

**2022
Post-Award
Forum**



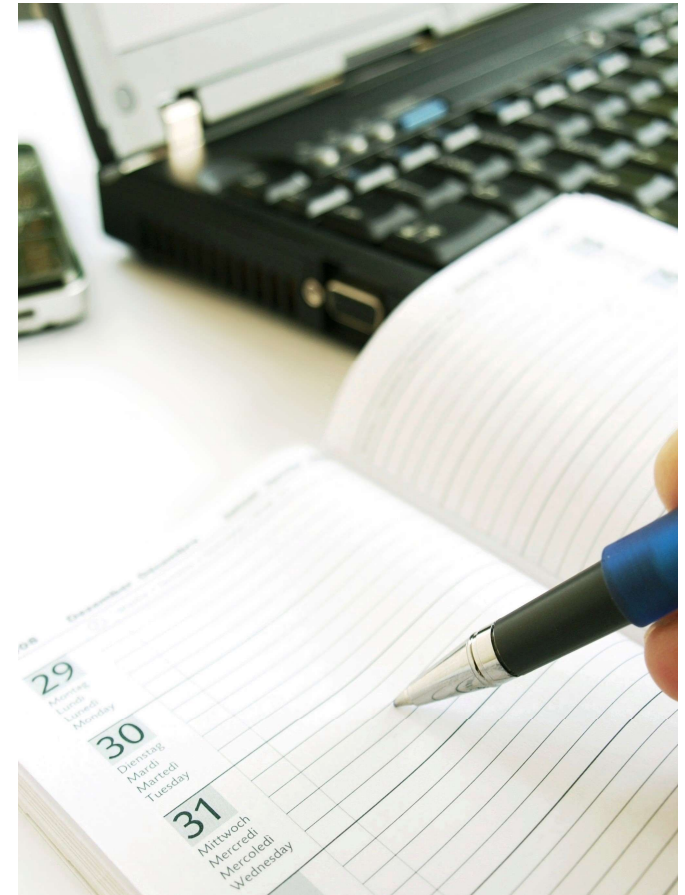
**SECTION 1332
STATE INNOVATION /
STATE RELIEF AND
EMPOWERMENT
WAIVER**

**NEW HAMPSHIRE
REINSURANCE PROGRAM**

JUNE 14, 2022

AGENDA

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PUBLIC FORUM

New Hampshire Health Plan (NHHP) is holding this annual public forum to share information about the progress of New Hampshire's Section 1332 Waiver and the New Hampshire Reinsurance Program and to receive public questions and comments.

A recording of this forum, as well as the powerpoint, will be posted by NHHP and NHID following the event.



LOGISTICS

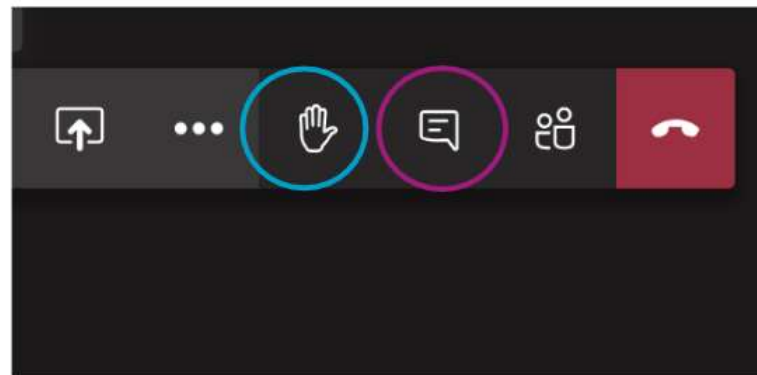
House Rules

- ✓ Keep audio on mute.
- ✓ Keep camera turned off.



To ask a question:

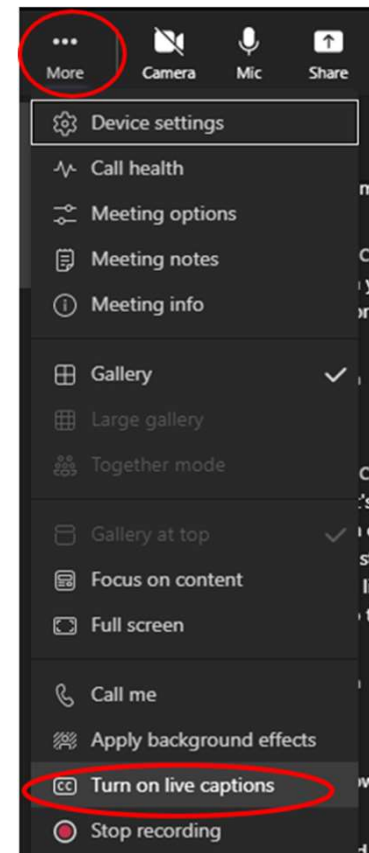
- ✓ Raise your hand
- or
- ✓ Enter it into the chat



LOGISTICS

Live captions are available. To enable them:

- ✓ Click on the menu labeled “more” (under 3 dots)
- ✓ Select “Turn on live captions.”



**If you are having a technical issue, please contact
Claudia Domenech Perez at (407) 620-3593 or
cdomenechperez@pcgus.com**

INTRODUCTIONS

The New Hampshire Section 1332 Waiver / Reinsurance Program is a joint effort between the New Hampshire Health Plan (NHHP) and the New Hampshire Insurance Department (NHID).



NHHP: Executive Director Michael Degnan

- NHHP is a statutorily-created nonprofit organization that ran the New Hampshire High Risk Pool.
- NHHP is administering the NH Reinsurance Program.
- NHHP is not a policy-setting organization; its role is to administer the program as designed by the NHID and approved by the legislature.



NHID: Commissioner Christopher Nicolopoulos

- NHID continues to advise the program design, implementation and operation.



WELCOME FROM THE NEW HAMPSHIRE INSURANCE DEPARTMENT

Commissioner Nicolopoulos
New Hampshire Insurance Department

Jason Dexter
Life and Health Director
New Hampshire Insurance Department

KEY CONTACTS

Contact	Organization / Title	Email
Michael Degnan	NHHP Executive Director	JMDegnan@helmsco.com
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Jason Dexter	NHID LAH Director	Jason.G.Dexter@ins.nh.gov
David Sky	NHID Chief LAH Actuary	David.C.Sky@ins.nh.gov
Lisa Cota-Robles	NHID Health Reform Coordinator	Lisa.M.Cota-Robles@ins.nh.gov
Lisa Kaplan Howe	Public Consulting Group	lkaplanhowe@pcgus.com

BACKGROUND: STATE AND FEDERAL AUTHORITY

The 2019 state budget trailer bill (HB 4) required NHID and NHHP to explore creating a risk stabilization program for the individual market.



- **RSA 404-G:12:** Directed NHID to work with NHHP to establish a market stabilization program for the individual market to be administered by NHHP.
- **RSA 404-G:12 & RSA 420-N:6-a:** Directed the NHID to apply for a Section 1332 Waiver if such action was supported by the recommendations of actuarial experts.
- Based on the findings of an actuarial study in 2019, NHID issued an order to NHHP to submit to NHID, for approval, an amended Plan of Operations that included the Section 1332 Reinsurance Program.
- NHID submitted an application for a Section 1332 Waiver on April 21, 2020.
 - The Federal Departments of Health & Human Services and Treasury approved the waiver on August 5, 2020.
 - The waiver and program went into effect on January 1, 2021.

BACKGROUND: PROGRAM DESIGN



New Hampshire's waiver is approved for January 1, 2021 through December 31, 2025.



The Reinsurance Program is an attachment point model that reimburses for high-cost claims that fall within the program's parameters.

- ✓ Attachment Point
- ✓ Cap
- ✓ Coinsurance



New Hampshire's Reinsurance Program is designed to pay-out the funds it takes in each year (after administrative costs and reserve).

PROGRAM YEAR 2022 UPDATES: IMPLEMENTATION

New Hampshire successfully launched the state's Reinsurance Program on January 1, 2021.

The carriers eligible to participate in the program in 2022 are:

- Anthem New Hampshire
- Harvard Pilgrim Health Care
- Centene (doing business as Ambetter)



These are the same carriers that participated in 2021.

PROGRAM YEAR 2022 UPDATES: FUNDING

2021 Updated/Final Funding: \$45 million*

- **Federal Funding - \$31.5 million***
- **Projected State Funding** - \$13.5 million**

2022 Funding: \$38.9 million

- **Federal Funding - \$26.5 million**
- **Projected State Funding** - \$12.4 million**



Total Program Funding to-date: \$83.9 million

- **Federal Funding - \$58 million**
- **Projected State Funding** - \$25.9 million**

*Federal funding was temporarily increased for 2021 due to the American Rescue Plan Act

**Carrier Assessment - 60 basis points of the prior year's without-waiver SLCSP rate

PROGRAM YEAR 2022 UPDATES: REINSURANCE PARAMETERS

2022 Parameters

Attachment Point	\$60,000
Cap	\$400,000
Target Coinsurance	70 percent*

*The coinsurance is adjusted to match payments to funding available and, for that reason, is an estimate that is subject to adjustment based on final funding available and eligible claims.

PROGRAM YEAR 2022 UPDATES: MARKET IMPACT

Lower Premiums - The waiver resulted in*:

- A 14 percent decrease in the Second-Lowest Cost Silver Plan rate for plan year 2022.
- Decreases in filed rates as large as 19.2 percent.



Increased Enrollment** – As of May 2022, enrollment in the NH Individual Marketplace was up to 50,186 individuals (an increase of 10.8 percent over the enrollment in May 2021).

Stable Carrier Engagement – Three carriers remain in the NH individual insurance market.

*Based on carrier filings of with and without waiver rates.

**Based on Marketplace enrollment reports. The impact of the Reins Program specifically on enrollment has not been isolated.

PROGRAM YEAR 2023 PLANNING: REINSURANCE PARAMETERS



NHHP's Actuarial Workgroup continues to support program development:

- Members - Senior actuaries from each participating carrier
- Role - Consult on key implementation milestones that require actuarial work
- The workgroup members worked with NHHP, NHID and NHHP's actuarial firm (Leif Associates) to provide data and insight to inform the development of reinsurance parameters for the 2022 & 2023 program years and also advised on program forms and payment calculations.

PROGRAM YEAR 2023 PLANNING: REINSURANCE PARAMETERS

The actuarial workgroup met with staff and Leif Associates 3 times between December 2021 and March 2022.



Recommended parameters were presented to the NHHP Board on March 16, 2022.



The Board adopted those recommendations for submission to Commissioner Nicolopoulos on March 31, 2022.



The Commissioner approved those parameters on March 31, 2022.

PROGRAM YEAR 2023 PLANNING: FUNDING & REINSURANCE PARAMETERS

2023 Funding Projection: \$35.9 million

- **Projected Federal Funding** - \$23.8 million
- **Projected State Funding** - \$12.1 million*

2023 Parameters

Attachment Point	\$60,000
Cap	\$400,000
Target Coinsurance	58 percent

*Carrier Assessment - 60 basis points of the PY 2022 SLCSPP without-waiver premium

OTHER UPDATES AND NEXT STEPS

Completed:

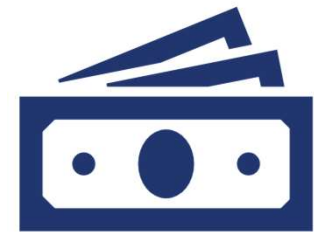
- ✓ Carriers submitted care management program descriptions to demonstrate the carrier's ability to identify and help manage the care of potential higher cost claimants to ensure the appropriateness of health care services delivered.
- ✓ NHHP received and reviewed EDGE Server reports of 2021 eligible claims for each carrier.
- ✓ NHHP worked with the Actuarial Workgroup to develop the supplemental Covered Claims Summary Form, which will be used to calculate final reinsurance payments to each carrier annually.
- ✓ NHHP calculated initial 2021 payments (80% of the EDGE Server data determined payment allocation).



OTHER UPDATES AND NEXT STEPS

Next Steps:

- Payments for Program Year 2021
 - On or before July 1, 2022: Initial payments made
 - On or before October 1, 2022: Final payments based on a true-up between a final payment determination based on the Covered Claims Summary submissions (subject to timely submissions of all final claims).



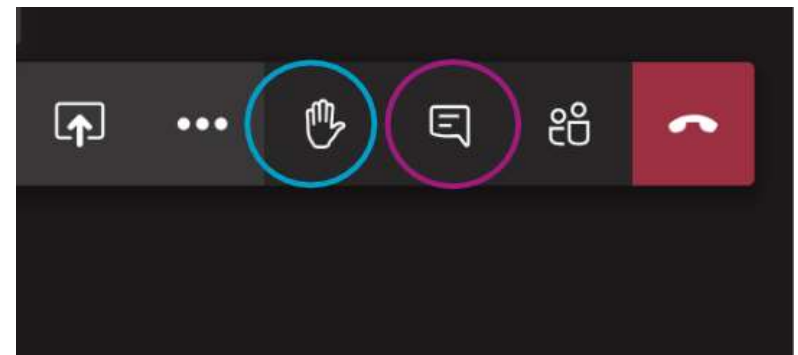
QUESTIONS & COMMENTS

NHHP invites attendees to share questions or comments about the New Hampshire Reinsurance Program / Section 1332 Waiver and today's updates.

Instructions to speak:

Use the “**raise your hand**” option on the webinar. We will unmute your line and announce you so you may begin speaking. If you'd like, you can turn on your video.

- Alternatively, you may submit questions and comments into the **chat box** of the webinar. We will read and respond to all questions submitted.



All comments will be documented for the record.

KEY CONTACTS

Contact	Organization / Title	Email
Michael Degnan	NHHP Executive Director	JMDegnan@helmsco.com
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NHHP Section 1332 webpage:

<https://nhhp.org/nh-reinsurance-program/>