

**From:** [Leann Kennedy](#)  
**To:** [HOLMAN Jeannette \\* DCBS](#)  
**Subject:** Small group expansion comments  
**Date:** Friday, October 09, 2015 3:43:05 PM

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Jeannette –

I want to echo the agent and carrier comments that were expressed in the meeting yesterday. The concerns I have are:

- Loss of flexibility in rates and plan designs for groups 51-100, including small local government entities in rural areas.
- Increased out of pocket costs for employees – most small group metal plans have higher out of pocket maximums than the large group suite of plans. This will result in higher costs to employees.
- Increased costs for employers – most employers in the 51-100 space will experience large rate increases. This will force employers to make cuts to benefits, force employees to pay a larger portion of the premium, or it may force employers to cut employees.

I'm also afraid of the potential backlash the OID will receive based on the publicized reasons the Federal administration pulled back on the expansion. Many reports are stating they pulled back because of the potential rate impact to groups in the 51-100 space. I think employers will be very unhappy the OID moved forward knowing this was the potential outcome.

Thank you for your consideration in maintaining status quote with the small group definition of 1-50.

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