



## MHBE

### Affordability Workgroup

June 22, 2022

1:00PM – 3:00PM

Via Google Meets

#### **Members:**

Matthew Celentano

Steven Chen

Lindsey Finne

Maya Greifer

Emily H.

Dr. Howard Haft

Stephanie Klapper

Michelle Livshin

Allison Mangiaracino

Jonathan McKinney

Robert Metz

Kavita Patel

Lisa Solomon

David Stewart

Allison Taylor

JoAnn Volk

Dr. Evalyne Bryant-Ward

Crystal Watkins

Pamela R. Williams

Andrew York

#### **Staff**

Michele Eberle

Johanna Fabian-Marks

Becca Lane

Andrew Ratner

#### **Welcome and Introductions**

David Stewart opened the meeting and reviewed the agenda. He provided an overview of the scope of the Affordability Workgroup. He offered to work with members offline on the recommendations for future work. He urged members to reach out to him for further collaboration.

Johanna Fabian-Marks added that information will be shared in future meetings regarding findings on premium affordability for middle age and middle-income findings gathered.

#### **Standardized Plan Landscape**

Johanna provided an overview of the context of the presentation and introduced Rachel Schwab.

Rachel Schwab from the Center on Health Information Reforms at the Georgetown University presented information on Standard Plans and the opportunities they present. She provided context on Standard Marketplace Plan requirements. An example of California state plan was presented.

A presentation on policy options which can benefit Standard Plans, such as increasing health care access, promoting insurer competition, simplifying plan choice and setting a coverage “floor”.

Rachel presented a map displaying the current states that require standardized plans. She informed members that Colorado will be joining the marketplace in offering standardized plans in 2023.

Rachel provided a detailed overview of Maryland Value Plans and the 2023 Federal Marketplace Plans.

Dr. Haft asked if the calculator value the 1<sup>st</sup> dollar coverage depicting the difference in level of health care individuals are seeking. Rachel Schwab will research to answer the question.

Robert informed that Standard Plans could offer a lot of value. He advised there are various degrees of standardization. However, isn't complete as there are differences within networks.

David asked carriers if they could provide more details about summary of benefits and coverage between the various plan options in their supplemental materials.

JoAnn asked if there were laws or regulations that state whether consumer pays lower price if out of pocket is less than co-payment. Bradley Boban will research and provide a definitive answer.

### **MHBE Plan Design Landscape & 2022-23 Value Plan Standards**

Johanna Fabien-Marks, MHBE Director of Policy and Plan Management provided an overview of MHBE's Plan Design Landscape & 2022-23 Value Plan Standards. Value plan enrollment has been steadily increasing since the launch in 2020. Currently value plan enrollments make up 44% of MHBE enrollees. Value plans are resonating with consumers. She presented a graph of the 2022 total MHC enrollments per plan metal levels with Gold plan enrollment highest at 46% followed by Bronze plan enrollment at 23% and Silver at 15%.

Johanna presented a chart depicting MHBE Affordability Initiatives for 2023 Value Plan Standards. A 2022 Plan summary was reviewed comparing the different metal levels of coverage across carriers. She informed the group that Maryland limit carriers to 4 plans per metal level. A plan cost sharing summary was presented. Johanna noted that while there is a variation in cost sharing it is not significant.

Johanna provided a brief overview of the impacts of plan deductible and out of pocket maximums. MIA conducted a proxy analysis to estimate how many consumers are meeting out of pocket max. Findings show that 3% are meeting their out-of-pocket max and around 17.5% are meeting deductibles yet not spending so much as to make out of pocket max. Bradley added that the current value plan standards limit the deductible

and some copay and pre-deductible services yet there is no limit on out-of-pocket max. He added that since value plans have been implemented the average out of pocket max has increased significantly.

JoAnn asked which MOOP is the value plan? Bradley responded that it is based on the Silver plan. He also noted that the state reinsurance program 1332 waiver is reimbursing cost to carriers 80% of cost over \$20K under \$250 for high-cost members.

Johanna provided a comparison of HHS Standardized Plans v MHBE Value Plans. She provided information on plans across other states.

### **Discussion of Future Value Plan Cost-Sharing Requirement**

Should MHBE align the Value Plans with CMS' standardized plans? If no:

David would like more data to make a determination. He is looking for a product that would provide the most value with regards to health equity.

Johanna advised that standard plans could provide more solutions to address equity due to the provision of simplifying cost sharing. Although the federal standard plans do not have a specific equity approach. JoAnn added that in doing so would possibly minimize disruption.

Stephanie added that given the amount of effort that Maryland has put into focusing on the needs of their consumers, mirroring the federal marketplace does not seem like the best approach for Marylanders.

Robert raised caution that the design for standard plans is complex. He noted one advantage is that the work already done at the federal level can be leverage. Although he believes it is difficult to get the data. Johanna added that MHBE has contracted actuaries to obtain and analyze the data.

Bradley commented that the federal standardized plans lowered premiums but have higher deductibles. He suggested the work group consider should value plans continue with to target minimizing cost which does increase premiums or take CMS approach and target minimum premiums or target the minimum range.

Johanna suggested that workgroup should a move towards more of a standard plan model but not standardizing the cost sharing. She offered to work with contracted actuaries and MIA to develop several options of what standardized plans would look like and present it to the workgroup.

Allison expressed interest in Johanna's proposal to provide an actuarial analysis of what standardization would look like. She also would like to see indicators of potential member disruption would be. She would like to know that if Maryland moves to standardization that there is minimum member disruption.

Johanna clarified her question of, would the group like MHBE to provide standard options in future meetings. Also, maybe put together a poll to get feedback and a clear consensus of the group.

David would like more information on the differences between co-insurance and copay.

Members affirmed they would like to see the actuarial analysis for standardized options. David affirmed a poll would be helpful.

Bradley will follow up with his colleague David Cooney to answer the question of if there is a limit on actual cost when the copay is higher than the actual cost and any other limitations are in place.

**Public Comment**

None offered.

**Adjournment**

The meeting adjourned at 2:45 pm.

**Chat record:**