



750 E. Pratt St., 6th floor  
Baltimore, MD 21202  
[marylandhbe.com](http://marylandhbe.com)

December 15, 2022

The Honorable Xavier Becerra  
Secretary of Health and Human Services  
Department of Health & Human Services  
200 Independence Avenue SW  
Washington, DC 20201

The Honorable Janet Yellen  
Secretary of the Treasury  
Department of the Treasury  
1500 Pennsylvania Avenue NW  
Washington, DC 20220

Submitted via e-mail

Dear Secretary Becerra and Secretary Yellen,

The Maryland Health Benefit Exchange (MHBE) is pleased to submit this letter of intent to apply for a five-year extension of the state's Section 1332 State Innovation Waiver, for the period beginning January 1, 2024 and ending December 31, 2028. Aside from extending the timeframe of the waiver, we do not plan to propose any major changes to our waiver in the extension application. The waiver will continue to adhere to the guardrails established by Section 1332.

In 2018, the Maryland General Assembly passed bipartisan legislation, signed into law by Gov. Larry Hogan, to establish the reinsurance program to address rising health insurance premiums in Maryland's individual market. On August 22, 2018, the Department of Health and Human Services and Department of Treasury approved Maryland's application to waive the single risk pool requirement in the individual market under section 1312(c)(l) of the Patient Protection and Affordable Care Act in order to implement a state-based reinsurance program.

Following federal approval of the state's original 1332 waiver application, MHBE, in consultation with the Maryland Insurance Administration, implemented a state reinsurance program beginning January 1, 2019. The reinsurance program has been critical to stabilizing our individual health insurance market, resulting in 2023 average rates that are more than 25% lower than 2018, the year prior to the program's launch. These lower rates have helped to drive significant increases in enrollment in the individual market, which grew more than 22% between June 2019 and June 2022.

A waiver extension will support Maryland's continued success in making health insurance more affordable and accessible to Marylanders. Thank you in advance for considering our application, which we intend to submit by March 31, 2023. We look forward to engaging with you in the coming months.

Sincerely,

A handwritten signature in black ink that reads "Michele Eberle".

Michele Eberle  
Executive Director  
Maryland Health Benefit Exchange