



MHBE

Affordability Workgroup

September 14, 2022

1:00PM – 1:45PM

Via Google Meets

Members Present:

David Stewart, Co-Chair

JoAnn Volk, Co-Chair

Steven Chen

Maya Greifer

Allison Mangiaracino

Jonathan McKinney

Emily Hodson

Dr. Evalyne Bryant-Ward

Dr. Howard Haft

Matthew Celentano

Andrew York

Cathy Grason

Michelle Livshin

Stephanie Klapper

Brad Boban

Staff

Johanna Fabian-Marks

Becca Lane

Welcome and Minutes Approval

JoAnn Volk welcomed attendees to the meeting. She asked the Workgroup to review and approve the minutes of the Workgroup's meetings on July 6, August 17, and August 31. Dr. Haft moved to approve the minutes of the July 6 meeting with Ms. Hodson seconding. Dr. Haft moved to approve the minutes of the August 17 meeting, seconded by Ms. Hodson. Ms. Hodson moved to approve the minutes of the August 31 meeting with Dr. Haft seconding. All three minutes were approved without objection.

Review of Feedback from Last Session

Ms. Fabian-Marks went over the feedback on the plan designs from the last meeting. She noted that major topics of discussion during the session included cost sharing for services that are not included in the federal actuarial value calculator (AVC), cost sharing for pediatric dental services, and the possibility of combining the copays for inpatient hospital facility fees and inpatient physician services as well as the copays for similar services in an outpatient setting.

Regarding the potential of combining inpatient facility fee and physician service copays into a single copay for inpatient services and combining outpatient facility fee and physician service copays into a single copay for outpatient services, Ms. Fabian-Marks remarked that MHBE received feedback from carriers that resulted in staff recommending against this change. She added that, while it can be difficult for carriers to accommodate this change and that it could disadvantage consumers who need fewer services while hospitalized, Kaiser Permanente has asked to be allowed to combine

those copays to better align with their service delivery model. MHBE is comfortable allowing Kaiser Permanente to do this.

Ms. Grason, representing CareFirst, stated that her organization has no objection to this recommendation.

Next, Ms. Fabian-Marks recapped the list of service categories that are part of the AVC, the services not included, and the suggested plan design for pediatric vision plans. She described the plan design for pediatric dental, noting that the five-class schema was well received and that the Workgroup supported the use of coinsurance as opposed to copays for these benefits. She added that the coinsurance percentages being the same at each metal level is a standard practice in the market. Maximum out of pocket (MOOP) costs vary by metal level, and each of these coinsurance amounts would count toward MOOP, resulting in a tiered patient responsibility for these services by metal level.

Dr. Haft asked why costs vary so widely within each class of pediatric dental services. Ms. Fabian-Marks replied that the classes are broad and include a range of services ranging from more to less expensive.

Ms. Livshin expressed concern about the proposed copays for urgent care, noting that they seem expensive given these facilities' intended role as crisis center alternatives with peer supports. She noted that high copays could act as a deterrent to accessing these services. Ms. Fabian-Marks responded that the copay amounts for urgent care were designed to fit between the higher copays for emergency care and the lower copays for primary care, adding that very few individuals enroll in the base silver and silver 73 plans. She acknowledged that enrollees in bronze plans are more numerous and would face those higher copays.

Ms. Livshin asked how widely available urgent care centers are in Maryland, given the state policy goal of diverting patients from hospitals to those facilities.

Mr. Stewart compared the proposed copay for urgent care to the plans available on Maryland Health Connection today, noting that the proposal is in line with current offerings. He added that the currently available bronze plans do not offer a copay for urgent care at all.

Ms. Livshin reiterated her concerns about potential negative impacts on consumers who may choose not to seek care due to the copays and end up in the hospital.

Dr. Haft described the design of the copays for primary, urgent, and emergency/inpatient care in terms of behavioral economics, explaining that copays for primary care are lowest to encourage enrollees to establish relationships with primary care providers, emergency and hospital copays are highest to encourage enrollees to seek less expensive care when appropriate, and urgent care is priced in between.

Ms. Volk expressed support for plan design elements that seek to limit use hospital emergency departments to conditions that are truly emergent.

Mr. Stewart agreed with the three-tier copay structure, noting that it also serves as an incentive for consumers to choose a gold plan that will likely better serve their needs.

Ms. Fabian-Marks then discussed next steps. Staff will complete a draft final report for review within the next few days, to which Workgroup members will be asked to submit their written comments within one week. Those comments will be incorporated into a final version of the report before the Workgroup's next meeting.

Mr. Stewart asked whether the Workgroup could proceed with a vote to approve the designs immediately, assuming no member has any objection.

Ms. Livshin stated that she does not plan on objecting to the designs but would appreciate the opportunity to provide written comment.

Ms. Hodson stated she would be happy to support the recommendation in its current state.

Mr. Celentano did not anticipate any objections but asked for time to share the new changes with his organization's membership.

Ms. Volk asked whether the Workgroup's upcoming vote would include the recommendation to limit the number of plans each carrier will be permitted to offer at each metal level. Ms. Fabian-Marks described the upcoming vote as covering the plan designs, diabetes cost sharing provisions, plan number limits in 2025, and a minor recommendation that MHBE deploy an icon or similar display element to differentiate the new standard plans from the old value plans.

Ms. Fabian-Marks stated that internal discussions have floated the idea of maintaining the name "value plan" for the standard plan designs under discussion. Should this take place, carriers would be asked to rename any existing value plan that they choose to continue offering alongside the new standard plan designs.

Ms. Volk expressed discomfort with the branding of "value plan," noting the phrase has negative connotations.

Mr. Stewart expressed support for maintaining the name "value plan," explaining that consumers would not see a discontinuity, just a few different benefits.

Ms. Mangiaracino noted that she would have to consult the product team at her organization and would need time to determine whether the carrier will continue to offer the existing value plan and how a rebranding would affect that decision.

Mr. Stewart asked whether the Workgroup would be asked to evaluate the impact of the Young Adult Subsidy program. Ms. Fabian-Marks answered in the affirmative but noted that the data are not yet available and that the Workgroup will be reconvened at a later date when the data are in hand.

Ms. Fabian-Marks cautioned that the plan designs under consideration were developed before the AVC for 2024 is available and that elements of the design may have to be modified once the official actuarial values are calculated. She noted that MHBE intends to concentrate any such modifications on the MOOPs for each plan rather than working on copays. Should changes to MOOPs prove insufficient to achieve the required actuarial values, deductibles and copays may have to be adjusted in line with Workgroup feedback to date. She stated that it is not necessary for the Workgroup to reconvene in that eventuality but that it would be up to the members.

Ms. Volk asked whether the intention to begin with MOOPs when modifying plans will be included in the final report. Ms. Fabian-Marks answered in the affirmative.

Dr. Haft expressed support for the method of updating plan designs and asked that information on healthcare costs be included when the changes are published for comment.

Public Comment

None offered.

Adjournment

The meeting adjourned at 1:43 pm.