

# Section 1332 of the Patient Protection and Affordable Care Act (PPACA) State Innovation Waivers - Reinsurance Waiver Annual Report

**Reporting Instructions:** Please capture data for annual 1332 waiver grant reporting in this template, which has been developed based on paragraph 10 of your specific terms and conditions (STC), and in accordance with 45 CFR 155.1324(b)-(c). For any items that are marked “if applicable,” please refer to the requirements in your STCs to determine whether you need to fill in those data fields. Draft annual reports are due within 90 days of the end of each calendar year that your waiver is in effect.

STATE: New Hampshire

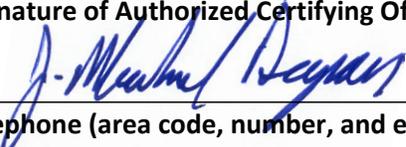
<b>A. GRANTEE INFORMATION</b>		
<b>1. Reporting Period End Date</b> Dec 31, 2021	<b>2. Report Due Date</b> Mar 31, 2022	<b>3. Report Submitted On (Date)</b> Jul 27, 2022
<b>4. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight		
<b>5. Federal Grant Number Assigned by Federal Agency</b> SIWIW210017-01-00	<b>6a. DUNS Number</b> 7801462750000	<b>6b. EIN</b> 02-0499340
<b>7. Recipient Organization Name</b> New Hampshire Individual Health Plan Benefit Association		
<b>Address Line 1</b> One Pillsbury Street, Suite 200		
<b>Address Line 2</b>		
<b>Address Line 3</b>		
<b>City</b> Concord	<b>State</b> NH	<b>Zip Code</b> 03301
<b>Zip Extension</b> 3570	<b>8. Grant Period Start Date</b> Jan 1, 2021	<b>9. Grant Period End Date</b> Dec 31, 2025
<b>10. Other Attachments (attach other documents as needed or as instructed by the awarding Federal agency)</b>		
Supplemental Covered Claims Summary Form Reinsurance Payment Methodology Summary NHHP Request and CMS Approval of Request for Virtual Post-Award Forum Carrier Care Management Program Descriptions for 2021 and 2022 (not publicly posted for confidentiality)		

# Section 1332 of the Patient Protection and Affordable Care Act (PPACA) State Innovation Waivers - Reinsurance Waiver Annual Report

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# Reinsurance Waiver Annual Report

<b>B. REPORT CERTIFICATION</b>	
<b>11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.</b>	
<b>11a. Typed or printed name and title of Authorized Certifying Official</b>	J. Michael Degnan Executive Director
<b>11b. Signature of Authorized Certifying Official</b>	
<b>11c. Telephone (area code, number, and extension)</b>	(603) 223-6453
<b>11d. E-mail address</b>	JMDegnan@helmsco.com
<b>11e. Date report submitted (month/day/year)</b>	Jul 27, 2022
<b>C. PROGRESS OF SECTION 1332 WAIVER - <u>General</u></b>	
<b>12. Provide an update on progress made in implementing and/or operating the state's approved 1332 waiver program.</b>	
<b>Program Launch, Participating Issuers</b>	
<p>As noted in prior quarterly reports, New Hampshire successfully launched the State's Reinsurance Program supported by its Section 1332 Waiver on January 1, 2021. Pursuant to waiver approval, the program is administered by the New Hampshire Health Plan (NHHP). The New Hampshire Insurance Department (NHID) continues to advise the program's implementation and operation. Health insurance issuers that issue coverage in New Hampshire's individual market (excluding transitional and grandfathered policies) are eligible to participate in the New Hampshire Reinsurance Program. The issuers eligible to participate in the program in 2021 were Anthem New Hampshire, Harvard Pilgrim Health Care, and Centene (doing business as Ambetter).</p>	
<p>In the final quarter of the program year, the Open Enrollment Period for 2022 launched. The same three issuers are in the New Hampshire individual market – and eligible to participate in the reinsurance program – in 2022.</p>	
<b>Actuarial Workgroup</b>	
<p>As previously shared, NHHP established an Actuarial Workgroup in the fall of 2020. This workgroup is comprised of senior actuaries from each participating issuer and is consulted on key implementation milestones that require actuarial work, including by NHHP's actuarial firm (Leif Associates). The</p>	

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workgroup members provided data and insight as NHHP and Leif Associates worked to develop proposed reinsurance parameters for the 2022 program year, in 2021, and the 2023 program year, in 2022.

The workgroup also discusses claims-related questions that arise. For example, the workgroup discussed how claims of newborns should be adjudicated - recommending that claims of newborns be submitted for reinsurance coverage under the mother's insurance coverage for the first 30 days, consistent with the State's required coverage of newborns - as well as how to deal with paid claims that are excluded from EDGE Reporting.

The Actuarial Workgroup met in the fourth quarter, to begin planning for the first years' payments and the 2023 program year. The group reviewed the impact of ARPA-related funding changes on the target reinsurance payment percentage (described below) and reviewed the initial CMS-Edge Server Interface information that is the basis for the SRI reports. The Workgroup also advised the development of the Supplemental Covered Claims Summary Form, which is being used to collect information about 2021 claims directly from the issuers as a supplement to the EDGE reports and to ensure all eligible claims are captured. With feedback from the group at the end of 2021 and beginning of 2022, that form was revised several times and has now been finalized (copy attached).

At the end of 2021, the group also met with the New Hampshire team and Leif Associates to begin work to set the 2023 program parameters. The first meeting occurred in December of 2021 and the workgroup discussed data needed from the issuer participants for the actuarial modeling. The workgroup continued to meet to finish this work through March 2022.

## Development of Annual Parameters

Earlier in 2021, NHHP – in conjunction with NHID, Leif Associates, and the Actuarial Workgroup – completed its process to develop the reinsurance parameters for 2022. Leif Associates developed recommendations based on 2019 and 2020 claims and enrollment data submitted; trends, assumptions, and insights provided by members of the Actuarial Workgroup; and Federal and State funding projections. Those recommendations were then adopted by the NHHP Board of Directors on March 25, 2021 and ultimately approved by the New Hampshire Insurance Commissioner on March 31, 2021. For 2022, the parameters are:

- Attachment Point - \$60,000
- Reinsurance Cap - \$400,000
- Target Reinsurance Percentage – 70 percent (discussed further below)

As noted above, that process for the development of 2023 parameters kicked off in the fourth quarter.

## Transfer of Grantee and Payment Management System Enrollment

NHHP and NHID requested the transfer of Grantee from NHID to NHHP during the second quarter. Both organizations provided information and clarification to the Office of Acquisitions and Grants Management supporting this transfer. We received notice on July 1, 2021 that the grant transfer had become effective.

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Following the transfer, NHHP enrolled in the Payment Management System (PMS) and sought training. We worked with our PMS Account Liaison to understand requirements for quarterly Federal Financial Reporting (FFR) and how to use the system to draw down funds.

New Hampshire Health Plan submitted its first SF425 report as the program grantee in the fourth quarter and its fourth quarter report this January.

### EDGE Agreement and Reports

Prior to the launch of the program, on December 17, 2020, NHHP and the Centers for Medicare and Medicaid Services (CMS) executed an intergovernmental agreement allowing NHHP to receive monthly EDGE Server SRI reports. This will help NHHP to track anticipated liability under the Reinsurance Program and to determine initial payments due to issuers. New Hampshire submitted its applicable reinsurance program parameters on September 7, 2021 to support this reporting and provided a technical contact for the Electronic File Transfer (EFT) testing.

New Hampshire Health Plan staff began receiving and reviewing the reports during the fourth quarter. The receipt of these reports has helped to inform the development of the Supplemental Covered Claims Summary Form described above and projections for the final program Coinsurance which is a target for each year. NHHP staff also met with each of the participating issuers individually to review the information received regarding their claims and discuss any concerns. From these meetings, a summary of the payment determination process was created (copy attached) and a process established to test payments in advance of making the actual initial payments to ensure that the payment process works correctly. NH will use the SRI reports to determine the interim issuer reimbursement based on 80% of the liability reported in the SRI reports.

### Pass-through Funding: ARPA Adjustments, September 15th Analysis and Report

NHHP received its final notice of 2021 Pass-through Funding (PTF) on April 21, 2021. At that point, NHHP was informed the State would receive \$22,723,855 in Pass-through Funding. Subsequently, on September 7, 2021, the State of New Hampshire received notification that the total Federal Pass-through Funds available for New Hampshire's program for 2021 increased to \$31,544,702 as a result of the impact of the American Rescue Plan Act (ARPA) changes to premium tax credits.

When New Hampshire received the original notice of Federal funding our actuary developed a revised target Coinsurance of 71% which we reported in our quarterly reporting. As we noted in our report for the second quarter, we believed the impact of ARPA would increase total funds available, and our actuary also developed a potential range for the target reinsurance payment percentage based on different increased revenue estimates resulting from ARPA. The high end of that range would have the target reinsurance payment percentage increasing to 79%. The actual increased Federal funding exceeded the highest estimate in that range so we now believe our target reinsurance payment percentage will exceed 79% IF the eligible claims estimate is accurate. As noted above, NHHP communicated these changes and

## Reinsurance Waiver Annual Report

expectations to the Actuarial Workgroup.

As reported in the third quarter report, based on work with Leif Associates, NHHP submitted the annual Reinsurance Waiver Pass-through Funding Report for 2022. This submission included an actuarial report showing the with- and without-waiver premium for our Second Lowest Cost Silver Plan (SLCSP) plan (40 year old non-tobacco user). The waiver impact lowered the 2022 benchmark plan premium by \$50 per month, a 14% reduction. This, of course, directly impacts, premium tax credit savings and Pass-through Funding.

### Post Award Forum

NHHP held its first annual Post-Award Forum on June 17, 2021 from 10:00 am until noon. Further information about the Forum is provided below.

### State Assessment

NHHP collected quarterly State assessment payments from issuers to fund the program throughout the year. The assessment is a per member per month assessment derived from 60 basis points applied to the prior year's without-waiver Second Lowest Cost Silver Plan (SLCSP) premium. The final two assessment collections for 2021 happened in November of 2021 and February of 2022. Between the collection of the third quarterly assessment and the fourth quarterly assessment, NHHP was notified by one of the issuers that it had identified an error in its reporting that led to an over-assessment of lives and over-payment of assessed dollars. NHHP continues to investigate this concern and currently believes that an over-reporting, and thus over-payment, has occurred. Overall, NHHP collected \$14,639,462 in state fees for 2021. However, the amount of the likely overpayment is \$373,591. NHHP is reserving this amount for an anticipated refund to the issuer that overpaid pending final resolution of our investigation. Excluding this refund amount from the collected state fees revises the 2021 state funding for the Reinsurance Program to \$14,265,871. This adjusted final amount is \$22,529 less than our original projected funding amount.

New Hampshire Health Plan provided notice of the 2022 State assessment in November of 2021. The amount was different than initially projected because New Hampshire's 2021 SLCSP – the premium that is the basis for calculating the assessment - changed at the last minute, with the original SLCSP being withdrawn just prior to the Open Enrollment Period. The assessment based on the originally-projected 2021 without-waiver SLCSP premium (\$370.44) was estimated to be \$2.22 per member per month, a slight reduction from the 2021 rate. That prediction was subsequently updated, as communicated to the Centers for Medicare and Medicaid Services in a revised Pass-through Funding Report submitted on November 4, 2021, based on the final SLCSP to \$2.32 per member per month (based on a without-waiver SLCSP premium of \$386.72). The change was also communicated to issuers at the beginning of November. New Hampshire verified a similar change did not happen with the 2022 plans prior to beginning parameter planning for 2023.

### Evaluate Possible Reinsurance Program Amendments/Changes

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As noted in our previous reporting, NHP leadership in collaboration with the NHID discussed whether any changes to the program should be considered for implementation in Program Year three (2023). The decision was made that there was not a need to consider any program amendments at that time and that doing so would be premature given that we were in year one of the program.

Importantly, the increase in funding available to the program by virtue of the ARPA (noted above) is automatically integrated into the program without action because New Hampshire's program is designed to pay out all revenues collected each year, after administrative expenses, by using a "floating" reinsurance coinsurance percentage. This mechanism allows for the program to accommodate revenue fluctuations and variances from budget without making any program modifications.

NHP and NHID continue to actively consider and discuss any needed amendments to the program for future program years.

### Submission of Care Management Descriptions

As required for program participation under the Section 1332 Waiver application and the program Plan of Operations, each of the participating issuers submitted their 2021 care management program descriptions in the first quarter of 2021. These submissions are requested to demonstrate the issuers' ability to identify and help manage the care of potential higher cost claimants to ensure the appropriateness of health care services delivered; and are passed along to the State insurance commissioner. The submissions for both 2021 and 2022 (which were submitted this year) are attached, but will not be made public for confidentiality reasons.

The same information for the 2022 plan year was requested of the issuer representatives at the December 2021 Actuarial Workgroup meeting and has since been received.

### Reporting - Quarterly and Pass-through Funding Reports, Requests for Information

NHP submitted quarterly reports throughout the year, including, as noted above, the 2022 Pass-through Funding report submitted in September and updated in November, and the third quarterly report for the 2021 program year in November.

During the second quarter, NHP responded to questions from CMS regarding the impact of ARPA on the State's Reinsurance Program and what, if any, program modifications would be considered. NHP shared that it believes that ARPA will have a positive impact on Federal funding for its reinsurance program, but no program modifications are being considered at this time because the increased funding is automatically integrated into the program by virtue of the design of the program, as noted above.

NHP also provided information to CMS to support the 2021 update to the Section 1332 Waiver Data Brief publication.

NHP received a question from one issuer regarding the appropriate way to reflect its participation in the

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New Hampshire Reinsurance Program on its Issuer Statutory Annual Statement. Working with the NHID, NHHP issued to each of the three issuers participating in the Reinsurance Program guidance for completing these statutory reports that reflect benefits of participating in the Section 1332 Waiver program.

## Website Updates

Throughout the year, NHHP and NHID have both made ongoing updates to the dedicated pages on their websites to keep participating issuers and the public apprised of implementation developments.

13. Describe any implementation and/or operational challenges to meet the 1332 statutory guardrails, and plans for and results of associated corrective actions. After the first year, only report on changes and/or updates, as appropriate.

## Challenges Predicting Federal Funding

A challenge NHHP has faced in planning for future years is replicating Federal calculations of Pass-through Funding to ensure future estimates are as accurate as possible. This is critical because New Hampshire's total funding determines program payments and estimations of program payments influence issuer pricing decisions. As such, NHHP seeks to make as accurate predictions as possible prior to issuer plan and rate development to ensure the program drives as much savings in the market as possible.

In early February 2021, New Hampshire received notice from CMS and the Department of Treasury that the estimated pass-through funding likely to be received would be substantially lower than the original estimate made at time of waiver application. Based on CMS communication, we believed that a major component of this overstatement was caused by the "pricing out" of advance premium tax credit (APTC) income-eligible individuals based on their expected contributions relative to benchmark plan premium amounts. The original actuarial estimates upon which the waiver application was based anticipated ongoing premium increases for Exchange products before the waiver program premium impact. However, actual 2021 exchange premiums decreased from prior year (e.g., the age 40 non-tobacco user second lowest cost silver plan premium decreased from \$404.60 per member per month (pmpm) to \$386.72 pmpm). That led to more income-eligible individuals falling below the expected premium contribution threshold and, thus, no longer qualifying for premium tax credits (PTCs).

Additionally, it appears that the original calculation underestimated the amount of pass-through funding loss resulting from the reconciliation of the PTC funding relative to the APTC.

On February 25, 2021, NHID received the Pass-through Funding estimate of \$22.7 million - a \$10 million reduction from NH's original estimate of \$32.9 million. That amount was confirmed on April 1, 2021.

External factors have also made it more challenging to estimate Pass-through Funding. ARPA had a positive impact on funding for the program, which is automatically reflected in program payments, as noted above. However, because of the timing of that change – happening after plans and rates were finalized for 2021 – the full impact of that change could not be reflected in rates which, by nature of the

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program, lessens the impact on premiums. Likewise, the impact of ARPA on funding was unknown at the time we established the parameters for 2022. As we plan for 2023, we are also concerned that there is again uncertainty of the continuation of the ARPA changes beyond 2022 via the Build Back Better Act (BBBA). Given the current status of the BBBA, our actuaries based the projections for the development of 2023 parameters on the ARPA changes ceasing at the end of this year.

The COVID-19 pandemic has also greatly altered healthcare consumption and claims generated. NHHP asked participating issuers to submit 2019 and 2020 monthly incurred and paid claim data for all exchange members. The Actuarial Workgroup members also generated a 2021 claim trend estimate based on their recent experience and market knowledge concerning resumption of more normal healthcare consumption. Using this information, Leif Associates generated a 2021 aggregate exchange claim estimate that the issuers supported. This analysis showed the 2021 expected claims that would be incurred within the reinsurance parameters to be markedly lower than the original amount estimated in the waiver application.

As we look forward, there is also uncertainty relative to the end of the Federal public health emergency declaration and the impact of coinciding changes to Medicaid eligibility and enrollment requirements. Once those requirements are no longer in effect, the New Hampshire Medicaid Director estimates that 30,000 individuals will lose eligibility for Medicaid. There is significant question regarding when that will happen and how many of those individuals will subsequently seek insurance through the Exchange, which will impact total claims and, thus, could alter the target Coinsurance.

NHHP – working with NHID and Leif Associates - has done significant work to try to learn from experience and hone estimates and parameter development going forward. After learning of the significant difference between New Hampshire's Pass-through Funding estimate and the estimate from CMS in February, NHHP held two conference calls with CMS representatives and Leif Associates. CMS referred us to data sources that were useful in Pass-through Funding calculations although some information requested was unavailable. Based on the reference information and the additional issuer data submission, Leif Associates sought to backtrack from the final number to determine what changes to incorporate into the estimate for 2022 included in the Pass-through Funding report submitted in September. NHHP also immediately held an Actuarial Workgroup meeting. NHHP requested, and the issuers agreed to, a special issuer-specific data submission providing the age and income distribution of all exchange members to allow Leif Associates to calculate the expected funding for 2021 and for future years. The issuers provided this data by March 1, 2021. Based on that work, Leif Associates created an updated Pass-through Funding calculation methodology that estimated the Pass-through Funding within \$0.7 million of the CMS estimate.

Leif Associates then re-calculated the State's target coinsurance percentage using the revised estimate of total eligible claims, the reduced Federal funding estimate, and the range of potential funds attributable to the ARPA. As noted above, under the NH Reinsurance Program, the reinsurance attachment point and maximum claim amount are fixed (\$60,000 attachment and \$400,000 claim cap). The coinsurance percentage "floats" based on actual claims relative to the funds available. Each year New Hampshire will pay out the total funds available (Federal funds plus State funds less administrative expense to manage

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the program). For Year 1, the original estimated reinsurance payment percentage was 74 percent. This re-calculated payment percentage estimate ranged from a low of 70.6 percent (based on the original 2021 Pass-through Funding) to a high of 79.3 percent (under ARPA).

The Actuarial Workgroup met again on March 16 to review the actuary analytic work and discuss this impact assessment. NHHP also notified its Board of Directors, which includes representatives of all participating issuers, at its March 25, 2021 meeting. Both the Actuarial Workgroup and the NHHP Board concurred with the analytic work done and the issuers have adjusted their 2021 reinsurance recovery expectations accordingly.

NHHP continues to work with the NHID and the Actuarial Workgroup to understand what assumptions are appropriate to include in planning for future years to ensure as much certainty as possible for issuers but also drive as much savings in the market as possible.

### Post Award Forum

Due to ongoing concerns about the risk of COVID-19 transmission, the State had concerns about holding an in-person forum. The State responded by requesting approval from the CMS to hold the forum virtually. A copy of the CMS approval was posted on the NHHP website ([https://www.nhhp.org/\\_downloads/Forum/CMS%20Public%20Format%20Request%20Response%2005-2021.pdf](https://www.nhhp.org/_downloads/Forum/CMS%20Public%20Format%20Request%20Response%2005-2021.pdf)). The State moved forward with hosting the forum via webinar on the Microsoft Teams platform on June 17, 2021. The event was structured so that all attendees could see the presenters and the presentation; and attendees could offer questions and comments live or in writing. Twenty-three individuals attended the forum.

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<b>D. PROGRESS OF SECTION 1332 WAIVER - State-Specific</b>		
<b>14. Metrics to assist evaluation of the waiver's compliance with statutory requirements in Section 1332(b)(1)</b>		
	<b>Value</b>	<b>Comments (if applicable)</b>
a. Actual individual market enrollment <b>on</b> the Exchange in the state	45,860	This information comes from the NHID report of monthly individual enrollment. New Hampshire had an average on-Exchange individual enrollment of 45,860 across the entire year. Enrollment was 47,257 as of December 2021.
Actual individual market enrollment <b>off</b> the Exchange in the state	7,897	This is average enrollment for the entire year. based on 94,761 total member months reported by issuers.
b. Actual average individual market premium rate <b>on</b> the Exchange (i.e., total individual market premiums divided by total member months of all enrollees)	\$445.94	The total premium revenue on-Exchange in 2021 was \$244,538,727 for 548,366 member months yielding an average monthly premium of \$445.94. This information is derived from the February 25, 2022 EDGE report query by CMS which we understand to represent data that is greater than 90% complete but likely less than 100% complete. We will not have our final, complete data until August 2022.
Actual average individual market premium rate <b>off</b> the Exchange (i.e., total individual market premiums divided by total member months of all enrollees)	\$431.47	The total off-Exchange premium revenue in 2021 was \$40,886,453 and member months were 94,761 as reported by issuers, resulting in an average individual premium rate off-Exchange of \$431.47.
c. Actual Second Lowest Cost Silver Plan (SLCSP) premium for Exchange plans under the waiver for a representative consumer (e.g., a 21-year old non-smoker) in each rating area	\$332.98	New Hampshire uses a 40-year-old non-tobacco user as its representative Exchange enrollee.

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	Value	Comments (if applicable)
Estimate of the SLCSF premium for Exchange plans as it would have been without the waiver for a representative consumer (e.g., a 21-year old non-smoker) in each rating area	\$386.72	New Hampshire uses a 40-year-old non-tobacco user as its representative enrollee. The impact of the Waiver program reduced average premium for SLCSF by almost 14%.
<b>d. For states with State-based Exchanges</b> , actual amount of Advanced Premium Tax Credit (APTC) paid to issuers, by rating area for the plan year	N/A	New Hampshire does not have a SBE.
<b>e. For states with State-based Exchanges</b> , actual number of APTC recipients for the plan year. This should be reported as number summed over all 12 months and divided by 12 to provide an annualized measure.	N/A	New Hampshire does not have a SBE.
<p><b>15. Please confirm whether there was any impact of the waiver on the scope of benefits or Essential Health Benefit (EHB) benchmark.</b></p> <p>The waiver does not impact scope of benefits or EHB. The waiver does not result in any plan changes or changes to the New Hampshire EHB benchmark plan. It reimburses issuers for high-cost claims (within set parameters), resulting in premium savings.</p>		
<p><b>16. Describe any changes to the state-operated reinsurance program, including changes to the funding level the program will be operating at for the next plan year, any changes to the approved payment parameters for reinsurance program reimbursement or changes to eligibility criteria for enrollees' claims to be reimbursed under the program.</b></p> <p>No program changes have been implemented. As discussed above, NHHP considers needed amendments annually but decided in 2021 that there was not a need to consider any program amendments at that time and that doing so would be premature. However, the design of the program provides for the Coinsurance amount to be a target and to change as needed to ensure funds paid out match those collected from Federal Pass-through Funding and the State assessment. As noted above, the NH Reinsurance Program is designed to pay out all funds received - both State and Federal - for the plan year less administrative costs. An Attachment Point and Maximum Amount per Claimant (Cap) is fixed but the Reinsurance Payment Percentage per claim (Coinsurance) effectively “floats” to ensure that at the end of the year all available funds received are paid out against eligible claims.</p> <p>Additionally, the payment parameters are subject to change annually.</p> <p>For 2021: On April 21, 2021, New Hampshire received a determination of Federal Pass-through Funding of</p>		

## Reinsurance Waiver Annual Report

\$22,723,855. This determination was made before the American Rescue Plan Act became law. Based on this initial determination, the target Coinsurance was expected to decrease to 71%. On September 7, 2021, NH received a revised Pass-through Funding determination - factoring in the impact of ARPA - of \$31,544,702. We believe that this additional funding will result in a Coinsurance of at least 79%. The actual final payment percentage will not be known until August 2022 when all eligible 2021 claims will be known.

For 2022: In 2022 the Reinsurance Program structure is the same as 2021. The Attachment Point and Cap values are unchanged. However, since the 2022 total funds and expected claims will differ from 2021 amounts, the Coinsurance will be different. Because of the timeline for issuer premium development and rate filings, New Hampshire established a target 2022 Coinsurance on March 30, 2021. Based on information available at that time - and before receiving notification of the impact of ARPA on Pass-through Funding determinations – New Hampshire established a target Coinsurance of 70%, a decrease from 2021.

The preliminary target Coinsurance amount is based on both estimates of the total funds that are expected to be received (from the State assessment and the Federal Pass-through Funding) and the estimated eligible claims for the year. As noted above, the State assessment rate is set at 60 basis points applied to the prior year (2021) SLCSP representative individual without waiver premium (40 year old non-tobacco user). Our initial State funding estimate (which was predicated on a SLCSP of \$370.44) of \$2.22 was updated to \$2.32 (based on a SLCSP premium of \$386.72) based on the plan withdrawal noted above.

While the amount of expected assessment collections increased as a result of the higher than budgeted assessment rate (\$2.32 versus \$2.22), this increase was partially offset by lower than anticipated total lives to which the assessment rate was applied (i.e., an adjustment for the historic over-reporting of assessable lives by one issuer as described above). At the time of our preliminary 2022 parameter establishment, we estimated our covered lives to be 490,000. Since that time, the actual number of assessed lives has reduced and we now estimate total assessed lives of 479,000. Our original estimate of state funds, using a lower assessment rate but higher estimated assessed lives, yielded \$13.05 million of total state funds. With the described revisions, we now estimate that we will have \$13.50 million of total state funds.

**17. Describe any changes in state law that might impact the waiver and the date(s) these change occurred or are expected to occur.**

There have not been any changes to State law or regulations that impact the waiver.

**18. Report on spending:**

	Value	Comments (if applicable)
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## Reinsurance Waiver Annual Report

a. Amount of Federal pass-through funding spent on individual claim payments to issuers from the reinsurance program	\$31,544,702	NH received \$31,544,702 in Federal Pass-through Funding (PTF). This entire amount has been spent on reimbursing issuers for eligible claims.
b. Amount of Federal pass-through funding spent on operation of the reinsurance program	\$0	The NH Reinsurance Program pays all operating expenses from State funds. No PTF funding is spent on operations.
c. Amount of any unspent balance of Federal pass-through funding for the reporting year	\$0	NH will pay out all PTF received for the reporting year and there will be no unspent balance. We paid out the entire PTF amount on June 15, 2022.
d. Amount of state funding contribution to fully fund the program for the reporting year	\$14,265,871	This includes all State funds collected for the program for 2021.
<p><b>19. If applicable, provide a claims breakout at an aggregate level for the top 5 conditions or cost drivers of the 5 conditions, including settings of care in the individual market.</b></p> <p>This question is not applicable to the New Hampshire program because the program utilizes a traditional, attachment point model, and does not make payments based on medical conditions. As a result, New Hampshire does not collect this information and is not required to report it under the Specific Terms and Conditions for the waiver.</p>		
<p><b>20. If applicable, report on any incentives for providers, enrollees, and plan issuers to continue managing health care cost and utilization for individuals eligible for reinsurance.</b></p> <p>As noted above, the State collects descriptions of participating issuers' care management programs. These submissions are requested to demonstrate the issuers' ability to identify and help manage the care of potential higher cost claimants to ensure the appropriateness of healthcare services delivered. All three participating issuers submitted this requested information during the first quarter of 2021; those submissions were transmitted to the Insurance Commissioner and are attached (though will not be made public for confidentiality reasons). The 2022 care management descriptions, which we collected this year, are also included.</p>		
<p><b>21. If applicable, report of any reconciliation of reinsurance payments that the state wishes to make for any duplicative reimbursement through the state reinsurance program for the same high cost claims reimbursed through the Department of Health and Human Services (HHS)-operated high cost risk adjustment program.</b></p>		
	<b>Value</b>	<b>Comments (if applicable)</b>

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a. Reinsurance payment (before reconciliation) for high-cost claims to issuers who also receive payment through the HHS risk adjustment program under the high-cost risk pool	N/A	New Hampshire’s parameters do not overlap with the parameters for the HHS Risk Adjustment Program.
b. Risk adjustment amount paid by HHS for those claims	N/A	New Hampshire’s parameters do not overlap with the parameters for the HHS Risk Adjustment Program.
c. Reinsurance reconciliation (or true-up) amount applied	N/A	New Hampshire’s parameters do not overlap with the parameters for the HHS Risk Adjustment Program.

### E. POST-AWARD FORUM

**22. Was the date, time, and location of the Post-Award Forum advertised 30 days in advance?**

- Yes**  
 **No**

**23. State website address where Post-Award Forum was advertised**

Public notices containing the date and time of the Forum and information about how to access the Forum webinar were posted on the:

- o New Hampshire Health Plan website - <https://www.nhnp.org/> and <https://www.nhnp.org/nhnp/reinsurance.asp>; and
- o New Hampshire Insurance Department website - <https://www.nh.gov/insurance/index.htm> and <https://www.nh.gov/insurance/lah/nh-section-1332-waiver.htm>)

They were also sent to New Hampshire’s major newspapers- Manchester Union Leader; Concord Monitor; Keene Sentinel; and Conway Daily Sun.

**24. Date Post-Award Forum took place**

June 17, 2021 at 10:00 am

**25. Summary of Post-Award Forum, held in accordance with §155.1320(c), including all public comments received and actions taken in response to concerns or comments.**

The Forum opened with a presentation that addressed the following topics: (1) Information about the Forum and Logistics, (2) Introductions of NHHP and Key Staff from NHHP and NHID, (3) Background on the State’s Reinsurance Program and Section 1332 Waiver, (4) Program Year 2021 Updates, (5) Program Year 2022 Planning, (6) Next Steps, and (7) Key Contacts. A copy of the Forum presentation is posted on the NHHP website ([https://www.nhnp.org/\\_downloads/Forum/2021-0617-NHHP%20Public%20Forum%20Presentation.pdf](https://www.nhnp.org/_downloads/Forum/2021-0617-NHHP%20Public%20Forum%20Presentation.pdf)). Following the presentation, attendees were invited to ask questions or offer comments either verbally or in writing via the comment function. One inquiry was received regarding the impact of

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COVID pandemic, and consequent reduction in healthcare services, on estimating future claims for setting the 2022 reinsurance parameters. Staff responded explaining that the NHHP actuary, working with the Actuarial Workgroup, had evaluated this and developed a claim estimation method that muted the COVID impact so that claims projections and reinsurance parameters could be set for the anticipated “more normal” year independent of prior COVID impact. Comments and questions were also invited in writing following the Forum through July 6, 2021, but no further questions or comments were submitted. A recording of the Forum was posted on the NHHP website (<https://drive.google.com/file/d/1ok8sUHmKrTbuEynlpMRIEGVA42Xypzht/view>).

As noted above, the Forum was modified, with permission from CMS, to be held virtually. This was done to mitigate potential risk associated with COVID-19. The Forum was structured to allow members of the public to receive updates, ask questions and provide comments live and via videoconference.

## 26. Other Attachments (attach other documents as needed pertaining to Post-Award Form)

Remote process request and approval  
Forum powerpoint (link included above)  
Forum recording (link included above)

## F. STATE INTERNAL IMPLEMENTATION REVIEW - ATTESTATION

**27. Attestation: The state attests that periodic implementation reviews related to the implementation of the waiver have been conducted in accordance with 31 CFR 33.120(b) and 45 CFR 155.1320(b).**

Yes

No

**28. Describe the state's implementation review process.**

**NHHP, which implements the New Hampshire Reinsurance Program, is a non-profit organization with a Board of Directors that provides oversight of the Reinsurance Program. The Board composition includes representatives from issuers - including each of the 3 issuers that qualify to participate in the Reinsurance Program - a representative of healthcare providers, a representative of health insurance brokers, and a representative from the NHID. Status reports and financial summaries of the Reinsurance Program are provided to the Board at every meeting. In addition, NHHP management - including the Executive Director and the NH Reinsurance Program Director - meet regularly with representatives of the NHID to discuss the program, including implementation and any issues. A workplan describing of all required actions, milestones, and reporting requirements is maintained and progress/status of action items is frequently reviewed in those meetings.**

**The Actuarial Workgroup meets periodically throughout the year to assist with any implementation issues/decision points that arise. This workgroup is critical in providing information necessary for establishing the program parameters each year. This workgroup also has been extremely helpful with interpreting EDGE reports that are a component of final payment determination.**

**Each year the NHHP actuary receives enrollment and claims data from each of the eligible**

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**issuers. This data supports creation of the program parameters each year and also allows for a matching process to help ensure that claimants eligible for reinsurance payments are proper enrollees in the individual insurance plans.**