Access Health CT

Health Plan Benefits & Qualifications (HPBQ) Advisory Committee

January 10, 2018

Today's Agenda

A. Call to Order and Introductions
B. Public Comment
C. Vote: December 13, 2017 Meeting Minutes
D. Certification Requirements
   - Certification Review Schedule
   - Recap: December 13, 2017 HPBQ AC Meeting
   - Medical Plan Mix: SHOP (Vote if necessary)
   - Review of Tobacco Surcharge Requirement (Vote if necessary)
   - Review of Broker Compensation Requirement (Vote if necessary)
   - Certification Requirements Policy (Vote if necessary)
   - Stand-alone Dental Plan (SADP) Plan Mix & Standardized Plan (Vote if necessary)
E. Next Steps
F. Adjournment

Public Comment

(2 Minutes per Commenter)

➢ Vote

- December 13, 2017 Meeting Minutes

- **Certification Requirements**

Certification Review Schedule

Certification Review Topics	2017/2018 Discussion Date	Status
Requirement to submit Standardized Plan Designs	September & October	Completed
Plan Mix (Standard/Non-Standard Plan Offerings)	*September & October*	*Outstanding Items*
Pediatric Dental Coverage in Medical Plans	*September & October*	*Pending additional review*
Lowest Cost Silver Plan in the Individual Market	*September & October*	*Pending additional review*
Essential Health Benefits (EHB) Benchmark Plan	November	Completed
Prescription Drug Formulary Standards	November	
Network Adequacy Standards	November	
Essential Community Provider (ECP) Contracting Standards	November	
Tobacco Surcharge	*December*	*Scheduled (12/13/17, 1/10/18)*
Broker Compensation	*December*	
Certification Requirements Policy	*December - January*	*Scheduled (12/13/17, 1/10/18)*
Standardized Plan Development - Medical	*December – February*	Scheduled (12/13/17, 1/10/18, 1/24/18, 2/7/18)
Plan Mix – Stand-Alone Dental Plans (SADPs)	*January - February*	*Scheduled (1/10/18, 1/24/18, 2/7/18)*
Standardized Plan Development – SADP	*January - February*	

Recap: December 13, 2017 HPBQ AC Meeting

- 2019 Standardized Plans – Individual Market
  - The 2018 AHCT Individual Market standardized plans at the Gold, Silver and Bronze metal levels will not continue to be in compliance with the actuarial value de minimis ranges for 2019, based on results of the Actuarial Value Calculator (AVC) tool
  - A number of options are under consideration in order to modify these plans in order to gain compliance with AV for 2019, including:
    - Making minimal changes to plan cost sharing (i.e., deductible and out-of-pocket maximum)
    - Making significant changes to plan cost sharing
    - Making significant changes to plan cost sharing AND product type
  - The 2nd and 3rd options would eliminate the separate prescription drug deductible under the Gold and Silver plans, most services would be subject to the combined medical/Rx deductible, and more services would be subject to coinsurance, rather than to copays; under the Bronze plan, most services would be subject to both the deductible and coinsurance
  - The first option is estimated to result in a slight increase in plan premium (less than 1%), while the last two could result in significant savings (presented by the Connecticut Insurance Department as an estimate of between 20-25% for the Gold and Silver plans and 10-15% for Bronze)

Plan Mix – SHOP Medical

Current Guidelines: Number of Plans Permitted per Issuer		
	Small Group Market*	
	Standardized	Non-Standard
Platinum	0	4 (Optional)
Gold	0	Min 1 – Max 6
Silver	0	Min 2 – Max 6
Bronze	0	Min 2 – Max 4
Catastrophic	N/A	N/A
TOTAL	0 Required	5 Required / 15 Optional
Maximum	20	

<u>2018 Submitted Plans</u>

14 in Small Group market (two issuers):

- Non-standard plans:
- 1 Platinum, 3 Gold, 5 Silver, 5 Bronze

**Effective for the 2018 plan year, AHCT removed the requirement for Issuers to submit standardized plans for SHOP;*
The minimum count of plans are required to include out-of-network coverage and include pediatric dental EHBs

Tobacco Use Surcharge: Regulations & Guidance

45 C.F.R §147.102

- Tobacco surcharge permitted (cannot vary by more than 1.5:1 vs premium rate for non-smokers)
- May only be applied for those who may legally use tobacco under federal and state law
- Tobacco use is defined as consumption of tobacco on average four or more times per week (within no longer than the past 6 months) & includes all tobacco products, except religious/ceremonial use
- Tobacco use must also be defined in terms of when a tobacco product was last used

26 C.F.R §1.36B-3(e)

- The premium tax credit amount may not include any adjustments for tobacco use

Connecticut General Statute §38a-567

- Tobacco use is not an allowed case characteristic & is therefore not applicable in the small employer market in Connecticut

AHCT Certification Guidance

- Per March 7, 2017 vote by Board of Directors, effective for the 2018 plan year, inclusion of a tobacco surcharge in the premium rates for QHPs in the Individual Market is permitted

C.F.R. = Code of Federal Regulations

Tobacco Use Surcharge System & Operational Considerations

Topic	High Level Business Impacts	Status
Auto-Enrollment	• Tobacco use status for existing enrollees is unknown, therefore further discussions regarding process to include for those eligible for auto-enrollment is needed	TBD
Plan Management Portal	• Modify database to accept 2 sets of rates (tobacco/non-tobacco) for applicable age bands/rating areas for each submitted plan	TBD
Anonymous Browsing & Enrollment	• Add questions regarding tobacco usage/last time tobacco was used for all potential enrollees legally allowed to use tobacco (primary & dependents) to determine whether surcharge should apply • Modify system to select appropriate tobacco/non-tobacco rate for each enrollee to provide accurate estimate of plan costs • Adjust premium calculation to add tobacco surcharge after the premium tax credit calculation is performed • Include 'tool tip' outlining whether tobacco use would apply to a specific individual (e.g., tobacco type, frequency & duration of use)	TBD
Database Storage	• Tobacco use indicator to be stored within AHCT database, including time periods for which it applies	TBD
Electronic Data Interchange	• Transmit tobacco use indicator and/or date tobacco last used to carrier	TBD
Affordability Exemption	• Must take into account premium rates including tobacco surcharge	TBD

Broker Compensation

AHCT Board of Directors Votes	**1/26/17: To require any health carrier offering a health insurance plan through the Exchange to pay a commission to an insurance producer or broker who assists an individual or small employer in enrolling in a health insurance plan through the Exchange** **3/7/17: To require that the amount of commission a carrier pays to a producer or broker who assists an individual or small employer enrolling in a health insurance plan through the Exchange be similar to the amount of commission the carrier pays to producers or brokers who assist individuals or small employers in enrolling in health plans outside of the Exchange**
AHCT QHP Solicitation: Plan Year 2018*	**Commissions on the exchange must be "similar" to a carrier's commission off exchange. Commissions will be deemed similar if the following conditions are met:** • **A commission is payable on the exchange for a plan if the carrier pays a commission for a comparable plan and service functions off exchange** • **A comparable plan is one at the same metal tier or a subset of that tier if commissions are limited to a specific type of offering such as a plan sold in conjunction with a tax qualified health spending account** • **If a carrier does not offer plans off exchange, a commission shall be payable based upon a comparable plan of an affiliate. In the case there is not affiliate, a commission shall be payable based upon a comparable plan of other carriers participating on the exchange**

**Similar text used for AHCT Stand-alone Dental Plan (SADP) Solicitation for Plan Year 2018*

Certification Requirements Policy

- AHCT Policy titled "Establishing Requirements for Certification, Recertification and Decertification of Qualified Health Plans"* was adopted by the AHCT Board of Directors on 11/29/2012
  - Excerpts of the document:
    - The Exchange shall establish requirements for certification, recertification and decertification of qualified health plans ("QHPs") in accordance with the requirements of the Affordable Care Act ("ACA"), 45 CFR Parts 155 and 156 and CGS §§ 38a-1080 et seq. (the "Exchange Act").
    - Members of the Exchange staff (the "Staff"), in consultation with the Exchange's Health Plan Benefits and Qualifications Advisory Committee (the "Committee"), are charged with evaluating options and making recommendations to the Board of the Exchange regarding requirements for the certification, recertification and decertification of QHPs. The Staff and the Committee will be assisted by a subject matter expert designated by the Connecticut Insurance Department.
  - References specific items that the Committee would review for inclusion in certification requirements
  - Outlines that the Committee will take into account recommendations of the Consumer Experience and Outreach Advisory Committee as well as federal and state regulations and guidance
  - AHCT will be revising the document to make a technical correction to contact information included

**Located at the following URL: http://agency.accesshealthct.com/wp-content/uploads/2016/10/Policies-and-Procedures-Certification-of-Qualified-Health-Plans-00038757-4.pdf*

Stand-Alone Dental Plan (SADP)

- ACA Compliant SADP: Current Federal Regulations/Guidance
  - Pediatric portion of the plan must provide benefits in accordance with State's Essential Health Benefit (EHB) Benchmark plan
  - Must comply with either a "High" or "Low" Actuarial Value
    - AV pertains ONLY to pediatric portion of plan, as adult dental is not considered an EHB
    - High plan = 85% AV: consumer, on average, pays 15% of cost sharing for covered pediatric benefits
    - Low plan = 70% AV: consumer, on average, pays 30% of cost sharing for covered pediatric benefits
    - No prescribed tool provided by CMS to perform analysis – Actuarial Certification is Required
    - Plus/Minus 2 point 'de minimis' range is permitted
  - Must include annual limitation on cost sharing [i.e., maximum out-of-pocket (MOOP)] for children under age 19 of $350 for one child & $700 for two or more children covered under the plan
  - Does not permit annual limits or waiting periods for EHB's (i.e., pediatric coverage)
- Proposed HHS Notice of Benefit and Payment Parameters for 2019: Released 10/27/17
  - Proposed removal of AV requirement for SADPs
  - Maintains MOOP level of $350 for one child / $700 for two or more children in a plan for 2019
  - Proposed process for State to select a new EHB Benchmark plan may be effective as early as plan year 2019

Plan Mix – Stand-Alone Dental Plan (SADP)

Current Guidelines: Number of Plans Permitted per Issuer				
	Individual Market		Small Group Market*	
	Standardized	Non-Standard	Standardized	Non-Standard
High Option	1	3	1	3
Low Option	0		0	
TOTAL	1 Required / 3 Optional		1 Required / 3 Optional	
Maximum	4		4	

2018 Submitted Plans

3 in Individual market (one issuer)

- 1 standardized plan & 2 non-standard plans

2 in Small Group market (one issuer)

- 1 standardized plan & 1 non-standard plans

*Effective for the 2018 plan year, AHCT eliminated the requirement that the standardized plan must include out-of-network coverage (i.e., applies to licensed dental health care centers)

SADP Issuers including out-of-network coverage should follow Connecticut Insurance Department (CID) guidance related to form and rate filing submission. The determination by AHCT to certify a SADP will be conditional upon the CID review/approval of these filings.

Stand-Alone Dental Plan (SADP)

Plan Overview	Member Pays In-Network	Notes
Deductible	$60 per member, up to 3 family members	Does not apply to Preventive & Diagnostic Services
Out-of-Pocket Maximum	$350 One child / $700 Two or more children	For children under age 19 only (required per ACA)
Diagnostic & Preventive	$0	Oral Exams (twice per year); X-Rays [Periapicals (four per year), Bitewing Radiographs (once every year), Panoramic or Complete Series (once every three years)]; Cleanings (twice per year); Periodontal Scaling and Root Planing; Periodontal Maintenance(once every 3 months following periodontic surgery); Fluoride (twice per year, under age 19); Sealants (for children under 19)
Basic Services	20% after deductible	Filings; Simple Extractions
Major Services	40% after deductible	Surgical Extractions; Endodontic Therapy (i.e. Root Canal Treatment); Periodontal Therapy; Crowns and Cast Restorations; Prosthodontics (Complete and Partial Dentures; Fixed Bridgework)
Orthodontic services	50% after deductible	Medically necessary - for children under age 19 only
Waiting Periods and Plan Maximums (for adults aged 19 and older only)	Plan Maximum: $2,000 per adult member age 19 and over	Applicable Waiting Period for Benefits Diagnostic and Preventive Services: no waiting period Basic Services: 6 months and Major Services: 12 months *(Waiver of waiting period available with proof of prior coverage for services under a dental insurance plan when the termination date was no more than 30 days prior to the effective date of this plan)*

Stand-Alone Dental Plan (SADP)

- Certification Requirements for 2019 – Discussion Points
  - Plan Mix for Individual and SHOP
    - Number of standardized vs non-standard plan options (1 standardized/3 non-standard)
    - If the 2019 Payment Notice is finalized as proposed, would need to remove reference to “High/Low” AV
  - Standardized Plan Design: Cost Sharing
    - If 2019 Payment Notice is finalized as proposed, could leave plan design ‘as is’, unless there is a business reason to revise
    - If 2019 Payment Notice is not finalized as proposed, could also leave plan design ‘as is’, unless there is a business reason to revise
      - Wakely Consulting has confirmed the plan will fall within the de minimis range for a high AV plan for 2019
    - Out-of-network cost sharing: approach approved effective for the 2018 plan year
  - Standardized Plan Design: Other features
    - Plan maximum for adults
    - Waiting period for Basic and Major Services for adults

Next Steps

- Next HPBQ Advisory committee meetings scheduled for January 24th and February 7th
  - Expect to discuss agenda topics outlined on slide 6 that have not yet been decided
    - Outstanding items for Individual Market (standardized Gold, Silver, Bronze & Bronze HSA plans), lowest cost Silver plan & number of permitted non-standard Silver plans

Proposed 2019 HHS Payment Notice & Draft Actuarial Value Calculator Release: 10/27/17

Continue AHCT Certification Requirements Review & Standardized Plan Design Development 1/24/18 & 2/7/18

AHCT BOD Vote: Carrier Certification Requirements & Standardized Plans: 2/15/18

AHCT Releases 2019 QHP / SADP Application: Early April 2018

2019 AHCT Standardized Plan Design Development Continuum

Finalized 2019 Final Actuarial Value Calculator Released: 12/28/17

HHS 2019 Payment Notice – Final *Expected in Feb 2018*

AHCT Releases 2019 QHP / SADP Solicitation: Early March 2018

Rate and Form Filings Due to CID 5/1/18

- **Adjournment**

➢Appendix

Tobacco Use: Facts & Figures

- Per the Centers for Disease Control and Prevention website*
  - 36.5% of adults with any mental illness reported current use** of tobacco in 2013 compared to 25.3% of adults with no mental illness
  - People living below the poverty level and people having lower levels of educational attainment have higher rates of cigarette smoking than the general population
  - Among people having only a GED certificate, smoking prevalence is more than 40%
  - 29.8% of African American adults reported current use** of tobacco in 2013
  - 20.9% of Hispanic/Latino adults reported current use** of tobacco in 2013
- A Kaiser Health News article from May 2016 indicated that smokers may be avoiding the surcharge in states that include it by not reporting tobacco use status appropriately, citing the following:
  - Idaho: per federal survey, 17% of adults smoke regularly, but < 3% who bought coverage in 2016 on the state’s insurance exchange paid the surcharge
  - Kentucky: over 25% of adults smoke regularly, but 11% paid the tobacco surcharge
  - Minnesota: 18% of adults smoke, but < 5% paid the tobacco surcharge

* https://www.cdc.gov/tobacco/disparities/index.htm

*** “Current Use” per CDC website was defined as self-reported consumption of cigarettes, cigars, smokeless tobacco, and pipe tobacco in the past year and past month (at the time of survey)*

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Stand-Alone Dental Plan (SADP) AHCT Enrollment: Individual Market

Plan Name	Enrollment	Percent of SADP Plan Enrollment (Total Members)
Anthem Dental Family Enhanced (Standard)	175	21.60%
Anthem Dental Family	432	53.30%
Anthem Dental Anthem Dental Family Value	203	25.10%
TOTAL	810	100%

**Numbers based on enrollment data of Individual AHCT SADPs as of 1/8/2018 (Terminations due to non-payment of premium not yet processed)*

		SUBSCRIBER ENROLLMENT BY COUNTY								
Plan Name	Enrollment Status	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham	Grand Total
Anthem Dental Family Enhanced	Single enrollee	27	18	8	7	15	5	2	1	83
	Enrollee & Spouse	3	9	2	2	3	0	0	1	20
	Enrollee & Child(ren)	2	1	1	0	1	2	0	1	8
	Family	5	1	0	0	2	0	0	0	8
	Total	37	29	11	9	21	7	2	3	119
Anthem Dental Family	Single enrollee	51	73	19	16	48	16	14	11	248
	Enrollee & Spouse	9	5	3	2	9	4	3	1	36
	Enrollee & Child(ren)	1	1	1	2	3	1	1	0	10
	Family	7	9	0	2	3	3	0	0	24
	Total	68	88	23	22	63	24	18	12	318
Anthem Dental Family Value	Single enrollee	34	36	4	8	38	10	5	5	140
	Enrollee & Spouse	7	7	0	0	2	1	0	0	17
	Enrollee & Child(ren)	0	2	0	0	1	0	0	0	3
	Family	3	2	1	0	0	0	0	0	6
	Total	44	47	5	8	41	11	5	5	166
All Combined	Single enrollee	112	127	31	31	101	31	21	17	471
	Enrollee & Spouse	19	21	5	4	14	5	3	2	73
	Enrollee & Child(ren)	3	4	2	2	5	3	1	1	21
	Family	15	12	1	2	5	3	0	0	38
	Total	149	164	39	39	125	42	25	20	603