

Maryland Health Benefit Exchange (MHBE) State Innovation Waiver
 Summary of Comments
 August 2018

Commenter	Summary of Comment	Departments' Response
The American Cancer Society Cancer Action Network (ACS CAN)	ACS CAN supports approval of the Maryland Health Benefit Exchange's (MHBE) waiver application. A well-designed reinsurance program can help to lower premiums, mitigate plan risk associated with high-cost enrollees, and maintain or increase plan competition. These premium savings could help cancer patients and survivors afford health insurance coverage and may allow some individuals to enroll who previously could not afford coverage. ACS CAN is pleased the waiver does not propose to alter any key patient protections.	We appreciate the support and have approved the waiver.
CareFirst BlueCross BlueShield (CareFirst)	CareFirst supports approval of the MHBE's waiver application. The proposed state reinsurance program is an important step toward stabilizing the individual market. CareFirst supports the recommendation from the Maryland Insurance Administration regarding a modification to account for the potential interaction between the state's proposed reinsurance program and the Permanent Risk Adjustment Program included in the addendum to the MHBE's application. CareFirst strongly supports the MHBE's proposal to leverage the existing EDGE server infrastructure. This will significantly simplify the process and reduce costs for both insurers and the state.	We appreciate the support and have approved the waiver. The Departments continue to explore the viability of states leveraging the EDGE server infrastructure to implement state reinsurance programs.
Consumer Health First (CHF)	CHF supports approval of the MHBE's waiver application. In response to steady premium increases, some consumers are taking steps to bring their income under 400% of the Federal poverty level (FPL) or dropping their insurance altogether. A state-based reinsurance program will protect consumers from large rate increases at no net cost to the Federal government, stabilize the individual	We appreciate the support and have approved the waiver.

	market, and create the potential for greater competition.	
The Cystic Fibrosis Foundation	The Cystic Fibrosis Foundation supports approval of the MHBE’s waiver application. The Cystic Fibrosis Foundation appreciates the MHBE’s efforts to improve coverage and affordability without compromising critical patient protections relied upon by individuals with cystic fibrosis. People with cystic fibrosis benefit from insurance marketplaces that offer affordable health plans that cover their complex health needs.	We appreciate the support and have approved the waiver.
Kaiser Permanente	Kaiser Permanente supports approval of the MHBE’s waiver application but requests modifications. Kaiser Permanente requests the MHBE fully account for the Federal risk adjustment program in structuring its reinsurance program and avoid duplicating payments for the same high-risk membership beginning with the start of the program in 2019. Kaiser Permanente believes an adjustment should be made that accounts for the entire amount of double payments (\$44 million) that was identified in the Wakely Consulting Group analysis commissioned by the MHBE. Adjusting for only a portion of the double payment as proposed by the Maryland Insurance Administration (MIA) would disrupt the profitability pattern of the individual market. It also would dampen the market stabilization effect of the reinsurance program. The reinsurance program should include incentives rewarding quality and utilization management. The MHBE should leverage the existing EDGE server infrastructure.	<p>We appreciate the support and have approved the waiver. In response to public comments on the waiver application, the MHBE commissioned additional analysis from Wakely Consulting Group to determine whether there is any potential for duplicate payments from the state reinsurance program and the Federal risk adjustment program. The MIA performed its own analysis which examined two methods to measure the interaction. The MHBE also held a public hearing on the interaction on August 2, 2018. As noted in the addendum to the waiver application, the MHBE will vote on the choice of method during an upcoming Board meeting. Once the method is chosen, the risk adjustment dampening factor will be determined. The risk adjustment dampening factor does not impact the analysis of the section 1332 waiver application.</p> <p>The Departments understand that the MHBE provided opportunity for public comment and took steps to determine the most appropriate response to</p>

		<p>address the potential for duplicate payments. The Departments further understand the MHBE plans to engage in public input for the dampening factor for future years as well.</p> <p>Please see the MHBE's response to Federal public comments included in their section 1332 waiver application.</p>
Maryland Citizens' Health Initiative (MCHI) Education Fund Inc.	MCHI supports approval of the MHBE's waiver application. Premium affordability is a serious concern for Marylanders. The proposed reinsurance program will help alleviate the high cost of premiums on the individual market. The MHBE will implement the proposed state reinsurance program as efficiently as possible to result in the greatest reduction in premiums for Marylanders across the state.	We appreciate the support and have approved the waiver.
Maryland Hospital Association	The Maryland Hospital Association supports approval of the MHBE's waiver application. The proposed reinsurance program will bolster access to affordable coverage, ensuring that more Marylanders receive preventive services and care in the most appropriate settings, which will reduce avoidable hospital utilization and lower the cost of care across the continuum. Affordable, stable coverage also improves access to substance use disorder and mental health services, particularly important given Maryland's unrelenting opioid crisis.	We appreciate the support and have approved the waiver.
The Office of the Maryland State Attorney General's Health Education and Advocacy Unit (HEAU)	HEAU supports approval of the MHBE's waiver application. The proposed reinsurance program would help stabilize the individual market and benefit consumers by mitigating the impact of high-risk individuals on premiums for health benefit plans both on and off the MHBE. HEAU strongly supports the proposed reinsurance program's goal of reducing proposed premium rate increases for consumers with incomes about 400% of the FPL for whom escalating premiums	We appreciate the support and have approved the waiver.

	are not offset by advanced premium tax credits, as well as for consumers who qualify for financial assistance.	
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