



To: Standing Advisory Committee (SAC)

From: MHBE – Policy and Plan Management

Date: September 6, 2018

Re: MHBE 2020 Proposed Plan Certification Standards Request for Stakeholder Input and Timeline.

Background. Every year the Maryland Health Benefit Exchange Board approves new standards for the plans that are offered on Maryland Health Connection. The Maryland Health Benefit Exchange (MHBE) has proposed plan certification standards for plan year 2020, and requests stakeholder comments on these recommendations prior to their consideration by the MHBE's Board of Trustees on Monday, October 15, 2018. Proposed plan certification standards will be released on September 13, 2018 in lieu of the Standing Advisory Committee meeting, with requests for comments. Stakeholder comment sessions with MHBE will begin on September 19, 2018, and last through September 27, 2018. Stakeholders are also invited to send comments to MHBE.publiccomments@maryland.gov. All comments are due by 5:00 p.m. on Monday, October 1, 2018.

Stakeholder Input Timeline

- September 13, 2018
 - Release of draft standards to stakeholders for review
- September 19, 2018
 - Stakeholder Session I
 - 9AM-5PM (30 minute sessions)
- September 20, 2018
 - Stakeholder Session II
 - 9AM-5PM (30 minute sessions)
- September 21, 2018
 - Stakeholder Session III
 - 9AM-5PM (30 minute sessions)
- September 25, 2018
 - Stakeholder Session IV
 - 9AM-5PM (30 minute sessions)
- September 27, 2018
 - Stakeholder Session V
 - 9AM-5PM (30 minute sessions)
- October 1, 2018
 - Final day for stakeholder input
- October 15, 2018
 - MHBE Board of Trustees Meeting

Policy Priorities for 2020. MHBE Staff seeks stakeholder input on how 2020 plan certification standards might address the below policy priorities.

Administrative burden reduction. In 2018 MHBE implemented additional tools to relieve issuer burden through plan certification and carrier authorization requirements. MHBE seeks additional insight on how administrative burden might be relieved through further streamlining of the plan certification process.

Out-of-pocket cost relief. During the state public comment period for the 1332 State Innovation Waiver Application, many consumers and stakeholders noted that while the State Reinsurance Program will provide



premium relief it will not address the financial burden that increasing out-of-pocket costs exert on consumers at the point of service.

“Reduction in out-of-pocket costs. Although not specific to the 1332 waiver application, many stakeholders including consumers, the state medical society, and the state hospital association, expressed that the state should seek to reduce out-of-pocket costs. Consumers frequently noted that, while reduced premiums would help, they would not reduce out-of-pocket costs paid at the point of service. Consumers frequently describe high deductibles as a barrier to care, and that even with premium relief, the value of having health insurance coverage is being able to defray costs when you need to access services.”

- Maryland 1332 State Innovation Waiver Application, p. 11

In addition to the public response received on this issue, MHBE has engaged with the Health Services Cost Review Commission (HSCRC) to help frame the macroscopic impact of rising out-of-pocket costs within the health system. While the total rate of uncompensated care has decreased after implementation of the Affordable Care Act (4.22% in 2017), the share of uncompensated care that is attributable to patients with coverage has grown.

Given the degree of public concern on this issue, and potential for alignment with the goals of the All Payer Model Waiver to reduce uncompensated care, MHBE seeks insight on how out-of-pocket costs might be addressed through plan certification standards.

Maximizing advance premium tax credit (APTC) purchasing power and unsubsidized affordability. MHBE seeks insight on how to maximize APTC purchasing power and affordability for unsubsidized enrollees through 2020 plan offering plan certification standards. Given the additional federal flexibility on metal level/actuarial value (-4/+2 for silver, gold, and platinum plans; -4/+5 for bronze plans), AV requirements could be added to existing QHP offering requirements to add value to the products offered on Maryland Health Connection.

Example, on-Exchange silver metal level products with high actuarial values increases APTC for subsidized enrollees through higher premium. Gold metal level products with low actuarial values reduces premiums, expanding access to higher metal level products to unsubsidized enrollees. When coupled together, the purchasing power of the APTC is increased while base premium for the gold QHP is decreased, thereby reducing premiums for subsidized enrollees purchasing higher metal level plans.

Essential Community Providers (ECPs) petition process and list verification. MHBE seeks insight on whether to develop a petition process to allow for non-Write-in ECPs to add themselves to the MHBE ECP list. MHBE also plans on engaging in additional list verification processes for the 2020 list.

Other priorities not listed. MHBE welcomes stakeholder engagement and advocacy on other policy priorities not reflected in this document.

Please direct any questions or concerns to mhbe.policy@maryland.gov with “Plan Certification Standards for Plan Year 2020” included in the subject line.

