

NH Annual Public Forum 2023-20230615_142531- Meeting Recording

June 15, 2023, 1:52PM

33m 8s

● started transcription

👤 **Gaskamp, Courtney** joined the meeting

👤 **Kierstead, Adam** joined the meeting

👤 **Thistle, Margot** joined the meeting

👤 **Lemcke, Gina** joined the meeting

KA **Kierstead, Adam** 9:13

Whatever.

Yeah.

Great.

Well, thank you.

Welcome to the Third Post Award forum for the 1332 State Innovation and Parliament waiver.

I'm Mike Duggan.

I'm the executive director of the New Hampshire Health Plan.

Let me take a minute before we start to introduce the folks here at the head table.

Kevin Stone is within New Hampshire health plan.

He's the reinsurance program director Michelle Heaton is with the Department of Insurance.

She's the health law and policy legal counsel and a member of the New Hampshire Health Plan, a board of directors, and Commissioner Christopher Nikolopoulos and I wanna thank the Commissioner for his support over the years on this project as well.

👤 **Reardon, Stefani** joined the meeting

RS **Reardon, Stefani** 9:46

Yeah.

KA **Kierstead, Adam** 9:53

So thank you.

So before we start, let's go to the the first slide and talk about the what we're gonna do for the agenda here today.

Umm can we get it?

OK, you have to tell me if we get it.

So we'll talk about the the form and the logistics.

We'll go into it.

We just did some of the introductions.

We'll do the the background of the organization.

We'll do program year 2023 updates.

Then we'll go into program year 2024 planning, which we're in the middle of.

We'll do other updates the next steps and then we'll do questions and comments and we'll give you a list of the key contacts here for the if you need to reach out to anybody at the head table or anybody if an insurance Department of Insurance as well.

So anyway next.

Slide, please.

So we're holding the annual public forum to share information about the progress of the New Hampshire section 1332 waiver that it's called in New Hampshire reinsurance program.

It received public comments and and questions.

A recording of the forum and and a transcript and the PowerPoint will be posted on the HP website and the insurance department website, probably within the next day or two.

So we'll make sure that gets taken care of.

Let me just talk a moment about the logistics for virtual attendees.

Please keep your audio on mute.

Please keep your camera cameras turned off to the ask a question.

Raise your hand using the hand icon or or enter into the chat using the chat icon and if you have any technical issues.

We have RIA here to give you assistance.

Her phone numbers on the screen, but and her her email address.

So please, if you have any problems with technology, please get to us as soon as possible and I'm sure Rita will take care of it for you.

Other logistics live captions are available to make them them.

To use them, click on the manual label.

More on the upper left hand side and turn on live captions.

So as I said, with NHHP is the administrator of the 1332 waiver where a statutorily created nonprofit organization we ran the New Hampshire high risk pool.

We ran the federal high risk pool.

We ran the initial outreach and education program for the ACA as well.

So and we've been.

Doing a assessment collection relative to to assist the granted advantage program as well with client really doing that.

So NHHP is administrating the reinsurance program.

We are not a policy setting organization.

Our role is to administer.

The program as designed by the Department of Insurance and approved by the by the legislature.

And so I'm gonna take a moment.

Turn it over to Commissioner Nikolopoulos and go from there.

Thanks a lot, Mike.

I'll First off, I just wanna take a second and thank you and Kevin for your help on this important program.

I-1332 was kind of handed to me with my appointment.

I'll we were studying it and then implemented the next year and it's one of the things I'm proud of.

You know, in this environment to be able to possibly impact insurance rates has been has been a gift and I know it hasn't happened automatically and your help has been critical, but also a number of my team here today.

So I just want to take a quick second and try to recognize them all, attorney Michelle Heaton, who's right here on my right.

But we also have in the room our life and Health Director, a Jason Dexter.

We've got our general counsel, Heather Silverstein.

Uh Doctor Jason Aziz and then our comms team, Andrew Demers and AJ Kirsten.

Thank you all.

Like you like.

OK, great.

So just the key contacts.

So we have these myself.

Mike Degnan, there's my email address.

Kevin Stone, the program director, Commissioner Nikolopoulos Jason Dexter, Michelle Heaton and Lisa Kaplan Howe, who with the public Consulting Group she's been working with us since the we started this project project two years ago.

I'll turn it over to the show.

I thank you.

So back in 2009, RSA 404G was amended to direct the New Hampshire Insurance Department to work with NHHP to establish a market stabilization program.

The department was directed to apply for a section 1332 waiver.

If such an action was supported by actuarial experts following an actuarial study in 2019, the department ordered NHHP to submit for approval an amended plan of operation that included in ministering the 1332 insurance reinsurance program.

NHID submitted the application for the 1332 waiver on April 21st, 2020.

The federal departments of Health and Human Services and Treasury approved the waiver on August 5th, 2020, and the program went into effect January 1, 2021, and also, if anyone wants more information about the plan of operations, any amendments to the plan or additional information about the 1332 waiver, you can all these documents can be found on the NHHP website under documents like if I please.

The waiver was approved for the reinsurance program to run from January 1, 2021 through December 31st of 2025.

The reinsurance program is an attachment point model that reimburses high cost claims that fall within the programs parameters it it contains an attachment point, a cap and coinsurance.

New Hampshire reinsurance program is designed to pay out the funds it takes in each year after administrative costs and reserves, and to talk more about the particulars of the program.

Is Kevin stone.

Thanks, Michelle.

Hi, I'm Kevin stone.

I'm the program director for the New Hampshire reinsurance program, and I'm gonna talk to you a little bit about the 2023 program results to date, as Michelle mentioned, we started the the reinsurance program in 1st of January.

So we're in our third year of the program.

We've had three carriers meet eligibility criteria since inception.

They are anthem Blue Cross Blue shield, .32, Harvard Pilgrim Healthcare, and Centene, which does business in New Hampshire as ambetter.

These carriers have been in the program both in 2021-2022 and in 2023.

Next slide please.

So as Michelle mentioned, we have the various parameters.

The attachment point is the point at which claims can then be recovered above that point, and it is \$60,000 of claims.

The CAP, which is the most aggregate claims to be eligible for reinsurance, is \$400,000.

So there's no recovery on claims costs that exceed \$400,000 per claimant and we have a target coinsurance or payment amount, which in 2023 is 58%.

But as Michelle mentioned, we pay out the entire amount of funds that we have, so that target percentage essentially floats based on the actual claims liability that's incurred.

And so it might be 58, it might be more, might be less depending on actual experience that's reconciled at the end of the year, next slide.

So those parameters for 20, they were actually set in March of 2022.

We work a year in advance now.

There's a couple of changes that occurred after we set those parameters that will be impactful on this share and also on 2024.

 **Nadeau, Lindsay E.** joined the meeting

 **Kierstead, Adam** 17:32

One was the passage of the Inflation Reduction Act in August of 2022 and that essentially established incentives for eligibility and we believe will be.

Uh will encourage more people to either enroll in individual market or to take advantage of some of the premium tax credits that are the source of federal funds for the program.

The other change that we're in the midst of right now is Medicaid redetermination

that started in April with the.

Cessation of the public health emergency.

As you know, every state, including New Hampshire, is going through a redetermination of Medicaid eligibility.

There are a lot of individuals that are being redetermined in this state and we just don't know how many of them will not be eligible for Medicaid, not have availability of employer sponsored insurance and then decide to want to purchase insurance on the exchange.

We believe there will be a number.

They'll buy the insurance and highly likely to qualify for the tax credits.

If you think about it, if they qualified for Medicaid at one point, they're likely to be tax credit eligible A members.

So we are trying to track the impact of the redetermination on a monthly basis.

We've asked our three eligible carriers to report their enrollment on a monthly basis.

Normally we just capture that on an annual basis to see how is that rise in enrollment actually tracking against our assumptions.

At this point, we have no reason to change the parameters that we set for 2023, but we are paying close attention to the impact because most of the redetermination lives are coming on mid year.

They won't have a full claims history, so they may not get to the \$60,000 of claims in current in 2023 to then attach 4 reinsurance.

But if they remain in the pool in 2024, they'll have an entire year.

And thus there may be an increase in the number of eligible claims for the members that enroll in 2023.

And those are some of the things that we interact actuaries are trying to monitor.

 **Dunlap, Sabrina** joined the meeting

 **Kierstead, Adam** 19:48

Next slide, please.

So how's the funds been for this program?

You see the combined funding for the first two years just under \$86 million, of which \$58 million was federally provided through the pass through tax credit funding.

And then the state funds through carrier assessment was another just under \$28 million for this current year 2023, we're forecasting \$44.56 million of which \$32

million is federal.

That is a known number.

We received confirmation from the federal government at the end of March that that's the amount of money we will receive in 2023 and then our projected state funding is another 12.56 million.

So for the three year cumulative, this program has had a a \$130.45 million of which 90 million has been federal and 40 million state.

Next slide, please.

So we also had a busy year in 2023 in addition to some of the external changes that we were trying to take stock of, there were some lessons learned from our first year of experience that also led to some consideration of other changes.

So one is the way that the eligible carriers are paid for the claims that fall within the attachment point and the CAP when we started the program, brand new to us in the first year, the design was that we would use reports from the federal government that we received from information supplied by the carriers.

They're called Edge server reports.

We get them monthly starting in October.

The final one is received at the beginning of May.

We use those reports to determine an initial payment, which we paid out at 80% and then we gave the carriers the opportunity to identify claims beyond the time limits of the Edge server report filing and then submit them supplementally and we would then include them in our calculation of the payment amount.

Remember, it's just a calculation to disperse a fixed pod of money.

The pod is unchanged by any additional claims that the carrier's fine, but the distribution among the three could be altered based on the supplemental claim process.

So we did that in the first year and what we found was very minimal impact of the supplemental claims from what would have been the payments solely relying on the Edge server reports.

And so we reported this information back to the carriers in our actuary work group and they took stock of that and they felt that the work involved in.

Doing the supplemental filing was greater than any change in payment and they were content simply relying on the final Edge server report for us to make the final payments to each of the three eligible carriers.

So that required a change to our plan of operations.

The uh actually work Group recommended it to the board and the board approved at a recommended it to the Commission and the Commissioner signed that in March of this year.

So that is a change.

So when we make our payment for 2022, which we will be doing in the next month, we will no longer use that supplemental filing process.

We will rely solely on the edge of ports.

We've already calculated the payments based on the Edge reports we've reviewed them with each of the three eligible carriers.

They concur that the payment amounts are consistent with their expectations, and we'll be making that payment next month.

So that was one change.

Next slide, please.

So the second change that we evaluated was altering that attachment point.

So one of the carriers that said, well, what if we had a low attachment point model?

In other words, where reimbursement could start at a much lower level than \$60,000 of claims being accumulated before the first dollar of reinsurance payment was made and we engaged our actuaries Leif Associates to take a look at possible options of a lower attached by a what would be the impact and carrier reimbursement.

And they did that analysis.

We reviewed it with the actual work group with the board and with the insurance department, and it was the consensus of everyone that it was premature to make any change to the attachment point.

It was interesting information, but we just had our first year under our belt and the sense was let's wait through the end of the waiver period.

We might, as a state, seek a renewal of the waiver after 2025, and I think if we did that, we would take a another look at that attachment point and probably redo that analysis with more information from extra years of experience.

Next slide, please.

So if you think about it, this really three ways to kind of evaluate the impact of this program from a, from a public policy standpoint and one is did it impact premiums, did premiums go down and the waiver.

Resulted in 2023 in about a 13% reduction in premiums with waiver.

That's very consistent with the first two years of the program as well.

The Kaiser Family Foundation actually has started to track affordability of exchange

premiums across the country.

And so their website contains the 2023 premiums by various metal tiers and New Hampshire had the lowest average cost benchmark.

The benchmark plan for waiver programs in our country is the second lowest cost silver plan for a 40 year old beneficiary.

Non tobacco user and that's what's used to compare plans across the country.

And so New Hampshire had the lowest benchmark plan.

It had the lowest average silver cost premium, the second lowest average bronze premium and the third lowest average gold premium.

So I think.

The impact on affordability has been positive.

2nd is, well, it has enrollment increased in the individual market.

There's really not a way to directly attribute membership to this reinsurance program, but we can certainly look to see if since the program has started, has overall enrollment in the individual market increased.

And the answer is yes, it has.

So since the beginning, the increase in the on exchange enrollment has gone up and average of over 7%.

We did an April to April comparison this year.

So April of 23 versus April of 22 and the membership is up 5% to 52,265 lives.

We are tracking that on a monthly basis.

You may have heard that Harvard Pilgrim had a data breach, so they're not able to report their enrollment data past April.

So once they're able to do that, we'll have updated numbers, but enrollment has gone up and then the third test would be.

Has this helped stabilize the number of carriers in the individual market that write insurance and we've had the same 3 carriers since inception.

They remain in the program and there's no reason for us to believe that they won't be in the program in 2024 as well.

Next slide please.

I mentioned that we have the actual work group, which is comprised of the senior actuaries of the eligible carriers plus members of the insurance department.

Our own engaged actuaries, Leif, Associates Plus management and they really provide important consultation and guidance to the program each and every year.

And then, most importantly, they work to capture the data that our actor is used to,

then establish the parameters for the upcoming year.

Next slide please.

And so here's that process.

It's a fairly intense work period in December through March, we meet three times with the carriers and with our actuaries.

We confirm the assumptions on trend and cost.

We then recommend parameters that are endorsed by the actual work group recommended to the board.

The board adopts them, recommends them to the insurance Commissioner for approval, and the Insurance Commissioner approved the 2024 parameters this March 27th.

Next slide, please.

So what are the parameters for 2024?

Well, we have to project our funding because we pay out the full amount of money, so that tends to drive what we think our target.

Reassurance payment will be our projected funding is 52.77 million almost 40 million of which is federal funding and a little over 13 million from projected state funding.

The parameters then are same attachment point, same cap.

Again, we decided not to alter those, but based on what we believe will be the enrollment and the.

Claims that trip the eligibility we will our targeting and reimbursement of 49 point .4% of claims within that eligible corner.

Next slide, please.

And then lastly, there's some annual activity that occurs.

The carriers are required to submit their care management programs each year.

We review those and supply those to the insurance department and that's to ensure that they continue to work on managing high cost claimants and not simply relying on a reinsurance program.

And they've all submitted those for 2023.

We do receive the Edge reports and review them and we get those on a carrier specific basis.

I mentioned we have calculated the payments for 2022 and we anticipate making that payment in the end of the third week of July.

And then the Commissioner.

Signed the amendment.

As I mentioned, the plan of operations for for making a payment without supplemental claim filing, and that's sort of kind of a whirlwind summary of the program, a very tumultuous 2023 and what we're forecasting for 2024.

And I would.

Now invite anyone in our our audience, in person or those virtually.

If you have any questions or comments that you would like to make again if you're in the room, just raise your hand and we'll acknowledge you.

If you are participating, virtually, either use the raise your hand icon on your toolbar or the chat icon on your toolbar and it would remind people that even if you don't have a question now or don't want to make a comment now, we will leave open the opportunity for public comments through the end of the month and they can be submitted in writing up to June 30th and they can be sent to Real Lieber.

Our our tech contact person at the email address that's noted on the slide, you can also send an email to Mike Degnan who's in your contact information.

Do we have any questions in the room or comments from anyone in the room?

I see none.

Do we have any comments or questions from folks who are participating virtually?

We do not have any.

I wait.

We have one on the side.

Yes, thanks for Jason.

For the insurance department, I have a question about the exact opposite to 2023.

You mentioned that public health emergency and Medicaid online things, is that attachment point prorated people that jumped in?

No, no, it's a hard it's a hard accumulation every calendar year and that's why, you know, we may have claimants who have a burden of illness that may trip that if they have a full years worth of claims, but they may fall short if they're enrolled for a portion of the year.

And that's why it you know, we want to monitor what happens at 2023, but you can't just project a full year of 24 from a partial year of 23 on the new enrollees because of Medicaid redetermination.

Any other questions or comments?

Hearing none, I'll turn it back to President and executive director Mike Degnan.

Well, thank you.

I appreciate the effort that went into this and those who offended their in person and

the director week once again, as Kevin said, if you have some questions that come up over the next few days just but get those to us and we'll respond to those and we'll keep that open till June 30th.

We'll make this presentation and the slides available on our website and on the insured party will do the same and we thank you for all your help.

And once again, we thank you insurance Department for all their help in this program.

Thank you.

Thank you.

Thanks guys.

 **Kierstead, Adam** left the meeting

 **Thistle, Margot** left the meeting

 **Reardon, Stefani** left the meeting

 **Nadeau, Lindsay E.** left the meeting

 **Lemcke, Gina** left the meeting

 **Gaskamp, Courtney** left the meeting

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