



RESOLUTION OF THE MARYLAND HEALTH BENEFIT EXCHANGE BOARD OF TRUSTEES

SUBJECT: ON THE 2019 STATE REINSURANCE PROGRAM AND SUBMISSION OF
A 1332 STATE INNOVATION WAIVER APPLICATION

WHEREAS, Maryland Health Connection is the state-based insurance marketplace for Maryland residents to explore and compare health coverage options, determine eligibility for tax subsidies and credits, and enroll in private health insurance plans on the individual market; and

WHEREAS, Maryland Health Connection connects eligible consumers with financial assistance to help make coverage more affordable; and

WHEREAS, Maryland Health Connection consumers who do not receive financial assistance must shoulder the full cost of health insurance premiums; and

WHEREAS, premiums in the individual market have risen to unsustainable levels for many Marylanders without financial assistance; and

WHEREAS, the Maryland Health Benefit Exchange (MHBE) is a public corporation and independent unit of Maryland state government, and is responsible for the operation of Maryland Health Connection; and

WHEREAS, the MHBE is required by House Bill 1795 (Maryland Health Benefit Exchange - Establishment of a Reinsurance Program) to submit a State Innovation Waiver to establish a State Reinsurance Program, under Section 1332 of the Affordable Care Act, to help stabilize premiums in the individual market; and

WHEREAS, the MHBE Board of Trustees must approve an attachment point, coinsurance rate, and cap for the State Reinsurance Program; and

WHEREAS, the MHBE Board of Trustees must approve an application for a State Innovation Waiver for the State Reinsurance Program,

NOW THEREFORE, BE IT RESOLVED THAT, the MHBE Board of Trustees approves of a State Reinsurance Program for 2019 with an attachment point that will be determined based on funding availability and stakeholder engagement, a coinsurance rate of 80%, and a cap of \$250,000; and



BE IT FURTHER RESOLVED THAT, the MHBE Board of Trustees approves MHBE to submit a State Innovation Waiver application, to the U.S. Secretary of Health and Human Services and the U.S. Secretary of the Treasury, for a State Reinsurance Program not inconsistent with the parameters indicated within this resolution.

Robert R. Neall
Chair, Board of Trustees

S. Anthony McCann
Vice-chair, Board of Trustees

DATE

Approved by the MHBE Board of Trustees on April 16, 2018.