



Access Health Connecticut

June 20, 2019 Board of Directors Meeting

Board Agenda

- A. Call to Order and Introductions
- B. Public Comment
- C. Votes
 - Voting in Presiding Officer
 - Review and Approval of Minutes
- D. CEO Report
- E. Marketing Update
- F. Reinsurance Study
- G. Legal Update
 - HRA (Health Reimbursement Agreement) Final Rule
 - State-Based Marketplace Annual Reporting Tool - Update
- H. Future Agenda Items
 - Board Training (1/2 day - 10/3 or 10/4 – Hartford Area)
 - Final SHOP Study
 - Uninsured Research
 - Open Enrollment 7 Preparedness
- I. Adjournment

Public Comment

Votes

- Voting in Presiding Officer
- Review and Approval of Minutes:
 - *May 16, 2019 (Regular Meeting)

CEO Report

Marketing Update

Wrapping up FY'19

- Outreach Tour | Events
- Research studies
- 5 Regional Planning meetings
- Navigator Program
- Listening Tour (16/36)
- Choose.Use.BeWell.com
- Grassroots efforts/events (Outreach)
 - Canvassing
 - Home Events



OE7 Readiness

- **Research:**
 - Creative testing and messaging (focus groups)
- **Community Conference**
- **Healthy Chats**
- **In-person help strategy: Fairs, enrollment locations.**
- **Open Enrollment Campaign (October – December)**

Reinsurance Study

Individual Market Stabilization-Reinsurance Analysis

- **An issuer is reimbursed for some of the claims it would have been responsible for previously, resulting in lower premium charged for the insurance.**

What is a Reinsurance Program?

It is a market stabilization effort designed to lower premiums in the individual health insurance market, and increase the number of insured residents.

Purpose of Analysis

- **Governor Lamont & Connecticut General Assembly considering reinsurance program.**
 - Purpose: help lower individual health insurance premiums in CT as part of State health reform policy.
 - Wakely Consulting Group performed analysis to provide State stakeholders with information on potential premium savings & cost.

Background

- **Affordable Care Act (ACA) section 1332:**
 - Allows states to apply for a *State Innovation Waiver* to pursue ways to provide residents access to high quality, affordable health insurance, while retaining the basic protections of the ACA.
- **Reinsurance programs:**
 - Reduce premium, resulting in premium tax credit (PTC) savings for the Federal government.
 - The 1332 waiver requests that the Federal government “pass through” some of these savings to state, which state can use to fund part of the reinsurance program.

Weakly Reinsurance Analysis

- **Analyzed how a potential reinsurance program would impact premiums in 2020**
 - Potential pass-through (i.e., Federal reimbursement amounts) might be if the state pursues a reinsurance-based 1332 waiver
 - Potential state-funding needed
 - Potential reinsurance payment parameters for select funding scenarios

Funding for Various Levels of Premium Reduction

2020 Range of Results

Funding Level	5% Premium Reduction	10% Premium Reduction	20% Premium Reduction
Total Funding Level	\$45.4 to \$49.6 M	\$90.9 to \$99.3 M	\$182.4 to \$199.0 M
Federal Pass-through	\$25.6 to \$28.4 M	\$51.1 to \$56.8 M	\$102.1 to \$113.5 M
Needed State Funding	\$19.2 to \$21.2 M	\$38.6 to \$42.5 M	\$77.7 to \$85.5 M
Federal Pass-through %	51.5% to 57.9%	51.5% to 57.8%	51.3% to 57.7%

Funding for Various Levels of Premium Reduction

Total Funding Level of Reinsurance Needed by Enrollment Scenario

Premium Reduction	5%	10%	20%
Low Enrollment Scenario	\$45.4 M	\$90.9 M	\$182.4 M
Neutral Enrollment Scenario	\$47.9 M	\$96.0 M	\$192.5 M
Increasing Enrollment Scenario	\$49.6 M	\$99.3 M	\$199.0 M

Wakely conducted analysis for a “claims-based” reinsurance program:

- Reimburses issuers for a portion of their costs (coinsurance amount) above a set threshold (attachment point) & up to a maximum amount (cap).

Target Premium Reduction	Attachment Point	Cap	Coinsurance
5%	\$55,000	\$ 100,000	50%
10%	\$55,000	\$ 230,000	50%
20%	\$55,000	\$ 480,000	80%

*For this analysis, Wakely assumed a neutral enrollment scenario.

Legal Update

Health Reimbursement Arrangements Final Rule

- Employers of any size may offer “individual coverage HRAs” to employees for individual health plans on/off Exchange
- Funds come from employer only
- May be used for individual plan premiums, cost-sharing or other medical expenses, employer may limit it
- Employer may offer HRA or group health plan, but not choice between the two to individual employee
- Employers can offer HRA or group health plan to separate classes of employees

HRA Final Rule

- **No minimum or maximum contribution amount**
- **To satisfy MEC requirement for large employers, amount offered must be enough to make coverage “affordable” by ACA definition**
- **If offered HRA makes coverage “affordable” employee not eligible for PTC**
- **For plans beginning January 1, 2020, Exchanges must ask potential QHP enrollees whether employer offered them HRA for “affordable” coverage for PTC determination**

HRA Final Rule

- **Employee must be enrolled in health insurance plan to access HRA funds**
- **If plan terminates, must notify employer and HRA funds no longer available prospectively from date of termination**
- **Employees offered HRA will be eligible for a SEP if not during Open Enrollment**

SMART

(State-based Marketplace Annual Reporting Tool)

- ACA requires exchanges to keep accurate accounting of all activities, receipts and expenditures and to monitor and report to HHS on Exchange-related activities, complete an annual report and engage an independent auditor to perform annual independent financial and programmatic audit to ensure compliance with regulations and standards.
- CMS developed online annual reporting tool for Exchanges with all SBM requirements

SMART

SMART streamlined since introduction in 2015

Includes 4 sections:

- Eligibility and Enrollment
- Financial and Programmatic Audit
- Program Integrity
- Attestation of Completion

CMS Timelines

- 2018 Financial and Programmatic Audits filed with CMS by April 1, 2019
 - Access Health CT filed audits with CMS in March 2019
- 2018 SMART filed with CMS by June 1, 2019
 - Access Health CT filed SMART in late May 2019
- Post SMART filing: CMS follow up with Access Health CT with any questions

Future Agenda Items

Adjournment