



RESOLUTION OF THE MARYLAND HEALTH BENEFIT EXCHANGE BOARD OF TRUSTEES

SUBJECT: MARYLAND HEALTH BENEFIT EXCHANGE BOARD OF TRUSTEES
ACTION ON PUBLIC COMMENT AND TESTIMONY ON THE 1332
STATE INNOVATION WAIVER APPLICATION

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, to help stabilize premiums in the individual market, is applying to the U.S. Secretaries of Health and Human Services and the Treasury for a State Innovation Waiver to establish a State Reinsurance Program, under Section 1332 of the Affordable Care Act; and

WHEREAS, the MHBE has consulted with the Maryland Commissioner of Insurance and held four public hearings across Maryland to receive testimony from the public and a public comment period of thirty days from April 20, 2018 to May 20, 2018 for the State Innovation Waiver Application; and

WHEREAS, the MHBE has received unanimous public comment and testimony in support of the goal of the State Innovation Waiver; and

WHEREAS, the MHBE has received testimony from a diverse set of stakeholders that State Reinsurance Program payments to issuers should not be duplicative with payments received under the existing Federal Risk Adjustment Program; and

WHEREAS, the MHBE has commissioned a study from Wakely Consulting Group on potential duplicative payments under both the State Reinsurance Program and the Federal Risk Adjustment Program; and

WHEREAS, the MHBE has received testimony from a diverse set of stakeholders that the State Reinsurance Program should include financial incentives for issuers who demonstrate effectiveness and efficiency in care management of high risk and high claims enrollees; and

WHEREAS, the MHBE must, under HB 1795, submit a State Innovation Waiver Application no later than July 1, 2018; 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 may take regulatory action based on the results of the study being performed by Wakely Consulting Group on potential duplicative payments under the State Reinsurance Program and the Federal Risk Adjustment Program; 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 that may include financial incentives for issuers to manage high risk and high cost enrollees after active engagement with stakeholders in regulatory action.

WE HEREBY CERTIFY that the foregoing Resolution was adopted on the 21st day of May, 2018, by the Board of Trustees of the Maryland Health Benefit Exchange.

A handwritten signature in black ink, appearing to read "Robert R. Neall".

Robert R. Neall
Chair, Board of Trustees

A handwritten signature in black ink, appearing to read "S. Anthony McCann".

S. Anthony McCann
Vice-chair, Board of Trustees

May 21, 2018
DATE

Approved by the MHBE Board of Trustees on May 21, 2018.