



## State Reinsurance Program Regulations

### Meeting Schedule and Agenda

To: Interested Parties

Pursuant to House Bill 1795 / Senate Bill 1267, the Maryland Health Benefit Exchange (“MHBE”) shall, in consultation with the Commissioner of the Maryland Insurance Administration (“MIA”) and as approved by the MHBE Board of Trustees (“Board”), establish and implement a State Reinsurance Program. The State Reinsurance Program will provide reinsurance to carriers that offer individual health benefit plans in order to mitigate the impact of high-risk individuals on rates in the individual insurance market, both inside and outside of the Health Benefit Exchange. As part of its requirement to establish and implement a State Reinsurance Program (“SRP”), MHBE is required to adopt regulations implementing the State Reinsurance Program on or before January 1, 2019.

A Notice of Public Hearing on Regulations was published in the Maryland Register on July 20, 2018, advising that the hearings for the above regulations would be held on July 26, August 2, August 9, and August 16, 2018. It also advised that an agenda would be posted prior to the first hearing on the MHBE website at [marylandhbe.com](http://marylandhbe.com).

Please note that the federal government has not yet approved Maryland’s Section 1332 State Innovation Waiver, but is currently in the process of accepting public comments. Accordingly, MHBE is holding these hearings on the assumption that the federal government will ultimately approve the waiver.

Below, please find the agenda for each meeting.

#### **Hearing #1: Administration & Priorities**

**July 26, 2018, 2:00 P.M. – 4:00 P.M.**

**Maryland Health Benefit Exchange | 750 E. Pratt St., 6<sup>th</sup> Fl., Baltimore, MD 21202**

**Dial-in: (833) 640-6816 / Conference ID: 5877647**

Topics to be discussed:

- Administration
  - As the administering agency for the SRP, how can MHBE minimize the burden of administering the SRP on issuers?
  - Assuming claims data is collected through the EDGE Server, what issues might arise from using this data source?
    - For example, what concerns exist regarding timeliness, completeness, and data aggregation?
  - What other options are available if the EDGE server cannot be leveraged for the SRP?



- Can the All-Payers Claim Database submissions be accelerated? If so, could this data source be leveraged for the SRP?
- What other data options would parties recommend?
- Priorities
  - What priorities/objectives should be addressed by the State Reinsurance Program?
    - For example, delivery system alignment, quality improvement, cost containment, etc.

### **Hearing #2: Risk Adjustment/Reinsurance Interaction & Incentive Funding\***

**August 2, 2018, 2:00 P.M. – 4:00 P.M.**

**Maryland Health Benefit Exchange | 750 E. Pratt St., 6<sup>th</sup> Fl., Baltimore, MD 21202**

**Dial-in: (833) 640-6816 / Conference ID: 2454605**

#### Topics to be discussed:

- Federal Risk Adjustment Program / State Reinsurance Program (SRP) Interaction
  - What objectives should modifications to payments from the SRP accomplish when taken to account for interaction with the federal risk adjustment program?  
Should MHBE:
    - Target lowest premiums possible?
    - Equalize the medical loss ratio across issuers?
    - Remove all reinsurance/risk adjustment interaction?
    - Other objective(s)?
- Incentive Funding
  - How should incentive funding be determined from the State Reinsurance Program allocation?
    - For example, MHBE could raise the attachment point and use the difference to fund incentive payments.
  - Should a set amount be separated from the initial allocation?
  - Should incentives be funded through any remaining reinsurance allocation?
  - How might incentive payments be incorporated into issuer rate requests?

**\*Note:** For the purpose of this hearing, respondents should assume that the State will take action to address the Federal Risk Adjustment program and the SRP interaction. Respondents should also assume incentives will take effect for 2020 SRP payments.

### **Hearing #3: Incentives I: Utilization Management & Quality Improvement\***

**August 9, 2018, 1:00 P.M. – 3:00 P.M.**

**Maryland Department of Transportation | 7201 Corporate Center Dr., Hanover, MD 21076**

**Dial-in: (833) 640-6816 / Conference ID: 5675147**

#### Topics to be discussed:

- Existing Incentives
  - What incentives currently exist for issuers to better manage high risk enrollees?  
What demonstrated effectiveness have they achieved?



- How might existing incentives be included in the State Reinsurance Program?
- Utilization Management
  - How could the State Reinsurance Program best measure issuer utilization management performance?
  - What methodology would be appropriate to measure performance?
  - Should network type/network management factor into utilization management performance?
- Quality Improvement
  - How could the State Reinsurance Program best measure improvement on clinical efficiency, plan administration, and enrollee experience indicators?
  - Which indicators should be measured?
- Disincentives
  - Should MHBE contemplate the use of modifiers to reduce program payments for underperformance on incentive measures?
- Other Utilization Management/Quality Improvement Incentives

**\*Note:** Respondents should provide justification for the universal attainability of their recommendations in their comments. Respondents should assume incentive payments will take effect for the 2020 SRP payments.

#### **Hearing #4: Incentives II: Value Based Performance Measures - Chronic Diseases & Population Health\***

**August 16, 2018, 2:00 P.M. – 4:00 P.M.**

**Maryland Health Benefit Exchange | 750 E. Pratt St., 6<sup>th</sup> Fl., Baltimore, MD 21202**

**Dial-in: (833) 640-6816 / Conference ID: 9285299**

##### Topics to be discussed:

- Chronic Disease
  - How can the State Reinsurance Program be leveraged to address the utilization management of high claims chronic diseases?
  - Which diseases might be included for such measures?
  - Which methodology should be utilized to select included diseases?
  - Which metrics should be utilized to measure performance on chronic disease management?
- Population Health
  - How can the State Reinsurance Program be leveraged to expand access to health care for under-served populations?
  - How can the State Reinsurance Program be leveraged to expand preventive care to their enrolled populations?
  - Which metrics should be utilized to measure performance on preventive care/wellness?
- Other Value Based Performance Measures for Chronic Diseases/Population Health
- Value-Based Benefit Design



- Should MHBE implement a value-based benefit design to address chronic disease management and population health to help achieve the goals of the State Reinsurance Program?
- Additional testimony not previously discussed.

**\*Note:** Respondents should provide justification for the universal attainability of their recommendations in their comments. Respondents should assume incentive payments will take effect for the 2020 SRP payments.