



# Standardized Benefit Design Workgroup

November 9, 2017



## Welcome and Introductions

Roll Call

Meeting Minutes Approval – August

## ✦ *April 27, 2017* – Decision Recap

Synopsis: Workgroup members will converse on the scope of the Standardized Benefit Design including:

- Requirement to vote on the requirement for issuers to offer a standardized benefit design held at next session
- Consensus, no value-add to the SHOP Marketplace if a standardized plan offering were required.
- Affirmative, offering of a standardized plan on the individual marketplace would be a value add to the consumer
- Consensus, no value-add to offering a platinum standardized benefit design
- Affirmative, the work group will continue to design a standard gold plan. Work group members would determine the value-add thereafter.
- Affirmative, offering a standard silver plan would be a value-add to the consumer. Member should explore the option of developing an HSA compatible silver plan
- Affirmative, the work group will continue to design a standard bronze plan. Members will explore development of two bronze options – one with first dollar coverage and another that is an HDHP

## ✦ April 27, 2017 – Recommendations for scope of the SBD Policy

Synopsis: Workgroup members will converse on the scope of the Standardized Benefit Design including. The following were determined:

- a. An issuer requirement to offer standardized benefit designs;  
Will be voted on at the end of the SBD WG process
- ~~b. Standardized benefit design availability in the individual and SHOP Marketplaces;~~
- ~~c. Standardized benefit design availability across, a subset, or each metal level;~~
- ~~d. Standardized benefit designs and health savings account/high deductible health plan eligibility;~~
- ~~e. Standardized benefit designs and established QHP offering rules, i.e. limitation standards and meaningful difference~~
- ~~f. Standardized benefit designs and network type considerations, and copay/coinsurance cost-sharing considerations therein.~~

## ✦ June 15, 2017 – Decision Recap

Synopsis: Workgroup members will converse on determining the approach to development of the Standardized Benefit Design including:

- Vote on leaving established QHP rules in place (informal consensus)
- Vote to standardize only for in-network cost sharing
- Vote to use the SBC as the basis for benefits included in standardization
- Vote to include state mandated benefits in standardization
- Vote that issuers may add non-standard benefits to their plans

### ✦ June 15, 2017 – Recommendations for determining the approach to Standardized Benefit Design development

Synopsis: Workgroup members will converse on determining the approach to development of the Standardized Benefit Design including:

- ~~a. Review of Standardized Benefit Design offerings in other Marketplaces~~
- ~~b. Presentation of the enrollment-weighted proposed Maryland-specific plan compared against popular QHPs~~
- ~~c. Determination of a plan to model the Maryland SBD off of or build unique Maryland-specific plans~~
- ~~d. Conversation on Workgroup member policy/SBD philosophical goals~~
- ~~e. Discussion on MHBE/Workgroup member assistance with Actuarial Value Calculator modeling~~
- ~~f. Discussion on regulatory/statutory considerations with development of the SBD~~

- ✦ Presentation of the enrollment-weighted proposed Maryland-specific plan compared against popular QHPs



**Standard Plan  
and Comparison**



**DC Standard  
Plans**

- ✦ Determination of a plan to model the Maryland SBD off of or build unique Maryland-specific plans
- ✦ Conversation on Workgroup member policy/SBD philosophical goals

## ✦ *ACTION ITEMS for June 29:*

Issuer member should respond on the operational implications of using the SBC benefit categories and definitions as the foundation to develop standard plans. Specifically, for the limitations and exceptions column:

Does the issuer have any limitations and exceptions outside those required by the State?

Are there any benefit categories in the SBC that should be exempt from standardization and why? From a mapping perspective?

Issuer members are asked to provide insight on their experience participating on the DC marketplace with changing PPO cost-sharing to the standard plan cost-sharing. Did changing to standard plans have a material effect on premiums?

Issuer members are asked to provide insight on their off-Exchange enrollment distribution across each of the metal levels. This information will provide insight into the off-Exchange effects standardization would have.

## ✦ June 29, 2017 – Decision Recap

Synopsis: Workgroup members will continue conversation on determining the approach to development of the Standardized Benefit Design including:

- Consensus, leaving established QHP offering rules in place, i.e. plan offering limitation standard (no more than four offerings per metal level) and plan minimum offering standard (participating issuers must offer at least one plan at the bronze, silver, and gold metal levels).
- Consensus, cost-sharing and benefits should only be standardized for in-network services.
- Consensus, utilization of the Summary of Benefits and Coverage document as the basis for benefit categories included in standardization.
- Consensus, non-standard benefits - MHBE and the work group determined that a vote on this topic be delayed until a formal motion has been written up.
- Consensus, development of standard QHP through enrollment weighted-methodology.

✦ *June 29, 2017* – Recommendations for determining the approach to Standardized Benefit Design development

Synopsis: Workgroup members will continue conversation on determining the approach to development of the Standardized Benefit Design including:

- a. Review of May SBD Workgroup Recommendations
- b. Discussion on SBD development approach for each metal level of recommended offering
- c. Discussion on unique benefit design consideration for each metal level of coverage

### ✦ *ACTION ITEMS for July 27:*

Issuer members should provide the work group with a list of non-standard benefits, i.e. non-EHB and non-state mandate.

Members are asked to assist in the development of disclaimer language to provide the consumer when shopping for a standardized plan.

Issuer members should provide to the work group a list of benefits/services that are difficult to match with categories on the SBC.

Members are asked to think through appropriate disclaimer language that would best help consumers understand the concept of a standardized benefit design, what important caveats there are to consider, and important actions to take if there are more questions.

## ✦ July 27, 2017 – Decision Recap

Synopsis: Workgroup members will continue conversation on determining the structure of the Standardized Benefit Design.

### *To be revisited in August:*

- Cost-sharing for High Deductible Health Plan (HDHP) bronze, with no charge after the deductible; the deductible would be tied to a Health Savings Account (HSA). It was determined that MHBE would utilize CareFirst's structure for its HDHP bronze plan design.
- Using a stacked family deductible instead of an aggregate family deductible.
- Separate drug and medical deductible instead of combining the medical and drug deductibles.
- Using copays exclusively and no coinsurance for whatever standardized plans are chosen.
- Using CareFirst gold plan design structure for a gold standardized plan, and Kaiser's bronze plan design for the bronze standardized plan design.
- The motion on non-standard benefits was discussed and refined.

## ✦ *August 24, 2017 – Recommendation for each Standardized Benefit Design*

Synopsis: Workgroup members will continue conversation on determining the structure of the Standardized Benefit Design including:

- a. Discussion on the Standardized Benefit Design for a plan offering

Philosophy: The developed standard plans should reflect the following priorities:

1. Unless an HDHP, the standard plans should offer first-dollar coverage of services before the deductible.
2. The standard plans should incentivize consumers to seek care at lower cost facilities and providers.
3. The standard plans should reduce the cost of care for children to the extent actuarially possible.
4. Generally the standard plans should be designed such that there is an easily understandable cost-sharing structure across all services – to the extent possible.
5. The standard plans should utilize co-pays instead of coinsurance as the cost-sharing structure to the extent possible.
6. Issuers will also offer other non-standard QHPs

## ✦ August 24, 2017 – Recommendation for each Standardized Benefit Design

### Plan Design Details:

1. Most children's benefits are free.
2. Pediatric dental benefits use coinsurance instead of copay.
3. Limited benefit categories utilize coinsurance:
  - Durable Medical Equipment
  - Prosthetic Devices

- ✦ *August 24, 2017 – Recommendation for each Standardized Benefit Design*

Benefit Design Presentation:



**DRAFT**  
Standardized Benefit Design



**Standardized**  
Benefit Design Update

## ✦ August 24, 2017 – Decision Recap

Synopsis: Workgroup members will continue conversation on determining the structure of the Standardized Benefit Design.

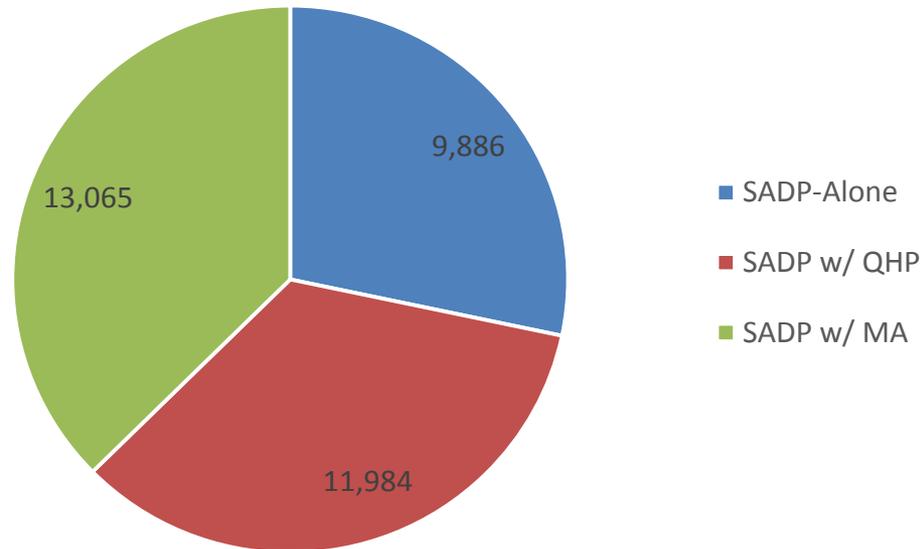
- Motion on non-EHB benefits passed unanimously
- MHBE presented the draft standardized benefit design to the work group
- MHBE will present the standardized benefit design that has received review from the Maryland Insurance Administration at the October session
- MHBE will present options for a plan naming convention at the October session
- MHBE will present the disclaimer (reviewed by committee members) at the October session
- MHBE will present data on SADP enrollments

# 2017 Stand Alone Dental Plan Enrollments



Date	SADP-Alone	SADP w/ QHP	SADP w/ MA	Total Enrollment
10/1/2017	9,886	11,984	13,065	34,935

SADP Enrollment



## ✦ *October 26, 2017 – Recommendation for each Standardized Benefit Design*

Synopsis: Workgroup members will continue conversation on the final structure of the Standardized Benefit Design including:

- a. Final presentation of the standardized benefit design for each metal level
  - b. Review of Maryland Insurance Administration feedback and questions on the standardized benefit design
- Motion to offer all four benefit designs at Bronze HDHP, Bronze, Silver, and Gold metal levels – to be voted on 11/09
  - Motion to approve of the text of the disclaimer language for consumers seeking to enroll in a standard QHP – to be voted on 11/09
  - Motion to recommend a standard plan naming convention – consensus Option 2 to match DC Health Link
  - An issuer requirement to offer standardized benefit designs – to be voted on 11/09
  - Issuer requirement trigger options – to be presented and voted on 11/09

## ✦ *Standard Plan Naming Convention*

- To inform consumers of the availability of standard plans and to assist consumers in discerning standard plans from non-standard plans there must be a uniform naming convention requirement.
  - Federally-facilitated Marketplace: Simple Choice (Metal Level) Plans
    - Ex. Simple Choice Silver Plan
  - Massachusetts Health Connector: Standard (Metal Level): (Network Name)
    - Ex. Standard Silver:
  - Access Health Connecticut: (Network Name) (Metal Level) Standard (Network Type)
    - Ex. Choice Silver Standard HMO
  - CoveredCA: All plans are standard
  - DC HealthLink: (Network Name) Standard (Metal Level) (Proprietary Convention)
    - Ex. KP DC Standard Bronze 5000/50/Dental/Ped Dental
    - Ex. BlueChoice HMO Standard Bronze \$5000

## ✦ *Standard Plan Naming Convention*

### – Maryland Health Connection Options

- Option 1: mirror the FFM – (Network Name) Simple Choice Silver (Network Type)
- Option 2: mirror DC Health Link – (Network Name) Standard (Metal Level) (Proprietary Convention)
  - KP MD Standard Silver 3500/30/Dental
- Option 3: Maryland Health Connection specific name – (Network Name) Standard (Metal Level + HDHP) (Deductible)
  - KP MD Standard Silver 3500
  - BlueChoice Standard Silver 3500

## ✦ *October 26, 2017 – Decision Recap*

Synopsis: Workgroup members will continue conversation on the final structure of the Standardized Benefit Design including:

- a. Final presentation of the standardized benefit design for each metal level
  - b. Review of Maryland Insurance Administration feedback and questions on the standardized benefit design
- Motion to recommend a standard plan naming convention – consensus  
Option 2 to match DC Health Link

### ✦ *November 9, 2017 – Recommendation for each Standardized Benefit Design*

Synopsis: Standardized Benefit Design Workgroup Wrap-up, Recommendation Review and Report – I

a. Work group member will vote on open matters

- Motion to approve of the text of the disclaimer language for consumers seeking to enroll in a standard QHP
- An issuer requirement to offer standardized benefit design
- Motion to offer benefit designs at Bronze HDHP, Bronze, Silver, and Gold metal levels
- Issuer requirement trigger options

## ✦ *Standardized Benefit Design Disclaimer*

Work group members/agency representatives collaborated on refining the draft SBD disclaimer at the October session. The work group members were given a one week (October 27 – November 3) comment period to provide additional insights on the disclaimer language.

Member	Organization	Response
Robert Metz	CareFirst	No comment
Pia Sterling	Kaiser Permanente	Clarifying language no material changes
Matt Celentano	MD Health Care for All	No comment
Elizabeth Sammis	Consumer Health First	No comment
Kim Cammarata	HEAU	No comment
Kathryn Hoffman	MIA	Clarifying language no material changes
Robyn Elliot	Public Policy Partners	No comment
Al Helfenbein	Helfenbein Insurance	No comment
Chris Keen	Keen Insurance	No comment

## *Standardized Benefit Design Disclaimer*

Review of updates to the disclaimer text.



**SBD Disclaimer  
Copy [Updated 2]**

- ✘ At the October Standardized Benefit Work Group session the Maryland Insurance Administration declared they would not support a required standardized benefit design. Specifically, the requirement is viewed as a deterrent for new market entrants to participate in the on-Exchange Individual Market.
  
- ✘ To address this concern, MHBE proposes the adoption of a requirement trigger as new market entrants on-board to the on-Exchange Individual Market. MHBE proposes the trigger options below:
  - Option 1: New Market Entrants will receive an up to three-year waiver, determined by the MHBE Board of Trustees, from certain plan certification standards that the MHBE Board of Trustees determines to be prohibitive to new market entrants.
    - Precedent: Accreditation Waivers/Pediatric Dental Waivers
  - Option 2: New Market Entrants are not required to offer standard plans until an enrollment population of greater than 10,000 members or a market share of greater than 10% where coverage is offered is attained.
    - Precedent: Requirements for participation in the Maryland Health Care Commission quality rating system.
  - Option 3: New Market Entrants and incumbents will be required to offer standardized benefit designs when the new market entrant attains a minimum number of members or market share where coverage is offered. This trigger will take effect after the 2019 plan year, a new trigger option must be developed for market-entrants on-boarding thereafter. The minima will be determined in 2020 plan certification standards.

✦ *November 9, 2017 – Recommendation for each Standardized Benefit Design*

Synopsis: Standardized Benefit Design Workgroup Wrap-up, Recommendation Review and Report – II

- a. Work group members will wrap-up the business of the work group and support a motion to release the 2017 Standardized Benefit Design Work Group report
- Motion to release the 2017 Standardized Benefit Design Work Group Report
- Motion to determine work plan for 2018 business
- Motion to determine next meeting session for 2018

Questions or Comments?

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