



# Proposed 2020 Plan Certification Standards

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A service of Maryland Health Benefit Exchange

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## Public and Consumer Engagement

- Throughout 2018, MHBE has received extensive written and spoken feedback (State Reinsurance Program hearings, public forums, etc.) from the public expressing the desire for action on the following issues:
  - Rising deductibles and out of pocket costs
  - Reduced choice in available plans and products
  - Low access to providers

## Coordination with MHBE Board Policy Sub-committee

- Public feedback was presented to the Policy Sub-committee in early September.
- Plan Certifications Standard policy goals, and potential solutions, were released to the Standing Advisory Committee for feedback.

# Plan Certification Standard Policy Goals

## Lower Premiums & Reduce Consumer Exposure to High Healthcare Costs

- Out-of-pocket cost relief.
  - Reduce consumer exposure to out-of-pocket costs at point of service. Of interest includes requirement of certain services before deductible for certain metal level plans. MHBE will also revisit standardized benefit designs as potential option.
  
- Maximize APTC purchasing power.
  - Dampen the impact of reduced APTC due to the State Reinsurance Program. Of interest includes increasing the Actuarial Value (AV) of carrier silver plans that are not the lowest cost silver plans to partially offset any reduction in APTC.
  
- Maximize affordability for unsubsidized enrollees.
  - Reduce premiums for unsubsidized enrollees to maximize the impact of the State Reinsurance Program. Of interest includes requiring certain QHP offerings with reduced AV to create lower cost options for price sensitive unsubsidized enrollees.

# Plan Certification Standard Policy Goals

## Increase Consumer Choice

- Maximize access to different product types.
  - Issuers to offer different product options to consumers to maximize consumer choice. Of interest includes a requirement (or incentive) to offer additional product options if the carrier is authorized to do so and currently offers the product off-Marketplace, in the small group market, or in the state employee health benefits program.

## Expand Access to Care

- Essential Community Providers (ECPs) petition process.
  - Creation of an ECP petition process to allow providers that are not on the existing ECP list to count as ECPs for the 30% network inclusion standard, if they meet the MHBE ECP definition.

## Lower Costs

- Administrative burden reduction.
  - Streamline the plan certification process.

# Proposed 2020 Plan Certification Standards

## Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- For Plan Year 2020
  - MHBE Staff proposes:
    1. The MHBE Board consider for approval required standard plans on the individual market, according to the recommendations from the *2017 Standardized Benefit Design Work Group Report*.
      - Proposed standard plans will undergo a public comment period of no less than 30 days.
      - Proposed standard plans will consider the work of the Standing Advisory Committee on the inclusion of *3 Primary Care Physician Visits* before deductible.
      - Staff will provide stakeholder analysis to the MHBE Board with final recommendations in advance of the January Board session.

\*Subset of recommendations found in the Appendix.

Full report: <http://www.marylandhbe.com/wp-content/uploads/2017/12/FINAL-2017-Standardized-Benefit-Design-Work-Group-Report.pdf>

# Proposed 2020 Plan Certification Standards

## Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- For Plan Year 2021 MHBE Staff proposes:
  - MHBE Staff assemble a diverse, representative work group to develop a report with recommendations on policy solutions that will:
    1. Reduce out of pocket costs.
    2. Maximize APTC for subsidized consumers.
    3. Maximize affordability for unsubsidized consumers.
  - MHBE Staff provide a report on the benefits in the State Benchmark Plan to:
    1. Determine whether the current benchmark plan meets the needs of the individual market.
    2. Provide recommendations on whether to leverage new state flexibility to modify the State Benchmark Plan.
    3. Report must include feedback from the Standing Advisory Committee, market impact of the change, and estimated savings/costs of the approach.
    4. Report must have a public comment period of no less than 30 days.
  - Reports should be due to the MHBE Board no later than April 30, 2019.

# Proposed 2020 Plan Certification Standards

## Increasing Consumer Choice

- For Plan Year 2020
  - MHBE Staff collect comment on:
    1. A policy to require that carriers offer at least one plan in an additional product type on Marketplace if offered off-Marketplace, in the small group market, or state employee health program.
    2. A policy to bar Preferred Provider Organizations from participating on the marketplace without an Exclusive Provider Organization offered as an alternative.
  - Provide stakeholder analysis to the MHBE Board with final recommendations in advance of the January Board session.

# Proposed 2020 Plan Certification Standards

## Expanding Access to Care

- For Plan Year 2020
  - MHBE Staff collect comment on:
    1. Development of a petition process for additions to the Essential Community Providers (ECP) list for providers that meet the federal and state ECP definition. MHBE proposes to develop a timeline for when additions become effective in the determinations of compliance with ECP standard.
  - Provide stakeholder analysis to the MHBE Board with final recommendations in advance of the January Board session.

## Lowering Costs

- For Plan Year 2020
  - MHBE Staff will review received comment and release the approach in the 2020 Letter to Issuers.

# Proposed 2020 Plan Certification Standard

## Stand-alone Dental Plans

Established Standard	Proposed 2020 Plan Certification Standard
<p>SADP* Tier Limitation: SADPs may not offer more than one dental plan per product per tier.</p>	<p>Carriers may not offer more than four dental plans per product per plan (child-only/family).</p>

- **November 28, 2018**
  - Release of the Draft 2020 Plan Certification Standards (Letter to Issuers)
- **December 1 – 30, 2018**
  - Draft 2020 Letter to Issuers Comment Period
- **January 10, 2019**
  - Standing Advisory Committee Session
- **January 22, 2019**
  - MHBE Board of Trustees Session (vote to approve standards)
- **Before January 31, 2019**
  - Release of the Final 2020 Letter to Issuers



Questions?

For more information contact John-Pierre Cardenas, [jcardenas@maryland.gov](mailto:jcardenas@maryland.gov)

# Appendix



- **September 2018**
  - Request for stakeholder input and timeline memorandum
  - Met with Policy Sub-committee to determine policy priorities
  - Standing Advisory Committee preview of draft standards and policy priorities
  - Held six stakeholder sessions
- **October 1 – 31, 2018**
  - Comment period for SAC input into draft standards
- **November 19, 2018**
  - MHBE Board of Trustees session

## 2020 Policy Priorities & Plan Certification Standards

- MHBE developed policy priorities after receiving public feedback (in questions and testimony) during 1332 Waiver and State Reinsurance Program hearings:
  - **Will the waiver impact out-of-pocket costs?** While the State Reinsurance Program (SRP) will exert downward pressure on premiums, it won't address out-of-pocket costs at point-of-service. This question raised concerns that while slow premium growth/premium reduction is a net positive, coverage options with high deductibles and limited first-dollar coverage continue to impose burden on consumers.
  - **Will the waiver impact consumer choices?** The SRP won't directly impact consumer choice, though it will create a more favorable environment for new offerors to enter the market.
  - **Reduction in Out-of-Pocket Costs.** Stakeholders have expressed that the state should do what it can to reduce out-of-pocket costs. Stakeholders expressed concern over the expensive out-of-pocket costs paid at the point of service.

# Comment Summary

## Lowering Premiums & Reducing Consumer Exposure to Health Care Costs

- General Comment
  - All submitters expressed support for these policy priorities. They also noted the importance of a deliberative process and coordination across stakeholders – specifically issuers, MHBE and the MIA – to ensure that all policies are vetted to account for any adverse outcomes.

Policy Priority	Specific Comments
Out of Pocket Cost Relief (OOPC)	<p><b>Issuers:</b> Actuarial value (AV) rules are important when considering OOPC relief, they note that increasing AV may result in increased premiums.</p> <p><b>KP</b> recommends the approach taken by Covered CA (consumer friendly, compliant with AV rules), example of the Bronze Plan that includes 3 PCP visits before deductible.</p> <p><b>CF</b> notes that standardized plans can restrict copays for certain services.</p> <p><b>CHF:</b> Important to examine underlying reasons for rising deductibles and to ensure coverage offered is attractive for the unsubsidized. They present two concepts for reducing OOPC – requiring more services to be covered before deductible and instituting a ceiling on deductibles for each metal level.</p> <p><b>MHA:</b> Important to note that reducing OOPC would result in savings for the Total Cost of Care Model Waiver. Supportive of a Standard Benefit Design with before deductible services with cost sharing that incents avoidable acute care utilization. It is also important to consider the distinct populations that are served by the Marketplace.</p>

# Comment Summary

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Policy Priority	Specific Comments
Maximizing APTC Purchasing Power	<p><b>KP:</b> It is important to refine the proposal for proper evaluation.</p> <p><b>CF:</b> It is important to consider potential implication of the policy with the waiver.</p> <p><b>CHF:</b> Supportive of any policy that would increase affordability for those above and below 400% FPL.</p>
Affordability for Unsubsidized Enrollees	<p><b>CF:</b> Important that actions taken align with the recommendations from the HICP Commission.</p> <p><b>CHF:</b> Against policy to reduce AV – either through increased cost sharing or reducing covered services. Stability for the unsubsidized should result from a combination of permanent reinsurance program, Medicaid buy-in, and/or additional subsidies.</p>

# Comment Summary

## Increasing Consumer Choice

- General Comment
  - Submitters noted that participation requirements should be explored to promote consumer choice.

Policy Priority	Specific Comments
Maximizing Access to Different Product Types	<p><b>CF:</b> Useful to explore requirement that carriers who participate in the small group market must participate in the individual market. Conversation should be made in broader context of market stability.</p> <p><b>CHF:</b> Encourages MHBE to explore require (or create an incentive) for CareFirst to offer an EPO product on the Marketplace as a lower cost alternative to a PPO.</p>

# Comment Summary

## Expanding Access to Care

- General Comment
  - Most submitters support the development of an ECP Petition Process. One submitter urges caution and deliberation before implementation of the process.

Policy Priority	Specific Comments
Essential Community Providers (ECPs) petition process	<p><b>CF:</b> Important to outline what the goal of the new process is and to understand what the problems are before moving forward in order to mitigate unintended consequences.</p> <p><b>CHF:</b> Supports proposal to ensure the state compiles a complete list that includes all ECPs, that meet the federal and state definition, to allow omissions to be corrected. Recommendations are provided – identify ECP prospects through engagement with community partners/ask MDH to outreach to ECP prospects to urge providers to apply.</p> <p><b>MHA:</b> Supports a petition process for ECPs</p> <p><b>MDAC:</b> Supports a petition process for ECPs</p>

## Lowering Costs

- General Comment
  - Submitters support this policy priority but have certain requests that would improve this Exchange initiative. Also a submitter notes that it is important to balance lowering costs with due oversight.

Policy Priority	Specific Comments
Administrative Burden Reduction	<p><b>KP:</b> Attestations added to the plan certification process for static areas of compliance like service areas (and partial county justifications), and alternative ECP standards. Create a comprehensive Open Enrollment planning meeting from a technical, plan, consumer, and marketing perspective. Re-implement automatic CSR filtering for those eligible for reductions.</p> <p><b>CF:</b> Important priority to maintain moving forward.</p> <p><b>CHF:</b> Attestations for Network Adequacy are inadequate due to initial review of issuer compliance issues. Recommended that MHBE work with MIA to thoroughly review carriers' submission to the MIA regarding compliance with the standards.</p>

### Accumulator Continuity for Primary Disenrollment

- In submitted comment, the HEAU advocates that consumers are entitled to seamless continuation of coverage and application of accumulators when the primary enrollee is dropped from coverage. Notes, that this protection should exist for other terminations as well, e.g. Medicare eligibility.
  - Urges MHBE to move forward on this policy.
  - Note that while this was included in draft regulations they removed from the proposed regulations published on November 9.
  - Note that a working group was not established to implement this process.

# 2017 Standardized Benefit Design Work Group

Policy	Recommendation	Vote Record	Date of Vote
Marketplace Scope	Plans should be standardized on the Individual (IVL) Marketplace.	IVL – 5 yeas, 3 nays	11/9/2017
Metal Level Inclusion	Plans should be standardized at bronze, silver, and gold metal levels.	Consensus	11/9/2017
Existing plan Rules	Existing plan Rules should not be amended.	Consensus	06/15/2017
Included Benefits	The coverage categories in the Summary of Benefits and Coverage should be the standardized categories.	Consensus	06/29/2017
Excluded Benefits	Non-standard benefits may be offered if such benefits have a de minimus impact on EHB% of Premium	Consensus	08/24/2017
Extent of Cost-Sharing Standardization	Only in-network cost-sharing should be standardized	Consensus	07/27/2017
New-Market Entrants	The MHBE Board has existing waiver authority to support new market entrants. KP opposes usage to waive standard plan requirements.	Consensus	11/9/2017