	\$4,810	\$5,945	\$6,272	\$6,903	\$7,938	\$7,144	\$7,744	\$8,999	\$8,752	\$8,406	\$8,958	\$10,418	\$10,400

Cost under ObamaCare – \$53k Total Family Income

Results

Note: Subsidies are only available for people purchasing coverage on their own in the Exchange (not through an employer). All individuals and families with incomes at or below 133% of the federal poverty level will be eligible for Medicaid. Others with higher incomes may also be eligible, depending on rules that vary by state.

Projected income in 2014 **\$53,000**
226% of poverty

Unsubsidized health insurance premium in 2014 adjusted for age **\$14,245**
(Based on an age factor relative to a 40 year-old of: 1.17)

Maximum % of income the person/family has to pay for the premium if eligible for a subsidy **7.22%**

Actual person/family required premium payment **\$3,826**
(which equals 7.22% of income and covers 27% of the overall premium)

Government tax credit **\$10,419**
(which covers 73% of the overall premium)

Out-of-Pocket Costs

The maximum out-of-pocket costs the person/family will be responsible for in 2014 (not including the premium) is \$6,250. Whether a person or family reaches this maximum level will depend on the amount of health care services they use. Currently, about one in four people use no health care services in any given year. The guaranteed plan for the person/family will have an actuarial value of 73%. This means that for all enrollees in a typical population, the plan will pay for 73% of expenses in total for covered benefits, with enrollees responsible for the rest. Specific provisions like deductibles and copayments may vary from plan to plan, and out-of-pocket costs for any given individual or family will depend on their health care expenses. Preventive services will be covered with no cost sharing required.

Cost estimates at left are from the Kaiser Family Foundation – Health Reform Source with the following data:

- 2014 Dollars
- **TOTAL FAMILY** Income - \$53,000
- Age – 45
- Family Type – Family of 4
- Regional Cost Factor – Medium

Go to:

<http://healthreform.kff.org/subsidycalculator>
to evaluate your own situation.

YOUR Premium cost is \$3,826.
Potential Out of Pocket cost is \$6,250
TOTAL POTENTIAL ANNUAL COST - \$10,076

Cost under ObamaCare – \$100k Total Family Income

Results

Note: Subsidies are only available for people purchasing coverage on their own in the Exchange (not through an employer). All individuals and families with incomes at or below 133% of the federal poverty level will be eligible for Medicaid. Others with higher incomes may also be eligible, depending on rules that vary by state.

Projected income in 2014	\$100,000 427% of poverty
Unsubsidized health insurance premium in 2014 adjusted for age	\$14,245 (Based on an age factor relative to a 40 year-old of: 1.17)
Maximum % of income the person/family has to pay for the premium if eligible for a subsidy	None
Actual person/family required premium payment	\$14,245 (which equals 14.25% of income and covers 100% of the overall premium)
Government tax credit	\$0 (which covers 0% of the overall premium)
Out-of-Pocket Costs	

The maximum out-of-pocket costs the person/family will be responsible for in 2014 (not including the premium) is \$12,500. Whether a person or family reaches this maximum level will depend on the amount of health care services they use. Currently, about one in four people use no health care services in any given year. The minimum coverage available will have an actuarial value of 60%. This means that for all enrollees in a typical population, the plan will pay for 60% of expenses in total for covered benefits, with enrollees responsible for the rest. Specific provisions like deductibles and copayments may vary from plan to plan, and out-of-pocket costs for any given individual or family will depend on their health care expenses. Preventive services will be covered with no cost sharing required.

Cost estimates at left are from the Kaiser Family Foundation – Health Reform Source with the following data:

- 2014 Dollars
- **TOTAL FAMILY** Income - \$100,000
- Age – 45
- Family Type – Family of 4
- Regional Cost Factor – Medium

Go to:

<http://healthreform.kff.org/subsidycalculator>
to evaluate your own situation.

YOUR Premium cost is \$14,245.
Potential Out of Pocket costs is \$12,500
TOTAL POTENTIAL ANNUAL COST - \$26,745

NO GOVERNMENT TAX CREDIT AT THIS FAMILY INCOME LEVEL

Medical Costs – Comparisons to ObamaCare

	Autocam Current State	Average National Plan (2)	ObamaCare Silver Plan (1)	
			\$53,000 Family Income	\$100,000 Family Income
Health Insurance Premiums / Employer Expense	\$ 10,413	\$ 15,745	\$ 14,245	\$ 14,245
Government Tax Credit / Employer Payment	(10,413)	(11,429)	(10,419)	-
Employee Premium Payment	-	4,316	3,826	14,245
Employee Out-of-Pocket Costs (deductible & co-payments)	6,000	5,615	6,250	12,500
Autocam match to HSA account	(1,500)			
Employee Maximum Out-of-Pocket Costs	4,500	5,615	6,250	12,500
Employee Maximum Medical Expenses (annual)	\$ 4,500	\$ 9,931	\$ 10,076	\$ 26,745
Potential Out-of-Pocket costs in excess of Autocam Plan		\$ 5,431	\$ 5,576	\$ 22,245

(1) Source: Kaiser Family Foundation – Health Reform Source with following data: Age 45, family of 4, regional cost factor – Medium. Go to <http://healthreform.kff.org/subsidycalculator> to evaluate your own situation.

(2) Source: Kaiser/HRET Survey of Employer Sponsored Health Benefits, 2012.