

MHBE Affordability Workgroup

Session 5 – August 3, 2022

Agenda

1:00 - 1:15 | Welcome

David Stewart and JoAnn Volk, Co-Chairs

1:15 - 1:30 | Standard Plan Designs for Review

Johanna Fabian-Marks

1:30 - 1:40 | Pre-Deductible Coverage Comparisons

Johanna Fabian-Marks

1:40 - 2:15 | Standard Plan Discussion

2:15 - 2:25 | Limits on Plans Per Metal Level

Johanna Fabian-Marks

2:25 - 2:50 | Plan Limit Discussion

2:50 - 3:00 | Public Comment

3:00 | Adjournment



Welcome

The background features a solid teal color with a central graphic of four overlapping circles that create a flower-like or petal pattern. The text is centered over this graphic.

Standard Plan Designs for Review

Standard Plan Goals

- **Affordability** – plans should be designed to make commonly used services feasible for consumers to access, keeping in mind that 35% of adults don't have \$400 to cover an emergency expense.¹
 - Minimize deductibles and/or cover commonly used services pre-deductible
 - Separate drug and medical deductibles
- **Simplicity** - plans should allow consumers to easily understand their cost-sharing and compare plans
 - Prioritize copays over coinsurance as feasible
 - Standardize cost sharing for common services
- **Alignment with State health goals** – plan design should support Maryland's population health goals
 - Facilitate access to primary care, substance use disorder treatment, services to manage diabetes
- **Equity** - reduce cost-sharing for high-disparity conditions, starting with changes that minimize impact to actuarial value
 - Start with targeted elimination of cost-sharing for services to manage diabetes
- **Minimal market disruption** – standard plans should be designed with awareness of current value plan designs and endeavor to minimize disruptive changes to carriers' existing value plan cost sharing values/structures, particularly for the most used services
 - However, one time disruption may be necessary to achieve other goals, e.g. standardizing cost-sharing across plans and prioritizing use of copays

[1] <https://www.federalreserve.gov/publications/2021-economic-well-being-of-us-households-in-2020-dealing-with-unexpected-expenses.htm#:~:text=Consistent%20with%20results%20on%20how,time%20can%20have%20serious%20consequences>

	Gold		Silver		Bronze - Expanded
AV	81.40%	81.50%	71.20%	71.90%	64.60%
Medical Deductible	\$0	\$1,000	\$4,000	\$3,500	\$9,100
Drug Deductible	\$0	\$0	\$750	\$500	n/a
Medical MOOP	\$8,100	\$6,750	\$7,600	\$8,100	\$9,100
Rx MOOP	\$500	\$500	\$1,500	\$1,000	n/a
Emergency Room Services	\$350	\$350	\$500	\$500	n/a
Inpatient Hospital (inc. MH/SUD)	\$500	\$500	\$550	\$550	n/a
Primary Care Visit	\$5	\$5	\$35	\$35	\$40
Specialist Visit	\$35	\$35	\$65	\$65	\$80
MH/SUD Outpatient Services	\$5	\$5	\$35	\$35	\$40
Imaging (CT/PET Scans, MRIs)	\$500	\$500	\$600	\$600	n/a
Speech Therapy	\$50	\$50	\$50	\$50	\$150
Occupational and Physical Therapy	\$40	\$40	\$40	\$40	\$150
Preventive Care	\$0	\$0	\$0	\$0	\$0
Laboratory Services	\$25	\$25	\$40	\$40	\$40
X-rays and Diagnostic Imaging	\$50	\$50	\$150	\$150	\$200
Skilled Nursing Facility	\$75	\$75	\$150	\$150	n/a
Outpatient Facility Fee	\$500	\$500	\$600	\$600	n/a
Outpatient Surgery	\$150	\$150	\$250	\$250	n/a
Generics	\$5	\$5	\$20	\$20	\$20
Preferred Brand Drugs	\$30	\$30	\$75	\$75	n/a
Non-Preferred Brand Drugs	\$60	\$60	\$80	\$80	n/a
Specialty Drugs (i.e. high-cost)	\$75	\$75	\$100	\$100	n/a

Survey Results

Percent of respondents who said it was “important” or “most important” to cover the service with cost-sharing pre-deductible

Service	“Important” pre-deductible
Primary Care Visit	92.31%
Outpatient Mental Health / SUD	92.31%
Generic Drugs (Tier 1)	92.31%
Diabetic supplies	84.62%
Urgent Care	76.92%
Lab tests	69.23%
Specialist Visit	61.54%
Inpatient Mental Health / SUD	53.85%
Imaging	53.85%
Preferred Drugs	53.85%
Emergency Room	30.77%
Outpatient Surgery	15.38%
Inpatient Hospital Stay	7.69%
Specialty Drugs	7.69%
Non-Preferred Drugs	0.00%

Next steps

- Refine plan designs based on workgroup feedback
- Add proposed silver cost-sharing reduction (CSR) plan variants
- Add standardized cost sharing for additional services
 - urgent care
 - emergency medical transportation
 - hospital facility fee
 - MH/SUD other outpatient services
 - home health care
 - durable medical equipment
 - hospice services
 - pediatric dental and vision services
- Share updated plan designs with workgroup at next meeting



Pre-Deductible Coverage

	MD Value Plans	Draft MHBE Standard Plans	Washington DC	California
Med/Combo Deductible (Gold/Silver/Bronze/HSA)	\$1,000/\$3,000/NA	\$0-\$1,000/\$3,500-\$4,000/\$9,100	\$500/\$4,850/\$7,500/\$6,350	\$0/\$3,700/\$6,300/\$7,000
Rx Deductible (if applicable)		\$0/\$500-750/n/a	NA/\$350/\$850/NA	\$0/\$10/\$500/NA
Primary Care Visit	Yes	Yes	Yes	Yes (3PD limit in Bronze)
Outpatient MH/SUD	Yes	Yes	Yes	Yes (3PD limit in Bronze)
Generic Drugs (Tier 1)	Yes	Yes	Yes	Silver & Gold only
Diabetic supplies	Silver & Gold only	Yes	With Type II diagnosis	No
Urgent Care	Silver & Gold only	Yes	Yes	Yes (3PD limit in Bronze)
Lab tests	Silver & Gold only	Yes	Silver & Gold only	Yes
Specialist Visit	Silver & Gold only	Yes	Yes	Yes (3PD limit in Bronze)
Inpatient MH/SUD	No	No (same as inpatient hospital)*	Gold only	Gold only
Imaging	Gold only	No*	Silver & Gold only	Silver & Gold only
Preferred Drugs	No	No*	Gold only	Silver & Gold only
Emergency Room	No	No*	Gold only	Silver & Gold only
Outpatient Surgery	No	No*	Gold only	Silver & Gold only
Inpatient Hospital Stay	No	No*	Gold only	Silver & Gold only
Specialty Drugs	No	No*	Gold only	Silver & Gold only
Non-Preferred Drugs	No	No*	Gold only	Silver & Gold only



Discussion

Discussion Questions

- What do you think of the combination of pre- and post-deductible coverage in the draft plan designs? (Keeping in mind affordability, simplicity, equity, etc.)
- What do you think of the deductibles and MOOPs in these draft plan designs?
- What do you think of the copay levels in the draft plan designs?



Limiting Plans Per Metal Level

Limiting Plans Per Metal Level

- Proposal for discussion: Limit number of plans per licensed insurer to 3 plans per metal level on MHC (no impact to off-exchange plans)
- Background: Insurers are currently limited to 4 plans per metal level¹
- Impact:
 - 2 out of 3 carriers offer 4 plans/metal level at the silver and gold tiers.
 - If each of these 2 carriers eliminated their lowest-enrollment silver and gold plan, a total of ~1,700 enrollees (<1% of MHC enrollment) would need to be crosswalked to another plan
 - At renewal, impacted enrollees would be automatically enrolled in the most similar plan available from the carrier
- Pro: Further simplifies plan choice for consumers, leading to improved decision-making²
- Con: Limits opportunities for insurer innovation in plan design

¹COMAR 14.35.15.08(C) – Requirements for Qualified Plans <http://www.dsd.state.md.us/comar/comarhtml/14/14.35.15.08.htm>

²<https://aspe.hhs.gov/sites/default/files/documents/222751d8ae7f56738f2f4128d819846b/Standardized-Plans-in-Health-Insurance-Marketplaces.pdf>



Public Comment

Next Steps

Next meeting: Wednesday, August 17, 1 - 3PM

Appendix



2023 Value Plan Standards

Requirements	Bronze	Silver	Gold
Minimum offering	Issuer must offer at least 1 “Value” plan.	Issuer must offer at least 1 “Value” plan.	Issuer must offer at least 1 “Value” plan.
Branding	Required.	Required.	Required.
Medical Deductible Ceiling	No requirement. Lower deductibles are encouraged.	\$3,000 or less.	\$1,000 or less.
Services Covered with Copay Before Deductible	<ul style="list-style-type: none"> • Primary Care Visits with copay of not more than \$40 • Mental Health and Substance Use Disorder Outpatient Visits with copay ≤\$40 • Generic Drugs with copay ≤\$20 	<ul style="list-style-type: none"> • Primary Care Visit • Urgent Care Visit • Specialist Care Visit • Mental Health and Substance Use Disorder Outpatient Visits • Generic Drugs • Laboratory Tests • \$0 Diabetic Supplies (insulin, glucometers, test strips) 	<ul style="list-style-type: none"> • Primary Care Visit • Urgent Care Visit • Specialist Care Visit • Mental Health and Substance Use Disorder Outpatient Visits • Generic Drugs • Laboratory Tests • X-rays and Diagnostics • \$0 Diabetic Supplies (insulin, glucometers, test strips)

MHBE Staff Proposal for Discussion

- **Implement Standard Plans for 2024 that are designed to advance the following goals:**
 - **Affordability** – plans should be designed to make commonly used services feasible for consumers to access, keeping in mind that 35% of adults don't have \$400 to cover an emergency expense.¹
 - Minimize deductibles and/or cover commonly used services pre-deductible
 - Separate drug and medical deductibles
 - **Simplicity** - plans should allow consumers to easily understand their cost-sharing and compare plans
 - Prioritize copays over coinsurance as feasible
 - Standardize cost sharing for common services
 - **Alignment with State health goals** – plan design should support Maryland's population health goals
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 - **Minimal market disruption** – standard plans should be designed with awareness of current value plan designs and endeavor to minimize disruptive changes to carriers' existing value plan cost sharing values/structures, particularly for the most used services
 - However, one time disruption may be necessary to achieve other goals, e.g. standardizing cost-sharing across plans and prioritizing use of copays
- **Expand \$0 cost-sharing for diabetes management (insulin, glucometers) in current Value Plan standards to all plans** (for HSA plans, to the extent permitted by federal law)

[1] <https://www.federalreserve.gov/publications/2021-economic-well-being-of-us-households-in-2020-dealing-with-unexpected-expenses.htm#:~:text=Consistent%20with%20results%20on%20how,time%20can%20have%20serious%20consequences>

MHBE Value Plan Cost Sharing Summary

	Deductible	MOOP	PCP	Specialist	Urgent Care	Emergency Room	Inpatient Hospital
Bronze	\$6,100-8,700	\$8,700	\$40	\$40-50 AD	\$70-80	\$500 AD - 40% AD	0-40% AD
Silver	\$2,250-2,500	\$8,050-8,700	\$30-40	\$40-70	\$55-60	\$500 AD - 30-35% AD	30-40% AD
73% CSR	\$2,050-2,500	\$6,400-6,950	\$30	\$40-60	\$55-60	\$500 AD - 30-35% AD	30-40% AD
87% CSR	\$0-900	\$2,350-2,700	\$10	\$40	\$40-60	15-30%; \$250 AD	15-30%; 20% AD
94% CSR	\$0-75	\$1,300-2,500	\$5-10	\$15-20	\$15-60	10%; \$100 AD	10%; 5% AD
Gold	\$0-1,000	\$6,650-7,500	\$0-20	\$30-40	\$40-50	\$500; \$300-500 AD	30-35%; 30-35% AD

	Generic Drugs	Preferred Brand	Non-Preferred Brand	Specialty Drugs
Bronze	\$10-20	\$0-50 AD; 25% AD	0-50% AD; \$70 AD	0-50% AD; \$150 AD
Silver	\$5-20	\$50-75 AD; \$60	35-40% AD; \$70 AD	35-40% AD; \$150 AD
73% CSR	\$5-20	\$60-75; \$50 AD	35-40% AD; \$70 AD	35-40% AD; \$150 AD
87% CSR	\$5-15	\$50-60; \$75 AD	30% AD; \$70	30-35% AD; \$150
94% CSR	\$0-5	\$10; \$25 AD	5% AD - 10%; \$25	5% AD - 20%; \$75
Gold	\$0-10	\$55; \$50 AD	25-35% AD; \$70 AD	30-35% AD; \$150 AD

Colorado - 2023

	Deductible	MOOP	PCP	Specialist	Urgent Care	Emergency Room	Inpatient Hospital	Rx Tier 1**	Rx Tier 2	Rx Tier 3
Bronze	\$7,000	\$9,100	\$0*	50% AD	50% AD	50% AD	50% AD	\$0	\$30	\$200
Silver	\$5,000	\$8,550	\$0	\$80	\$80	40% AD	40% AD	\$0	\$20	\$125
73.4% AV Silver	\$3,500	\$7,250	\$0	\$80	\$80	40% AD	40% AD	\$0	\$20	\$125
87.9% AV Silver	\$800	\$2,800	\$0	\$60	\$60	30% AD	30% AD	\$0	\$0	\$60
94% AV Silver	\$100	\$1,000	\$0	\$40	\$40	20% AD	20% AD	\$0	\$0	\$20
Gold	\$1,600	\$7,800	\$0	\$50	\$50	30% AD	30% AD	\$0	\$10	\$50

* First 3 visits \$0, then deductible, then \$50

** Tier 1: The prescription drug tier which consists of drugs used for preventive purposes.

Tier 2: The prescription drug tier which consists of the lowest cost tier of prescription drugs, most are generic.

Tier 3: The prescription drug tier which consists of medium-cost prescription drugs, most are generic, and some brand-name prescription drugs.

Washington D.C. - 2023

	Deductible (M/D)	MOOP	PCP*	Specialist	Urgent Care	Emergency Room	Inpatient Hospital	Generic Rx**	Preferred Rx
Bronze HSA	\$6,350	\$6,900	20% AD	20% AD	20% AD	20% AD	20% AD	20% AD	20% AD
Bronze	\$7,500/\$850	\$9,100	\$45	\$105	\$100	40% AD	40% AD	\$25	\$75 AD
Silver	\$4,850/\$350	\$8,850	\$40	\$80	\$90	\$400	20% AD	\$20	\$50 AD
Gold	\$500	\$5,800	\$25	\$50	\$60	\$300	\$600/Day (up to 5 days) AD	\$15	\$50

- Preventive care visits (screening & immunization) are \$0 and not subject to the deductible in all plans
- *PCP visits, dilated retinal exam (1x per year), diabetic foot exam (1x per year), and nutritional counseling visits (unlimited) with a primary diagnosis of Type 2 diabetes are provided with no cost-sharing
- **A select list of diabetes supplies and medications within the diabetic agents drug class, as defined by the carrier, are provided with no cost-sharing. A carrier is not required to change the drugs that are on the carrier's formulary.
- For a person with a primary diagnosis of Type 2 diabetes, the following lab services are provided with no cost-sharing:
 - Lipid panel test (1x per year)
 - Hemoglobin A1C (2x per year)
 - Microalbumin urine test or nephrology visit (1x per year)
 - Basic metabolic panel (1x per year)
 - Liver function test (1x per year)

California - 2022

	Deductible (M/D)	MOOP	PCP	Specialist	Urgent Care	Emergency Room	Inpatient Hospital	Generic Rx	Preferred Rx
Bronze HSA	\$7,000	No Charge AD							
Bronze	\$6,300/\$500	\$8,200	\$65	\$95	\$65*	40% AD	40% AD	\$18	40% up to \$500 per script AD
Silver	\$3,700/\$10	\$8,200	\$35	\$70	\$35	\$400	20% AD	\$15 AD	\$55 AD
73.4% AV Silver	\$3,700/\$10	\$6,300	\$35	\$70	\$35	\$400	20% AD	\$15 AD	\$55 AD
87.8% AV Silver	\$800/\$0	\$2,850	\$15	\$25	\$15	\$150	15% AD	\$5	\$25
94.7% AV Silver	\$75/\$0	\$800	\$5	\$8	\$5	\$50	10% AD	\$3	\$10
Gold	\$0	\$8,200	\$35*	\$65	\$35	\$350	\$600/Day up to 5 days	\$15	\$55

- *Deductible applies after first 3 non-preventive visits
- Gold Plan has two designs: copay and coinsurance