Final 2020 Plan Certification Standards with Public Comment

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January 22, 2019

Public Comment

Public Comment Received

- MHBE received comment from five stakeholders with diverse perspectives on each of the proposed plan certification standards. Respondents included:
  - Three carriers (health and dental)
  - Two consumer advocacy organizations

Additional Comment Not Yet Received

- MHBE granted one request from a state agency for a comment period extension.

Proposed 2020 Plan Certification Standards

Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- **Proposed** for Plan Year 2020
  - MHBE Staff proposes:
  1. The MHBE Board approve required standard plans on the individual market, according to the recommendations from the *2017 Standardized Benefit Design Work Group Report*.*
  2. Proposed standard plans should undergo a public comment period of no less than 30 days.
  3. Proposed standard plans should consider the work of the Standing Advisory Committee on the inclusion of *3 Primary Care Physician Visits* before deductible.

  - Provide stakeholder analysis to the MHBE Board with final recommendations in advance of the January Board session.

*Subset of recommendations found in the Appendix.

Full report: http://www.marylandhbe.com/wp-content/uploads/2017/12/FINAL-2017-Standardized-Benefit-Design-Work-Group

Final 2020 Plan Certification Standards

Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- **Final** for Plan Year 2020
  - MHBE Staff proposes:

1. The MHBE defer standardized plans for 2020 and include standard plans for evaluation in the 2019 Affordability Work Group with potential adoption in 2021.
2. Issuers must offer at least one bronze plan, called a “Value” plan, with any combination of the following services for the first three visits before deductible:
    - Primary Care
    - Urgent Care
    - Specialist Care.
3. Issuers must offer at least one, non-HSA silver “Value” plan with a deductible no greater than $2500. This plan must also offer, at minimum, the following services as copays before deductible:

    - Primary Care
    - Urgent Care
    - Specialist Care
    - Emergency Room Visit
    - Laboratory Tests
    - X-rays and Diagnostics
    - Imaging

Final 2020 Plan Certification Standards

Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- **Final** for Plan Year 2020

4. Issuers must offer at least one, non-HSA gold “Value” plan with a deductible no greater than $1000. This plan must also offer, at minimum, the following services before deductible:

- Primary Care
- Urgent Care
- Specialist Care
- Emergency Room Visit
- Laboratory Tests
- X-rays and Diagnostics
- Imaging
- Generic Drugs
- Preferred Brand Drugs
- Brand Drugs
- Specialty Drugs

Proposed 2020 Plan Certification Standards

Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- **Proposed** for Plan Year 2021 MHBE Staff proposes:
  - MHBE Staff assemble a diverse, representative work group to develop a report with recommendations on policy solutions that will:
    1. Reduce out of pocket costs.
    2. Maximize APTC for subsidized consumers.
    3. Maximize affordability for unsubsidized consumers.

  - MHBE Staff provide a report on the benefits in the State Benchmark Plan to:
    1. Determine whether the current benchmark plan meets the needs of the individual market.
    2. Provide recommendations on whether to leverage new state flexibility to modify the State Benchmark Plan
    3. Report must include feedback from the Standing Advisory Committee, market impact of the change, and estimated savings/costs of the approach.
    4. Report must have a public comment period of no less than 30 days.

  - Reports should be due to the MHBE Board no later than April 30, 2019.

Final 2020 Plan Certification Standards

Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- **Final** for Plan Year 2021:
  - That MHBE adopt the Affordability Work Group and State Benchmark Plan Reports as proposed. MHBE amends the reports due date to the MHBE Board no later than May 31, 2019.

2020 Plan Certification Standards

Increasing Consumer Choice

- **Proposed** for Plan Year 2020
  - MHBE Staff collect comment on:
    1. A policy to require that carriers offer at least one plan in an additional product type on Marketplace if offered off-Marketplace, in the small group market, or state employee health program.
    2. A policy to bar Preferred Provider Organizations from participating on the marketplace without an Exclusive Provider Organization offered as an alternative.
  - Provide stakeholder analysis to the MHBE Board with final recommendations in advance of the January Board session.

- **Final** for Plan Year 2020
  - That MHBE includes both policy proposals in the 2019 Affordability Work Group for additional comment and stakeholder review.

Proposed 2020 Plan Certification Standards

Expanding Access to Care

- **Proposed** for Plan Year 2020:
  - MHBE Staff collect comment on:

    1. Development of a petition process for additions to the Essential Community Providers (ECP) list for providers that meet the federal and state ECP definition. MHBE proposes to develop a timeline for when additions become effective in the determinations of compliance with ECP standard.

  - Provide stakeholder analysis to the MHBE Board with final recommendations in advance of the January Board session.

Lowering Costs

- **Proposed** for Plan Year 2020:
  - MHBE Staff will review received comment and release the approach in the 2020 Letter to Issuers.

Final 2020 Plan Certification Standards

Expanding Access to Care

- **Final** for Plan Year 2020:
  - That MHBE adopt the Essential Community Providers Petition Process as proposed..

Proposed 2020 Plan Certification Standard

Stand-alone Dental Plans w/ Comment

Established Standard	Proposed 2020 Plan Certification Standard
SADP* Tier Limitation: SADPs may not offer more that one dental plan per product per tier.	Carriers may not offer more than four dental plans per product per plan (child-only/family).

- **Final** for Plan Year 2020:
  - That MHBE adopt the Stand Alone Dental Plans Standard as proposed.

Chapter Regulations

Summary of Proposed Regulations

January 22, 2019

A service of Maryland Health Benefit Exchange

Chapter Regulations Process

- The Maryland Health Benefit Exchange received public comments on Proposed Chapter Regulations after the regulations were posted in the November 9th Issue of the Maryland Register

- MHBE received written comments from stakeholders including:
  - The Maryland Insurance Administration
  - Kaiser Permanente
  - MedChi

- Comments were then assessed for substantive change by MHBE principal counsel, certain non-substantive changes were incorporated for final review

Chapter Regulations Summary

- **Chapter 1— Definitions**
  - "Special Enrollment Period" definition
    - Updated definition to ensure clarity and alignment with parallel federal regulations

- **Chapter 7— Eligibility Standards for Enrollment in a Qualified Health Plan**
  - Updated chapter incorporates stakeholder feedback to ensure clarity in the regulations
  - Codifications were also corrected to align proper citations
  - Items to be included in future regulations:
    - Special Enrollment Period (SEP) enrollment restrictions (*HHS Notice of Benefit and Payment Parameters for 2019 Final Rule*)
    - SEP— Loss of access to health care services through coverage provided to a pregnant woman's unborn child (*HHS Notice of Benefit and Payment Parameters for 2019 Final Rule*)
    - SEP— Prior coverage requirement for marriage (*HHS Notice of Benefit and Payment Parameters for 2019 Final Rule*)
    - Prior coverage requirement exception for an individual—special circumstance (*HHS Notice of Benefit and Payment Parameters for 2019 Final Rule*)

Chapter Regulations Summary

- **Chapter 15— Carrier Certification Standards**
  - Updated chapter incorporates stakeholder feedback to ensure clarity in the regulations
  - Codifications were also corrected to align proper citations
  - Items to be addressed outside of the regulatory process:
    - Notification of changes to HBX system

- **Chapter 16— Plan Certification Standards**
  - Stakeholder request for confirmation of requirements fulfilled by "Certificate for Authorization"

- **Chapter 17— State Reinsurance Program**
  - Stakeholder request for incentive payments
  - Stakeholder request for alignment with the federal risk adjustment program

Chapter Regulations

- **Next steps**
  - Earliest adoption date, 45 days post publication:
    - December 26, 2018
  - Submit formal Notice of Final Action to the Division of State Documents for publication in the Maryland Register
  - Effective date is 10 days after publication of the Final Action notice

2019 Departmental Legislation

January 22, 2019

A service of Maryland Health Benefit Exchange

2019 Proposed Legislation

MARYLAND HEALTHBENEFIT EXCHANGE

I. Scope of Exchange Functions

- Modifies MHBE statute under § 31-101 and § 31-108 to
  - Incorporate in statute existing administrative, technical, and operational support provided to the Maryland Department of Health to administer certain Medical Assistance Programs not originally in scope of Exchange functions.
  - Allow MHBE to conduct outreach and education activities to increase health literacy and educate consumers about the Exchange and insurance affordability programs to increase participation in the Exchange.
    - Not originally in scope of Exchange functions.

II. SHOP 1332 Waiver for Advanced Small Business Health Care Tax Credits

- Modifies MHBE statue under § 31-107, § 31-111 to allow MHBE to apply for a section 1332 Waiver to allow for advanced payments of the Small Business Health Care Tax Credit and allow MHBE to provide additional advanced payments for any appropriated funding.

Next Steps

- Vote to approve the proposed departmental legislation.

State Reinsurance Program

Adopt Attachment Point

January 22, 2019

A service of Maryland Health Benefit Exchange

Maryland State Reinsurance Program Waiver

MARYLAND HEALTHBENEFIT EXCHANGE

Estimated Funding vs. Approved Funding

Waiver Year	SRP Amount	Estimated Pass-through Federal Funding	% Federal	Estimated State Cost	%State
2019	$462,000,000	$303,534,000	65.70%	$158,466,000	34.30%
		Pass-through Federal Funding	**% Federal**	**State Cost**	**New % State**
		$373,395,635 ↑	80.82%	$88,604,365 ↓	19.18%
		Difference		**% Change**	
		$69,861,635		15.12 %	

Maryland State Reinsurance Program Waiver

MARYLAND HEALTHBENEFIT EXCHANGE

- Maryland received the official federal pass-through funding from Centers for Medicare and Medicaid Services (CMS) on November 30, 2018:
    - Estimated 2019 pass-through funding: $303,534,000
    - Actual 2019 pass-through funding: $373,395,635
    - Estimated attachment point: $20,000
- The State will receive $69,861,635 more than originally estimated:
    - Additional funds will help defray State costs, and reduce State contributions by 15.12% from original projections

Next Steps:

- Vote to set the attachment point for the 2019 State Reinsurance Program at $20,000

Questions

Appendix I

Agenda

- Timeline
- Public Comment Overview
- Plan Certification Standards with Comment
- Questions?
- Appendix:
  - November MHBE Board of Trustees Session 2020 Plan Certification Standards Presentation

Timeline

- **December 7, 2018**
  - Release of the Draft 2020 Letter to Issuers
- **December 7, 2018 – January 7, 2019**
  - Draft 2020 Letter to Issuers Comment Period
- **January 10, 2019**
  - Standing Advisory Committee Session
- **January 22, 2019**
  - MHBE Board of Trustees Session (vote to approve standards)
- **Before January 31, 2019**
  - Release of the Final 2020 Letter to Issuers

Comment Summary

MARYLAND HEALTHBENEFIT EXCHANGE

Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- General Comment
  - All submitters expressed support for these policy priorities. They also noted the importance of a deliberative process and coordination across stakeholders – specifically issuers, MHBE and the MIA – to ensure that all policies are vetted to account for any adverse outcomes.

Policy Priority	Specific Comments
Out of Pocket Cost Relief (OOPC)	**Issuers:** Actuarial value (AV) rules are important when considering OOPC relief, they note that increasing AV may result in increased premiums. **KP** recommends the approach taken by Covered CA (consumer friendly, compliant with AV rules), example of the Bronze Plan that includes 3 PCP visits before deductible. **CF** notes that standardized plans can restrict copays for certain services. **CHF:** Important to examine underlying reasons for rising deductibles and to ensure coverage offered is attractive for the unsubsidized. They present two concepts for reducing OOPC – requiring more services to be covered before deductible and instituting a ceiling on deductibles for each metal level. **MHA:** Important to note that reducing OOPC would result in savings for the Total Cost of Care Model Waiver. Supportive of a Standard Benefit Design with before deductible services with cost sharing that incents avoidable acute care utilization. It is also important to consider the distinct populations that are served by the Marketplace.

Proposed 2020 Plan Certification Standards

Comment on Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- Submitters express differing opinions of the proposed standard.

- Consumer advocacy organizations express support for standardized benefit designs. One notes that such a proposal has the potential to address rising out of pocket costs. Another notes that MHBE should consider how to best market and differentiate these plans to maximize impact.

- One issuer is supportive of the proposed standard but has serious concerns over the implementation timeline given the 3/1 deadline for form filing. The issuer recommends that MHBE push this standard to 2021.

- Another issuer opposes the proposed standard citing:
  - Federal rules on modifications to cost-sharing due to actuarial value requirement results in limited flexibility to modify cost-sharing for all consumers.
  - Other options that would be more efficient at reducing consumer out-of-pocket costs, ex. 3 PCP visits before deductible, etc.
  - Timeline concerns given federal (AV calculator) and state dependencies (form filing).

Comment Summary

Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- General Comment
  - All submitters expressed support for these policy priorities. They also noted the importance of a deliberative process and coordination across stakeholders – specifically issuers, MHBE and the MIA – to ensure that all policies are vetted to account for any adverse outcomes.

Policy Priority	Specific Comments
Maximizing APTC Purchasing Power	**KP:** It is important to refine the proposal for proper evaluation. **CF:** It is important to consider potential implication of the policy with the waiver. **CHF:** Supportive of any policy that would increase affordability for those above and below 400% FPL.
Affordability for Unsubsidized Enrollees	**CF:** Important that actions taken align with the recommendations from the HICP Commission. **CHF:** Against policy to reduce AV – either through increased cost sharing or reducing covered services. Stability for the unsubsidized should result from a combination of permanent reinsurance program, Medicaid buy-in, and/or additional subsidies.

Proposed 2020 Plan Certification Standards

MARYLAND HEALTHBENEFIT EXCHANGE

Comment on Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- **Affordability.** All submitters express support for the proposed standard.
  - Issuers recommend that additional time be added to the report timeline.
  - One consumer advocacy organization notes the importance of affordability with respect to unsubsidized consumers.
  - Another consumer advocacy organization strongly recommends that consumer advocates be represented on the work group.

- **State Benchmark Plan.** All submitters express support for the proposed standard.
  - One consumer advocacy organization notes that such a work group provides opportunity to address how the state might better address consumers broadly, and those with specific health needs (behavioral health/chronic conditions, etc.).
  - Another consumer advocacy organization offers a recommendation to include *consumers it serves* as an additional factor in analysis of the SBP.

Comment Summary

MARYLAND HEALTHBENEFIT EXCHANGE

Increasing Consumer Choice

- General Comment
  - Submitters noted that participation requirements should be explored to promote consumer choice.

Policy Priority	Specific Comments
Maximizing Access to Different Product Types	**CF:** Useful to explore requirement that carriers who participate in the small group market must participate in the individual market. Conversation should be made in broader context of market stability. **CHF:** Encourages MHBE to explore require (or create an incentive) for CareFirst to offer an EPO product on the Marketplace as a lower cost alternative to a PPO.

Proposed 2020 Plan Certification Standards

MARYLAND HEALTHBENEFIT EXCHANGE

Comment on Increasing Consumer Choice

- Submitters express differing opinions of the proposed standard.
- Both consumer advocacy organizations express support of this standard citing the potential to expand consumer choice in areas currently served by a single issuer.
- One issuer is supportive of the intent of this proposed standard but requests a comment period of 30 to 60 days to gather the relevant information to provide a substantive, technically sound response.
- Another issuer is not supportive of the proposed standard citing:
  - The first proposal would expand consumer choice of product types but would not increase choice with respect to issuers. Further, they note that this proposal would increase administrative costs.
  - The second proposal would be unlikely to reduce costs as the proposal does not address adverse selection within the market.
  - They note that given the timeline to submit plans for 2020 such proposals may not be administratively feasible.

Comment Summary

Expanding Access to Care

- General Comment
  - Most submitters support the development of an ECP Petition Process. One submitter urges caution and deliberation before implementation of the process.

Policy Priority	Specific Comments
Essential Community Providers (ECPs) petition process	**CF:** Important to outline what the goal of the new process is and to understand what the problems are before moving forward in order to mitigate unintended consequences. **CHF:** Supports proposal to ensure the state compiles a complete list that includes all ECPs, that meet the federal and state definition, to allow omissions to be corrected. Recommendations are provided – identify ECP prospects through engagement with community partners/ask MDH to outreach to ECP prospects to urge providers to apply. **MHA:** Supports a petition process for ECPs **MDAC:** Supports a petition process for ECPs

Proposed 2020 Plan Certification Standards

Comment on Expanding Access to Care

- Submitters support this plan certification standard.

Comment on Lowering Costs

- One issuer supports MHBE's prioritization of reducing administrative burden for participating issuers. They note that this priority should be a leading factor when considering the permanent solution to the SHOP Marketplace.

Comment Summary

Lowering Costs

- General Comment
  - Submitters support this policy priority but have certain requests that would improve this Exchange initiative. Also a submitter notes that it is important to balance lowering costs with due oversight.

Policy Priority	Specific Comments
Administrative Burden Reduction	**KP:** Attestations added to the plan certification process for static areas of compliance like service areas (and partial county justifications), and alternative ECP standards. Create a comprehensive Open Enrollment planning meeting from a technical, plan, consumer, and marketing perspective. Re-implement automatic CSR filtering for those eligible for reductions. **CF:** Important priority to maintain moving forward. **CHF:** Attestations for Network Adequacy are inadequate due to initial review of issuer compliance issues. Recommended that MHBE work with MIA to thoroughly review carriers' submission to the MIA regarding compliance with the standards.

Additional Comments

Accumulator Continuity for Primary Disenrollment

- In submitted comment, the HEAU advocates that consumers are entitled to seamless continuation of coverage and application of accumulators when the primary enrollee is dropped from coverage. Notes, that this protection should exist for other terminations as well, e.g. Medicare eligibility.
  - Urges MHBE to move forward on this policy.
  - Note that while this was included in draft regulations they removed from the proposed regulations published on November 9.
  - Note that a working group was not established to implement this process.

MARYLAND HEALTHBENEFIT EXCHANGE

Appendix II

Non-Substantive Incorporated Changes in Regulation

Non-Substantive Incorporated Changes

MARYLAND HEALTHBENEFIT EXCHANGE

14.35.01 General Provisions

Regulation .02B(54)“Special enrollment period” means the period during which a qualified individual, *dependent,* or enrollee, who experiences certain qualifying events may enroll in, or change enrollment in, a QHP through the Exchange outside of the annual open enrollment periods.
(Rephrasing to clarify intent)

14.35.07 Eligibility Standards for Enrollment in a Qualified Health Plan, Eligibility Standards for APTC and CSR, and Eligibility Standards for Enrollment in a Catastrophic Qualified Health Plan in the Individual Exchange

Regulation .11B (2) For the benefit years beginning on January 1, 2020 and after, November 1 through December 15 *of the calendar year preceding the benefit year.*
(Rephrasing to clarify intent)

Non-Substantive Incorporated Changes

MARYLAND HEALTHBENEFIT EXCHANGE

14.35.07

Regulation .11D (2) For the benefit year beginning on January 1, 2020 *and after*, be effective on:
(a) January 1, for QHP selections received by the Individual Exchange on or before December 15 *of the calendar year preceding the benefit year*, **[[2019]]** and
(b) January 1 **[[2020]]**, or later, for QHP selections received by the Individual Exchange on or after December 16,and on or before December 31 *of the calendar year preceding the benefit year* **[[2019]]** if the Board of Trustees modifies or extends the annual open enrollment period under Regulation .11C of this chapter.
(Rephrasing to clarify intent)

Non-Substantive Incorporated Changes

MARYLAND HEALTHBENEFIT EXCHANGE

14.35.07

Regulation .11F (2) The first month's premium payment to effectuate prospective coverage for QHP selections made during an annual open enrollment period or during a special enrollment period under Regulations .13E(4), .18*D* **[[F]]**(1)*-(2)*and .19*I* **[[C]]**of this chapter shall be due on a uniformly applied date specified by the authorized carrier of the QHP that is no earlier than the coverage effective date but no later than 30 calendar days from the coverage effective date.

(3) Effective January 1, 2020, the first month's premium payment to effectuate prospective coverage for QHP selections made during an annual open enrollment period or during a special enrollment period described in Regulations .13E(4), .18*D* **[[F]]**(1)*- (2)*, and .19*I* **[[C]]** of this chapter shall be due on a uniformly applied date specified by the authorized carrier of the QHP that is no earlier than the coverage effective date but no later than 30 calendar days from the coverage effective date.

(4) The first month's premium payment to effectuate prospective coverage for QHP selections made during a special enrollment period under Regulations .12*F* **[[E, (1) –(3)]]**,.13E(1) and (3).14*F* **[[E]]**, .15*G* **[[D]]**, .16*F* **[[C]]**, .17*F* **[[D]],** and .18*D(3*) **[[F(2)]]** *and .19A* of this chapter shall be due on a date specified by the authorized carrier of the QHP and uniformly applied that is no earlier than the coverage effective date or no later than 30 calendar days from the date the carrier receives the enrollment transaction from the Exchange or the coverage effective date, whichever is later.

(5) Effective January 1, 2020, the first month's premium payment to effectuate prospective coverage for QHP selections made during a special enrollment period described in Regulations , **[[.11E]]** .12*F* **[[E(1)-(3)]]**, .13E*(1) and (3),* .14*F* **[[D]]**, .15*G* **[[C]]**, .16*F* **[[D]]**, *.17F, .18D(3)* and *.19A* **[[.18F(2)]]** of this chapter shall be due on a uniformly applied date specified by the authorized carrier that is no earlier than the coverage effective date or no later than 30 calendar days from the date the carrier receives the enrollment transaction from the Individual Exchange or the coverage effective date, whichever is later.

(6) (text unchanged)

(7) (text unchanged)

(8) Effective January 1, 2020, payment to effectuate retroactive coverage for QHP selections made during a special enrollment period under Regulations .13E(2) **[[and (3)]]**,.14E, .15*G***[[D]]**, .16*F* **[[C]]**, and .17*F* **[[D]]** of this chapter shall be due on the first day of the first full prospective coverage month.

(9) An authorized carrier may choose to extend the premium due date under §*F* **[[E]]** of this regulation if the carrier does so in a uniform and consistent manner for all similarly situated applicants.

(Codification corrected)

Non-Substantive Incorporated Changes

14.35.07

Regulation .11G (4) If a qualified individual satisfies the authorized carrier's premium payment threshold policy, the authorized carrier shall effectuate an enrollment based on payment of the initial premium payment under §*F* **[[E]]** of this regulation
(Codification correction)

Regulation .12E (1) Report the loss of minimum essential coverage or the termination of coverage or the termination of coverage under §A(1) – *(4)* **[[and (3)—(7)]]**of this regulation;
(Codification corrected)

Non-Substantive Incorporated Changes

MARYLAND HEALTHBENEFIT EXCHANGE

14.35.15 Carrier Certification Standards

Regulation .03B(1) (d) Operate as a nonprofit health service plan under Insurance Article, *§ 14-108* **[[Title 14, Subtitle 108]]**, Annotated Code of Maryland;
(Codification corrected)

Regulation .03C (3) The authorized carrier discontinues offering health benefit plans in the Exchange under Insurance Article, §§15-1212 and 15-*1308* **[[1409]]**, Annotated Code of Maryland; or
(4) The authorized carrier loses its certificate of authority to act as a *carrier* **[[insurer]]** in the State of Maryland.
(Rephrasing to clarify intent)