

# 2022 Plan Certification Standards – Bronze Value Plans

---

Johanna Fabian-Marks  
Director, Policy & Plan Management

January 19, 2021

# 2022 Bronze Value Plan Modifications - Background

- **Initial Proposal:** modify 2022 bronze value plan standards to require pre-deductible coverage of all:
  - primary care visits,
  - mental health/substance use disorder outpatient (MH/SUD) visits, and
  - generic drugswith maximum copays to be determined after release of the 2022 Actuarial Value (AV) calculator.
- **Goal:** align with Maryland population health initiatives focused on supporting primary care and opioid use disorder treatment and prevention, and strengthen the value proposition of bronze value plans.
- **Decision Delayed Pending AV Calculator:** At the November 16 meeting, the Board voted to delay finalizing 2022 bronze value plan standards until after release of the draft 2022 AV calculator, pursuant to comments from carriers, the MIA, and MHBE staff recommendation.

# 2022 Bronze Value Plan Modifications - Update

The draft 2022 AV calculator was released on December 6, 2020. MHBE reviewed the calculator and released the proposed 2022 requirements for public comment on December 30, 2021.

Requirements	Bronze (Proposed)
<b>Minimum offering</b>	Issuer must offer at least 1 “Value” plan.
<b>Medical Deductible Ceiling</b>	No requirement. Lower deductibles are encouraged.
<b>Services Before Deductible</b>	<p><u>2021 requirement</u>            Issuer may allocate a total of no less than three office visits across one or more of the following settings:</p> <ul style="list-style-type: none"> <li>• Primary Care Visit</li> <li>• Urgent Care Visit</li> <li>• Specialist Visit</li> </ul> <p><b><u>Proposed 2022 requirements</u></b></p> <ul style="list-style-type: none"> <li>• Primary Care Visits with copay ≤\$40</li> <li>• Mental Health and Substance Use Disorder Outpatient Visits with copay ≤\$40</li> <li>• Generic Drugs with copay ≤\$20</li> </ul>

# Consideration #1: Existing 2021 Bronze Value Plan Designs

Plan Design	Kaiser	United	CareFirst
Actuarial Value	63.91%	64.56%	64.97%
Deductible	\$6,000	\$7,500	\$6,000
Maximum Out-of-Pocket	\$8,550	\$8,550	\$8,300
Primary Care Visit	\$55*	\$40	\$40
MH/SUD Outpatient Visit	40% after deductible	\$120	\$40
Generic Drugs	\$25	\$20	\$20 after deductible

\*First three primary care visits covered with a \$55 copay, thereafter enrollee pays 40% coinsurance after deductible.

# Consideration #2: Ratio of Copay to Average Total Cost of Service

	Kaiser 2021 Plan - 2022 AV	United 2021 Plan - 2022 AV	CareFirst 2021 Plan - 2022 AV	2022_Alt 0	2022_Alt 1	2022_Alt 2	2022_Alt 3	2022_Alt4	2022_Alt 5	2022_Alt 6	2022_Alt 7	2022_Alt 8
PCP	\$ 55	\$ 40	\$ 40	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30
MH/SUD Outpatient	40%	\$ 120	\$ 40	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30
Generic Drugs	\$ 25	\$ 20	\$ 20AD	\$ 20	\$ 20	\$ 20	\$ 15	\$ 15	\$ 15	\$ 10	\$ 10	\$ 10
PCP (% of Allowed)	34%	25%	25%	25%	22%	19%	25%	22%	19%	25%	22%	19%
MHSA (% of Allowed)	40%	97%	32%	32%	28%	24%	32%	28%	24%	32%	28%	24%
Generic (% of Allowed)	80%	64%	64%	64%	64%	64%	48%	48%	48%	32%	32%	32%

\*First 3 visits \$55 copay, thereafter 40% coinsurance after deductible

AD = After deductible

# Consideration #3: Potential Consumer Impact (Kaiser)

## Kaiser

	2021 Plan - 2022 AV	2022_Alt 0	2022_Alt 1	2022_Alt 2	2022_Alt 3	2022_Alt4	2022_Alt 5	2022_Alt 6	2022_Alt 7	2022_Alt 8
AV	63.91%	64.94%	64.92%	64.99%	64.96%	64.98%	64.94%	65.00%	64.99%	65.00%
Deductible	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,100	\$ 6,500	\$ 6,700	\$ 7,000	\$ 7,350	\$ 7,650	\$ 8,000
MOOP	\$ 8,550	\$ 8,650	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100
PCP	\$ 55	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30
MH/SUD Outpatient	40%	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30
Generic Drugs	\$ 25	\$ 20	\$ 20	\$ 20	\$ 15	\$ 15	\$ 15	\$ 10	\$ 10	\$ 10

### Avg Annual Cost Share Impact

Under Deductible (87%)	\$ (101)	\$ (110)	\$ (120)	\$ (135)	\$ (144)	\$ (153)	\$ (169)	\$ (178)	\$ (187)
Over Deductible, Under MOOP (6%)	\$ -	\$ -	\$ 60	\$ 300	\$ 540	\$ 660	\$ 810	\$ 1,200	\$ 1,200
Over MOOP (7%)	\$100	\$ 546	\$ 546	\$ 546	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550
<b>Overall Average Annual Cost Share Impact</b>	<b>\$ (94)</b>	<b>\$ (70)</b>	<b>\$ (76)</b>	<b>\$ (77)</b>	<b>\$ (72)</b>	<b>\$ (74)</b>	<b>\$ (81)</b>	<b>\$ (67)</b>	<b>\$ (76)</b>

All estimates derived using the combined medical/drug bronze continuance table from the 2022 Draft AV calculator

# Consideration #3: Potential Consumer Impact (United)

## United

	2021 Plan - 2022 AV	2022_Alt 0	2022_Alt 1	2022_Alt 2	2022_Alt 3	2022_Alt4	2022_Alt 5	2022_Alt 6a	2022_Alt 7	2022_Alt 8
AV	64.56%	64.60%	64.60%	64.59%	64.83%	64.97%	64.99%	64.99%	64.68%	64.82%
Deductible	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,800	\$ 8,650	\$ 7,500	\$ 7,500
MOOP	\$ 8,550	\$ 8,900	\$ 9,000	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100
PCP	\$ 40	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30
MH/SUD Outpatient	12000%	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30
Generic Drugs	\$ 20	\$ 20	\$ 20	\$ 20	\$ 15	\$ 15	\$ 15	\$ 10	\$ 10	\$ 10
Specialist Subject to Deductible?	N	N	N	N	N	N	N	N	Y	Y

### Avg Annual Cost Share Impact

Under Deductible (89%)	\$ (67)	\$ (77)	\$ (86)	\$ (101)	\$ (110)	\$ (120)	\$ (135)	\$ (100)	\$ (110)
Over Deductible, Under MOOP (2%)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150	\$ 525	\$ -	\$ -
Over MOOP (9%)	\$ 350	\$ 450	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550
<b>Overall Average Annual Cost Share Impact</b>	<b>\$ (36)</b>	<b>\$ (36)</b>	<b>\$ (36)</b>	<b>\$ (51)</b>	<b>\$ (60)</b>	<b>\$ (67)</b>	<b>\$ (74)</b>	<b>\$ (50)</b>	<b>\$ (60)</b>

All estimates derived using the combined medical/drug bronze continuance table from the 2022 Draft AV calculator

# Consideration #3: Potential Consumer Impact (CareFirst)

## CareFirst

	2021 Plan - 2022 AV	2022_Alt 0	2022_Alt 1	2022_Alt 2	2022_Alt 3	2022_Alt4	2022_Alt 5	2022_Alt 6	2022_Alt 7	2022_Alt 8
AV	64.97%	64.94%	64.95%	64.97%	64.98%	64.95%	64.97%	64.98%	64.98%	64.99%
Deductible	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,100	\$ 6,400	\$ 6,600	\$ 7,100	\$ 7,400	\$ 7,750
MOOP	\$ 8,300	\$ 8,750	\$ 8,850	\$ 8,950	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100
PCP	\$ 40	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30
MH/SUD Outpatient	4000%	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30	\$ 40	\$ 35	\$ 30
Generic Drugs	\$ 20	\$ 20	\$ 20	\$ 20	\$ 15	\$ 15	\$ 15	\$ 10	\$ 10	\$ 10

### Avg Annual Cost Share Impact

Under Deductible (87%)	\$ (55)	\$ (65)	\$ (74)	\$ (80)	\$ (90)	\$ (99)	\$ (105)	\$ (114)	\$ (124)
Over Deductible, Under MOOP (5%)	\$ -	\$ -	\$ -	\$ 60	\$ 240	\$ 360	\$ 660	\$ 840	\$ 1,050
Over MOOP (8%)	\$450	\$ 550	\$ 650	\$ 800	\$ 800	\$ 800	\$ 550	\$ 550	\$ 550
<b>Overall Average Annual Cost Share Impact</b>	<b>\$ (21)</b>	<b>\$ (22)</b>	<b>\$ (24)</b>	<b>\$ (15)</b>	<b>\$ (14)</b>	<b>\$ (17)</b>	<b>\$ (26)</b>	<b>\$ (26)</b>	<b>\$ (23)</b>

All estimates derived using the combined medical/drug bronze continuance table from the 2022 Draft AV calculator



# Potential Consumer Impact – Summary \$40/\$20

**Selected Cost-Sharing Elements for 2021 Bronze Value Plans by Carrier & Potential Changes in 2022 Bronze Value Plans**

	Kaiser		United		CareFirst	
	2021	2022	2021	2022	2021	2022
AV	63.91%	64.94%	64.56%	64.60%	64.97%	64.94%
Deductible	\$ 6,000	\$ 6,000	\$ 7,500	\$ 7,500	\$ 6,000	\$ 6,000
Max Out-of-Pocket (MOOP)	\$ 8,550	\$ 8,650	\$ 8,550	\$ 8,900	\$ 8,300	\$ 8,750
PCP	\$ 55	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40
MH/SUD Outpatient	40%	\$ 40	\$ 120	\$ 40	\$ 40	\$ 40
Generic Drugs	\$ 25	\$ 20	\$ 20	\$ 20	\$ 20 AD	\$ 20

## Avg Annual Cost Share Impact

Under Deductible (87%-89%)	\$ (101)	\$ (67)	\$ (55)
Over Deductible, Under MOOP (2%-6%)	\$ -	\$ -	\$ -
Over MOOP (7%-9%)	\$100	\$ 350	\$ 450
<b>Overall</b>	<b>\$ (94)</b>	<b>\$ (36)</b>	<b>\$ (21)</b>

# Analysis and Recommendation

MHBE proposed for public comment, and recommends, \$40 copays for PCP and MH/SUD outpatient visits and \$20 copays for generic drugs for the following reasons:

- Best aligns with carriers' existing bronze plan designs, thereby requiring the fewest changes for existing enrollees
- Results in improved first-dollar coverage in at least one category for every issuer
- Yields average savings for consumers
- Minimizes disruption of cost-sharing hierarchies across metal levels (e.g., most silver generic copays are \$10-\$15)

MHBE encourages carriers to consider lower copay values, particularly for generic drugs.

- National data indicates that there are an average of 6.75 generic scripts per bronze plan member per year, compared to an average of 1 primary care visit and 0.85 MH/SUD visits.
- National data indicates that a \$40 copay represents 25%-32% of the average total allowed cost of a primary care or MH/SUD visit, whereas a \$20 copay represents 64% of the average total allowed cost of a generic drug prescription.
- Reducing generic copays may support medication adherence, potentially leading to better health outcomes and further stabilization of the individual market risk pool.

MHBE anticipates reevaluating value plan requirements for 2023, with a specific focus on generic copayments across all metal levels.

# Public Comment Summary

## **Dec. 30, 2020 – January 15, 2021 Public Comment Period**

- United had no comments.
- CareFirst noted that the change to make generic drugs available pre-deductible will necessitate increasing the maximum out of pocket cost for from \$8300 to \$8750, but did not object to the proposed standards.

## **Sept 30 – Oct 30, 2020 Public Comment Period:**

- Maryland Hospital Association and Maryland Citizens' Health Initiative commented in favor of the proposed bronze value plan standards.

*Note: This summary is as of 1/12. This slide will be updated prior to the Board meeting to include any additional comments received by 1/15.*

# Board Action Required

Staff requests that the Board approve the following 2022 Bronze value plan certification standards for services covered before the deductible:

- Primary care visits with a copay of not more than \$40
- Mental health and substance use disorder outpatient visits with a copay of not more than \$40
- Generic drugs with a copay of not more than \$20



Questions?

# Appendix



# 2021 Proposed Bronze and Final Silver and Gold Value Plan Standards

Requirements	Bronze (Proposed)	Silver (Final)	Gold (Final)
<b>Minimum offering</b>	Issuer must offer at least 1 “Value” plan.	Issuer must offer at least 1 “Value” plan.	Issuer must offer at least 1 “Value” plan.
<b>Branding</b>	Required.	Required.	Required.
<b>Medical Deductible Ceiling</b>	No requirement. Lower deductibles are encouraged.	\$2500 or less.	\$1000 or less.
<b>Services Before Deductible</b>	<p><u>2021 requirement</u>            Issuer may allocate a total of no less than three office visits across one or more of the following settings:</p> <ul style="list-style-type: none"> <li>• Primary Care Visit</li> <li>• Urgent Care Visit</li> <li>• Specialist Visit</li> </ul> <p><u>Proposed 2022 requirements</u></p> <ul style="list-style-type: none"> <li>• Primary Care Visits with copay of not more than \$40</li> <li>• Mental Health and Substance Use Disorder Outpatient Visits with copay ≤\$40</li> <li>• Generic Drugs with copay ≤\$20</li> </ul>	<ul style="list-style-type: none"> <li>• Primary Care Visits<sup>^</sup></li> <li>• Urgent Care Visits<sup>^</sup></li> <li>• Specialist Care Visits</li> <li>• <b>Mental Health and Substance Use Disorder Outpatient Visits</b></li> <li>• Generic Drugs</li> <li>• Laboratory Tests</li> <li>• X-rays and Diagnostics<sup>#+</sup></li> <li>• <b>Diabetic Supplies (insulin and glucometers)<sup>\$</sup></b></li> </ul>	<ul style="list-style-type: none"> <li>• Primary Care Visits<sup>^</sup></li> <li>• Urgent Care Visits<sup>^</sup></li> <li>• Specialist Care Visits</li> <li>• <b>Mental Health and Substance Use Disorder Outpatient Visits</b></li> <li>• Generic Drugs<sup>^</sup></li> <li>• Laboratory Tests<sup>*</sup></li> <li>• X-rays and Diagnostics<sup>*</sup></li> <li>• <b>Diabetic Supplies (insulin and glucometers)<sup>\$</sup></b></li> </ul>