



To: Authorized Issuers Participating in the Maryland Supplemental Reinsurance Program  
From: MHBE Plan Management  
Re: Supplemental Maryland Reinsurance Program  
Date: April 5, 2017

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**1.1 Background:** The Marketplace premium stabilization programs, titled the Transitional Reinsurance Program, under Section 1341 of the Affordable Care Act, will be combined with the State of Maryland supplement the Federal coinsurance rate and raises the total coinsurance rate to 80%.

On July 15, 2015, the Maryland Health Benefit Exchange Board approved the following approach for management of the Supplemental Maryland Reinsurance Program (SMRP):

The MHBE intends to minimize duplication of effort by requiring that the source data for generating Summary Claims Reports should be the same as that which is used to furnish data for HHS-based reinsurance and risk adjustment data collections, as outlined in 45 CFR 153 Subpart H –Distributed Data Collection for HHS-Operated Programs (153.700 – 153.730).

This document describes the required attestations and document/report submission requirements necessary to submit claims to the SMRP.

Under Md. INSURANCE Code Ann. § 31-117 (3) MHBE is authorized to establish the Maryland Supplemental Reinsurance Program.

**1.2 Reinsurance Benefit and Payment Parameters**

The 2015 Federal Benefit and Payment Parameters were finalized in the Federal Notice of Benefit and Payment Parameters published March 11, 2014 (78 FR 15410). The 2016 Federal Benefit and Payment Parameters were finalized in the Federal Notice of Benefit and Payment Parameters published February 27, 2015 (78 FR 15410).

**Table 1.2 Payment Parameters**

Plan Year	Federal Attachment Point	Federal Attachment Cap	Federal Coinsurance	Maryland Coinsurance	Annual Contribution Rate
2014	\$45,000	\$250,000	100%	0%	\$63
2015	\$45,000	\$250,000	55.1%	24.9%	\$44
2016	\$90,000	\$250,000	50%	30%	\$27

The SMRP program will supplement the Federal parameters ensuring an 80% coinsurance for 2016. If the Federal coinsurance rate remains 50%, the State of Maryland will provide a 30% coinsurance supplement. If the Federal coinsurance rate is adjusted down or up, the Maryland



reinsurance supplement will adjust up or down its coinsurance supplement ensuring 80% coinsurance for the 2016 benefit year, subject to budgetary caps. No other benefit and payment parameters have been supplemented.

### 2.1 Supplemental Maryland Reinsurance Program Timeline

The table below outlines the issuer/CMS/MHBE activities and deadlines for participation in the SMRP for 2016 claims.

**Table 2.1 Program Timeline**

Activity	Date
Issuer deadline to submit final data to EDGE server	May 1, 2017
Issuer deadline to submit to required attestation described in 2.2 to MHBE	June 15, 2017
Risk Adjustment and Reinsurance Summary Report Released	June 30, 2017
Issuer deadline to submit required reports described in 2.4 to MHBE	July 30, 2017
CMS remits 2016 reinsurance payments to issuers	August 2017
State of Maryland remits 2016 supplemental reinsurance payments to issuers	4 <sup>th</sup> Quarter 2017 – 1 <sup>st</sup> Quarter 2018

2.2 Required Attestations/Documents from Partner Issuers: Partner issuers submitting claims through the SMRP must submit an attestation to the Maryland Health Benefit Exchange (MHBE) asserting entity compliance with the distributed data environments, data requirements, establishment and usage of masked enrollee identification numbers, and data submission deadlines outlined in 45 C.F.R. 153 Subpart H – Distributed Data Collection for HHS-Operated Programs (153.700 –153.730). The attestation with a wet-signature should be mailed to MHBE. A copy of the signed attestation may be submitted through issuer SERFF binders.

### 2.3 Required Reports and Documentation

MHBE requires that the certain reports and outputs, matching those sent to CMS, be submitted to receive payment from the Supplemental Maryland Transitional Reinsurance Program. Table 2.4 specifies these reports and provides submission due dates. These reports match those described in the CMS-EDGE Server/ CMS-ES Interface Control Document – Risk Adjustment and Reinsurance Addendum (Version 04.02.00, issued December 2015).

Additionally included in this table are the submission dates for the required attestation, evidence of CMS EDGE Server approval, and the Notification of Payments and Charges Report.



**Table 2.3 SMRP Required Reports and Documentation**

ICD-RA/RI Reference	Document/Report Title	Submission Date
N/A	Reinsurance Attestation	June 15, 2017
5.1.9	RI Summary Report	July 30, 2017
5.1.11	RA Claim Selection Summary	July 30, 2017
5.1.10	RA Risk Score Summary	July 30, 2017
5.1.12	RA Transfer Element Extract	July 30, 2017
5.1.14	RA User Fee	July 30, 2017
5.1.15	Enrollee (With and Without) Claims Summary	July 30, 2017
5.1.13	RADV Population Statistics Report	July 30, 2017
5.1.16	Frequency by Data Element for Enrollment Accepted Files	July 30, 2017
5.1.17	Frequency by Data Element for Pharmacy Accepted Files	July 30, 2017
5.1.18	Frequency by Data Element for Medical Accepted Files	July 30, 2017
5.1.19	Frequency by Data Element for Supplemental Accepted Files	July 30, 2017
5.1.20	System Error Report	July 30, 2017
5.1.21	Claim and Enrollee Frequency Report	July 30, 2017
5.1.22	Claim Resubmission Report	July 30, 2017
5.1.23	RA Payment HCC Enrollee Report	July 30, 2017

**2.4 Data Submission Requirements for Partner Issuers:** MHBE will require partner issuers to submit the documentation/output reports from their EDGE servers into an established secure ShareFile site. MHBE will mirror the file/report naming convention used by CMS for all required reports.

MHBE understands this is a manual submission process for issuers. The required output reports should be readily available to issuers.

**Table 2.4 Issuer Report Submission Steps**

Step	Issuer/MHBE Action	Action
1	Issuer	Issuers will provide MHBE with POC to submit their reports
2	MHBE	MHBE will create a ShareFile site for issuers to submit their reports and will notify issuers
3	Issuer	Issuers will drop their requested reports to the secure-ShareFile cloud storage service.
4	MHBE	MHBE will use the submitted reports to determine the remittance amount.



2.5 Document/Report Resubmissions from Participating Issuers: Given the final nature of the required reports/documentation MHBE does not expect issuers to resubmit any materials.

2.6 Reinsurance Claims Processing for MHBE: The State of Maryland will rely upon CMS's determination for the amount payable to each partner issuer and will remit the appropriate amount under SMRP rules. MHBE will outreach to CMS for information on CMS reinsurance payments, i.e. the amount remitted, to issuers. MHBE will provide the issuer formal notice of the amount payable. In such instances where CMS cannot report payment information in a timely fashion to MHBE, MHBE will reach out to issuers to determine the payment amount.

3.0 FAQs: See the following expected questions and answers below.

Question 1: Why is an attestation necessary for the Reinsurance Program?  
MHBE's requirement that issuers attest that the data submitted to HHS is the same data MHBE is receiving is appropriate because the submitted data forms the basis for payments, and therefore State funds, from the Supplemental Maryland Reinsurance Program.



