Standing Advisory Committee Meeting

October 10, 2019

MARYLAND HEALTHBENEFIT EXCHANGE

Agenda

- Welcome and Executive Update
- 2021 Open Enrollment Deep Drive
- 2020 Health and Dental Plans
- 2021 Proposed Plan Certification Standards
- 2019 SHOP Advisory Committee Membership Changes and Application Process
- Public Comment
- Adjournment

Executive Update

Marketing & Outreach OE7 Plan

Maryland Health Benefit Exchange

Plan Management Stakeholder Committee Meeting

September 2019

COLLABORATIVE MARKETING AND OUTREACH PLANS

MHBE + GMMB marketing agency + Regional Consumer Assistance Organizations (CEs)

1-hour calls to review:

- Preliminary media plans (MHBE and CE)
- Message and content needs
- Statewide event needs
- Community-based forums
- Story collection efforts

Late August, early September

Objectives

- Increase enrollment in Qualified Health Plans – particularly among African American, Hispanic/Latino, and young adult Marylanders.
- Implement previously successful as well as new targeted outreach to hard-to-reach uninsured populations.
- Increase awareness of Maryland Health Connection as a trusted agency, emphasizing rate stability and consumer privacy.

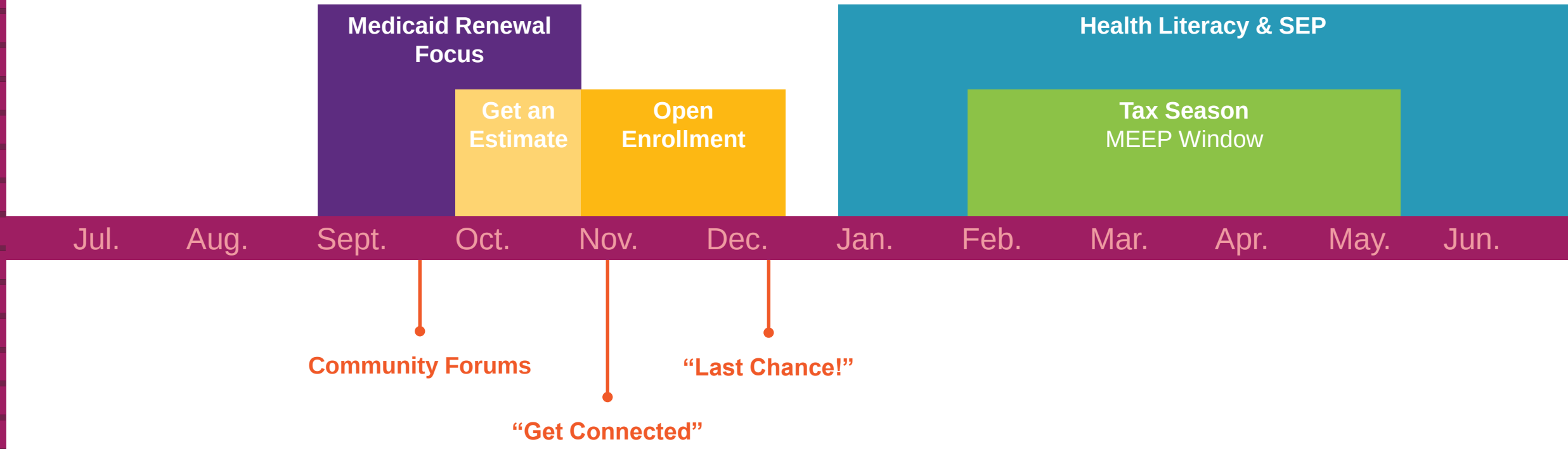
Priority Audiences

- QHP-eligible uninsured (138-399% FPL)
  - Young adults
  - African American Marylanders
  - Hispanic/Latino Marylanders
  - Rural, with an emphasis on the Upper Eastern Shore & Southern regions

Secondary Audience

- Medicaid-eligible uninsured

Marketing opportunities throughout the year



Research

Market Research: Understanding perceptions among young adults

- Critical enrollment population; largest uninsured demographic
- Shifting population
- Latest research is from 2014

Stakeholder Interviews: Hispanic community leaders/Understanding the immigrant community in 2019

- 45-minute interviews by phone or in-person
- 8-10 community leaders with varying roles (nonprofit, health, media, faith)

Content Objectives

1. **Increase** health insurance literacy among Marylanders, including awareness of new opportunities for coverage
2. **Reach** minority and young adult populations with tailored content
3. **Meet** content needs of consumer assistance organizations, partners, and elected officials

Reuse Successful Think Again TV Spot

Content Ideas

- Produce “About Maryland Health Connection” video in variety of languages for evergreen, educational use
- Develop collateral for tax preparers, promoting Maryland Easy Enrollment Program and tax-time special enrollment
- Develop newspaper insert detailing regional in-person help locations
- Produce 30-second Spanish-language video that can be used as ad content
- Create branded GIF library for Instagram and Facebook stories
- Produce social media graphics in additional languages
- Create a “Get an Estimate” video by screen-capture, demonstrating the quick and easy tool
- Produce “Meet a Navigator” content to promote events and availability of in-person help, address FAQs

Toolkits

Building on the success of the new, e-toolkits used in OE6, we will prepare easy-to-use content for connector entities, partners, elected officials, and other stakeholders.

Potential toolkits:

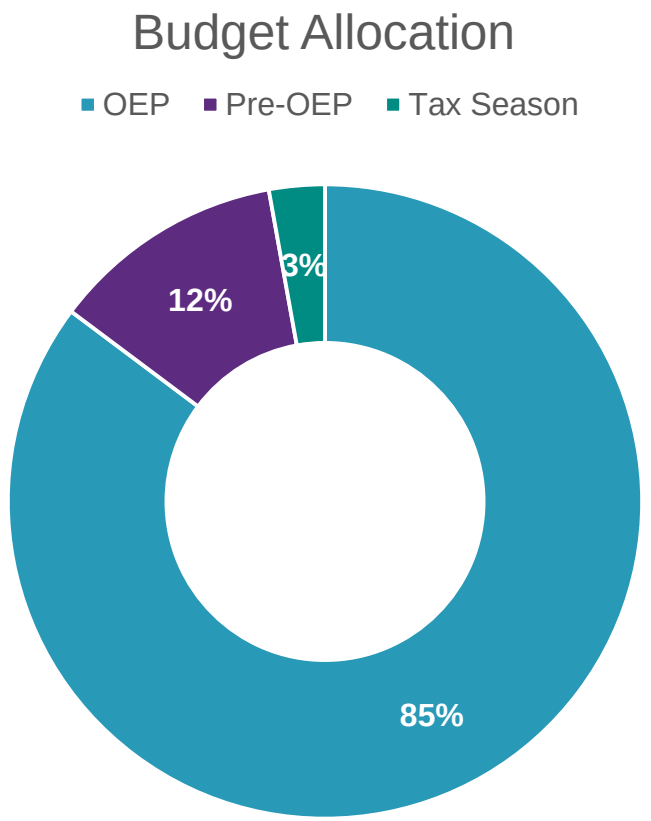
- Window-shopping opens in early October
- Open enrollment
- Get Connected events
- Last Chance! events

Toolkit content:

- Email copy with easy steps
- Social media posts
- Newsletter copy

Media Planning

- **Objectives**
  - Raise awareness of open enrollment and deadlines in geographies with high propensities of QHP-eligible uninsured audiences
  - Drive quality traffic to website to increase enrollment
- **Target audiences**
  - QHP-eligible, 138-399% FPL
  - Young adults (18-34)
  - Hispanic Marylanders
  - African American Marylanders



Statewide event weeks

Get Connected: Health Insurance Open House

Nov. 1-8

Meet a navigator; prepare to enroll; schedule an appointment

Last Chance!

Dec. 9-15

On-site enrollment assistance

Carriers/brokers included if space allows.

Materials

- Template flier
- Social media posts

Community-driven forums

Building off the regional forums' success, we will host community-driven forums to further engage community leaders and organizations serving key populations, creating a space for dialogue so that we can understand their needs and they can learn more about MHC.

Event Details	Hispanic/Latino	Faith
Timing	Week of Sept. 25 during Hispanic Heritage Month	Early October
Location	Montgomery County	Baltimore
Potential Co-Hosts	Latino Health Initiative (existing convener)	HBCU
Potential Invitees	Community leaders Community organizations Service-providers Spanish-language media	Faith leaders across denominations Black and Hispanic community leaders Local media Micro-influencers

Awareness events

We are in the process of securing or exploring:

- Maryland Business Innovation Association
- Maryland Realtors Annual Conference and Trade EXPO
- Festival Salvadoreñísimo de la Independencia
- Hispanic Health Festival & Resources
- The National Folk Festival Salisbury, MD
- Fiesta DC
- Frederick Oktober Fest
- El Zol Health Fair
- Fells Point Fun Festival
- Harvest Festival and Business Fair
- 2019 Maryland Rural Health Conference
- TEDCO's Entrepreneur Expo 2019
- BBJ 2019 Fall Business Growth Expo

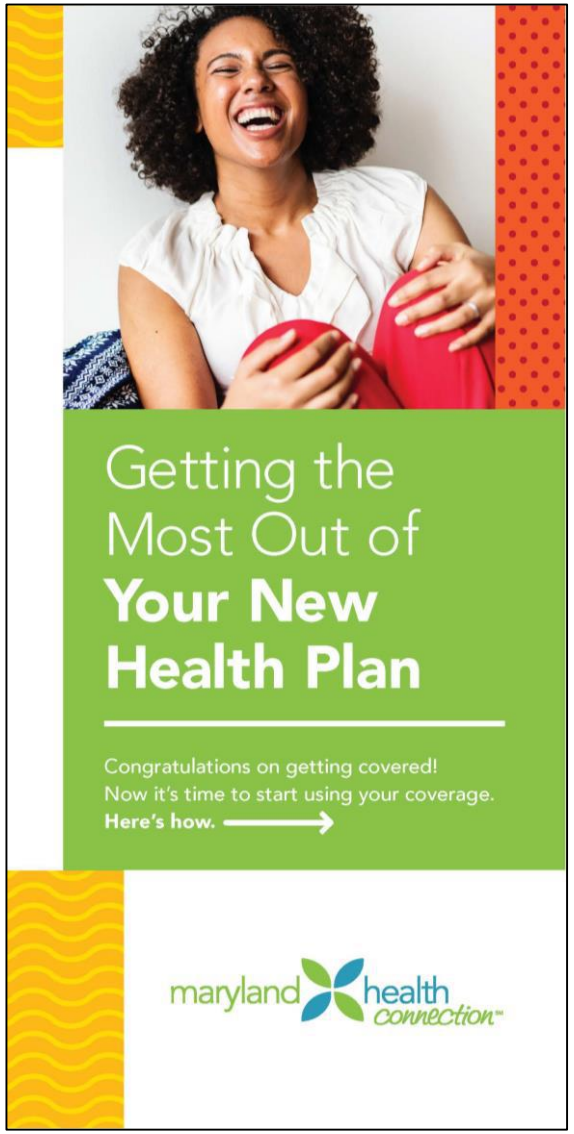
IN THE WORKS

Giveaways

- Evaluating most popular items to prioritize orders.
- Reverting back to POs to the lowest priced vendor rather than a contract that binds us to predicting what we will need for the year.

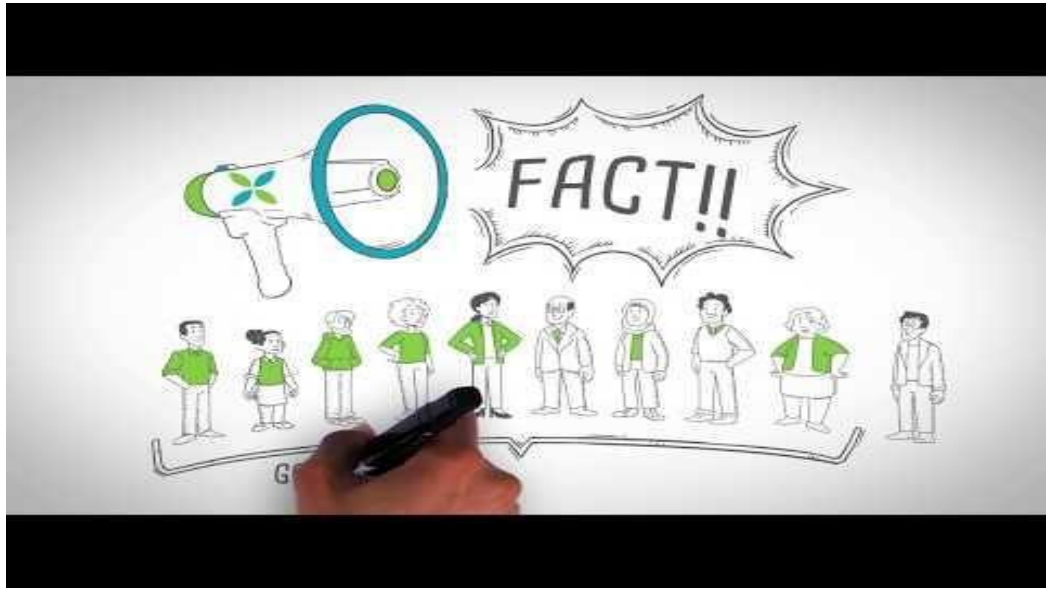
Brochures

- Open Enrollment brochures (new)
  - Printed/delivered to 150+ locations: libraries, hospitals, courthouses, health departments, state agencies, job centers, Department of Social Services, school-based health centers and consumer assistance organizations
- Special Enrollment Period brochures (reprint)
- Getting the Most Out of Your New Health Plan



Videos

Spanish-speaking navigator



How to Estimate Income When You Don’t Know What It Will Be

MEDIA PLAN OVERVIEW

Campaign Parameters

Goal: Increase awareness of Maryland Health Connection and enrollment in Qualified Health Plans (QHP) among remaining eligible populations.

Target Audience: Uninsured Marylanders, with targeted placements to reach:

- QHP-eligible, 138%-400% FPL
- Young Adults (18-34)
- Hispanics
- African Americans

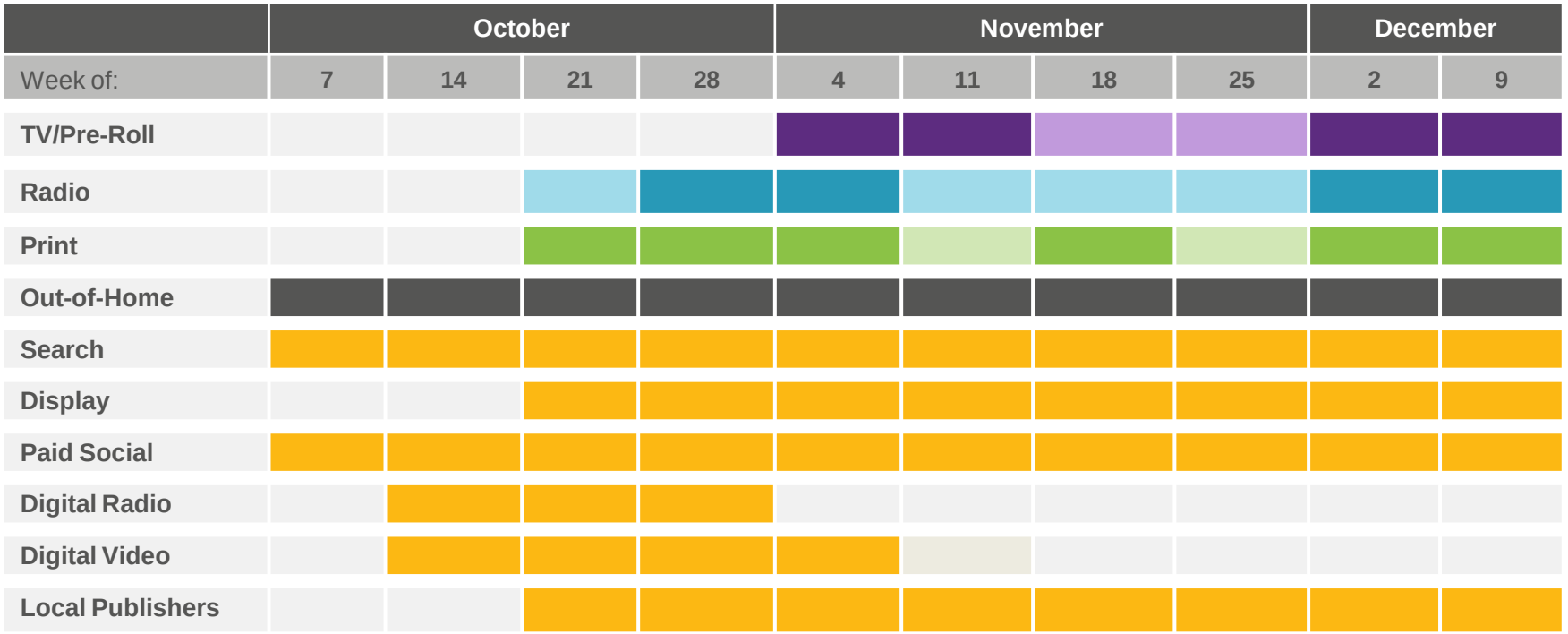
Timing: Monday, Oct. 7 – Sunday, Dec. 15, 2019

Budget: $1.7 million

Our Approach

- **Television**: Statewide coverage, excluding the DC market where we will target geographically dense/efficient portions of the market. New: Expansion of Univision Partnership to include :30s spot.
- **Radio**: Top targeted markets and additional radio to include difficult-to-reach geographies, giving us statewide reach with radio. New: Statewide weather sponsorships and an interview opportunity that will air across 48 stations.
- **Print**: Targeted publications to reach the African American and Hispanic communities. New: Inserts featuring locations offering in-person help.
- **Out of Home:** We will continue placements in grocery stores with carts and floor decals, along with billboards, continuing to utilize movie theater advertising as the holiday season is a great time to be in theaters. New: Gas station TV as a way to reach targets with our message via video.
- **Digital**: Hyper-targeting uninsured audiences and driving quality traffic to MarylandHealthConnection.gov. New: Digital placements on Hulu Connected TV, homepage takeovers, Instagram stories and more.

Advertising Flights



Paid Media Plan

TYPE	MARKET	10/7	10/14	10/21	10/28	11/4	11/11	11/18	11/25	12/2	12/9
TV	Baltimore					X	X			X	X
	Salisbury					X	X			X	X
	DC Cable					X	X			X	X
	VOD/MD Public TV/Univision					X	X	X	X	X	X
RADIO	Baltimore General				X	X				X	X
	Baltimore AA			X	X	X				X	X
	Salisbury General				X	X				X	X
	Salisbury AA			X	X	X				X	X
	Rural/Statewide Network		X	X	X	X	X	X	X	X	X
	DC General				X	X				X	X
	DC AA			X	X	X				X	X
	DC/Baltimore Hispanic			X	X	X				X	X
PRINT	African American/Hispanic			X	X			X		X	X
OUT OF HOME	Grocery Stores	X	X	X	X	X	X	X	X		
	Gas Station TV		X	X	X	X	X	X	X	X	
	Billboards					X	X	X	X		
	Movie Theaters					X	X	X	X	X	X
DIGITAL	Awareness	X	X	X	X						
	Conversion				X	X	X	X	X	X	X

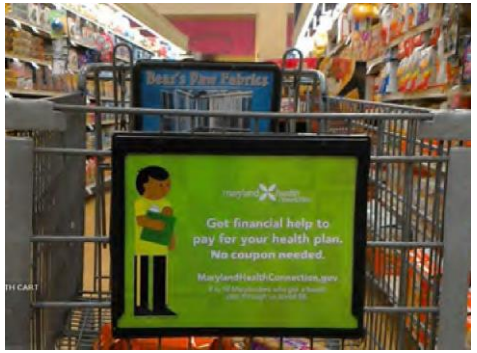
TRADITIONAL MEDIA

Traditional Media Overview

- **Strategy:** Raise awareness about open enrollment window and deadlines in targeted geographies and among targeted populations.
- **Tactics:**
  - Television: Statewide coverage excluding the DC market, where we will target geographically dense efficient portions of the market.
  - Radio: Top targeted markets and rural radio, including a statewide News/Farm network to increase our reach in rural areas.
  - Print: Targeted publications to reach the African American and Hispanic communities.
  - Out of Home: Reaching audiences at multiple points during their day via grocery stores, gas stations, billboards, and movie theaters.
- **Timing:** 10/7-12/15
- **Budget:** $1.325M

Out of Home

CE	Movie Theaters	Billboards	Grocery Stores	Gas Station TV
Far Western	X	X	X	X
Mid-Western			X	X
Capitol North			X	X
Capitol South			X	X
Central			X	X
Southern	X	X	X	X
Upper Eastern Shore	X	X	X	X
Lower Easter Shore	X	X	X	X



DIGITAL MEDIA

Overview

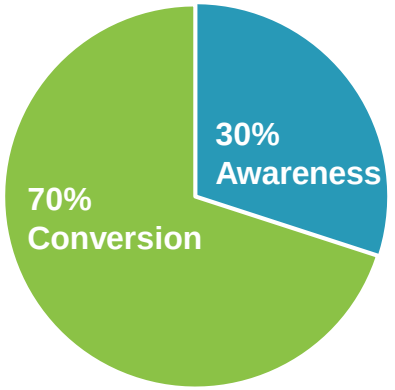
- **Strategy:** Reach target audiences through surround sound advertising on a full range of audio, display, social and video platforms. Ads will target users during the highest level of intent: when they are searching for information about health insurance and enrollment.

- **Tactics**: We will use a variety of targeting tactics to reach the uninsured population in Maryland within digital ecosystem, including:

  - Multi-screen (with heavy emphasis on mobile)
  - Demographic – Age, HHI
  - Geographic – Statewide, heavy-up based on PUMA data, rural
  - Behavioral – Utilizing first- and third-party data to reach our audiences
  - Contextual – Reach people at the precise moment they are consuming relevant content
  - Retargeting – those who land on the homepage but did not click on the “Create an account” or “Sign in” buttons will be served ads to remind them to complete the process of enrollment

- **Timing:** Awareness: 10/7-11/3; Conversion: 11/1-12/15

- **Budget:** $375k



Video

Use premium and pre-roll video to raise awareness among target audiences across devices to prime them with information about how and where to sign up for insurance during the open enrollment period. Targeting tactics can include interest, language, geographic, demographic, placement, contextual and retargeting.

YouTube:

- Ad Units: :30 video
- Timing: 10/14-11/10
- Impressions: 952,381
- CPM: $12
- Budget: $20,000

Hulu: By advertising alongside premium video content, we are able to reach a more engaged and diverse audience using precise demographic, location and interest data.

- Ad Units: :30 video
- Timing: 10/14-11/10
- Impressions: 1,323,529
- CPM: $34
- Budget: $45,000

Paid Social Media: Facebook and Instagram

User supplied and verified demographic data will allow the campaign to reach audiences through various methods of targeting at cost-effective CPMs. We will use Website Click and Video ad formats to drive traffic to Maryland Health Connection.

- Audiences: Adults 18-64, Young Invincibles, African American, Hispanics
- Timing: Awareness: 10/7-11/3; Conversion: 11/1-12/15
- Impressions: 14,666,666
- CPM: $6-10
- Budget: $100,000

Paid Social Media: Twitter

African Americans are one of the most active user segments. 28% of Twitter users are African-American and 20% “self-identify” as using Black Twitter. We can also add in keyword and conversation targeting to capture anyone talking about health insurance/open enrollment during the campaign window.

- Audiences: African Americans, Adults 18-64, Young Invincibles
- Timing: Awareness: 10/21-11/3; Conversion: 11/1-12/15
- Impressions: 1,600,000
- CPM: $5
- Budget: $8,000

Digital Radio: Pandora

Pandora is a leading music platform, with 2.5 million monthly visitors (Maryland statewide). We will utilize demographic, and geo-targeted counties to reach the target audiences through video on desktop, mobile and tablet.

- Audiences: Uninsured Adults 18-64, Young Invincibles who are uninsured, African Americans, Hispanics
- Timing: 10/14-11/3
- Impressions: 1,086,957
- CPM: $23
- Budget: $25,000

MEASURING SUCCESS

Key Performance Indicators

- **Traditional media** through television, radio and print will drive awareness, measured by reach.
- **Digital media** will drive awareness and drive quality traffic to the Maryland Health Connection website.
  - **Awareness KPIs:**

    - Impressions
    - Clicks
    - Click through rates
  - **Conversion KPIs:**

    - “Create account”
    - “Sign in”
    - “Get an Estimate”

2020 Health and Dental Plans

John-Pierre Cardenas, Director of Policy and Plan Management

MARYLAND HEALTHBENEFIT EXCHANGE

2020 Market Update – Health

- Average 2020 premiums are down 10.3% from 2019 and 22% from 2018.

Table 1. Lowest Cost Silver Plan Premiums, 40-yr old

Carrier	2018 Premiums	2019 Premiums	2020 Premiums	2018 – 2020 (%)
CareFirst HMO	$465	$383	$341	-26.7%
CareFirst PPO	$686	$626	$626	-8.7%
Kaiser Permanente	$373	$349	$366	-1.9%
TOTAL	$449	$385	$367	-18%

MARYLAND HEALTHBENEFIT EXCHANGE

2020 Market Update – Health

- Premium decreases are the greatest for Bronze and Gold plans
- Financial assistance will cover a larger portion of Bronze and Gold plan premiums.

Table 2. 2020 Rate Changes by Metal Level

Metal Level	CF HMO	CF PPO	KP	TOTAL
Bronze	-15.1%	-1.0%	-3.1%	-10.5%
Silver	-15.5%	-0.9%	-4.4%	-8.9%
Gold	-14.8%	-1.7%	-8.6%	-12.3%
Platinum	-	-	-6.3%	-6.3%
TOTAL	-14.7%	-1.4%	-5.0%	-10.3%

2020 Rate Scenarios

- Premiums have also decreased for those who receive financial assistance and are enrolled in bronze and gold plans

Table 3. 2020 Rate Scenarios with Percent Difference (%) from 2019 for KP & CF regions

Household	Income	APTC (%)	Bronze (%)	Silver (%)	Gold (%)
21	$25,000	$171.54 ($16.86)	$32.62 ($16.86)	$132.30 ($4.45)	$120.04 ($10.85)
64	$36,000	$637.64 ($52.85)	$4.62 ($52.85)	$273.88 ($15.62)	$237.10 ($30.28)
60, 55, 24, 19	$53,000	$1815.58 ($123.88)	$10.61 ($2.00)	$276.35 ($38.43)	$191.95 ($66.90)
40, 38, 16, 14, 8	$60,000	$452.22 ($43.74)	$73.18 ($20.34)	$314.67 ($12.41)	$283.73 ($26.20)
40, 38	$32,000	$615.02 ($43.34)	$3.89 ($0.73)	$151.87 ($12.01)	$120.93 ($26.60)

- CareFirst-only areas should expect a similar financial assistance experience as in past years.

MARYLAND HEALTHBENEFIT EXCHANGE

2020 Qualified Health Plan Landscape

- Value Plans reduce consumer out-of-pocket costs and increase access to before deductible services.
- Increased consumer choice of QHP options in 2020 (23 QHPs, +3 from 2019)
- Notable plan offering changes for CareFirst:
  - WITHDRAWN: BlueChoice HMO HSA $3000 Silver
  - NEW: BlueChoice HMO HSA $4000 Bronze

    BlueChoice HMO Value Bronze $6000

    BlueChoice HMO Value Silver $2250

    BlueChoice HMO Value Gold $1000

2020 Qualified Health Plan Landscape

Table 4. 2019 – 2020 Deductible and Out-of-Pocket Costs Comparison

	Deductible		Actuarial Value		% Rate
Metal Level	2019	2020	2019	2020	2019 - 2020
Bronze					
CareFirst–HMO	$7900	$4000 - $7900	58.5%	59.9% – 64.9%	-15.1%
CareFirst – PPO	$7900	$7900	58.5%	59.9%	-1.0%
Kaiser Permanente	$6000 - $6200	$6000 - $6200	61% - 61.8%	62.1% - 63.1%	-3.1%
Silver					
CareFirst – HMO	$3000	$2250	66.3%	71.8%	-15.5%
CareFirst – PPO	$3000	$3000	66.3%	67.6%	-0.9%
Kaiser Permanente	$2500 - $6000	$2500 - $6000	67.5% - 71.8%	68.2% - 71.9%	-4.4%
Gold					
CareFirst – HMO	$1750	$1000 - $1750	77.9%	78.9% - 79%	-14.8%
CareFirst – PPO	$1750	$1750	77.9%	79%	-1.7%
Kaiser Permanente	$0 - $1500	$0 - $1500	77.2% - 81.4%	77.6% - 81.4%	-8.6%%
Platinum					
Kaiser Permanente	$0	$0	88.8%	88.7%	-6.3%

2020 Value Plan Landscape

Table 5. 2020 Value Plan Requirements

Requirements	Bronze	Silver	Gold
Minimum offering	Issuer must offer at least 1 "Value" plan.	Issuer must offer at least 1 "Value" plan.	Issuer must offer at least 1 "Value" plan.
Branding	Required for 2020.	Optional.	Optional.
Deductible ceiling	No requirement. Lower deductibles are encouraged.	$2500 or less.	$1000 or less.
Services Before Deductible	Issuer may allocate no less than three office visits across the following settings: • Primary Care Visit (not including preventive care) • Urgent Care Visit • Specialist Visit	• Primary Care Visit • Urgent Care Visit • Specialist Care Visit • Laboratory Tests • X-rays and Diagnostics • Imaging • Generic Drugs*	• Primary Care Visit • Urgent Care Visit • Specialist Care Visit • Laboratory Tests • X-rays and Diagnostics • Imaging • Generic Drugs

2020 Value Plan Landscape

- Value Plans have lower out-of-pocket costs when compared with non-Value plan out-of-pocket costs.

Table 5. Value Plan vs. Non-Value Plan Out-of-Pocket Costs for Certain Scenarios.

Scenarios	Bronze		Silver		Gold	
	Value	*Non-Value*	*Value*	*Non-Value*	*Value*	*Non-Value*
CareFirst						
Having a baby	$6000	$6520	$3380	-	$1970	$2720
Managing Type-2 Diabetes	$5400	$5974	$3207	-	$1716	$2466
Simple Bone Fracture	$1900	$1900	$1900	-	$1090	$1840
Kaiser Permanente						
Having a baby	$7360	$6660	$4900	$5850	$3260	$4140
Managing Type-2 Diabetes	$6560	$6610	$2010	$3385	$1960	$2060
Simple Bone Fracture	$1900	$1900	$1800	$1850	$900	$1750

2020 Value Plan Landscape Findings

- Notable Value Plan Findings:
    - BlueChoice HMO Value Bronze $6000 offers the following before deductible:
        - Generic drugs
        - Outpatient Mental Health/Substance Use Disorder Treatment
        - Primary Care
        - Urgent Care
    - All Value Silver Plans offer Generic Drugs before deductible
    - KPMD Gold Value 0/20/Dental offers all drug tiers before deductible

2020 Stand Alone Dental Plan Landscape

- Average 2020 premiums are down -0.7%.

Table 6. 2020 Dental Rate Changes.

Carrier	Product	2020 Premiums	2019 – 2020 (%)
CareFirst	DPPO	$35	-0.3%
Alpha Dental	DHMO	$24	-1.4%
Delta Dental of PA	DPPO	$32	-2.5%
Dominion	DHMO + DPPO	$25	-5.7%
TOTAL		$32	-0.7%

2020 Stand Alone Dental Plan Landscape

- Four SADPs will offer 17 dental plans – 9 low tier (75% AV), 8 high tier (85% AV)

Table 6. 2020 Dental Rate Changes.

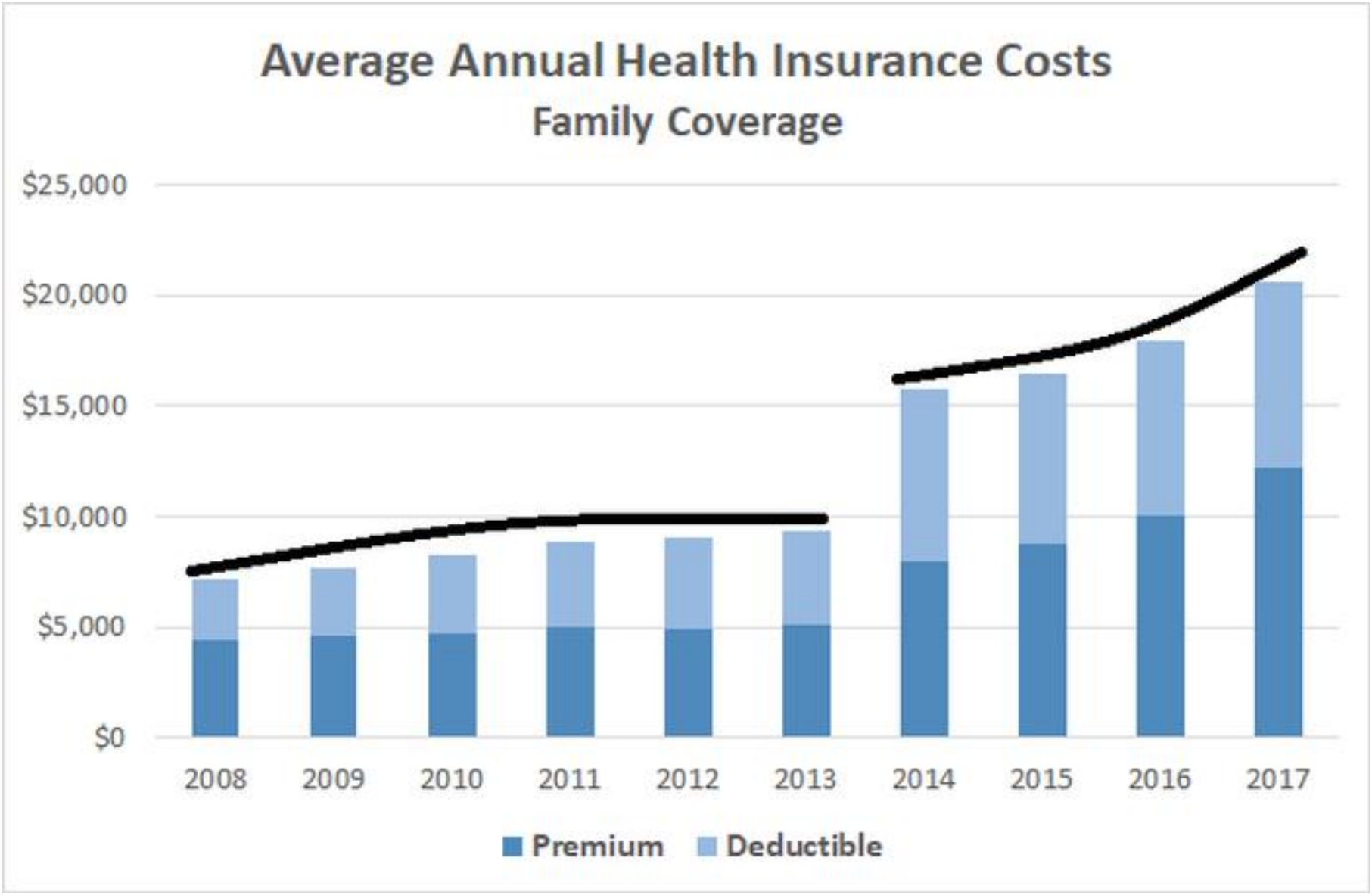
Carrier	Product	Low Tier	High Tier
CareFirst	DPPO	1	1
Alpha Dental	DHMO	1	1
Delta Dental of PA	DPPO	2	1
Dominion	DHMO + DPPO	4	4
TOTAL		9	8

- Dominion Dental will offer four child-only plans

Proposed 2021 Plan Certification Standards & MHBE Regulations

John-Pierre Cardenas, Director of Policy and Plan Management

MARYLAND HEALTHBENEFIT EXCHANGE



SOURCE: “The Most Important Health Insurance Chart You’ll Ever See,” The Motley Fool, Keith Spreights, 09/05/17

MARYLAND HEALTHBENEFIT EXCHANGE

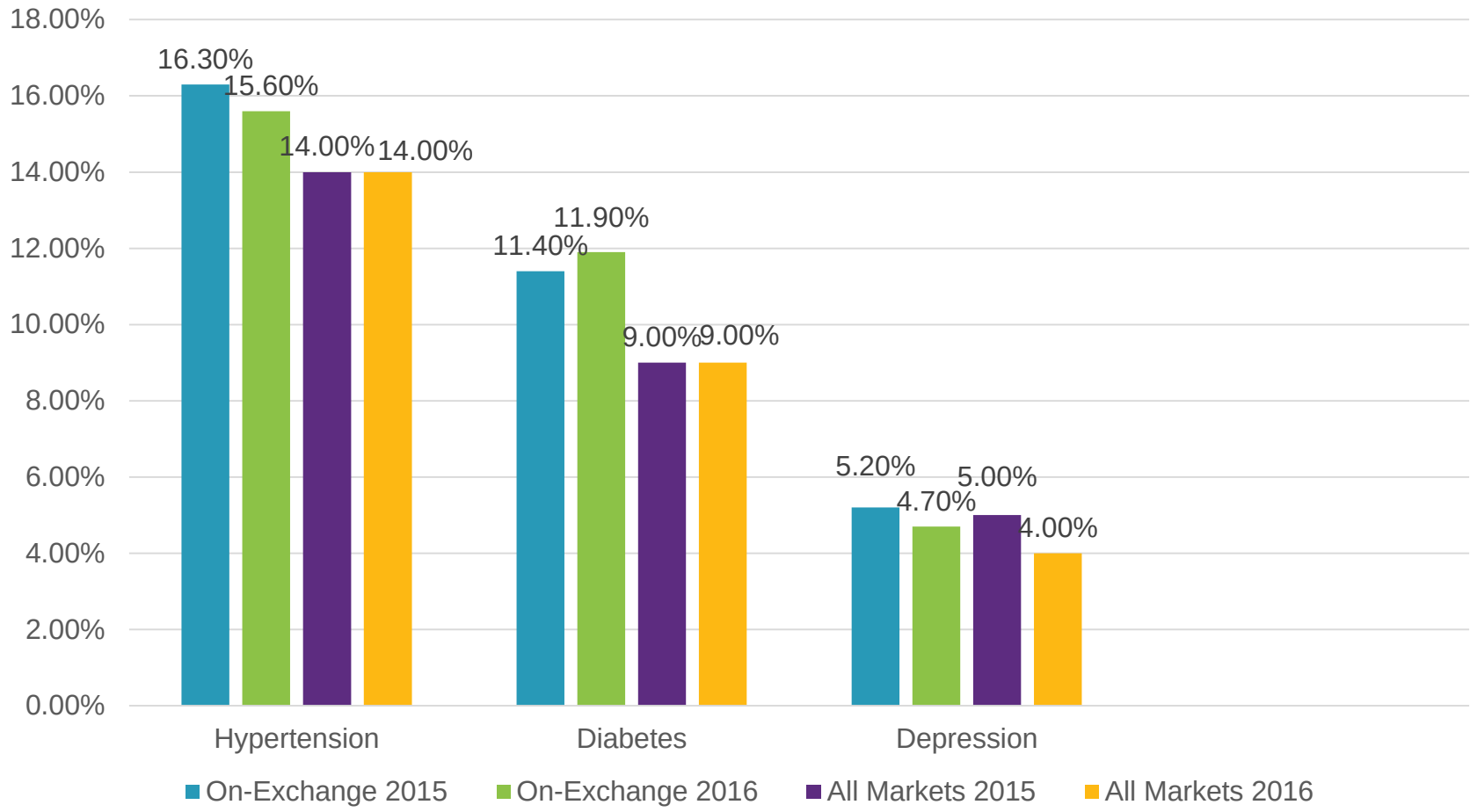
2021 Plan Certification Standards & Policy Concepts

- 2021 Plan Certification Standards & Policy Concepts seek to:

1. Build off improvements in 2020.
2. Establish reasonable consumer expectations for out-of-pocket costs.
3. Align consumer incentives for health care service utilization.
4. Increase enrollee effectuation rates in the individual marketplace.
5. Increase access to stand-alone dental coverage through Maryland Health Connection.

Proposed Value Plan Standards

2015 – 2016 Prevalence of Select Conditions.

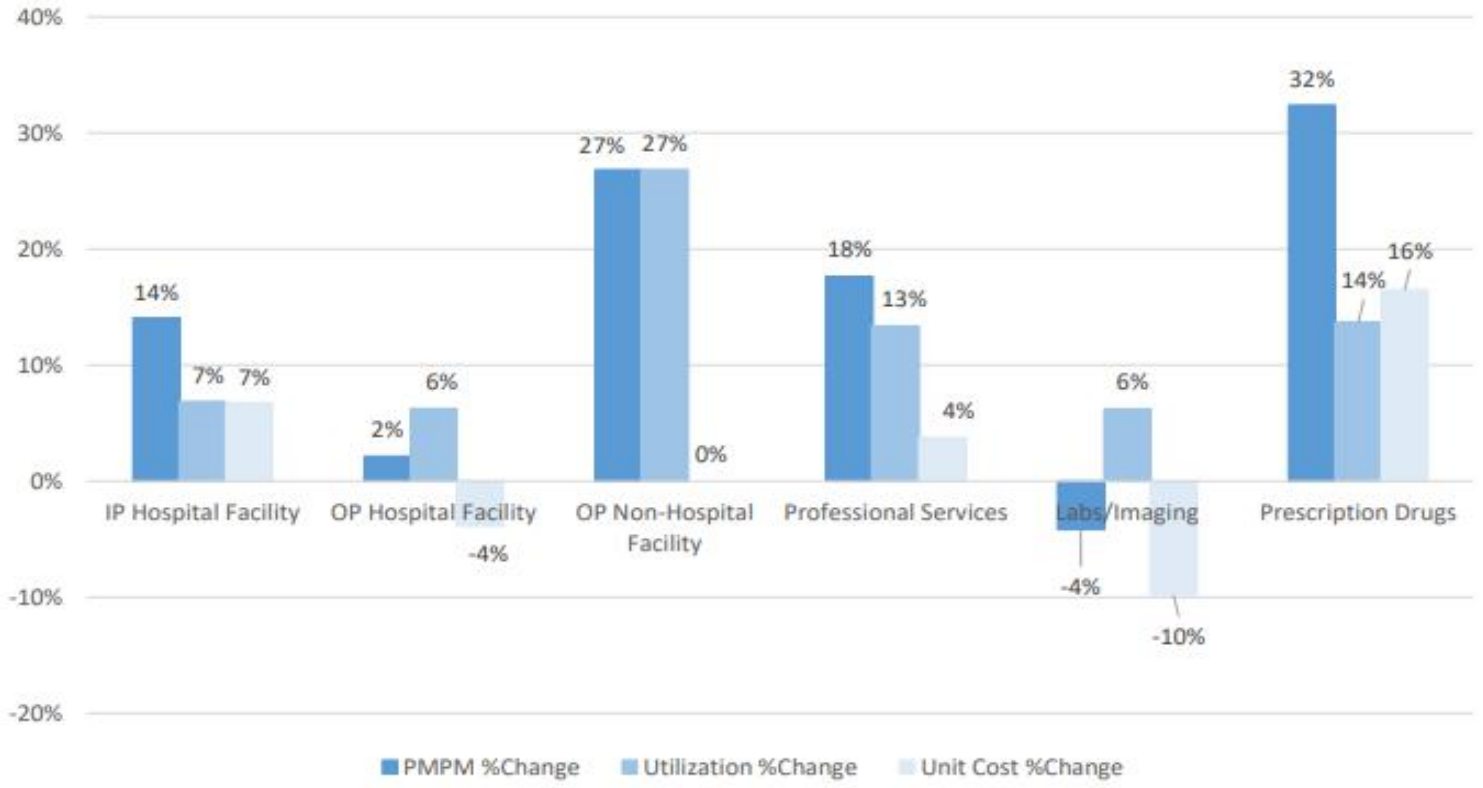


SOURCE: Spending and Use Among Maryland's Privately Insured (MHCC 2018 & 2019)

MARYLAND HEALTHBENEFIT EXCHANGE

2016 – 2017 Drivers of Spending Growth in the Individual Market.

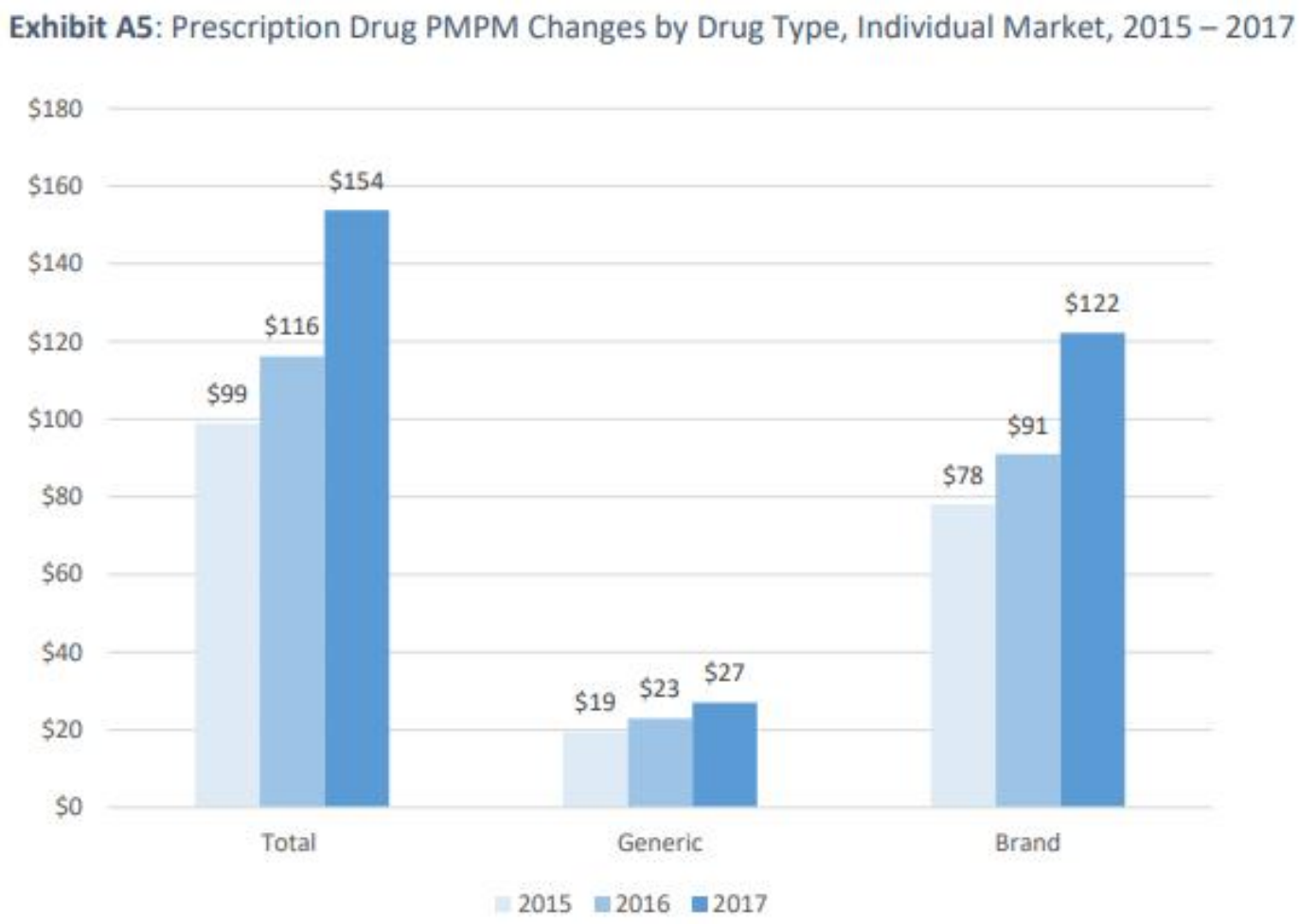
Exhibit 15: Annual Percentage Changes in PMPM Spending, Utilization per 1,000 Members, and Cost per Unit, by Service Category in the Individual Market (ACA-Compliant and Non-Compliant Plans): **2016 – 2017**



Note: (1) Results exclude Kaiser HMO plans.

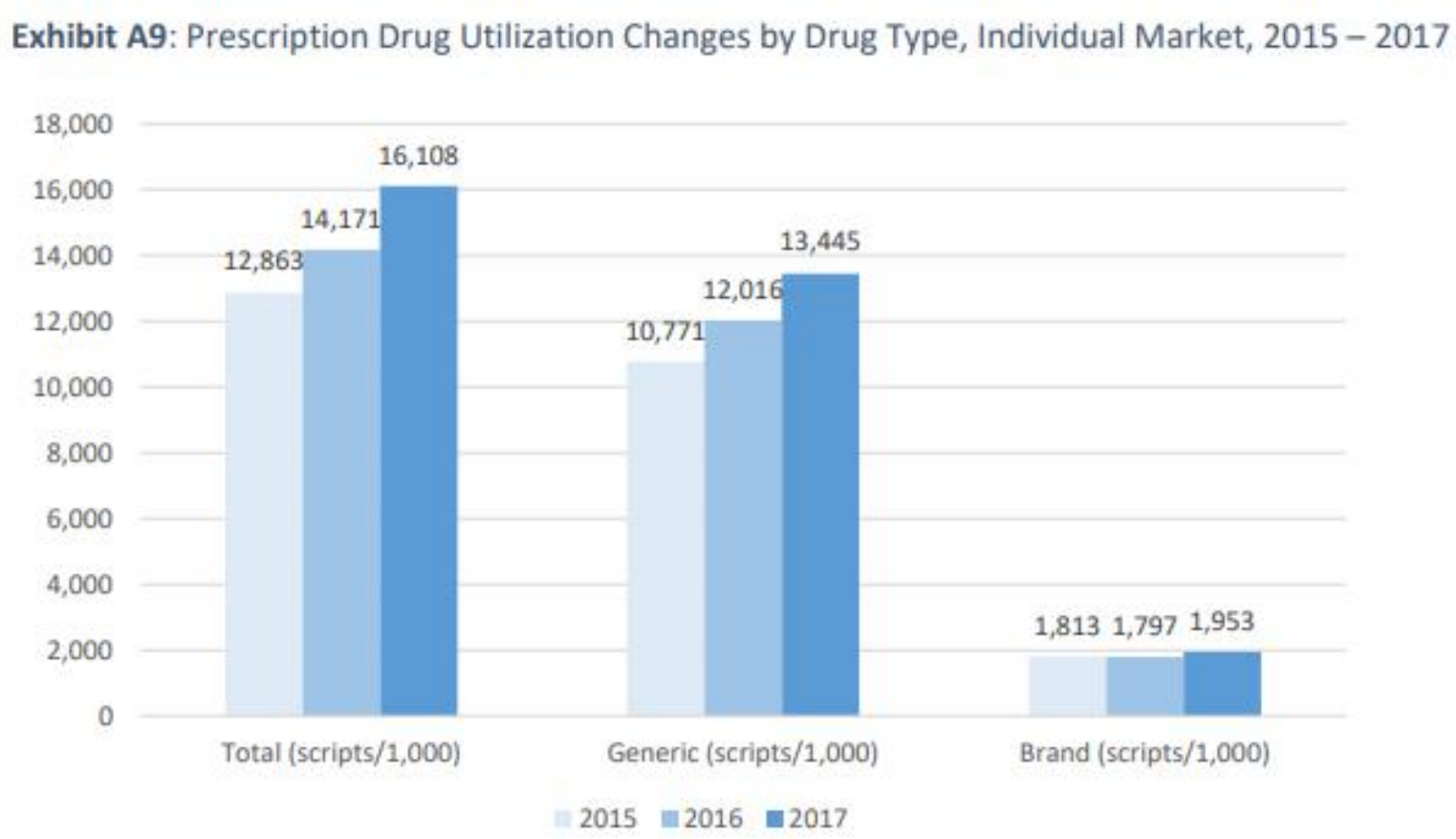
SOURCE: Spending and Use Among Maryland's Privately Insured (MHCC 2019)

2015-2017 Prescription Drug PMPM by Drug Type, Individual Market.



SOURCE: Spending and Use Among Maryland's Privately Insured (MHCC 2019)

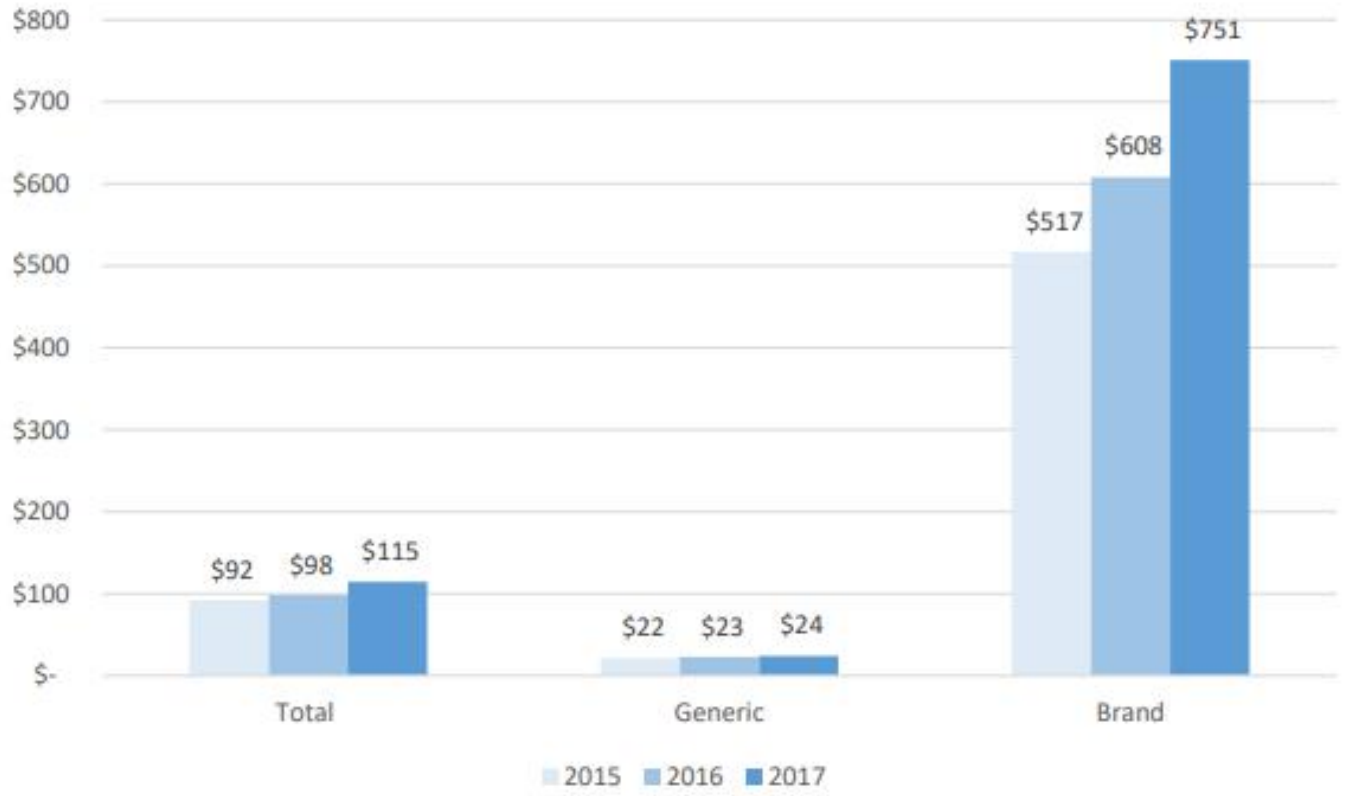
2015-2017 Prescription Drug Utilization by Drug Type, Individual Market.



SOURCE: Spending and Use Among Maryland's Privately Insured (MHCC 2019)

2015-2017 Prescription Drug Costs by Drug Type, Individual Market.

Exhibit A13: Prescription Drug Unit Cost Changes by Drug Type, Individual Market, 2015 – 2017



SOURCE: Spending and Use Among Maryland's Privately Insured (MHCC 2019)

MARYLAND HEALTHBENEFIT EXCHANGE

Expansion of Preventive Services for Certain Chronic Diseases Permitted before Deductible (HDHP Parity Rule)

- BACKGROUND: IRS Notice 2019-45 expanded the scope of preventive services permitted to be covered before deductible by a high-deductible health plan to include certain services for certain chronic diseases.

Preventive Care for Specified Conditions	For Individuals Diagnosed with
Angiotensin Converting Enzyme (ACE) inhibitors	Congestive heart failure, diabetes, and/or coronary artery disease
Anti-resorptive therapy	Osteoporosis and/or osteopenia
Beta-blockers	Congestive heart failure and/or coronary artery disease
Blood pressure monitor	Hypertension
Inhaled corticosteroids	Asthma
Insulin and other glucose lowering agents	Diabetes
Retinopathy screening	Diabetes
Peak flow meter	Asthma
Glucometer	Diabetes
Hemoglobin A1c testing	Diabetes
International Normalized Ratio (INR) testing	Liver disease and/or bleeding disorders
Low-density Lipoprotein (LDL) testing	Heart disease
Selective Serotonin Reuptake Inhibitors (SSRIs)	Depression
Statins	Heart disease and/or diabetes

Expansion of Preventive Services for Certain Chronic Disease Permitted before Deductible (HDHP Parity Rule)

- CONCEPT: Apply the expanded list in IRS Notice 2019-45 that may be permitted before deductible for HDHPs to non-HDHP qualified health plans in the individual market for certain services. MHBE seeks comment on the services that should be required before deductible.
- GOAL: To improve health outcomes, increase utilization of high value care, lower out-of-pocket costs for enrollees with chronic diseases, and align individual market plans with state-wide population health initiatives.
- PROPOSAL OPTIONS:
  1. BROAD: Apply the HDHP Parity Rule for certain services to all non-HDHP QHPs.
  2. NARROW: Apply the HDHP Parity Rule for certain services to all Value Plans.
- CONSIDERATIONS:
  1. Impact to premiums and actuarial value.
  2. Impact to public health and access to preventive care.

Out-of-Pocket Cost and Deductible Stability Plan

- CONCEPT: Leverage the “Value” Plans structure to incrementally implement Value-Based Insurance Design concepts and promote medical adherence.
- GOAL: Provide consumers with reasonable expectations of deductibles and out-of-pocket costs while promoting cost-sharing structures that:
  1. Increase the use of high-value care.
  2. Decrease the use of low-value care.
  3. Limit premium increases attributable to increased actuarial value.
- EXTERNALITIES:
  1. Increase market participation with the availability of high value plans.
  2. Align products in the individual market with state-wide initiatives under the Total Cost of Care Waiver.
  3. Create incentives for value-based product innovation

Out-of-Pocket Cost and Deductible Stability Plan

YEAR 2020: Implement “Value” plans with deductible and before deductible service requirements.

Requirements	Bronze	Silver	Gold
Minimum offering	Issuer must offer at least 1 “Value” plan.	Issuer must offer at least 1 “Value” plan.	Issuer must offer at least 1 “Value” plan.
Branding	Required for 2020.	Optional.	Optional.
Deductible ceiling	No requirement. Lower deductibles are encouraged.	$2500 or less.	$1000 or less.
Services Before Deductible	Issuer may allocate no less than three office visits across the following settings: • Primary Care Visit (not including preventive care) • Urgent Care Visit • Specialist Visit	• Primary Care Visit • Urgent Care Visit • Specialist Care Visit • Laboratory Tests • X-rays and Diagnostics • Imaging • Generic Drugs*	• Primary Care Visit • Urgent Care Visit • Specialist Care Visit • Laboratory Tests • X-rays and Diagnostics • Imaging • Generic Drugs

*Encouraged.

Out-of-Pocket Cost and Deductible Stability Plan

YEAR 2021: No changes for the Value Bronze Plan. Limited modifications to the Value Silver and Value Gold Plans.

- Both Value Silver and Value Gold Plans: No change in deductible ceiling, lower deductibles encouraged.
- Value Silver only:
  - Requirement #1 – Modify before deductible services to include Generic Drugs.
  - Requirement #2 – Modify before deductible services to exclude Imaging.
  - Flexibility – Options to help issuers meet Value Silver requirements offsets to increases in AV may include:
    1. Changes to cost sharing for Specialist Care Visit, Laboratory Services, and X-rays and Diagnostics.
    2. Limitations for Laboratory Services and X-rays and Diagnostics.

Out-of-Pocket Cost and Deductible Stability Plan

YEAR 2021: No changes for the Value Bronze Plan. Limited modifications to the Value Silver and Value Gold Plans.

- Value Gold only:
  - Flexibility – Options to help issuers meet Value Gold requirements offsets to increases in AV may, but are not limited to, include:
    1. Changes in cost sharing for Specialist Care Visit, Laboratory Services, X-rays and Diagnostics, and Imaging.
    2. Limitations for Laboratory Services, X-rays and Diagnostics, and Imaging.
    3. Exclusion of Imaging from Before Deductible Services.
- Options to modify Value Gold prescription drug structure to reduce out-of-pocket costs for brand drugs:
  1. Implement a prescription drug deductible ceiling of no greater than $250.
  2. Include Preferred Brand Drugs as a Before Deductible Service.

Out-of-Pocket Cost and Deductible Stability Plan

- YEAR 2021: No changes for the Value Bronze Plans. Limited modifications to the Value Silver and Value Gold Plans. Note: Value Gold does not include modified prescription drug structure.

Requirements	Bronze	Silver	Gold
Minimum offering	Issuer must offer at least 1 "Value" plan.	Issuer must offer at least 1 "Value" plan.	Issuer must offer at least 1 "Value" plan.
Branding	Required.	Required.	Required.
Medical Deductible Ceiling	No requirement. Lower deductibles are encouraged.	$2500 or less.	$1000 or less.
Services Before Deductible	Issuer may allocate no less than three office visits across the following settings: • Primary Care Visit • Urgent Care Visit • Specialist Visit	• Primary Care Visit • Urgent Care Visit • Specialist Care Visit • Laboratory Tests*+ • X-rays and Diagnostics*+ • Generic Drugs	• Primary Care Visit • Urgent Care Visit • Generic Drugs • Specialist Care Visit • Laboratory Tests* • X-rays and Diagnostics*

Recommended to maintain, or decrease, cost sharing from 2020.

*May be subject to limitation.

+May be excluded from before deductible services.

Out-of-Pocket Cost and Deductible Stability Plan

YEAR 2022: Deductible Increment Rule Base Year.

- Deductible Increment Rule Base Year:

  1. A formula to determine yearly allowable increases to the deductible ceilings for Value Silver and Value Gold Plans. For the 2022 Base Year:

     - Value Silver Deductible Ceiling = 6%(2022 Maryland Median Wage)
     - Value Gold Deductible Ceiling = 2.5%(2022 Maryland Median Wage)
     - For both, the final deductible ceiling is the output rounded upward to the nearest 100th.

Out-of-Pocket Cost and Deductible Stability Plan

YEAR 2023: Implement Deductible Increment Rule.

- Deductible Increment is the amount the deductible ceilings may increase for Value Gold and Value Silver plans from the base year.
    - OPTION 1: The deductible ceiling is adjusted every two years.
    - OPTION 2: The deductible ceiling is adjusted every year.

- Deductible Increment factor may draw from other indicators of medical cost growth, for example:
    1. Increases in the Annual Out-of-Pocket Maximum.
    2. Deductible thresholds established by the IRS for High Deductible Health Plans.
    3. A Maryland-specific index.
    4. Consumer Price Index (instead of the Medical-CPI)

Proposed Plan Certification Standards

PayNow URL Requirement

- CONCEPT: Require issuers participating on Maryland Health Connection to implement a PayNow URL, i.e. to allow consumers to pay their first month's premium at the point of enrollment.
- GOAL: Increase coverage effectuation in the individual market.
  1. Promote market stability through increased member months.
  2. Lowers the administrative barriers to access coverage for consumers.
- EXTERNALITIES:
  1. When coupled with other enrollment initiatives (the Maryland Easy Enrollment Health Insurance Program) this requirement may increase coverage up-take for target populations.
  2. Creates a uniform customer service experience on Maryland Health Connection.
- UTILIZATION: The PayNow URL was utilized 11,000+ in Open Enrollment 2018.

Co-pay Accumulator Program Transparency

- CONCEPT: Require issuers to disclose in their “Important Information About This Plan” document if they utilize a Co-pay Accumulator Program for prescription drugs covered in their formulary and provide information on how the program may impact their out-of-pocket costs.
- GOAL: Increase coverage transparency for enrollees with who utilize coupons to reduce the cost their prescription drug.

1. Increase informed decision making.

Expand Access to Stand-Alone Dental Coverage

- CONCEPT: Implement special enrollment periods for Stand-Alone Dental Coverage offered on Maryland Health Connection for the following trigger events:
  1. Determination of eligibility for Medical Assistance Programs.
  2. Determination of eligibility for a Qualified Health Plan.
  3. New enrollment in the Small Business Health Options Program.
  4. Access to an excepted benefits HRA.
- GOAL: Expand access to dental coverage and increase enrollment in Stand-Alone Dental Plans offered on Maryland Health Connection.

Increased Premium Rating Options for Small Employers

- CONCEPT: Require SHOP issuers offer at least one QHP at the bronze, silver, and gold metal levels that allows for Composite Rating.
- GOAL: Expand access to alternative premium options for small employers participating on the SHOP.

Lower Administrative Barriers for New Market Entrants

- CONCEPT: Offer optional sample plan designs at the bronze, silver, and gold metal levels.
- GOAL: Lower administrative barriers for potential new market entrants with limited experience with plan design development.

2019 SHOP Advisory Committee Policy Update

John-Pierre Cardenas, Director of Policy and Plan Management

MARYLAND HEALTHBENEFIT EXCHANGE

Subsidy Considerations

1. Define the intervention population for the targeted subsidy program
    - Group size?
    - Average wage?
    - Low employer profit margin?
        - Would target lower liquidity employers
    - Status of not previously offering group coverage?

2. Can the subsidy be paired with specific health plans?

    - Wellness Programs?
    - Other important plan features?

Subsidy Considerations

How should a subsidy be structured?

- 50% for each participating employee, up to a maximum
- Employer contribution to employee premium
- Other possibilities?

Should the subsidy be based on employee only premiums or include things like family premiums?

Should the maximum average wage stay at $53,000 (subject to inflation)?

How can we ensure that administration of a subsidy does not negatively impact wages (e.g. if amount of subsidy is inversely proportionate to average wage)

Coverage Models – Discussion

- MHBE has the authority to reassess and modify choice options, in order to promote the SHOP Exchange's principles of accessibility, choice, affordability, and sustainability
- MHBE is exploring creative options to increase consumer choice, and expand SHOP participation

- Option to provide a universal choice coverage model
    - Employers would be able to offer any plan across all carriers and metal levels
    - Would require a reference plan

Coverage Models – Discussion

- Under the universal choice model:
  - Pros/Cons of the approach?
  - How can policy be set to establish a reference plan that can promote certain market outcomes?
    - For example, the second lowest cost silver plan (SLCSP) as in the individual market?
    - Carrier incentive to compete on developing lower premium plans of higher value to employers.
  - Could the employer contribution be pegged to an average premium within a given metal level?

Contribution Models – Discussion

1. Percent contribution with a reference plan
    - For example, 50% contribution against the SCLSP
    - Allows the employer to establish stable expectations of costs.
    - Uniformly affects premiums paid by employees
        - Older employees still pay more than younger employees in a magnitude but not in percentage.
    - Meets non-discrimination rules

2. Fixed contribution with a reference plan

    - Allows the employer to establish stable expectations of costs.
    - May not meet non-discrimination rules as older employees would receive proportionally if not modified by age
        - Incentive for older employees to purchase less rich coverage options
        - Incentive for younger employees to purchase richer coverage options

Contribution Models – Discussion

3. List Bill with Age-Stratified Contribution

- All employees that select the reference plan pay the same amount regardless of age.
- Similar employee experience to the large group market.
- Employer makes a fixed dollar contributions for each employee that is modified by age.
- Increased variability for employers across the plan year.
- Would meet non-discrimination rules.

Contribution Models – Discussion

Step 1: Calculation of Composite Rates Assuming 100% of Group Enrolls in Plan

Employee-only	
Issuer	**Silver**
A	$250
B	$275
C	$300

Step 2: Employer Selects Benchmark Plan and Contribution

Issuer	**A**
Metal Tier	**Silver**
% Contribution	**70%**

Contribution Models – Discussion

Step 3: Employee Selections

Employee	Age	Ee Age Factor	Issuer	Plan (AV)	List Bill Premium
1	<25	0.50	A	Silver	$119
2	45-49	1.14	B	Silver	$300
3	60+	1.50	C	Silver	$430
Average		1.05			$849

Step 4: Calculate Premiums

	Benchmark Plan				Selected Plan		
Selected Issuer	Composite Rates (A)	List Bill (B)	Paid by Employee (C) = 30% * (A)	Paid by Employer (D) = (B) - (C)	List Bill (E)	Additional Amt Paid by EE (F) = (E) - (B)	Total Premium Collected (G) = (C)+(D)+(F)
A	$250	$119	$75	$44	$119	$0	$119
B	$250	$273	$75	$198	$300	$27	$300
C	$250	$358	$75	$283	$430	$72	$430
Total	$750	$750	$225	$525	$849	$99	$849

Preferred Broker Program

- What are key factors to consider?
- Benefits to Brokers
    - Designation on MHC Website
    - SHOP Leads & Warm Transfers
    - Other Requests or Ideas for Added Incentives for Brokers?

Standing Advisory Committee Membership Changes and Application Process

Public Comment

Thank you!

MARYLAND HEALTH BENEFIT EXCHANGE

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