

# MARYLAND HEALTH BENEFIT EXCHANGE

## **Maryland Health Benefit Exchange**

### **Affordability Work Group**

Friday, March 15, 2019

2PM-4PM

MHBE Office's

750 East Pratt Street, 6<sup>th</sup> Floor

Baltimore MD, 21202

Training Room

#### **Members Present**

Brad Boban

Ken Brannan

Joseph Fitzpatrick

Stephanie Klapper

Robert Metz

Kim Rucker

Beth Sammis

#### **Those Calling In**

Representatives from the MHA

#### **Others Present**

John Pierre Cardenas

Jessica Grau

Laura Spicer

#### **Welcome & Introductions**

John Pierre-Cardenas (JP) welcomed all the members to the first meeting of the Affordability work group. All the members introduced themselves and their organizations.

#### **Charter Ratification**

JP presented the charter to the members and went over each section before asking for volunteers to chair the work group. Beth Sammis and Ken Brannan were voted as co-chairs of the work group.

#### **Status of Affordability in 2019**

JP summarized the changes in consumer experience with respect to premiums and out-of-pocket costs in the last year. He noted that there would be two main changes to the consumer experience. The first would be premiums. Changes will take place with cost sharing reduction (CSR) payments due to “silver loading” and advance premium tax credits (APTC). Next he mentioned changes to out-of-pocket costs, including before deductible services, deductibles, plan generosity (Actuarial Value) and an increase in Health Saving Accounts (HSA). He noted the reduction in premiums across most plans, and noted that consumers will receive less APTC, but still more than otherwise due to “silver-loading”. JP also noted that premium changes may have contributed to changes in APTC as well.

### **Other State and MHBE Action**

JP then provided three other state examples of how their state based market places have been able to control costs for consumers. Covered California implemented patient centered benefit designs, Access Health Connecticut implemented standardized plan designs, and New York State of Health allowed a standard product with 3 visits to a primary care provider that are not subject to the deductible.

JP noted that MHBE had implemented value plans in the 2020 plan year, which would be required to meet certain cost sharing, and branding requirements at the bronze, silver and gold coverage metal levels. The value plans would require three office visits across the primary, urgent, and specialist care space.

### **Affordability Policy Levers**

The discussion then begin on how premiums, out-of-pocket costs, and QHP offering requirements could be adjusted, and the various trade-offs of those adjustments. Discussion of the effects of the Reinsurance program was also explored, as well as federal action.

JP mentioned that priorities for action should include population health/Total Cost of Care Waiver, as well as creating a more efficient health care service market through cost sharing.

### **Discussion on Morbidity of the Individual Market Risk Pool**

A presentation on the Maryland Health Care Commission’s (MHCC) report to identify patterns in health care spending and utilization was given. Data from Maryland’s Medical Care Database (MCDB) from 2014-2016 was utilized for the study. JP discussed some general highlights in relation to the work the work group would be focusing on. The group discussed choosing between focusing on utilization and per member per month spending, and focusing on providing as many benefits as possible for consumers.

### **Adjournment**

The chair of the work group adjourned the meeting at 4PM. The next meeting will take place on April 5<sup>th</sup> at 100 Community Place, Crownsville MD.