

Young Adult Subsidy - Proposed 2023 Program Parameters

Program Status

Total Auto Renewed Enrollees	Total New Enrollment	Average Subsidy PMPM	Estimated Subsidy Cost	Remaining Enrollment Available
20,303	10,663	\$41.13	\$13,169,030	19,772

Data as of May 3, 2022

2022 Young Adult Subsidy Program Parameters

Eligibility

- Age: 18-34 (18 or older; younger than 35)
- Income: ≤400% FPL, ineligible for Medicaid
- Eligible to enroll through MHC
- Enrolled through MHC
- Enrollment cap if projections indicate that budget may be exceeded

Subsidy Design

- Reduce the maximum expected contribution by 2.5% between ages 18 and 30
- For ages 31 to 35, reduce the 2.5% reduction by 0.5% each year

Expected Contribution (EC) for Benchmark Plan

% FPL	Federal EC	Proposed MD Young Adult EC					
		18-30	31	32	33	34	35
		-2.5%	-2.0%	-1.5%	-1.0%	-0.5%	-0.0%
≤150	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
200	2.00%	0.00%	0.00%	0.50%	1.00%	1.50%	2.00%
250	4.00%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%
300	6.00%	3.50%	4.00%	4.50%	5.00%	5.50%	6.00%
400	8.50%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%

2023 Proposed Young Adult Subsidy Program Parameters

MHBE staff recommend maintaining the 2022 parameters for 2023 as shown on the previous slide, with one modification pursuant to HB 937:

- The young adult subsidy will be expanded to cover the non-EHB portion of premium for recipients who have a 0% expected contribution

Expected Contribution (EC) for Benchmark Plan

% FPL	Federal EC	MD Young Adult EC					
		18-30	31	32	33	34	35
		-2.5%	-2.0%	-1.5%	-1.0%	-0.5%	-0.0%
≤150	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
200	2.00%	0.00%	0.00%	0.50%	1.00%	1.50%	2.00%
250	4.00%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%
300	6.00%	3.50%	4.00%	4.50%	5.00%	5.50%	6.00%
400	8.50%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%

2023 Proposed Young Adult Subsidy Program Parameters - Impact

- MHBE worked with Lewis & Ellis and MIA to model expected enrollment and program cost for 2023
- Enrollment increase expected because of family glitch change, program phase-in, and Medicaid unwinding

Scenario	Projected YA Enrollment Receiving Subsidies	Projected YA Subsidy Program Cost	Projected Subsidy PMPM
2022 YTD	31,231	\$13,169,030	\$41.13
2023 –ARPA	48,095	\$17,945,995	\$43.04
2023 - No ARPA	43,662	\$17,692,356	\$52.22

Next Steps

- May 16: Board votes on proposed 2023 parameters
- May 16-June 10: Public comment period
- June 21: Board votes on final 2023 parameters

Request to Approve Proposed 2023 Young Adult Subsidy Program Parameters

MOTION: I move to [approve/defer/reject] the proposed young adult premium subsidy parameters for plan year 2023 [as presented] *or* [as amended].