



MHBE

2024 Value Plan Workgroup

August 20, 2024

12:00PM – 1:30PM

Online Via Google Meets

Members Present:

Nikki Blake

Ken Brannan

Evalyne Bryant-Ward

Matthew Celentano

Steven Chen

Ashton Nicole DeLong

Stephanie Klapper

Allison Mangiaracino

Lisa Solomon

Tim Ross

Brian Espindola

Brandy Guy

David Stewart

Justin Giovannelli

Richard Amador

Staff

Becca Lane

Adam Zimmerman

Amelia Marcus

Pooja Singh

Michele Eberle

Amy Barley

Andrew York

Johanna Fabian-Marks

Kathleen McGuire

Members of the Public

Tekeyah Threat

Becca Lane, Senior Health Policy Analyst at the Maryland Health Benefit Exchange (MHBE), welcomed attendees to the meeting.

Vote on Minutes

Ms. Lane called for a motion to approve the minutes of the Workgroup's August 6 meeting. Evalyne Bryant-Ward moved to approve the minutes of the August 6, 2024, Value Plan Workgroup meeting as presented. David Stewart seconded. The Workgroup voted unanimously to approve the minutes.

Ms. Lane then reviewed the agenda for the meeting. She noted that, while she had previously discussed bringing the group a presentation on additional data regarding 2024 Value Plans, the MHBE determined that it would complicate the voting process since there is not sufficient data to draw conclusions in a way that could inform 2026 plans, so they have instead decided to focus solely on finalizing the 2026 Value Plan recommendations during this meeting. She added that the MHBE can follow up later with more information about previous Value Plan performance if Workgroup members have an interest in it.

Revised Draft Designs

Next, Ms. Lane presented the next round of 2026 Value Plan designs. Detailed slides are available in the presentation for this meeting. The first major update is that the Bronze plan's copay for laboratory services, which the previous draft designs set at \$45, has been raised to \$55 in response to carrier feedback indicating the \$45 figure would place the plans out of their respective actuarial value (AV) ranges. Additionally, the MHBE filled in the standardized cost sharing services included at the bottom of each plan design matrix, which are services that cannot be plugged into the federal AV calculator. Based on carrier feedback, the MHBE has aligned the cost sharing levels for two categories of major pediatric dental services that fall under this umbrella, Classes III and IV, at the industry standard of 50% coinsurance for each, rather than the 20% level for Class III and 50% for Class IV at which they had been set in 2025 and the 20% for each that was proposed over email prior to the meeting.

Ms. Lane continued by walking through a matrix comparing each 2026 Value Plan's parameters to those of the corresponding 2025 Value Plan. She showed that the cost sharing for laboratory services has been reduced from \$80 in the 2025 Base Silver and Silver 73 plans to \$45 in the 2026 versions of these plans, while cost sharing for the same type of service in the Bronze plan has been reduced from \$80 in 2025 to \$55 in 2026. She also showed the standardized service categories that have been added, including Class III and Class IV pediatric dental services, priced at 50%. Additionally, the MHBE corrected a typo in the Bronze plan: previous versions of the Bronze design had indicated there is coinsurance for durable medical equipment and home health care services, but, in reality, there is no cost sharing after the deductible is paid because the maximum out-of-pocket cost and the deductible are the same,

Justin Giovannelli stated that he understands the interest in aligning the levels of coinsurance for major pediatric dental services but expressed curiosity regarding the rationale for setting the coinsurance level at 20% previously and what might be lost by raising the coinsurance level. Ms. Lane replied that the 50% figure is more commensurate with the cost of providing care for these costly services. She noted that other states have set the level for pediatric dental "major services" at 50%, and Maryland's split rates for Class III versus Class IV had been an outlier, and would continue to be an outlier if they were aligned 20%. She reiterated that the MHBE received lots of feedback in support of the 50% figure.

Mr. Giovannelli commented that the costly nature of Class III services is not an inherent reason to increase cost sharing for consumers.

Ms. Lane asked whether a representative from one of the parties that provided feedback in support of the 50% figure would speak to the issue. Allison Mangiaracino explained that setting cost sharing according to the price and value of a service is a principle of benefit design. She noted that, across commercial coverage and MHC standardized benefits, cost sharing is lower for preventive and diagnostic services and higher for major services, giving the examples of California's lower coinsurance level and Washington, D.C.'s lower copays in their standardized benefit designs.

Mr. Giovannelli asked why Maryland's system charges coinsurance for these types of services rather than the copays charged by D.C.'s standardized plans. Ms. Lane replied that the MHBE strove to use copays wherever possible because they allow consumers to more easily plan for costs but that the multitude of dental service types would necessitate setting a specific copay for each, which D.C. had the resources to do but which Maryland does not.

Mr. Stewart noted that payment for dental services is much more procedure-based and less condition-based than payment for medical services and that coinsurance makes sense for this reason, echoing that using copays would necessitate individual copay amounts for each service.

Mr. Giovannelli asked for confirmation that D.C. does have specific copay amounts for each service, noting that the shift to a 50% level of coinsurance will be a substantial change from what has been in place for several years. He also stated his understanding that this figure does not affect a plan's AV.

Mr. Stewart asked for feedback from the carriers on whether raising the coinsurance rate is a measure to help recruit dentists to join and remain in their networks, commenting that dental network adequacy is an issue in his area and may be in others. Matthew Celentano replied that network participation is a separate conversation, stating that all dental carriers currently adhere to network adequacy standards and that the proposed change to the coinsurance level would have no impact on network participation.

Ms. Lane stated that the Workgroup may vote to keep the coinsurance level for Class III at 20% and to revisit the conversation around aligning Classes III and IV next year.

Richard Amador asked for confirmation that the proposed increase has nothing to do with keeping the value within the acceptable AV range. Ms. Lane asked for feedback from the carriers on this point, and guessed that this figure affects a plan's AV just like any other factor, despite the fact that it cannot be directly entered into the AV calculator. [Correction: Additional standardized service categories do not impact AV but may impact premiums.]

Mr. Amador commented that there is a great deal of interest in Maryland in the topic of access to major dental services, especially given the high-profile 2007 case of Deamonte Driver, a child who died due to untreated tooth abscesses.

Mr. Celentano agreed with Ms. Lane's point that all plan parameters influence a plan's AV and with Mr. Amador, noting that the Deamonte Driver tragedy remains a focus across state agencies and praising the state's progress in expanding dental access. He stated that the record dental enrollment figures on MHC in recent years are due in part

to inexpensive premiums, emphasized the value of preventive care, and expressed optimism about the continuation of the state's dental coverage gains. Finally, he noted that the Value Plans represent only a small subset of the full dental marketplace, making these changes unlikely to upset the marketplace. He recommended moving forward with the proposed changes, characterizing them as a common-sense solution.

Michele Eberle, Executive Director of the MHBE, asked if Lewis & Ellis (the MHBE's actuarial services contractor) or the Maryland Insurance Administration (MIA) weighed in on the impact of the proposed changes to major dental service coinsurance levels on the plans' AVs. Ms. Lane replied that she has yet to receive Lewis & Ellis' feedback on this change, explaining that they typically provide those notes after running the main group of services through the AV calculator. She stated that she would discuss the question with Lewis & Ellis.

Ms. Eberle asked for confirmation that the Workgroup will have one more meeting after this one. Ms. Lane replied in the affirmative.

Ms. Eberle suggested the MHBE consult with Lewis & Ellis and the MIA regarding the proposed change and provide the Workgroup with their perspectives. Ms. Lane agreed.

Next Steps

Ms. Lane stated that she will seek more information on the items discussed and bring her findings to the Workgroup for the next meeting on September 3. She showed the timeline of next steps. The September 3 meeting is the Workgroup's last opportunity to vote on its recommendations without scheduling additional meetings, after which the recommendations will be presented to the Standing Advisory Committee on September 12 and to the MHBE Board of Trustees on September 16. The Workgroup will then meet again after the federal AV calculator is released to discussed additional changes before the designs are brought to the Board of Trustees in Spring 2025.

Ms. Mangiaracino added that, in addition to Lewis & Ellis' perspective, it would be helpful to examine how out-of-pocket cost sharing for the major classes of pediatric dental services functions in other plans on the Maryland marketplace and in standardized plans in other states, such as California and D.C. Ms. Lane agreed. Ms. Mangiaracino offered to send information from her organization's participation in other state-based exchanges.

Ms. Lane closed by encouraging Workgroup members to examine the draft designs and to provide any additional feedback as soon as possible.

Public Comment

No comments offered.

Adjournment

The meeting adjourned at 1:30 PM.

Chat Log

00:05:36.299,00:05:39.299

Kenneth's Notetaker: Hi, I'm an AI assistant helping Kenneth Brannan take notes for this meeting. Follow along the transcript here:

https://otter.ai/u/slcr0Qu_aGMAAtUc9NWQHqKV6u0?utm_source=va_chat_link_1

You'll also be able to see screenshots of key moments, add highlights, comments, or action items to anything being said, and get an automatic summary after the meeting.

00:16:23.297,00:16:26.297

Nikki Blake: The 215 number was me (Nikki Blake). I am on my computer now

00:17:33.581,00:17:36.581

Kenneth's Notetaker: Hi, I'm an AI assistant helping Kenneth Brannan take notes for this meeting. Follow along the transcript here:

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