

**Reinsurance Waiver
Annual Report**

**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

A. GRANTEE INFORMATION		
1. Reporting Period End Date December 31, 2024	2. Report Due Date March 31, 2025	3. Report Submitted On (Date) March 31, 2025
4. Federal Agency and Organization Element to Which Report is Submitted Consumer Information & Insurance Oversight		
5. Federal Grant Number Assigned by Federal Agency SIWIW210017	6a. UEI Number R3KPBHAJZEF7	6b. EIN 02-0499340
7. Recipient Organization Name New Hampshire Individual Health Plan Benefit Association		
Address Line 1 One Pillsbury Street, Suite 200		
City Concord	State New Hampshire	Zip Code 03301
Zip Extension 3570	8. Grant Period Start Date January 1, 2021	9. Grant Period End Date December 31, 2025
10. Other Attachments (attach other documents as needed or as instructed by the awarding federal agency) 2024 Carrier Care Management Reports (not being publicly posted for confidentiality reasons) Actuarial Presentation on 2025 Parameters NHID Commissioner Approval of 2025 Parameters		

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Public Comment Period Attachments (see below)

B. REPORT CERTIFICATION

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.

11a. Typed or printed name and title of Authorized Certifying Official

J. Michael Degnan, Executive Director

11b. Signature of Authorized Certifying Official



11c. Telephone (area code, number, and extension)

(603) 223-6453

11d. Email address

JMDegnan@helmsco.com

11e. Date report submitted (month/day/year)

March 31, 2025

C. PROGRESS OF SECTION 1332 WAIVER – General

12. Provide an update on progress made in implementing and/or operating the state's approved 1332 program.

Participating Carriers and Participation Requirements

The four issuers from prior years – Anthem Health Plans, Anthem-Matthew Thornton Health Plan, Point32Health (doing business as Harvard Pilgrim Health Plans) and Centene (doing business as Ambetter) remained in the market for 2024. Additionally, during 2024 we began planning for a new issuer to join the individual market and the reinsurance program for 2025 – Wellsense. As of 2025, Wellsense is now selling coverage in five New Hampshire counties: Belknap, Merrimack, Hillsborough, Strafford, and Rockingham. NHHP held an orientation meeting with Wellsense on December 3, 2024.

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Actuarial Workgroup, 2025 Program Parameters and Other Major Activities

NHHP established an Actuarial Workgroup (AWG) comprised of the senior actuaries from each participating carrier, as well as representatives from New Hampshire Insurance Department (NHID), at the beginning of the program; that group continues to serve as an advisory body to the program.

As in prior years, New Hampshire Health Plan (NHHP) held two AWG meetings with our actuaries - Leif Associates – during Quarter 1 to discuss and recommend reinsurance parameters for Program Year 5 (2025). Leif Associates prepared assumptions for claims trend and enrollment levels- based on carrier data submissions- for discussion during the first meeting. Following AWG confirmation of the assumption appropriateness, Leif used the assumptions to recommend the program parameters presented at the second AWG meeting:

- Attachment Point: \$ 60,000
- Maximum Cap: \$400,000
- Target Coinsurance: 49%

The AWG endorsed the Leif proposed parameters, and the NHHP Board recommended these to the New Hampshire Insurance Commissioner on March 23, 2024. The Commissioner approved them on March 27, 2024. A copy of the Commissioner approval letter is attached along with the Leif presentation to the AWG.

Also, as part of the AWG meeting series, Leif presented a revised enrollment and payment forecast for 2024. When NHHP established the 2024 parameters there was significant uncertainty about the likely impact of the resumption of Medicaid redeterminations on Exchange enrollment. Leif explained during an AWG meeting that they now believed enrollment would be lower than forecasted, resulting in less Pass-through Funding and an expected coinsurance of 42% versus the original estimate of 49%. However, with ongoing uncertainty about the actual Medicaid redetermination impact, NHHP determined NOT to change the target payment from the originally forecast 49%.

Finally, NHHP used the AWG meetings to request data for the annual report submission and care management descriptions demonstrating that each carrier has programs that can help manage patients with certain conditions or disease states that can result in high claims cost.

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At the end of 2024, NHHP and Leif sent a data request to AWG members to begin the 2026 parameters planning process.

2024 Payment Parameters and Pass-through Funding Reporting and Calculation

In Quarter 1 of 2024, NHHP submitted a revised 2024 Pass-through Funding report based on communications with representatives of CMS and Treasury. Subsequently, we received our final 2024 Pass-through Funding determination - \$28,035,719. That amount was less than we estimated when setting our 2024 target coinsurance percentage of 49% but expected given our updated forecast of enrollment. However, given that we expected above-budget state assessment collections resulting from the updated assessment process implemented in 2024, we did not feel that any change to the original target coinsurance amount was warranted. We did share updates during the Post-Award Forum and the June 6, 2024 meeting of the NHHP Board.

2023 Program Payments/2024 Target Coinsurance Update

The NH Reinsurance Program determined the Year 3 (2023) payments to each eligible carrier based on the final Edge Reports we received via the Electronic File Transfer Portal. NHHP monitored the EDGE Server reports for 2023 throughout the first half of 2024 to estimate and make final calculations of eligible claims and the final reinsurance payments. We kept in mind the potential impact of the Change Health cyberattack on claims submissions and the final EDGE reporting. While the delay in EDGE reporting due to that cyberattack shortened our timeline to analyze the final EDGE Server reports and make final payment determinations for each carrier, it did not affect the payment timeline.

The final total eligible claims for Program Year 3 were \$62,959,954; Our original estimate for the Year 3 target coinsurance payment percentage was 58%. Despite enrollment growth resulting from the Medicaid redeterminations, the final eligible claim total from the May 2024 EDGE reports was in line with our original total eligible claim estimate, while the enrollment growth resulted in more revenue than originally anticipated. Therefore, we made our Year 3 payout with a final coinsurance amount of 70.9% of eligible claims - well above our original target of 58%.

The AWG discussed whether to reserve any of the additional 2023 per claim payments as additional funds for 2024 given the forecast that we will not pay at the original target percentage. While there was some interest in smoothing performance year-over-year, there was recognition that the proportion of membership and eligible claims likely would change among the three eligible carriers and, thus, there was risk that some payers

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could be adversely impacted if potential funding from one year was reserved for a subsequent year. As a result, we agreed that each program year would be calculated and paid in full and would be independent of changes that could impact payments in a future year.

We communicated the carrier-specific 2023 payment determinations to each eligible carrier, and they all accepted their respective calculations.

New Hampshire made its 2023 reinsurance payments to all eligible carriers in Quarter 3. A total of \$44,618,413 was paid out, of which \$32,044,848 was federal funds.

In the fall of 2024, NHHP began reviewing the 2024 EDGE Server reports and planning for the 2024 program payments. Interim payments were calculated and made on March 19, 2025. Final payments will be calculated based on the final 2024 EDGE Report and made prior to July, as provided for in the program Plan of Operations.

NHHP Board Meetings

In Quarter 1, NHHP held both a Board Finance Committee meeting and a Board Meeting. As outlined above, the 2025 reinsurance parameters were discussed, and the Board approved the parameters proposed by the AWG for recommendation to the Insurance Commissioner.

The Board also approved changes to the NHHP Plan of Operations that were required because of the changes made to RSA 404-G in 2023. As was shared in our 2023 reporting, beginning in 2024, NHHP can begin assessing Third Party Administrators (TPAs) directly (including related to the reinsurance assessment), something NHHP historically did not do.

State Assessment

The 2023 assessment collection closed out in 2024, with the Quarter 4 2023 assessment collection occurring at the beginning of 2024, bringing the total state assessment collections for 2023 to \$12,595,785. That was greater than our original budget of \$12,513,000.

Collections for 2024 began in Quarter 2 and have tracked above budget each quarter due to the change in the state assessment process and the resulting increase in assessable lives. Actual collections for the first 3 quarters (collected in full as of November 15, 2024)

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are \$10,491,620, \$600,000 higher than original budget. We now estimate final 2024 state revenue to be more than \$750,000 higher than original budget.

As it does each year, The NHHP Board recommended the 2025 assessment rate in its fall 2024 meeting, which was subsequently confirmed by NHID. This was again based on the set formula of 60 basis points applied to the 2024 without-waiver SLCSP for a 40-year-old non-tobacco user. In 2024, this premium was \$372.89, resulting in a 2025 assessment rate of \$2.24 per member per month.

NHHP also confirmed the final SLCSP premium for 2025 at the start of open enrollment, as that will determine the assessment for 2026 and impact the funding and parameter planning. NHHP predicates its second lowest cost silver plan determination based on premium rates that will be paid by the consumer. Historically, this was the same plan that was identified as SLCSP for in the Pass-through Funding (PTF) report submitted in Quarter 4. However, the PTF calculation is made on the premium associated with Essential Health Benefits (EHB), and in 2025 the SLCSP identified for PTF purposes had a higher premium that would be paid by the consumer. This occurred because that plan had non-EHBs added (vision and dental). Consequently, NHHP used the second lowest cost silver plan having a premium of \$373.21 whereas the SLCSP reported on the PTF report is \$368.63.

Enrollment Updates

NHHP has continued our monthly enrollment reporting process for each eligible carrier in order to monitor the impact of the Medicaid redeterminations and capture off-Exchange individual enrollment data, as over 15% of our reinsurance eligible membership come from off-Exchange enrollees.

We saw considerable enrollment growth in the first quarter with a leveling off thereafter. Our enrollment grew slightly through Quarters 2 and 3 – but at a rate less than 1% per month – and then declined in Quarter 4. We ended the year with just over 74,000 members – a growth of 13% from prior year. We now believe that we are returning to the enrollment pattern that we saw prior to the Public Health Emergency.

Post-Award Forum

NHHP hosted the fourth annual Post-Award Public Forum on June 13, 2024. This year, the Forum was combined with a hearing on the state's waiver extension request. The Forum/hearing took place in a hybrid format, so attendees could join either in-person or via webinar on Microsoft Teams. Fifteen individuals attended the Forum/Hearing in total;

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the vast majority (eleven of those attendees) were members of the NHHP and NHID staff. In addition to NHHP's presentation about the Section 1332 Waiver, funding and program updates, and a presentation on the waiver extension application, there was time for individuals to offer questions and comments live (whether attending in-person or via Teams webinar) or in writing. More information about the Forum/hearing is included below.

Waiver Extension

NHHP received a response to our December 2023 Letter of Intent to seek a Section 1332 Waiver Extension on January 17, 2024. With that approval, NHHP and NHID moved forward on waiver extension planning and drafting throughout 2024 for a waiver extension to be effective following the end of the current waiver approval at the end of 2025. As noted above, NHHP and NHID posted a draft and hosted a public comment period and hearing for the waiver extension during Quarter 2 and, subsequently, submitted the application on August 21, 2024. After responding to two questions from CMS and Treasury, the state's application was approved on November 19, 2024, and STCs were finalized on November 22, 2024. The extension will be effective in 2026. New Hampshire leadership believes that the Reinsurance Program has been quite successful and is pleased to be able to continue operation of the waiver from January 1, 2026 through December 31, 2030 under the extension.

Meetings with NHID

NHID continued to advise on the operation of the program throughout Program Year 4, and NHHP and representatives of NHID continue to meet on a bi-weekly basis.

Reporting

As required by Federal regulations and our STCs, NHHP submitted quarterly Section 1332 Waiver grant reports in 2024. Each quarterly report was submitted within 60 days following the end of the reporting calendar quarter. NHHP also submitted the 2023 annual report on March 28, 2024, and received confirmation that the report was considered final on June 20, 2024.

NHHP worked with Leif Associates to prepare the annual Pass-through Funding report for submission on October 9, 2024. The New Hampshire Team participated in an educational webinar to learn more about the new reporting process implemented for 2024. We made our preliminary submission consistent with the webinar instructions, but, in preparing it, we identified that the way one of our issuers applies the waiver impact to its rate filings resulted in a reporting discrepancy related to the Essential

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Health Benefits factor. We submitted our questions about this finding to the CMS and Treasury team and, after reviewing it, the federal team agreed that we should report differently from the approach originally outlined in the webinar. Consequently, and as advised by CMS, the New Hampshire team filed a preliminary report consistent with the reporting timeline and filed a revised report that incorporated CMS and Treasury revisions to the Silver Plan Rate template on December 17, 2024.

Federal Updates

NHHP shared several updates with our federal partners throughout the year.

New Hampshire shared several staffing changes with CMS that occurred in 2024. Michelle Heaton was promoted from Health Law and Policy Legal Counsel at NHID to Life and Health Director and replaced in her prior role by Brenda Golden Hallisey. Michelle replaces Jason Dexter, who was promoted to Assistant Commissioner. Michelle and Brenda continue to be actively engaged in the waiver.

Additionally, NHHP responded to a request to confirm an updated contact list on January 1, 2024. NHHP confirmed the new key contacts and added missing contact information.

On August 20, 2024, NHHP responded to a CMS request confirming the 2024 Reinsurance Parameters for use by the EDGE Server. We also shared the final 2023 coinsurance rate in our Quarter 2 report.

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13. Describe any implementation and/or operational challenges to meet the 1332 statutory guardrails and plans for and results of associated corrective actions. If challenges were described in a prior annual report, only report on changes and/or updates, as appropriate.

NHHP contended with two operational challenges in 2024, as shared in our quarterly reports. We faced challenges transitioning SAMS/PMS access from our former CFO to our new CFO. After numerous communications with various representatives, the issues were solved, but the process was extremely frustrating.

An additional challenge NHHP and NHID faced was adapting to the new state assessment process that clarified which entities are responsible for paying the assessment and includes a reporting requirement to ensure all assessable lives are accounted for. On the positive side, the new assessment process has resulted in more state funding. However, establishing the new process has proven to be very time- and resource-consuming, and has caused some confusion among insurers. Despite the fact that NHID shared guidance prior to the change, NHHP handled a significant number of inquiries and has worked with entities to troubleshoot as needed. As the new process becomes more familiar each quarter, we hope we will eventually return to a work level similar to that required by the prior assessment process.

D. PROGRESS OF SECTION 1332 WAIVER – STATE-SPECIFIC

14. Metrics to assist evaluation of the waiver’s compliance with statutory requirements(b)(1). Please report data for the full plan year unless otherwise specified; if information for the full plan year is not available, please provide the most complete responses possible and specify the timeframe covered.

	Value	Comments (if applicable)
a. Projected and actual individual market enrollment (total annual member months) on the Exchange in the state for the plan year.	<ul style="list-style-type: none"> ○ Projected – 835,658 ○ Actual – 743,563 	Projected member months were calculated by Leif Associates.

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		Actual enrollment was reported by carriers and aggregated.
b. Projected and actual individual market enrollment (total annual member months) off the Exchange in the state for the plan year.	<ul style="list-style-type: none"> ○ Projected – 180,958 ○ Actual – 154,742 	
c. Projected and actual individual market total annual collected premiums on the Exchange for the plan year (i.e., total premiums collected by insurers, including any portion paid by APTC).	<ul style="list-style-type: none"> ○ Projected – \$390,566,897 ○ Actual – \$334,227,356 	<p>Projected member months were calculated by Leif Associates.</p> <p>Actual enrollment was reported by carriers and aggregated.</p>
d. Projected and actual average individual market premium rate on the Exchange (i.e., total individual market premiums divided by total member months of all enrollees) for the plan year.	<ul style="list-style-type: none"> ○ Projected – \$467.38 ○ Actual – \$449.49 	The projected and actual average premium rate was calculated by dividing total premiums by member months.
e. <i>To the extent available,</i> projected and actual individual market total annual collected premiums off the Exchange for the plan year.	<ul style="list-style-type: none"> ○ Projected – \$84,575,313 ○ Actual – \$67,894,901 	<p>Projected member months were calculated by Leif Associates.</p> <p>Actual enrollment was reported by carriers and aggregated.</p>
f. <i>To the extent available,</i> projected and actual average individual market premium rate off the Exchange (i.e., total individual market premiums divided by total member months of all enrollees) for the plan year.	<ul style="list-style-type: none"> ○ Projected – \$467.38 ○ Actual – \$438.76 	The projected and actual average premium rate was calculated by dividing total premiums by member months.

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g. 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 for the plan year.	\$335.44	
h. Estimate of the SLCSP 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 for the plan year.	\$372.89	
i. For states with State-based Exchanges: actual amount of Advanced Premium Tax Credit (APTC) paid to issuers, by rating area for the plan year.	N/A	
j. For states with State-based Exchanges: 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	

15. Please confirm whether there was any impact of the waiver on the scope of benefits or Essential Health Benefits (EHB) benchmark.

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 carriers for high-cost claims (within set parameters), resulting in premium savings.

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16. Describe any technical changes to the state’s waiver plan during the plan year, including but not limited to: changes to the funding level the program will be operating at for the next plan year; changes to the approved payment parameters for reinsurance program reimbursement (if there were no changes, please still describe the final parameters); changes to eligibility criteria for enrollees’ claims to be reimbursed under the reinsurance program.

Following the confirmation of all 2023 claims in comparison to program funding, the final Program Year 3 coinsurance was confirmed in June of 2024 to be 70.9% of eligible claims; above our original estimate of 58%.

As we do annually, we reconsidered the reinsurance parameters for 2025 in 2024, as noted above. However, we established the 2024 parameters with no changes to the attachment point (\$60,000), cap (\$400,000), or target coinsurance (49%).

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

As noted above and in our 2023 reporting and 2024 quarterly reports, RSA 404-G was amended in 2023, with changes being implemented in 2024. As a result of the change, NHHP is now assessing Third Party Administrators (TPAs) directly (including related to the reinsurance assessment), something NHHP historically did not do. This has resulted in an increase of assessable lives which has resulted in an increase of state revenue available for the reinsurance program.

18. Report on spending for the plan year. If information for the full plan year is not available, please provide the most complete responses possible and specify the timeframe covered.

	Value	Comments (if applicable)
a. Amount of federal pass-through funding spent on individual claim payments to issuers from the reinsurance program for the plan year.	\$28,035,719	Interim claims reimbursements were paid on March 19, 2025. 100% of the \$28,035,719 of the 2024 federal Pass-through Funds was

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		paid as reimbursement for eligible claims.
b. Amount of federal pass-through funding spent on operation of the reinsurance program (e.g., administrative costs, EDGE server fees, etc.) for the plan year	\$0	All program operating costs are paid from state funds.
c. Amount of any unspent balance of federal pass-through funding for the plan year.	\$0	All 2024 federal pass-through funds were paid out on March 19, 2025.
d. Amount of state funding contributed to fully fund the program for the plan year.	\$13,986,020	The state funds collected in 2024 from carrier assessments were \$13,986,020. These funds will pay all program year operation costs. The remaining amount will be used to reimburse payers for eligible claims.

19. If applicable, provide a claims breakout at an aggregate level for the top five conditions or cost drivers of the five conditions, including settings of care in the individual market.

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.

20. If applicable, report on any strategies or incentives for providers, enrollees, and plan issuers to continue managing health care cost, claims, and utilization for individuals eligible for reinsurance.

The State collects descriptions of participating carriers' care management programs. These submissions are required to be submitted to demonstrate the carriers' ability to

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identify and help manage the care of potential higher cost claimants to ensure the appropriateness of health care services delivered. All four 2024 participating carriers submitted the requested information during the first quarter of 2024 (Matthew Thorton and Anthem Health Plan share the same parent and, as such, the same programs), and those submissions were transmitted to the Insurance Commissioner. These submissions are also attached to this report.

21. If applicable, report 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.

	Value	Comments (if applicable)
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 reinsurance 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 reinsurance 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 reinsurance parameters do not overlap with the parameters for the HHS Risk Adjustment Program.

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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 and where the Annual Report is posted. In addition, please ensure prior years' Annual Reports are posted on the state's website.

New Hampshire's public notice containing the date and time of the Forum and information about how to access the Forum webinar was posted on:

- NHHP website - <https://nhhp.org/historical-governance-documents/governance-documents-nh-reinsurance-program/>

- NHID website – <https://www.insurance.nh.gov/news-and-media/new-hampshire-insurance-department-hosts-annual-section-1332-waiver-forum>

The notice was sent to New Hampshire's major newspapers – Manchester Union Leader, Concord Monitor, Keene Sentinel, and Conway Daily Sun. Finally, the NHID also "blasted" the information to their broad Department mailing list.

24. Date Post-Award Forum took place:

June 13, 2024

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

The Post-Award Forum was held in accordance with 42 CFR §155.1320(c). It was held jointly with the state's hearing on the draft Section 1332 Waiver Extension application. As noted above, the Forum was held in a hybrid format, so attendees were able to join either in-person or via Microsoft Teams webinar. The Forum was structured to allow members of the public to receive updates, ask questions, and provide comments live. Fifteen individuals attended the Forum, though only four were external to NHHP and NHID.

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

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Waiver; (4) Program Year 2024 updates; (5) Program Year 2025 planning; (6) Other program updates; (7) Next steps; (8) Waiver extension request; (9) Questions and comments; and (10) Key contacts. A copy of the presentation is posted on the NHHP website at nhhp.org/wp-content/uploads/2024/06/2024-0613-Public-Forum-Presentation-NHForumWvrHearing-FINAL.pdf.

Following the presentation, attendees were invited to ask questions or offer comments either verbally or, if participating virtually, in writing via the comment function. Comments and questions were also invited in writing following the Forum through July 12, 2024. No questions or comments were submitted. A recording of the Forum was posted on the NHID website at <https://www.nh.gov/insurance/lah/nh-section-1332-waiver.htm>.

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

Forum PowerPoint (hyperlinked above)
Forum Recording (hyperlinked above)
Notice (hyperlinked above)

F. STATE INTERNAL IMPLEMENTATION REVIEW – ATTESTATION

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

Yes

No

28. Describe the state’s implementation review process.

NHHP implements and manages the New Hampshire Reinsurance Program. NHHP is a non-profit organization with a Board of Directors that provides oversight of the Reinsurance Program. The Board composition includes representatives from carriers, a representative of healthcare providers, a representative of health insurance brokers, and a representative from the NHID. Reinsurance Program status reports and financial summaries are provided at every meeting of the Board Finance Committee and the Board of Directors. 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 all required actions, milestones, and reporting requirements is maintained and progress/status of action items is frequently reviewed in those meetings.

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As noted above, the AWG is comprised of the senior actuaries of each eligible carrier and provides guidance and carrier input. The AWG 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 the basis for calculating program payments. Each year the NHHP actuary receives enrollment and claims data from each of the eligible issuers. This data supports creation of the program parameters each year and allows for a matching process to help ensure that claimants eligible for reinsurance payments are proper enrollees in the individual insurance plans. These eligible carriers submit their care management program summary descriptions to ensure that they adopt common high-cost care management approaches to all members including those who may be eligible for NH Reinsurance Program reimbursement. These care management summaries are provided to the NH Insurance Commissioner.

NHHP went through the Federal single audit process last year as well our standard audit process in 2024. This review evaluates NHHP controls, approach to funds, and documentation of payments.

New Hampshire Reinsurance Program

Actuarial Work Group Meeting

03/14/2024

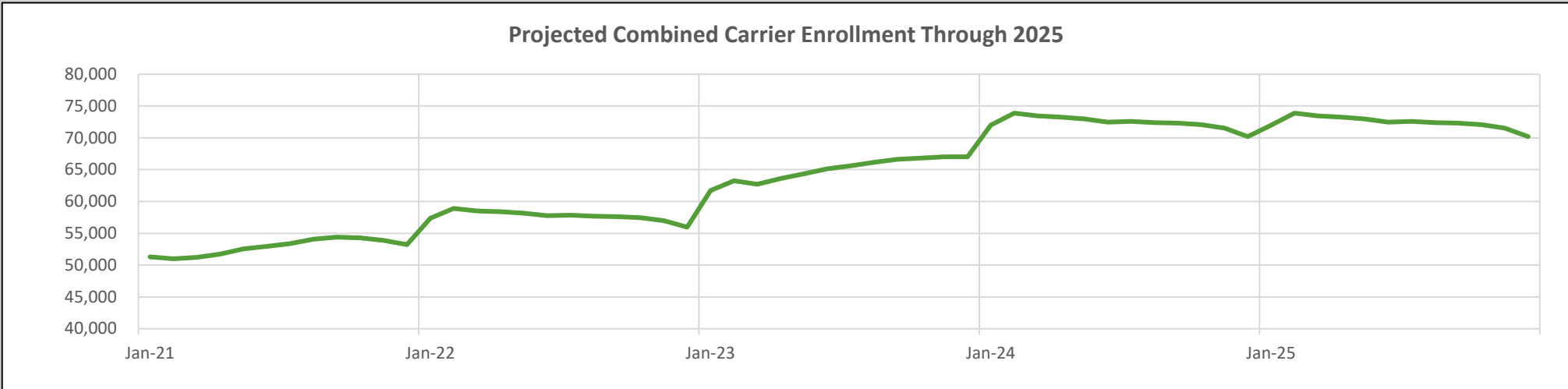
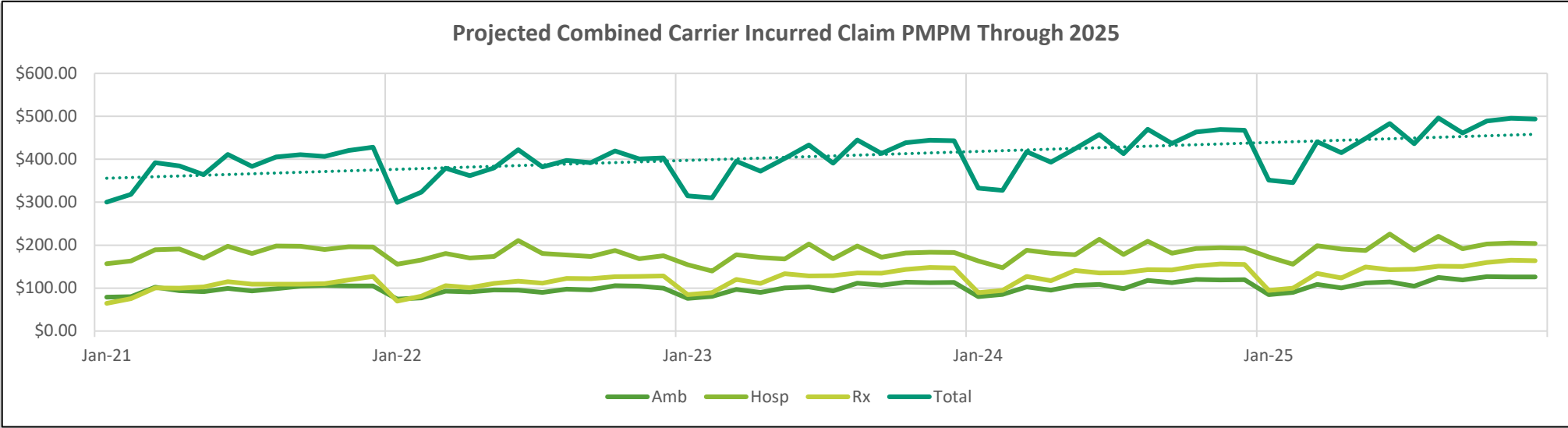
Topics for Today

- Review of trend assumptions
- Review of claim and enrollment projections
- Continuance table findings
- Projected 2025 federal funding
- Proposed 2025 parameter formula
- Revisit 2024 funding projections

Summary of Assumptions

- Claims: 5.6% annual trend from 2023 to 2024 and again to 2025
- Enrollment:
 - 2024 – Assumed enrollment will follow a typical month-to-month pattern (based on 2022) after an initial January increase of 5,000 (7.5%)
 - 2025 – Enrollment will remain flat
- Assumes no new legislation or executive orders in 2024 or 2025

Claim and Enrollment Projections



Continuance Table Findings

2025 Projections	
Total Projected Claims	\$387.6 million
Total Projected Claims in Corridor \$60K to \$400K	\$88.0 million
If total funding is \$40 million, reinsurance reimbursement would be:	46% of ceded claims 10% of total claims
If total funding is \$35 million, reinsurance reimbursement would be:	40% of ceded claims 9% of total claims
If total funding is \$30 million, reinsurance reimbursement would be:	34% of ceded claims 8% of total claims

2025 Federal Funding Projection

Item		Without Waiver	With Waiver
Enrollment	Receiving APTC	39,870	37,418
Avg Premium PMPM	Gross	\$653	\$572
	Actual	\$190	\$148
	APTC	\$463	\$424
Annual Premium	Gross	\$312.6 million	\$256.5 million
	Actual	\$91.1 million	\$66.2 million
	APTC	\$211.5 million	\$190.3 million
Projected APTC Savings			\$31.2 million
PTC Ratio			99.0%
Total PTC Savings			\$30.9 million
Exchange Fee Loss (2.20%)			(\$679,000)
Net Federal Funding			\$30.2 million

Total Estimated 2025 Funding and Reinsurance Percentage

Category	Amount
Federal Funding	\$30.2 million
State Funding	\$12.6 million
Total Funding	\$42.8 million
Reinsurance Claims	\$42.8 million
Reimbursement % <small>Of claims between \$60K and \$400K</small>	49%
Percent of Projected Claims	11%

Total Estimated 2025 Premium Savings

Category	Amount
Projected Premium with Waiver	\$405.5 million
Projected Premium without Waiver	\$448.3 million
Expected Premium Reduction	\$42.8 million
Without Waiver Compared to With Waiver	+11%
Funding Estimate	\$42.8 million

Recommended 2025 Reinsurance Parameters

- Attachment Point: \$60,000
- Upper Limit: \$400,000
- Estimated Reinsurance Percentage: 49%
- Based on Estimated Combined State and Federal Funding: \$42.8 million

Revised 2024 Estimates

Item		Original Estimate		Current Estimate	
		Without Waiver	With Waiver	Without Waiver	With Waiver
Enrollment	Receiving APTC	52,500	51,000	39,700	38,500
Avg Premium PMPM	Gross	\$633	\$557	\$594	\$532
	Actual	\$215	\$197	\$206	\$188
	APTC	\$418	\$360	\$388	\$344
Annual Premium	Gross	\$398.4 million	\$341.2 million	\$283.1 million	\$245.6 million
	Actual	\$135.1 million	\$121.0 million	\$98.4 million	\$86.9 million
	APTC	\$263.3 million	\$220.1 million	\$184.7 million	\$158.7 million
Projected APTC Savings			\$43.2 million		\$26.1 million
Net Federal Funding			\$39.6 million		\$25.2 million
State Funding			\$12.8 million		\$12.8 million
Total Funding			\$52.4 million		\$38.0 million
Estimated Eligible Claims			\$106.0 million		\$89.8 million
Reimbursement Percent			49.4%		42.3%



March 25, 2024

The Honorable David J. Bettencourt
Commissioner of Insurance
New Hampshire Insurance Department
21 S. Fruit Street, Suite 14
Concord, NH 03301-2430

Re: Section 1332 Waiver 2025 Reinsurance Parameters

Dear Commissioner Bettencourt:

At the New Hampshire Health Plan (NHHP) board meeting on Thursday March 21, 2024, the proposed reinsurance parameters for the 2025 benefit year were presented by NHHP management and Leif Associates of Denver CO, the NHHP actuary.

NHHP management worked with representatives of the four carriers who will participate in the reinsurance program in the development of these parameters.


The proposed parameters have a specific attachment point of \$60,000 and an annual maximum aggregate claim cap of \$400,000 per covered individual. The target reinsurance percentage is 49%. The NHHP Board voted unanimously to approve these 2025 reinsurance parameters and directed me to forward them to you for your approval.

Your representative on the NHHP Board, Ms. Michelle Heaton, is fully aware of and participated in the Actuarial Work Group (AWG) meetings where these parameters were developed.



Very truly yours,

NEW HAMPSHIRE HEALTH PLAN

By: 
J. Michael Degnan, Executive Director

cc: Michelle Heaton, Esq.

APPROVAL OF INSURANCE COMMISSIONER:

Date: 3/25/24


David J. Bettencourt
New Hampshire Insurance Commissioner

NOTICE
ANNUAL POST-AWARD FORUM AND WAIVER EXTENSION HEARING
SECTION 1332 WAIVER AND REINSURANCE PROGRAM

Pursuant to Federal requirements, New Hampshire Health Plan will hold a joint annual post-award forum on the State's current Section 1332 Waiver and Reinsurance Program and hearing on a draft Section 1332 Waiver Extension application. This event will allow members of the public and interested stakeholders to get information about the progress of the State's Section 1332 Waiver and Reinsurance Program and the waiver extension request and to ask questions and offer comments.

The event shall be held on:

Thursday, June 13th, 2024, 10:00am
Location: Walker Building, Room 100
21 S Fruit Street
Concord, NH 03301

To join remotely, please click [here](#) to register in advance and receive the log-in information or visit <https://bit.ly/3Qz9VwH>

Anyone experiencing technical issues accessing the event via Teams should contact A.J. Kierstead at (603) 271-3886 or Adam.J.Kierstead@ins.nh.gov for assistance.

During the event, New Hampshire Health Plan will present information about the Section 1332 Waiver and the New Hampshire Reinsurance Program, including implementation updates and an overview of the waiver extension request. Those participating in the event will have the opportunity to ask questions and offer comments. The event will be recorded, and the recording as well as the presentation will be posted at <https://www.nhhp.org/historical-governance-documents/governance-documents-nh-reinsurance-program> and <https://www.nh.gov/insurance/lah/nh-section-1332-waiver.htm>. Those who view the recording may submit written comments or questions by July 12, 2024 to kaplanhowe@pcgus.com or to New Hampshire Health Plan, C/O Michael Degnan, Helms & Company, Inc., 1 Pillsbury Street, Suite 200, Concord, NH 03301.

On August 5, 2020, the United States Departments of Health and Human Services and Treasury approved New Hampshire's Section 1332 State Innovation Waiver for a state-based reinsurance program. The New Hampshire Reinsurance Program was proposed pursuant to New Hampshire RSA 404-G:12 and New Hampshire RSA 420-N:6-a, and the program and the waiver went into effect on January 1, 2021. The program reimburses insurers based on their liability for high-cost claims in the state's individual health insurance market. The program complies with all federal statutory requirements for Section 1332 Waivers related to comprehensiveness and affordability of coverage, access to coverage and federal spending. Via the Section 1332 Waiver, federal funding is being provided to support the program in addition to a state insurance assessment. The initial waiver approval expires on December 31, 2025. Via the waiver extension application, New Hampshire Health Plan is seeking a five-year extension of the waiver from January 1, 2026 through December 31, 2030. No additional changes to the waiver are being sought.

Over \$90 million in federal funding for the program was leveraged in the first three years of the program (2021 through 2023), which is more than double the state funding for those years. For 2024, federal funding is expected to total over \$28 million, also more than double the state funding for this year. As a result of these investments, premiums for the 2024 Second Lowest Cost Silver Plan in the New Hampshire Marketplace were reduced by 10%.

The draft waiver extension application will be posted by June 12, 2024 to the New Hampshire Health Plan website at <https://www.nhnp.org/historical-governance-documents/governance-documents-nh-reinsurance-program> and the New Hampshire Insurance Department website at <https://www.nh.gov/insurance/lah/nh-section-1332-waiver.htm>. It will also be available at the New Hampshire Insurance Department office at 21 South Fruit Street, Suite 14 in Concord.

More information about New Hampshire's Section 1332 Waiver and the New Hampshire Reinsurance Program is available at <https://www.nhnp.org/historical-governance-documents/governance-documents-nh-reinsurance-program> and <https://www.nh.gov/insurance/lah/nh-section-1332-waiver.htm>.

People who require special accommodations, auxiliary aids or service, alternative communication formats or language access support in order to participate in the event, including those with disabilities or limited English proficiency, should contact Lisa Kaplan Howe at (603) 860-7851 or lkaplanhowe@pcgus.com no later than May 29, 2024 to ensure any necessary accommodations can be provided.

SECTION 1332
STATE
INNOVATION
WAIVER

NEW
HAMPSHIRE
REINSURANCE
PROGRAM



2024
Post-Award Forum
and
Waiver Extension
Hearing

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 J. Michael Degnan

- NHHP is a statutorily-created nonprofit organization that ran the New Hampshire High Risk Pool.
- NHHP is administering the NH Reinsurance Program.
- The NHHP Board advises the program implementation, making recommendations to the NHID Commissioner.
- 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 Bettencourt

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



WELCOME FROM THE NEW HAMPSHIRE INSURANCE DEPARTMENT

Commissioner Bettencourt
New Hampshire Insurance Department

Michelle Heaton
Director of Life Accident & Health
New Hampshire Insurance Department

AGENDA

Topic	Slides
About the Forum/Hearing & Logistics	5-8
Background	9-17
Program Year 2024 Updates	18-23
Program Year 2025 Planning & Other Updates and Next Steps	24-28
Waiver Extension Request	29-43
Questions & Comments	44-45
Key Contacts	46





ABOUT TODAY'S EVENT

ABOUT TODAY'S EVENT: PUBLIC FORUM / WAIVER EXTENSION HEARING

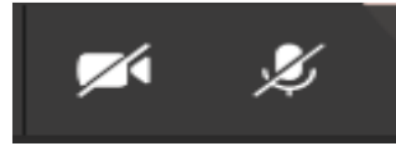
NHHP is holding this annual public forum and waiver extension public hearing to share updates and receive public questions and comments about:

- New Hampshire's Section 1332 Waiver and the New Hampshire Reinsurance Program
- The state's proposed request for a Section 1332 Waiver Extension

A recording of this event, as well as the PowerPoint, will be posted by NHHP and the NH Insurance Department following the event.

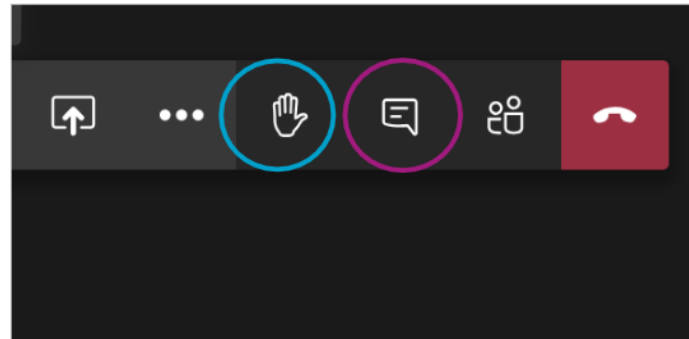
ABOUT TODAY'S EVENT: LOGISTICS FOR VIRTUAL ATTENDEES

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



To ask a question:

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



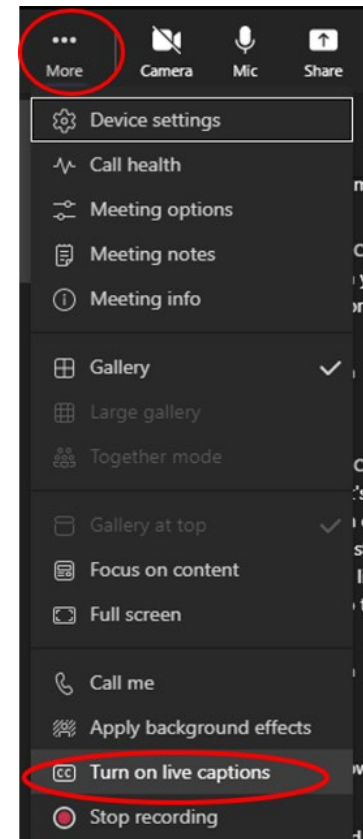
**If you are having a technical issue, please contact
A.J. Kierstead, NHID Outreach Coordinator
at (603) 271-3886 or
Adam.J.Kierstead@ins.nh.gov**

ABOUT TODAY'S EVENT: LOGISTICS FOR VIRTUAL ATTENDEES

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
A.J. Kierstead, NHID Outreach Coordinator
at (603) 271-3886 or
Adam.J.Kierstead@ins.nh.gov**





BACKGROUND

BACKGROUND: ABOUT SECTION 1332 WAIVERS

Under the Patient Protection and Affordable Care Act (ACA), states may apply for a State Innovation Waiver (Section 1332 Waiver).

- Allows a state to use innovative strategies to address the unique circumstances in the state and ensure state residents have access to quality, affordable health insurance.
- The state can be granted:
 - Waivers from certain parts of the law
 - Federal funding for their program via a “pass-through” of federal savings

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.

BACKGROUND: STATE AND FEDERAL AUTHORITY

NHID submitted an application for a **Section 1332 Waiver** on April 21, 2020.

- The state sought a waiver of section Section 1312(c)(1) of the ACA (regarding health insurance rating, single risk pool provision*) to allow for the implementation of a state-based reinsurance program funded in part with federal pass-through funding.
- The Federal Departments of Health & Human Services and Treasury approved the waiver on August 5, 2020.
- Initial waiver time period: January 1, 2021 – December 31, 2025



*THE WAIVER IS NECESSARY TO ALLOW ISSUERS TO INCLUDE EXPECTED REINSURANCE PAYMENTS AS THEY DEVELOP THEIR MARKET-WIDE INDEX RATES. DOING SO IS A CONDITION OF PARTICIPATION IN THE REINSURANCE PROGRAM AND IS ESSENTIAL FOR RATE SAVINGS TO BE REALIZED

BACKGROUND: WAIVER GUARDRAILS

Under the waiver, New Hampshire is required to demonstrate compliance with required waiver guardrails.

- **Comprehensiveness:** The waiver will provide coverage that is at least as comprehensive as without the waiver.
- **Affordability:** The waiver will provide coverage that is at least as affordable as without the waiver.
- **Scope of Coverage:** The waiver will provide coverage to a comparable number of state residents.
- **Federal Deficit:** The waiver will not increase the federal deficit.

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 any board-approved reserves).

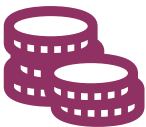
BACKGROUND: PROGRAM DESIGN



Most individual market plans are eligible to participate (excludes grandfathered and transitional plans).



Individuals remain in their selected health plans and have no changes to their cost sharing, networks or benefits.



Carriers submit claims and are reimbursed based on their share of high-cost claims for the program year (payments are calculated and made the following year).



Carriers develop rates based on expected reinsurance payments, providing relief in premium costs.

BACKGROUND: PROGRAM FUNDING

The Reinsurance Program has two funding sources:



State Premium Assessment

- Applies across the health insurance market
- Paid quarterly
- 0.6% of the prior year's Second Lowest Cost Silver Plan without-waiver rate



Federal Pass-through Funding

- Based on Advance Premium Tax Credit savings

The funding for the waiver program is set and will not increase based on costs. If necessary, the state will adjust the coinsurance rate to ensure payments match available funding.

BACKGROUND: PROGRAM GOALS

By subsidizing the liability for high-cost claims, the reinsurance program aims to lower claims costs for carriers, which must be passed on in premium savings.

This helps to stabilize the market by:



- Lowering individual market premiums.
- Increasing enrollment of the individual market's unsubsidized population.
- Making the market more attractive to existing and possible future issuers.



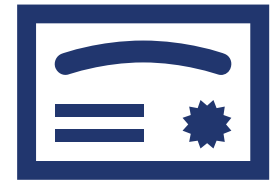
PROGRAM YEAR 2024 UPDATES

PROGRAM YEAR 2024 UPDATES: IMPLEMENTATION

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

The carriers participating in the program in 2024 are:

- Anthem Health Plans*
- Anthem Matthew Thornton
- Harvard Pilgrim Health Care/Point32Health
- Celtic (Centene)



Anthem Health Plans was new to the market in 2023.

**ANTHEM HEALTH PLANS OFFER OFF-EXCHANGE PLANS ONLY.*

PROGRAM YEAR 2024 UPDATES: REINSURANCE PARAMETERS

2024 Parameters

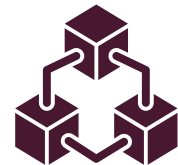
Attachment Point	\$60,000
Cap	\$400,000
Target Coinsurance	49 percent*

**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 2024 UPDATES: IMPACT OF MEDICAID REDETERMINATIONS

Medicaid redeterminations resumed in New Hampshire in April 2023. Those losing coverage likely were eligible for Advance Premium Tax Credits (APTCs), which remain enhanced under the Inflation Reduction Act.

- As a result, on-Exchange enrollment has increased by 12,862 (25.5%) since the start of redeterminations.
- Increased enrollment impacts:
 - Eligibility for APTCs/Pass-through Funding
 - State assessment funding
 - Exchange (reinsurance-eligible) claims
- Claims impact is expected to be greater in 2024; enrollment (and claims) increase in 2023 began mid-year



PROGRAM YEAR 2024 UPDATES: FUNDING

Combined Funding for Years 1 through 3: \$130.57 million

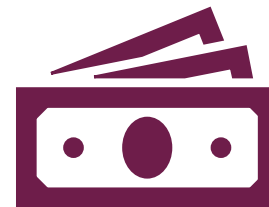
- Federal Funding - \$90.16 million
- State Funding* - \$40.41 million

Projected 2024 Funding: \$41.2 million

- Federal Funding - \$28.03 million
- Projected State Funding* - \$13.17 million

Total Program Funding to-date: \$171.77 million

- Federal Funding - \$118.19 million
- Projected State Funding* - \$53.58 million



*CARRIER ASSESSMENT RATE - 60 BASIS POINTS OF THE PRIOR YEAR'S SLCSP WITHOUT-WAIVER RATE

PROGRAM YEAR 2024 UPDATES: MARKET IMPACT

Lower Premiums - The waiver resulted in*:

- A 10% decrease in the Second-Lowest Cost Silver Plan (SLCSP) rate for plan year 2024.
- Nationwide for 2024, New Hampshire**:
 - Has the lowest average cost benchmark (SLCSP) premium
 - Has the lowest average cost Silver premium
 - Has the second lowest average cost Bronze premium
 - Has the second lowest average cost Gold premium

Increased Enrollment*** – As of April 2024, *on-Exchange* individual market enrollment was up to 63,326 individuals.

Stable Carrier Engagement – Four 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 – 2024"

***BASED ON MARKETPLACE ENROLLMENT REPORTS. THE IMPACT OF THE REINSURANCE PROGRAM SPECIFICALLY ON ENROLLMENT HAS NOT BEEN ISOLATED.



PROGRAM YEAR 2025 PLANNING & OTHER UPDATES AND NEXT STEPS

PROGRAM YEAR 2025 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 2025 program year.



PROGRAM YEAR 2025 PLANNING: REINSURANCE PARAMETERS

The actuarial workgroup met with staff and Leif Associates 2 times in February and March 2024.



The actuarial workgroup recommended parameters were presented to the NHHP Board on March 21, 2024.



The Board adopted those recommendations for submission to Commissioner Bettencourt on March 21, 2024.



The Commissioner approved those parameters on March 25, 2024.

PROGRAM YEAR 2025 PLANNING: FUNDING & REINSURANCE PARAMETERS

2025 Funding Projection: \$43.37 million

- Projected Federal Funding - \$30.2 million
- Projected State Funding* - \$13.17 million

2025 Parameters

Attachment Point	\$60,000
Cap	\$400,000
Target Coinsurance**	49 percent

*CARRIER ASSESSMENT - 60 BASIS POINTS OF THE PY 2024 SLCSWP WITHOUT-WAIVER PREMIUM

**COINSURANCE IS NOT FINALIZED UNTIL FUNDING AND CLAIMS ARE CONFIRMED.

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 2023 eligible claims for each carrier.
- ✓ NHHP calculated 2023 payments. (70.9% of eligible claims)

Next Steps:

- On or before July 31, 2024: Full payments for 2023 will be made





WAIVER EXTENSION REQUEST

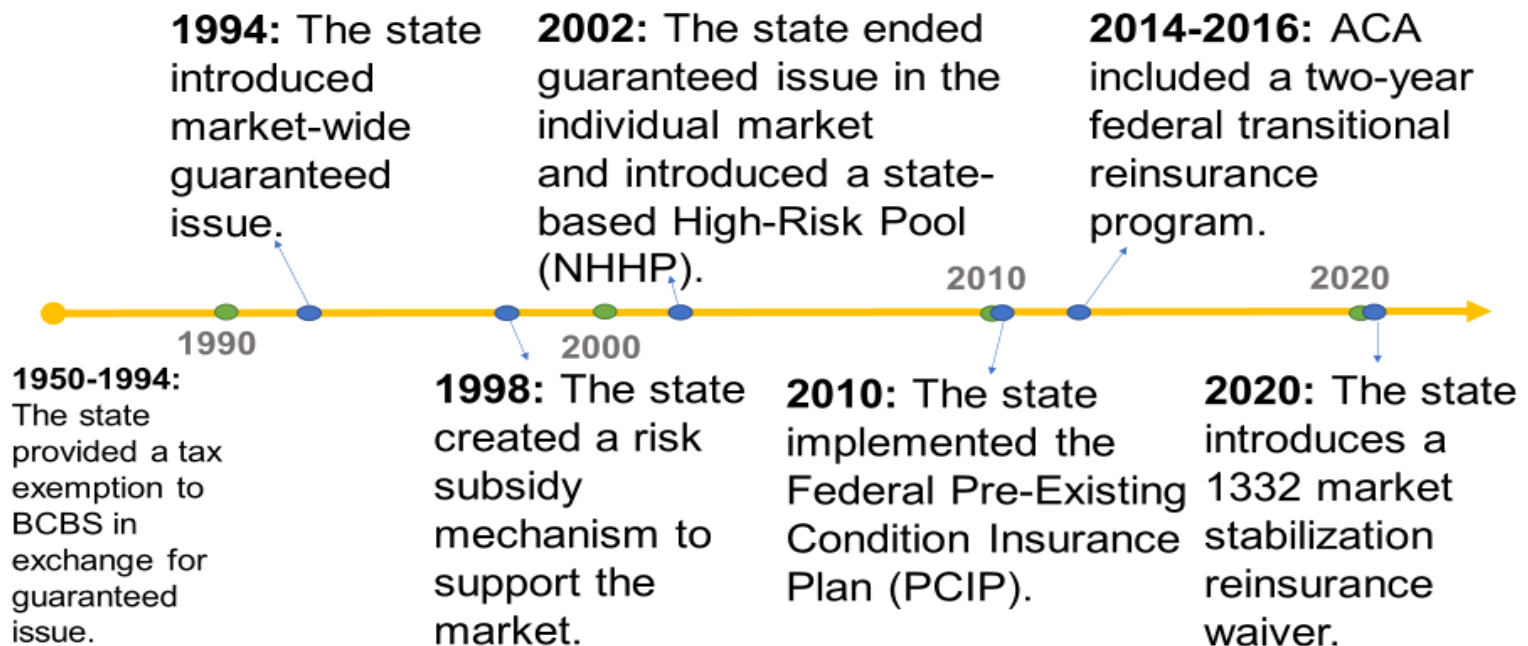
WAIVER EXTENSION REQUEST: WAIVER DOCUMENTS

All Waiver Documents – including the Extension Application and Historical Documents – Public Notices and Updates are posted on the NHHP website

www.nhhp.org/historical-governance-documents/governance-documents-nh-reinsurance-program

WAIVER EXTENSION REQUEST: HISTORICAL MARKET INFORMATION

New Hampshire has had a longstanding focus on the stability of the state's individual health insurance market:



WAIVER EXTENSION REQUEST: WAIVER IMPACT TO-DATE - COVERAGE

The Reinsurance Program has positively impacted the market:

Enrollment

- **Pre-Waiver:** The overall uninsured rate in NH had dropped to 5.7% under the ACA, but unsubsidized enrollment had decreased 36% between 2017 and 2019 and comprised a smaller portion of the market than previously.
- **Waiver Impact:** Enrollment has *increased* under the waiver, with the largest percent increase to unsubsidized coverage. These increases exceed original projections.

	2020 Average Monthly Enrollment	2023 Average Monthly Enrollment	Percent Increase
Total Market*	46,953	64,985	38%
Unsubsidized (on- and off- Exchange)	18,077	27,390	52%

WAIVER EXTENSION REQUEST: WAIVER IMPACT TO-DATE - AFFORDABILITY

Premiums

- **Pre-Waiver:**
 - New Hampshire ranked 15th in the nation for affordability of its SLCSP (2020)
 - New Hampshire ranked between twelfth and fifteenth for affordability of the average lowest cost Bronze, Silver and Gold plans (2020)
- **Waiver Impact:**
 - New Hampshire ranks 1st in the nation for affordability of its SLCSP (2024). The SLCSP premium has decreased 17% since 2020.
 - New Hampshire ranks between 1st and 2nd in the nation for affordability of the average lowest cost Bronze, Silver and Gold plans (2024)

Premium Affordability (nationwide ranking)

	2020	2024
SLCSP	15 th	1 st
Average Lowest Cost Bronze Plan	12 th	2 nd
Average Lowest Cost Silver Plan	15 th	1 st
Average Lowest Cost Gold Plan	14 th	2 nd

WAIVER EXTENSION REQUEST: WAIVER IMPACT TO-DATE – MARKET STABILITY

Carriers:

- **Pre-Waiver:** New Hampshire had gone from 5 carriers to 3 in the individual market.
- **Waiver Impact:**
 - A new carrier joined the market in 2023
 - A 5th carrier is expected to join the market

Individual Market Carriers

2015-2016	2017	2018-2022	2023-Current
<u>5 Issuers</u> <ul style="list-style-type: none"> • Matthew Thornton (Anthem) • ME CH Options • Harvard Pilgrim • Minuteman • Assurant 	<u>4 Issuers</u> <ul style="list-style-type: none"> • Matthew Thornton (Anthem) • Harvard Pilgrim • Minuteman • Celtic (Centene) 	<u>3 Issuers</u> <ul style="list-style-type: none"> • Matthew Thornton (Anthem) • Harvard Pilgrim • Celtic (Centene) 	<u>4 Issuers</u> <ul style="list-style-type: none"> • Matthew Thornton (Anthem) • Anthem Health Plans • Harvard Pilgrim • Celtic (Centene)

WAIVER EXTENSION REQUEST

The state is requesting a **5-year extension** of the waiver of Section 1312(c)(1) of the ACA and associated Pass-through Funding (2026-2030)



No changes are proposed to:



Program Structure

- Attachment Point Model*
- Carrier eligibility
- Coinsurance calculation and payment
- Impact on rating
- Care management reporting



Funding Structure

- State premium assessment (60 basis points of the prior year's without-waiver SLCSP pmpm premium)
- Federal Pass-through Funding (based on APTC savings)

WAIVER EXTENSION REQUEST: PROJECTED FUNDING



State Premium Assessment

- Actual funding per year will not be known until the prior year's SLCSP without-waiver rate and the waiver year's assessable life count is known.
- **2026 Estimate: \$13.87 million**
 - Based on:
 - SLCSP without-waiver rate of \$393.77 (yields an assessment rate of \$2.36 per member per month)
 - Assessable base of 490,000 lives.
- **2027-2030 Estimates*: \$14.06 million to \$16.41 million per year**
- Will fund claims and administrative costs

WAIVER EXTENSION REQUEST: PROJECTED FUNDING



Federal Pass-through Funding

- Actual funding per year will not be known until the SLCSP/APTC amounts and savings are known
- **2026 Estimate***
 - With continued enhanced ARPA subsidies: **\$36.04 million**
 - Without continued enhanced ARPA subsidies: **\$21.92 million**
- **2027-2030 Estimates*:**
 - With continued enhanced ARPA subsidies: **\$39.67 million – \$52.47 million**
 - Without continued enhanced ARPA subsidies: **\$24.13 million – \$31.91 million**
- Will fund claims

WAIVER EXTENSION REQUEST: PROJECTED IMPACT - COMPREHENSIVENESS OF COVERAGE

- Does not alter the required scope of benefits, including relative to Essential Health Benefits (EHBs)
- Increases the number of individuals with access to coverage that meets EHBs
- NH is seeking to ensure individuals are not forced to buy-down to plans with higher cost sharing

WAIVER EXTENSION REQUEST: PROJECTED IMPACT - AFFORDABILITY OF COVERAGE

- NH is seeking to ensure that premium savings are preserved.
- Projected premiums with continued enhanced ARPA subsidies (average aggregate premiums)*
 - **With waiver:** \$529.33 – \$648.32
 - **Without waiver:** \$598.38 – \$732.89
- Projected premiums without continued enhanced ARPA subsidies (average aggregate premiums)*
 - **With waiver:** \$516.33 – \$633.04
 - **Without waiver:** \$583.52 – \$714.69
- Access to cost-sharing protections and protections against excessive out-of-pocket spending are not impacted

**FLUCTUATES BY YEAR AND DEPENDING ON CONTINUATION OF ARPA ENHANCED APTCS. AVERAGE PREMIUMS ARE LOWER WITHOUT THE ENHANCED SUBSIDIES BECAUSE IT RESULTS IN PEOPLE BUYING DOWN TO LESS GENEROUS PLANS WITH LOWER PREMIUMS.*

WAIVER EXTENSION REQUEST: PROJECTED IMPACT - SCOPE OF COVERAGE

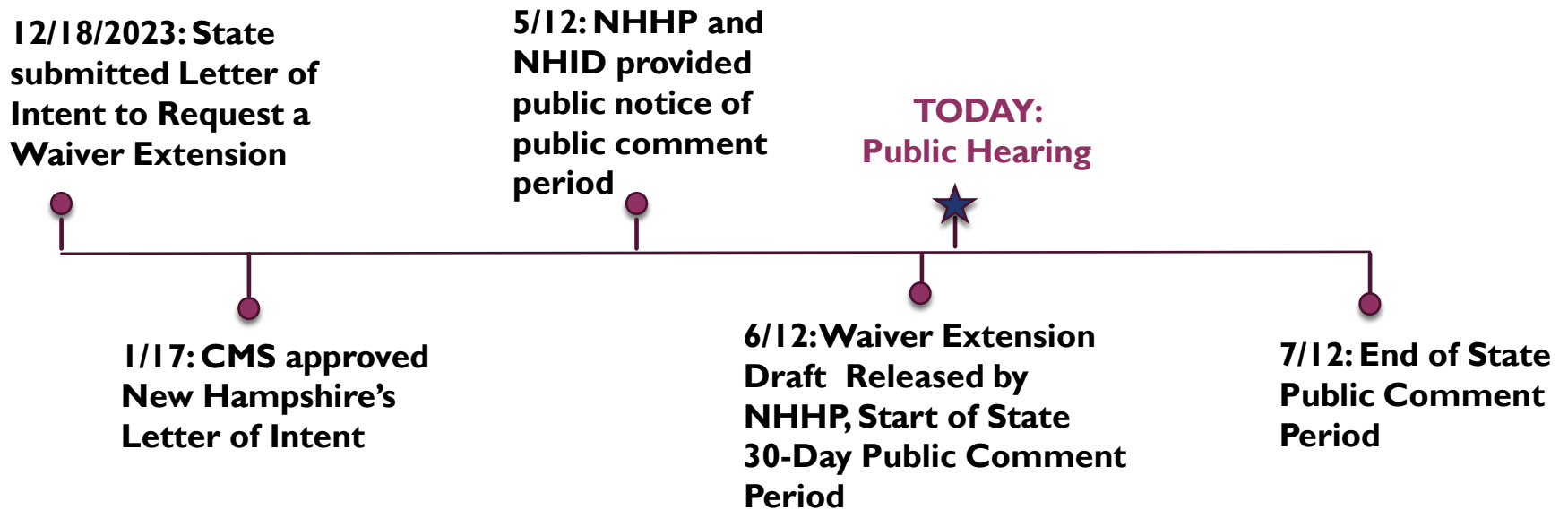
- NH is seeking to preserve enrollment gains
- Projected enrollment with continued enhanced ARPA subsidies*
 - **With Waiver:** 81,718 – 91,975
 - **Without Waiver:** 80,901 – 91,055
- Projected enrollment without continued enhanced ARPA subsidies*
 - **With Waiver:** 66,888 – 75,284
 - **Without Waiver:** 66,219 – 74,531

**FLUCTUATES BY YEAR AND DEPENDING ON CONTINUATION OF ARPA ENHANCED APTCS*

WAIVER EXTENSION REQUEST: PROJECTED IMPACT - DEFICIT NEUTRALITY

Federal Pass-through Funding is equal to federal savings in APTC, offset by the reduction in revenue from Exchange user fees (due to lower premiums) and is adjusted for the APTC to Premium Tax Credit (PTC) conversion rate.

WAIVER EXTENSION REQUEST: STATE PROCESS AND TIMELINE



WAIVER EXTENSION REQUEST: SUBMITTING COMMENTS

Public comments will be accepted and considered through July 12, 2024, and may be submitted:

- By participating in the public hearings
- Via email to: lkaplanhowe@pcgus.com
- Via mail to: New Hampshire Health Plan, C/O J. Michael Degnan, Helms & Company, Inc., 1 Pillsbury Street, Suite 200, Concord, NH 03301

Questions regarding the Section 1332 Waiver may also be submitted via email to lkaplanhowe@pcgus.com



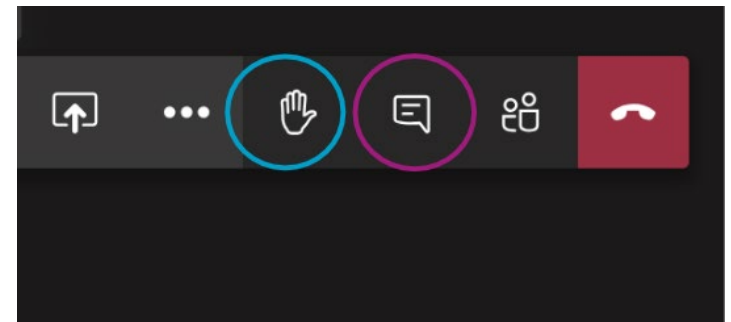
QUESTIONS AND COMMENTS

QUESTIONS & COMMENTS

NHHP invites attendees to share questions or comments about the New Hampshire Reinsurance Program/Section 1332 Waiver, today's updates, and the state's waiver extension request. All questions and comments will be documented for the record.

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.

Questions and comments can be submitted in writing by **July 12th** to lkaplanhowe@pcgus.com or by mail to J. Michael Degnan.

New Hampshire Health Plan, C/O J. Michael Degnan, Helms & Company, Inc.,
Street, Suite 200, Concord, NH 03301



KEY CONTACTS

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

nhhp.org/nh-reinsurance-program

