

2021
Post-Award
Forum



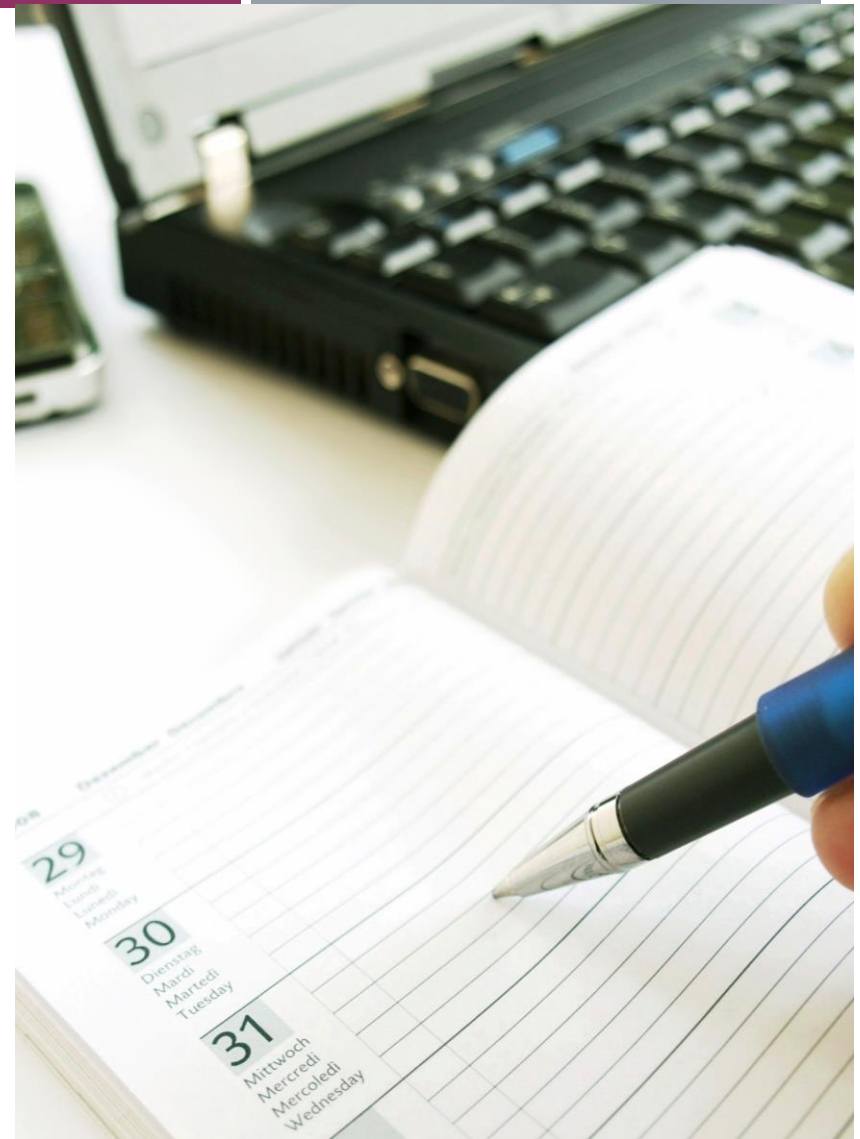
SECTION 1332
STATE INNOVATION /
STATE RELIEF AND
EMPOWERMENT
WAIVER

NEW HAMPSHIRE
REINSURANCE PROGRAM

JUNE 17, 2021

AGENDA

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PUBLIC FORUM

New Hampshire Health Plan (NHHP) is holding the first annual public forum to share information about the progress of New Hampshire's Section 1332 Waiver and the New Hampshire Reinsurance Program and to receive public questions and comments.

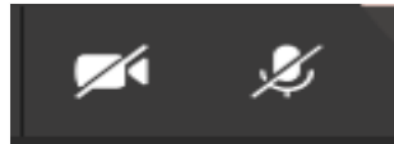
With approval from the Federal Departments of Health and Human Services and Treasury, New Hampshire is hosting the forum virtually this year.



LOGISTICS

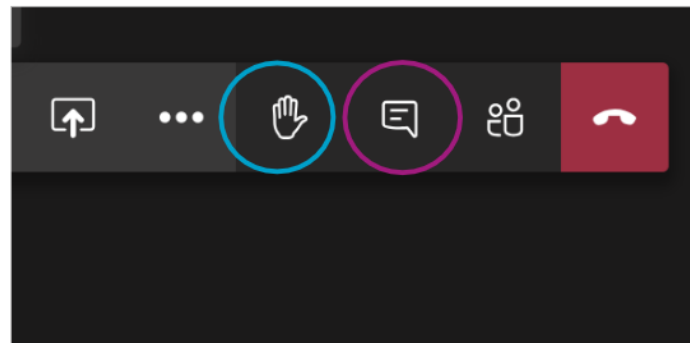
House Rules

- ✓ 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 Alec Whipple at (857) 990-1466 or awhipple@pcgus.com.

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 Michael Degnan

- NHHP is a statutorily-created nonprofit organization that ran the New Hampshire High Risk Pool.
- NHHP is administering the NH Reinsurance Program.
- 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 Christopher Nicolopoulos

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



KEY CONTACTS

Contact	Title / Organization	Email
Michael Degnan	NHHP Executive Director	JMDegnan@helmsco.com
Kevin Stone	Program Director	KStone@helmsco.com
Christopher Nicolopoulos	NHID Commissioner	Christopher.R.Nicolopoulos@ins.nh.gov
Tyler Brannen	NHID LAH Director	Tyler.J.Brannen@ins.nh.gov
David Sky	NHID Chief LAH Actuary	David.C.Sky@ins.nh.gov
Lisa Kaplan Howe	Public Consulting Group	lkaplanhowe@pcgus.com

NHHP Section 1332 webpage:

<https://www.nhhp.org/nhhp/reinsurance.asp>

WELCOME FROM THE NEW HAMPSHIRE INSURANCE DEPARTMENT

Tyler Brannen
New Hampshire Insurance Department
Life and Health Director

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 the 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.
- NHID submitted an application for a Section 1332 Waiver on April 21, 2020.
 - The Federal Departments of Health & Human Services and Treasury approved the waiver on August 5, 2020.

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



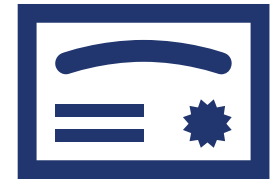
New Hampshire's Reinsurance Program is designed to pay-out exactly the funds it takes in each year.

PROGRAM YEAR 2021 UPDATES: IMPLEMENTATION

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

The carriers eligible to participate in the program in 2021 are:

- Anthem New Hampshire
- Harvard Pilgrim Health Care
- Centene (doing business as Ambetter)



PROGRAM YEAR 2021 UPDATES: FUNDING UPDATES

Updated Funding Projection:

- ✓ Estimated amount - \$46.3 million
- ✓ Updated estimate - \$36.3 million*



Projected State Funding: Carrier Assessment - \$13.6 million

- 2021 Assessment Rate - \$2.43 pmpm**
- First quarterly state assessment payments were due on May 15, 2021
 - ✓ Estimated quarterly collection - \$3.572 million
 - ✓ Actual Q1 collection - \$3.6 million

Current Federal Funding: Pass-through Funding

- ✓ Estimated amount - \$32.9 million
- ✓ Granted amount - \$22.7 million
 - The American Rescue Plan Act could result in an additional \$3.7 million of pass-through funding (16 percent increase).

*Claims amounts are also now projected to be lower than estimated.

**60 basis points of the PY 2020 SLCSP premium

PROGRAM YEAR 2021 UPDATES: REINSURANCE PARAMETERS

2021 Parameters

Attachment Point	\$60,000
Cap	\$400,000
Target	Original – 74 percent
Coinsurance	Updated – 70 percent*

*The coinsurance is adjusted to match payments to funding available. It is expected to increase to up to 79 percent as a result of the American Rescue Plan Act.

PROGRAM YEAR 2021 UPDATES: MARKET IMPACT

Lower Premiums - The waiver resulted in:*

- A 14 percent decrease in the premium for the Second-Lowest Cost Silver Plan in the individual market.
- Reductions in premiums as great as 15.8 percent in the individual market.



Enrollment** – As of May 2021, enrollment in the NH Marketplace was up to 46,243 individuals (an increase of over 11 percent over the enrollment in May 2020 of 41,562 individuals)

Carrier Engagement – Three carriers remain in the NH individual insurance market.

*Based on carrier filings of with and without waiver rates.

**Based on Marketplace enrollment reports. The impact of the Reinsurance Program specifically on enrollment has not been isolated.

PROGRAM YEAR 2022 PLANNING: REINSURANCE PARAMETERS



NHHP established an Actuarial Workgroup in Fall 2020.

- Members - Senior actuaries from each participating carrier
- Role - Will be consulted 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 2022 program year.

PROGRAM YEAR 2022 PLANNING: REINSURANCE PARAMETERS

The actuarial workgroup met with staff and Leif Associates 3 times between November 2020 and March 2021.



Recommended parameters were presented to the NHHP Board on March 25, 2021.



The Board adopted those recommendations for submission to Commissioner Nicolopoulos on March 25, 2021.



The Commissioner approved those parameters on March 31, 2021.

PROGRAM YEAR 2022 PLANNING: FUNDING & REINSURANCE PARAMETERS

2022 Funding Projection: \$41.1 - \$42.9 million

- **Projected State Funding: Carrier Assessment - \$12.4 million**
 - ✓ 2022 Assessment Rate - \$2.22 pmpm*
- **Projected Federal Funding: Pass-through Funding: \$28.7 - \$30.5 million****

2022 Parameters

Attachment Point	\$60,000
Cap	\$400,000
Target Coinsurance	70 percent**

*60 basis points of the PY 2021 SLCSP without waiver premium; reduced from the 2021 assessment rate of \$2.43 pmpm

**The 2022 Pass-through funding and coinsurance amounts will be impacted by the ARP.

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 and CMS executed an intergovernmental agreement for EDGE Server reports.

Next Steps:

- Development of the supplemental Covered Claims Summary Form
- Review of EDGE Server Reports
- Payments for Program Year 2021
 - On or before July 1, 2022: Initial payments of 80% of the EDGE Server data determined payment allocation.
 - On or before October 1, 2022: Additional payments based on a true-up between a final payment determination based on the Covered Claims Summary submissions (subject to timely submissions of all final claims).



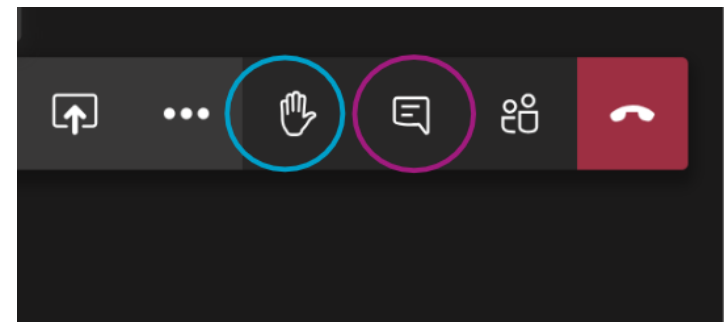
QUESTIONS & COMMENTS

NHHP invites attendees to share questions or comments about the New Hampshire Reinsurance Program / Section 1332 Waiver and today's updates.

Instructions to speak:

Use the “**raise your hand**” option on the webinar. 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. If you insert a question, we will read and respond to the question.



All comments will be recorded for the record.

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