

**2023
Post-Award
Forum**



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

**NEW HAMPSHIRE
REINSURANCE PROGRAM**

JUNE 15, 2023

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.



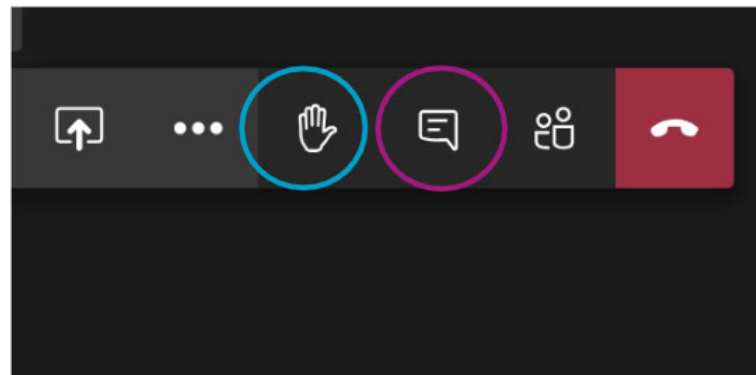
LOGISTICS FOR VIRTUAL ATTENDEES

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



To ask a question:

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

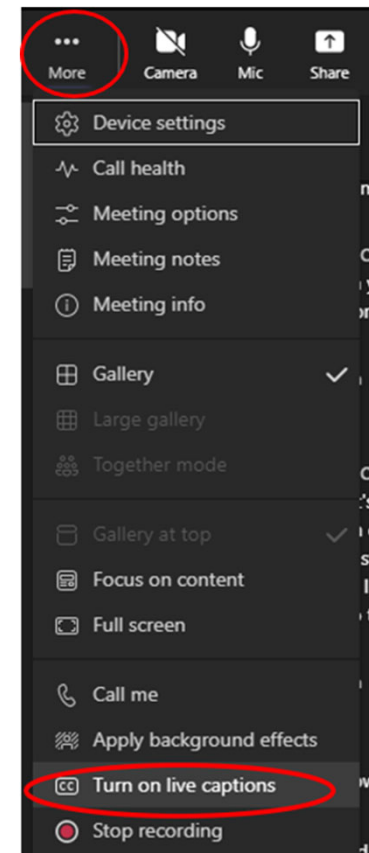


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LOGISTICS

Live captions are available. To enable them:

- ✓ Click on the menu labeled “more” (under 3 dots)
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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

Michelle Heaton
Health Law & Policy Legal Counsel
New Hampshire Insurance Department

KEY CONTACTS

Contact	Organization / Title	Email
Michael Degnan	NHHP Executive Director	JMDegnan@helmsco.com
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Michelle Heaton	NHID Health Law & Policy Legal Counsel	Michelle.C.Heaton@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 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.
 - 9 ➤ 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



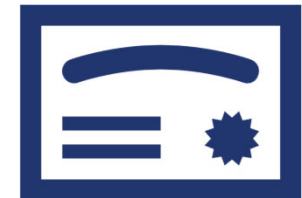
New Hampshire's Reinsurance Program is designed to pay-out the funds it takes in each year (after administrative costs and reserve).

PROGRAM YEAR 2023 UPDATES: IMPLEMENTATION

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

The carriers eligible to participate in the program in 2023 are:

- Anthem New Hampshire
- Point32Health/Harvard Pilgrim Health Care
- Centene (doing business as Ambetter)



These are the same carriers that participated in 2021 and 2022.

PROGRAM YEAR 2023 UPDATES: REINSURANCE PARAMETERS

2023 Parameters

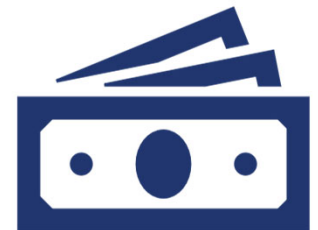
Attachment Point	\$60,000
Cap	\$400,000
Target Coinsurance	58 percent*

*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 2023 UPDATES: IMPACT OF RESUMPTION OF MEDICAID REDETERMINATIONS

Medicaid redeterminations resumed in New Hampshire in April.

- Expected to increase Exchange enrollment, which will result in:
 - Increased eligibility for APTCs/Pass-through Funding
 - Increased state assessment funding
 - Increased Exchange (reinsurance-eligible) claims
- Coupled with the enrollment incentives of the Inflation Reduction Act (increased Advance Premium Tax Credits)
- Impact will be lesser in 2023 due to enrollment happening mid-year
- NHHP and NHID are closely monitoring the impact ahead of rates being finalized for 2024



PROGRAM YEAR 2023 UPDATES: FUNDING

2021 and 2022 Combined Funding: \$85.89 million

- Federal Funding - \$58.11 million
- State Funding** - \$27.78 million

Projected 2023 Funding: \$44.56 million

- Federal Funding - \$32 million
- Projected State Funding** - \$12.56 million



Total Program Funding to-date: \$130.45 million

- Federal Funding - \$90.11 million
- Projected State Funding** - \$40.34 million

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

PROGRAM YEAR 2023 UPDATES: OPERATIONS

NHHP and NHID considered two program changes in 2022:

I. In March, the Commissioner approved an updated NHHP Plan of Operations that changes the **Reinsurance Program payment process**.

- Previously two payments were made:
 - Initial payment (80% of funds) based on the federal EDGE Server claims reports;
 - A final true-up payment based on carrier supplemental claims submission.
- On the recommendation of AWG, starting with payments made in 2023 (for the prior program year), only one payment will be made (by July 31, 2023 and based on the EDGE Server claims reports).

PROGRAM YEAR 2023 UPDATES: OPERATIONS

2. NHHP and NHID also examined the impact of a **low Attachment Point model**.
 - Carriers asked NHHP and NHIP to evaluate implementing such a model in New Hampshire.
 - Leif ran analyses at various Attachment Points.
 - Findings were shared with NHHP, NHID, the AWG and the NHHP Board
 - Based on input from the AWG and direction from NHID, the program model will remain unchanged at this time.
 - Program changes will be considered again if New Hampshire seeks a waiver renewal.

PROGRAM YEAR 2023 UPDATES: MARKET IMPACT

Lower Premiums - The waiver resulted in*:

- A 13% decrease in the Second-Lowest Cost Silver Plan rate for plan year 2023.
- Nationwide for 2023, New Hampshire**:
 - Has the lowest average cost benchmark (Second-Lowest Cost Silver) premium
 - Has the lowest average cost Silver premium
 - Has the second lowest average cost Bronze premium
 - Has the third lowest average cost Gold premium

Increased Enrollment*** – As of April 2023, on-Exchange individual market enrollment was up to 52,265 individuals (an increase of 5% over the average enrollment in 2022).

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

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

**Findings from the Kaiser Family Foundation State Health Facts "Average Marketplace Premiums by Metal Tier - 2023."

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

PROGRAM YEAR 2024 PLANNING: REINSURANCE PARAMETERS



NHHP's Actuarial Workgroup continues to support program development:

- Members - Senior actuaries from each carrier participating in the program
- 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 2023 & 2024 program years and have also advised on proposed program changes, payment calculations and the impact of Medicaid redeterminations.

PROGRAM YEAR 2024 PLANNING: REINSURANCE PARAMETERS

The actuarial workgroup met with staff and Leif Associates 3 times between December 2022 and March 2023.



Recommended parameters were presented to the NHHP Board on March 23, 2023.



The Board adopted those recommendations for submission to Commissioner Nicolopoulos on March 23, 2023.



The Commissioner approved those parameters on March 27, 2023.

PROGRAM YEAR 2024 PLANNING: FUNDING & REINSURANCE PARAMETERS

2024 Funding Projection*: \$52.77 million

- Projected Federal Funding - \$39.6 million
- Projected State Funding - \$13.17 million**

2024 Parameters

Attachment Point	\$60,000
Cap	\$400,000
Target Coinsurance	49.4 percent

*NHHP is monitoring enrollment to understand the impact of the resumption of Medicaid redeterminations on funding and enrollment.

**Carrier Assessment - 60 basis points of the PY 2022 SLCSP 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 2022 eligible claims for each carrier.
- ✓ NHHP calculated initial 2022 payments.
- ✓ The Commissioner signed an amendment to the NHHP Plan of Operations, reflecting the change to one program payment annually.



Next Steps:

- On or before July 31, 2023: Full payments for 2022 will be made

QUESTIONS & COMMENTS

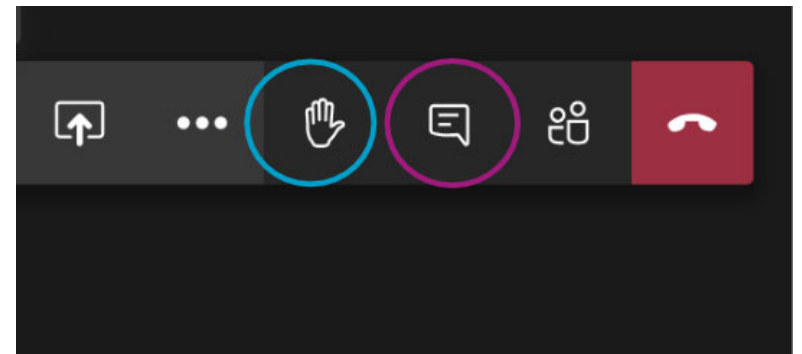
NHHP invites attendees to share questions or comments about the New Hampshire Reinsurance Program/Section 1332 Waiver and today's updates.

Instructions for Virtual Attendees:

Use the “**raise your hand**” option. 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.



Questions and comments can be submitted in writing by **June 30th** to Rhea Lieber at rlieber@pcgus.com, or by mail to Mike Degnan at New Hampshire Health Plan.

KEY CONTACTS

Contact	Organization / Title	Email
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