

******Embargoed until 4:30 PM ET, August 31, 2017******

Q: What is CMS announcing about Navigator funding for the upcoming enrollment period?

For the upcoming enrollment period, Navigator grantees will receive funding based on their ability to meet their enrollment goals during the previous year. For example, a grantee that enrolled only 30 percent of its enrollment goal would receive no more than 30 percent of its previous year funding level. These performance-based adjustments to funding will ensure accountability within the Navigator program and avoid rewarding grantees that have failed to meet their performance measures.

Navigators Background

- In 2016, Navigators received \$62.5 million in federal grants to enroll 81,426 people – Just 0.7% of total enrollees.
- For the upcoming enrollment period, the 98 navigators will receive \$36.8 million – a 39% reduction from the prior enrollment period.
- 17 Navigators enrolled less than 100 people each – at an average cost of nearly \$5,000 per enrollee.
- The top 10 most costly Navigators spent a total of \$2.77 million dollars to enroll 314 people in Obamacare.
 - It would have cost about half as much to pay each enrollee’s premiums.
- One grantee received \$200,000 and enrolled ONE person in Obamacare. This grant would have paid for 31 people in their state to have coverage for the whole year.
- Only 22% of all Navigators achieved their own performance goals.
- 78% of navigators failed to achieve their enrollment goal, while spending more than \$50 million.

Q: What is CMS announcing about advertising funding for the upcoming enrollment period?

In the upcoming enrollment period, CMS plans to spend \$10 million on promotional activities in order to meet the needs of new or returning ACA enrollees – an amount consistent with promotional spending on Medicare Advantage and Medicare Part D.

Advertising Background

- No correlation has been seen between Obamacare advertising and either new enrollment or effectuated enrollment.
- During the prior open enrollment period, CMS doubled Obamacare ad spending but saw first-time enrollment fall by 42% and effectuated enrollment decline by approximately 500,000 people.
 - In 2015, CMS spent \$51.2 million on Obamacare advertising and 9.6 million people bought coverage on Healthcare.gov – a cost of \$5.31 per enrollee.
 - In 2016, CMS spent approximately \$100 million on Obamacare advertising and outreach and 9.2 million people bought coverage on Healthcare.gov – a cost of \$10.95 per enrollee.
- 41.3 million Americans are enrolled in Medicare Part D while another 19.1 million are enrolled in Medicare Advantage. Their combined advertising budget is \$9.7 million.