

Policy Update

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Maryland Health Benefit Exchange

May 16, 2022

Agenda

1. Young Adult Subsidy - Proposed 2023 Program Parameters
2. Final Enrollment Period Regulations
3. Actuarial Services Contract Award

Young Adult Subsidy - Proposed 2023 Program Parameters

Program Status

Total Auto Renewed Enrollees	Total New Enrollment	Average Subsidy PMPM	Estimated Subsidy Cost	Remaining Enrollment Available
20,303	10,663	\$41.13	\$13,169,030	19,772

Data as of May 3, 2022

2022 Young Adult Subsidy Program Parameters

Eligibility

- Age: 18-34 (18 or older; younger than 35)
- Income: ≤400% FPL, ineligible for Medicaid
- Eligible to enroll through MHC
- Enrolled through MHC
- Enrollment cap if projections indicate that budget may be exceeded

Subsidy Design

- Reduce the maximum expected contribution by 2.5% between ages 18 and 30
- For ages 31 to 35, reduce the 2.5% reduction by 0.5% each year

Expected Contribution (EC) for Benchmark Plan

% FPL	Federal EC	Proposed MD Young Adult EC					
		18-30	31	32	33	34	35
		-2.5%	-2.0%	-1.5%	-1.0%	-0.5%	-0.0%
≤150	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
200	2.00%	0.00%	0.00%	0.50%	1.00%	1.50%	2.00%
250	4.00%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%
300	6.00%	3.50%	4.00%	4.50%	5.00%	5.50%	6.00%
400	8.50%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%

2023 Proposed Young Adult Subsidy Program Parameters

MHBE staff recommend maintaining the 2022 parameters for 2023 as shown on the previous slide, with one modification pursuant to HB 937:

- The young adult subsidy will be expanded to cover the non-EHB portion of premium for recipients who have a 0% expected contribution

Expected Contribution (EC) for Benchmark Plan

% FPL	Federal EC	MD Young Adult EC					
		18-30	31	32	33	34	35
		-2.5%	-2.0%	-1.5%	-1.0%	-0.5%	-0.0%
≤150	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
200	2.00%	0.00%	0.00%	0.50%	1.00%	1.50%	2.00%
250	4.00%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%
300	6.00%	3.50%	4.00%	4.50%	5.00%	5.50%	6.00%
400	8.50%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%

2023 Proposed Young Adult Subsidy Program Parameters - Impact

- MHBE worked with Lewis & Ellis and MIA to model expected enrollment and program cost for 2023
- Enrollment increase expected because of family glitch change, program phase-in, and Medicaid unwinding

Scenario	Projected YA Enrollment Receiving Subsidies	Projected YA Subsidy Program Cost	Projected Subsidy PMPM
2022 YTD	31,231	\$13,169,030	\$41.13
2023 –ARPA	48,095	\$17,945,995	\$43.04
2023 - No ARPA	43,662	\$17,692,356	\$52.22

Next Steps

- May 16: Board votes on proposed 2023 parameters
- May 16-June 10: Public comment period
- June 21: Board votes on final 2023 parameters

Request to Approve Proposed 2023 Young Adult Subsidy Program Parameters

MOTION: I move to [approve/defer/reject] the proposed young adult premium subsidy parameters for plan year 2023 [as presented] *or* [as amended].

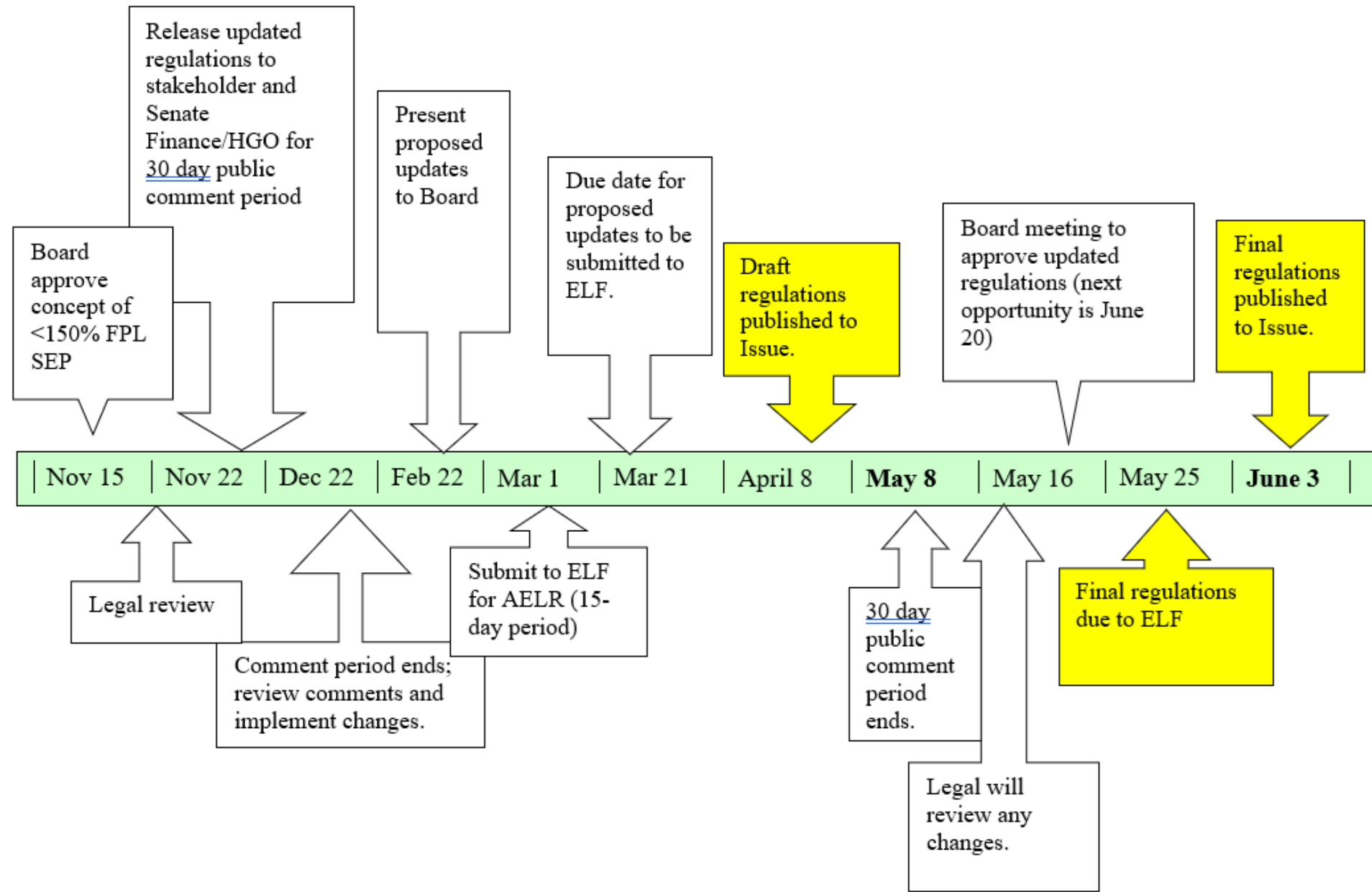


Final Enrollment Period Regulations

Enrollment Period Regulations

- Update enrollment regulations to:
 1. Align with federal special enrollment period (SEP) regulation updates at 45 CFR §155.420
 - Includes establishing a year-round SEP for people $\leq 150\%$ FPL
 2. Reflect recent SEPs established in state statute (Easy Enrollment, Pregnancy)
 3. Align SEPs with Exchange operations
 4. Update Open Enrollment dates to Nov. 1 – Jan. 15
- No comments received during public comment period.

Timeline



Request to Approve Final Regulations

MOTION: I move to [approve/defer/reject] the enrollment period regulations for final publication in the Maryland Register [as presented] *or* [as amended].

The background is a solid green color with a faint, stylized pattern of overlapping leaves or petals in a lighter shade of green. The pattern is centered and extends across the width of the page.

Actuarial Services Contract Award

Background

- The current actuarial services contract ends June 30, 2022.
- The new actuarial services contract scope of work includes:
 - State reinsurance program modeling
 - Modeling to support updates to our 1332 waiver application
 - Affordability program modeling
 - Other actuarial support as requested by MHBE
- The new actuarial services contract is for a one-year base with two one-year renewal options, with a not-to-exceed amount of \$200,000 per year.
- MHBE received one bid, from Lewis & Ellis, Inc.

Request to Approve Contract Award

MOTION: I move to [approve/defer/reject] award of the Actuarial Services Contract to Lewis & Ellis, Inc. for the base contract year of July 1, 2022, to June 30, 2023, with a not-to-exceed amount of \$200,000 per year and \$600,000 total for the base year and two one-year option year renewals [as presented] or [as amended].