



# State Reinsurance Program Update & Estimated 2020 Parameters

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A service of Maryland Health Benefit Exchange

# 2019 State Reinsurance Program Update

## Federal assistance to implement SRP is finalized

- Action: The Centers for Medicaid and Medicare Services (CMS) will calculate payments for the SRP for 2019 & 2020
- Cost: \$236,000 in federal pass-through dollars under the approved waiver
- Reduced administrative burden: No new action required by carriers to participate
- Deferred state expenditures to FY 2021

## Public hearing for the State Innovation Waiver

- 45 CFR § 155.1320(c) requires the State to hold a public forum within at least 6 months after waiver implementation and annually thereafter.
- Date & Location: 4:00 PM – 5:00 PM | May 2, 2019  
Maryland Health Benefit Exchange  
750 E Pratt St  
Baltimore, MD 21202

# Estimated 2020 Parameters

## Staff recommendation for estimated 2020 parameters

- For the purposes of 2020 rate filing, MHBE Staff recommends no change to the parameters estimated for the 2019 State Reinsurance Program.

### 2020 State Reinsurance Program Parameters:

Attachment point: Estimated at \$20,000

Coinsurance rate: 80%

Cap: \$250,000

- Next steps: Request for proposals for an actuarial firm to perform analysis for the 2020 State Reinsurance Program – including risk adjustment interaction.

# Estimated 2020 Parameters

## Public Comment Period

- April 15 – May 15, 2019
- Comments may be submitted to [mhbe.publiccomments@Maryland.gov](mailto:mhbe.publiccomments@Maryland.gov) or in-person at the annual forum on May 2, 2019.

## Final 2020 Parameters

- Under COMAR 14.35.07.04E the MHBE Board shall set final payment parameters before December 31 of the calendar year preceding the applicable plan year.

## Motion

In accordance with COMAR 14.35.17.04, I move to [approve/defer/reject] the parameters for the 2020 State Reinsurance Program presented by MHBE Staff with an estimated attachment point of \$20,000, a coinsurance rate of 80%, and a cap at \$250,000.