

Indiana's insurance exchanges are pricey

Monthly premiums rank among highest in nation

By **J.K. Wall**
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For years, Indiana has been a fairly low-cost state for buying individual insurance. But not anymore.

The premiums offered by health insurers participating in the Obamacare exchanges put Indiana among the 10 most-expensive states in the country, according to data released last month by the U.S. Department of Health and Human Services.

The average premiums that insurers will charge for their lowest-cost "bronze" and "silver" plans—the two cheapest categories allowed by Obamacare—are 20 percent to 25 percent higher than the national average.

Those premiums are the starting prices Hoosiers will face when they shop for 2014 health insurance coverage in the newly created online marketplace. The exchanges opened Oct. 1, although technical problems have so far prevented most people from actually buying coverage.

Health care experts greeted that ranking with a bit of surprise and a bit of disagreement as to what it will mean for Hoosier consumers.

"I was disappointed," said Dave Kelleher, executive director of the Employers Forum



MDwise CEO Charlotte MacBeth said tax credits will offset high premiums for some.

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To meet area water needs, surface-water sources such as Geist Reservoir supplement groundwater from underground aquifers.

Sizing up a resource

Momentum builds for state water plan; some fear conflicts over supply shortages

By **Kathleen McLaughlin** • kmclaughlin@ibj.com

Indiana is generally water-rich, but advocates of resource planning say the state runs the risk of supply crises that would hamper economic development.

Utilities in fast-growing central Indiana could become embroiled in conflict, and growth along the new Interstate 69 corridor could be stymied if the state doesn't undertake basic, systematic monitoring and come up with a plan to cover the gaps between supply and demand, said Jack Wittman, a hydrogeologist who is leading a water-supply study for the Indiana Chamber of Commerce.

"You can't run a car without paying attention to the gauges," Wittman said. "It's the same thing with these aquifers and rivers." Based in Bloomington, he works for the Texas-based consultancy Intera Inc., which specializes in water-supply planning.

Chamber lobbyist Vince Griffin, vice president of energy and environmental policy, said he hopes the study, to get

under way this fall, will fuel future legislative efforts to create Indiana's first statewide water plan.

That's a high priority for Sen. Ed Charbonneau, R-Valparaiso, who spent his career at U.S. Steel in Gary—a major industrial water user—and later was CEO of the Northwest Indiana Forum, a seven-county economic development group.

"It just got hammered into me all the more, the importance of water," Charbonneau said.

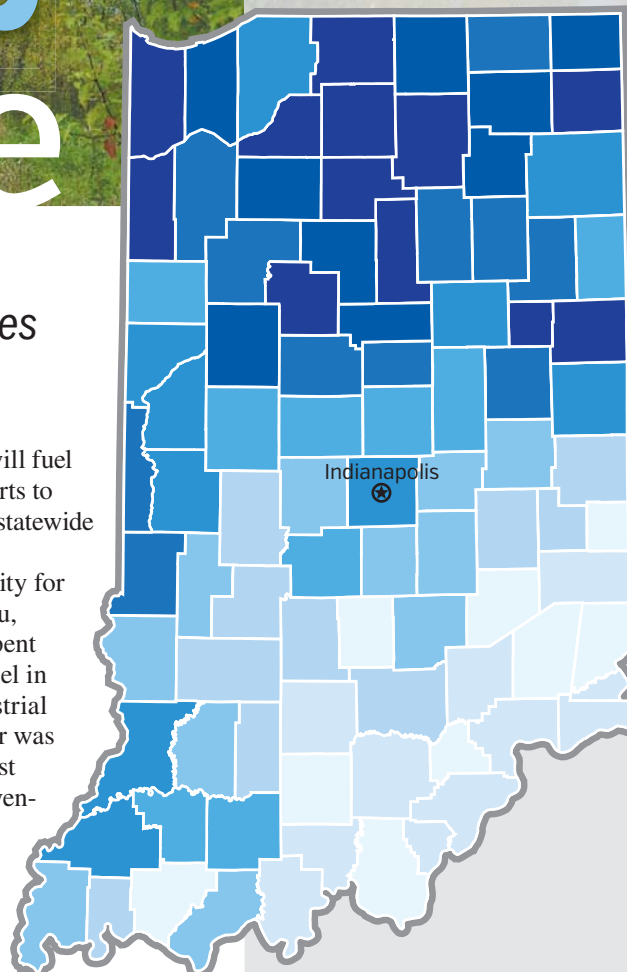
Role model

He said it's too early to know what Indiana's plan might look like, but advocates are holding up Minnesota as a model. The state in 2008 adopted

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Thirsty south

Groundwater availability, by county



Aquifer average maximum yield, weighted by county, in gallons per minute

<56	874 to 1187
56 to 123	1187 to 1627
123 to 298	1627 to 2209
298 to 508	>2209
508 to 874	

Source: Indiana Department of Natural Resources

Controversial TV streamer planning to launch here

Aereo is dirt cheap compared with cable, but broadcasters complain of content theft

By **Chris O'Malley**
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A digital streaming service that television broadcasters deem so threatening they recently petitioned the U.S. Supreme

Court for help plans to enter Indianapolis next year.

Aereo Inc. seemed innocuous enough when it launched last year as a way to help New York City dwellers find a cheap way to lasso local television signals deflected by

tall buildings. Just punch up your computer or mobile device and watch. Or you can stream it to your TV.

The only problem is that the Long Island-based company, unlike cable and satellite television operators, doesn't

pay retransmission fees to stations or networks. Broadcasters say Aereo violates their program copyrights and could reduce their ad revenue and control over subscription fees.

For casual couch potatoes, on the other hand, the \$8-a-month Aereo could be a welcome alternative to pricey cable and

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Get lost in color

Matisse lets viewers find their way at IMA.

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AEREO

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satellite subscriptions. It even throws in a cloud-based digital video recording, or DVR, function into the package.

Aereo also can be viewed on the go, on one's smartphone or tablet. Not only is the younger generation inseparable from such devices, but members of that age group are often more averse than their parents to paying traditional cable fees that can easily top \$100 a month.

It also doesn't hurt Aereo that the younger generation is accustomed to buying programming a la carte—say picking a movie on Netflix or Amazon Prime.

"There's a whole new generation that doesn't buy into that [cable] prescriptive model," said Virginia Lam, Aereo spokeswoman.

Different way to watch

In Indianapolis, as in markets where Aereo currently offers service, it will lease space in a local data center where computers will handle DVR recording, programming and distribution.

On a nearby rooftop, in a space about the size of a one-car garage, Aereo will install an array of coin-size antennas—one for each customer. That's important for Aereo's arguably convoluted legal contention that a customer is essentially buying an antenna for personal use.

Subscribers use the service via an onscreen program guide. Another portion of the screen runs a parade of images pro-



IBJ photo/Chris O'Malley

Aereo's video streaming service is picked up by an iPad, which has wirelessly sent the newscast on New York City's WABC-TV Channel 7 to a homeowner's television.

moting this show or that.

Clicking on a show in the program guide brings up a screen that requires one to click on "play" before watching, like a YouTube video.

There are also controls for retrieving recordings. The shows are recorded as they're streamed, and the base \$8 subscription allows customers to retrieve up to 20 hours of recordings a month. Those who want 60 hours of DVR time need to shell out another \$4 a month.

While Aereo can be accessed through a variety of computers, such as the iPad, it also can be streamed to a television by using a device such as Roku or AppleTV.

Based on Aereo's offerings in New York City, Indianapolis customers could expect to access all the local broadcast stations, including PBS television.

In New York, Aereo also offers city government television and networks familiar to cable such as Bloomberg and Home Shopping Network. Aereo also includes

Aereo at a glance

What: Subscription-based TV service that delivers local stations and some cable networks via the Internet. Launched last year in New York City, where interference from buildings makes it difficult to pull in antenna signals.

Headquarters: Long Island, N.Y.

Currently serves: Atlanta, Boston, Dallas, Houston, Miami, New York City, Salt Lake City

Local angle: plans to launch service here early next year

Monthly fee: \$8 for up to 20 hours of DVR recording; \$12 for 60 hours

How it works: In each city, Aereo data center has an array of dime-size antennas, with one assigned to each customer. Subscribers receive signal on PCs, Macs, tablets and smartphones, or can watch on home TV via streaming devices.

Pros: way cheaper than cable and satellite; can watch TV while on bus; good ethnic network sampling [such as Telemundo and SinoVision] in some markets

Cons: lacks many of the most popular cable/satellite networks, including the big sports networks; occasional on-screen pixelation

Controversy: Big networks and some TV-station chains allege Aereo is stealing their signals by not paying retransmission and copyright fees. Federal courts have ruled in Aereo's favor so far, but broadcasters this month filed a petition with the U.S. Supreme Court to halt Aereo's digital stream.

Sources: Aereo, IBJ research

feeds that local stations air on their digital subchannels, such as Cozy, Ion and Qubo networks.

Hard-core TV watchers hoping for popular networks such as HGTV, the Discovery Channel or the big sports networks would appear to be out of luck, at least for now.

But those who'd be happy to get what comes over the air should be more than satisfied—including those who've complained that they can't pick up local stations any longer, since stations converted to digital broadcasts.

So concerned is WTHR-TV Channel 13 with digital reception problems that it recently asked the Federal Communications Commission for permission to boost power 83 percent, to 77,000 watts (IBJ, Aug. 17).

Disenfranchised antenna watchers could be among those who find Aereo appealing in Indiana.

Broadcasters want their cut

For affected TV stations, Aereo would be a mixed blessing. They've worried that programming on Web-delivered television services—by some estimates less than 1 percent of all viewers—won't be counted by ratings-tracker Nielsen Co.

Easing those concerns, Nielsen early this year said it would begin tracking Web-delivered TV in the future.

"All local stations care about ratings, and if those eyeballs are going to be counted," said Dominic Caristi, a professor of telecommunications at Ball State University, noting that the more viewers, the more a station can charge for ads.

But even to the extent Aereo might bring stations more eyes, there's still the bigger problem of Aereo's not paying broadcasters for transmission rights.

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