MHBE

Standing Advisory Committee

May 9, 2024
2:00PM – 4:00PM
Via Google Meets

Members:
Mark Meiselbach, Co-Chair
Diana-Lynne Hsu, Co-Chair
Andrew Baum
Marcquetta Carey
Matthew Celentano
Emily Hodson
Catherine Johannesen
Sophie Keen
Stephanie Klapper
Carmen Larsen
Scott London
Allison Mangiaracino
Yvette Oquendo-Berruz
Zach Peters
Aryn Phillips
Mark Romaninsky
Brooke Souders
Douglas Spotts
Patricia Swanson
JoAnn Volk
Rick Weldon

MHBE Staff
Johanna Fabian-Marks
Betsy Plunkett
Makeda Hailegeberel
Becca Lane
Amelia Marcus

Members of the Public
Brad Boban
Adam Zimmerman
Allison Taylor
Kimberly Cammarata
Meredith Lawler
Nancy Brown
Philemon Kendzierski

Welcome and Agenda
Co-Chair Mark Meiselbach welcomed everyone to the meeting and briefed the Standing Advisory Committee (SAC) on the agenda. He noted that there are several new members in the SAC. All members present introduced themselves.

Mr. Meiselbach explained that Diana-Lynne Hsu has been nominated for the open co-chair position and gave her the opportunity to introduced herself and explain her background. Ms. Hsu noted that she is a senior policy analyst at the Maryland Hospital Association and has been working with the Maryland Health Benefit Exchange (MHBE) for the past five years. She also worked with the MHBE while she was a law school student when the Affordable Care Act was first passed and received her Master of Public Health from Bloomberg. Ms. Hsu commented that she is very honored to be nominated, and ensuring that everyone in Maryland is able to access affordable and comprehensive coverage has been a passion of hers for several years, so she

appreciates the opportunity to be able to work and potentially serve as co-chair for the SAC.

Hearing no other nominations Mr. Meiselbach moved to approved Diana Hsu as co-chair of the SAC for 2024. Scott London seconded the motion, and the SAC unanimously approved.

Executive Update

Johanna Fabian-Marks, Director of Policy and Management at the MHBE, started with the executive update. She is filling in for Michelle Eberle, Executive Director. Ms. Fabian-Marks began by explaining that the last SAC meeting was in November 2023. Since then, the MHBE had a very successful open enrollment period from November 1, 2023, through January 15, 2024. Roughly 214,000 individuals enrolled, which is an all-time high for the MHBE and an increase of 17% from last year. Renewals increased by 7% to almost 160,000. Ms. Fabian-Marks reported that there was also tremendous growth in new enrollments, with an increase of 64% from last year to 56,000 new enrollees. This may be partly attributed to the resumption of Medicaid redeterminations for the first time since the COVID pandemic, which resulted in individuals being disenrolled from Medicaid due to ineligibility and then enrolling in coverage through the exchange. Other contributing factors for the increased enrollment may be that Maryland has very affordable coverage compared to other states as a result of the reinsurance program and the young adult subsidy (YAS) program. Ms. Fabian-Marks noted that subsidized enrollment grew by 18% to 165,000 individuals, while unsubsidized enrollment also grew by 14% to roughly 50,000 individuals. The increase in unsubsidized enrollment indicates that coverage through the exchange is affordable and accessible. She expressed excitement that there was a large increase in young adult enrollment since the marketing campaign has targeted that group every year. The YAS program, which started in 2022, has lowered the premiums for young adults by roughly $450 a year through state funds, a significant savings. Ms. Fabian-Marks noted that enrollment for 18- to 34-year-olds grew by 41% from last year, which is good for the market because young adults tend to be healthier and less costly, so they help bring down costs for everyone. Ms. Fabian-Marks commented that strong enrollment has continued into 2024.

Ms. Fabian-Marks then provided an update on the state legislative session. The MHBE tracked three bills that could impact the exchange. First was Senate Bill (SB) 228/House Bill (HB) 23, which requires all private plans offered through the exchange to include pediatric dental benefits. Ms. Fabian-Marks explained that currently all qualified health plans (QHPs) include pediatric dental benefits, so no change is required, but before this bill, carriers were allowed to exclude coverage of pediatric dental as long as individuals had the option to buy a separate on-exchange dental plan. SB 701/HB 953 addressed funding for the YAS program. Ms. Fabian-Marks explained that for the first two years of the YAS program in 2022 and 2023, the MHBE was authorized to spend up to $20 million on the subsidies but underspent by $6 to $7 million. The MHBE is anticipating spending roughly $24 million on subsidies in future years, and the bill will allow the MHBE to apply the unspent money from prior years to future years. This bill means that

the MHBE will not have to reduce enrollment or benefits for the YAS program to address the budget shortfall the MHBE was facing for 2024. Lastly, SB 705/HB 728, the Access to Care Act, passed this year after going through several iterations in prior legislative sessions. This bill authorizes the MHBE to apply for an amendment to the 1332 waiver with the federal government, which allows for the waiver of certain provisions of federal law. This amendment would waive the federal prohibition on undocumented individuals enrolling in coverage through the exchange, allowing all Maryland residents regardless of immigration status to enroll in coverage through the exchange. However, they would not be eligible for federal subsidies and would have to pay the full price for coverage. Ms. Fabian-Marks noted that there are benefits to the exchange beyond financial assistance, such as consumer assistance, the easily accessible consumer portal, and mixed status households being able to enroll in coverage through one application. The MHBE will work on implementing this initiative over the next year and a half with the goal of allowing undocumented individuals to enroll in QHP coverage during the 2025 open enrollment with coverage starting in plan year 2026.

Matthew Celentano asked about the interplay of the Biden Administration's recent announcement that Deferred Action for Childhood Arrivals (DACA) recipients will be able to purchase coverage through the exchange, with the recently passed Access to Care Act. Ms. Fabian-Marks responded that previously DACA recipients were not allowed to enroll in coverage through the exchanges or qualify for financial assistance. The federal regulations have been changed so DACA recipients will be able to enroll in QHP coverage with financial assistance through the exchange during the next open enrollment with coverage starting in late 2024 or January 2025. Ms. Fabian-Marks explained that DACA recipients are part of the population that would be eligible to enroll in QHP coverage in 2026 without financial assistance as a result of the Access to Care Act, but with the federal change they will be able to enroll in coverage a year earlier with financial assistance.

Scott London requested a written summary of the recent legislative session. Ms. Fabian-Marks responded that she will share summary slides on the legislative items and open enrollment statistics with the SAC.

Joanna Volk asked about the pediatric dental bill, specifically whether every marketplace plan must now include pediatric dental. Ms. Fabian-Marks responded in the affirmative. Ms. Volk asked if the stand-alone dental plans include some pediatric benefits that would not be available as a pediatric benefit in a QHP. Ms. Fabian-Marks responded that stand alone dental plans have different cost sharing. Pediatric dental services under a QHP may still be subject to the overall deductible and out-of-pocket limit, while a stand-alone dental plan may have lower cost sharing. The pediatric dental benefits offered through a stand-alone dental plan may exceed the benefits offered through a QHP.

Ms. Volk asked if stand-alone dental plans provide adult dental benefits. Ms. Fabian-Marks responded that child-only dental plans are available, as well as child and adult dental plans.

Medicaid Public Health Emergency Unwinding Final Update
Nancy Brown, Division Chief with the Office of Innovation, Research, and Development and Meredith Lawler, Special Assistant to the Director with the Office of Innovation, Research, and Development, provided a final update on the Medicaid public health emergency (PHE) unwinding. Please see the presentation slides for more details.

Ms. Brown reported that the PHE unwinding period was from April 1, 2023, to April 30, 2024, and normal operations resumed on May 1, 2024. More than 1.5 million people have gone through the Medicaid renewal process since redeterminations resumed in April 2023, with nearly 70% of participants able to renew their coverage. Less than 8% were found ineligible, for example due to high income, and less than 16% lost coverage for a procedural reason, such as failing to return paperwork. Roughly 30% of individuals who lost coverage due to any reason returned to Medicaid coverage within 120 days. Ms. Brown noted that Maryland is within the top 10 states for the percentage of people who renewed and retained their Medicaid coverage.

Ms. Lawler provided an overview of the Medicaid check-in campaign. The communications planning for the campaign began in June 2022 and involved collaboration with other state agencies. The check-in campaign included over 50 stakeholder meetings, managed care organization outreach to community partners such as providers, community organizations, and faith-based organizations. Campaign materials were translated into 13 different languages. Seven Joint Chairmen's Reports were submitted to the General Assembly that described the communications campaign and provided updates on the unwinding. Ms. Lawler showed an example of the check-in campaign logo and thanked the MHBE for their assistance with the unwinding.

HB 413 Reinsurance Workgroup Report
Brad Boban, Chief Actuary with the Maryland Insurance Administration (MIA), provided a summary of the report the MIA was required to submit to the General Assembly by HB 413, enacted in 2022, on the impact of the State Reinsurance Program (SRP). Specifically, the report was required to consider whether the level of funding is appropriate, whether the assessment was appropriately apportioned among carriers, what market reforms are needed to provide affordable coverage in the individual market, and evaluate the design of the program.

The report found that no changes should be made to the design, the parameters, the state funding mechanism, the funding sources, or the amount of the SRP. The SRP has lowered insurance rates by 32% to be among the lowest in the country. Mr. Boban explained that the report recommended consideration of four state-based market reform subsidy programs that could further improve affordability. These subsidy programs include continuation of the YAS program, adoption of a general state-based premium subsidy program not limited by age, adoption of a cost-sharing program, and adoptions

of a state-based premium subsidy for some or all undocumented persons. New funding beyond the current assessment would be required to implement.

Mr. Boban provided a detailed comparison of the Maryland SRP to the other 16 states with a reinsurance program. He also provided an overview of the projected SRP funding and data on the uninsured population by cohort. Please see the presentation slides for more information.

Mr. Meiselbach asked if there is evidence that an unintended consequence of the SRP is that it can lower the subsidy for the subsidized population and potentially raise the post subsidy premium for consumers with the lowest household incomes. Mr. Boban responded that there is a marginal reduction in the subsidy but in general the subsidy moves with the second lowest cost silver plan. For example, if the cost of the silver plan decreased by 30% then the subsidy would also decrease 30%, so the net premium after the subsidy stays the same.

Mr. Meiselbach noted that the subsidy may be used to purchase a different plan with lower cost sharing so that the lowest price plan may become slightly more expensive with the subsidy. Mr. Boban responded that it is true that not all plans' costs will reduce by the same amount. In 2019, the subsidy levels for some plans increased so there was an increase in the plan cost, and there were some complaints about this. Mr. Boban stated that in general it is not a large concern because currently the subsidies are stable.

Ms. Hsu asked whether the MIA has data regarding the household incomes of non-citizens as a percentage of the federal poverty level (FPL). Mr. Boban responded that an upcoming slide has a table displaying the undocumented resident population size by income.

Mr. Celentano commented that the uninsured data by cohort table continues to show that a significant portion of the uninsured are not aware of existing programs. He noted that 12% of uninsured individuals have household incomes below 138% of the FPL and are eligible for Medicaid. He stressed the importance of continuing to conduct outreach especially in light of the PHE unwinding. Mr. Boban agreed that there are a lot of people who are eligible for Medicaid or subsidies, and that outreach is key.

Mr. Boban then provided a comparison of stated-based premium subsidies.

JoAnn Volk added that California has premium subsidies that have been put on hold while the American Rescue Plan Act's (ARPA) enhanced subsidies are in effect and are instead using that money to eliminate deductibles for marketplace plans.

Ms. Hsu asked about data on how many individuals have had claims reimbursed by the reinsurance program. Mr. Boban responded that in the last year with available date roughly 6.9% of members had claims reimbursed through the reinsurance program. He can follow up with Ms. Hsu with more information.

Mr. Boban then provided an overview of tables displaying modeled costs for a state premium subsidy for all ages, cost-sharing as a percentage of household income for different plan levels, modeled costs for a cost-sharing reduction state subsidy, and the undocumented resident population size by FPL. Please see presentation slides for more details.

Ms. Hsu asked about the year of the data in the undocumented resident population size table. Mr. Boban responded that he believes that the data were from 2021. Ms. Hsu noted that under the Access to Care Act, undocumented residents who enroll in coverage through the exchange would not be eligible for federal subsidies.

Mr. Boban then explained that three enrollment projections were used to model the cost for state undocumented subsidies and provided an overview of modeled costs by age for state subsidies for undocumented residents.

Ms. Hsu asked if the 0 to 18 age group in the table on modeled costs for a state subsidy for undocumented residents would be ineligible for the Maryland Children's Health Program (MCHP). She noted that the Health Babies Act only provides Medicaid coverage to undocumented mothers and their babies for one year after birth. Mr. Boban confirmed that undocumented children would not be eligible for MCHP. They modeled subsidies to undocumented residents parallel to subsidies for lawful residents, and there are not subsidies for children in the exchange because the MCHP maximum is 313% FPL. Children are in MCHP instead of the individual market. While undocumented children are not eligible for MCHP for the purposes of the model, it was decided to replicate subsidies for lawful residents for undocumented residents. Ms. Fabian-Marks added that the report pursuant to SB 806, which compares options for offering affordable coverage options to undocumented residents included a cost analysis for the coverage of undocumented individuals who are eligible for MCHP and Medicaid except for their citizen status.

Mr. Boban explained that the last model in the report was to estimate the impact of expanding Medicaid eligibility for all Maryland residents to 200% of the FPL, including the cost, as well as the lower federal pass-throughs and lower premium tax credits that would result from removing this population from the individual market.

Ms. Mangiaracino thanked Mr. Boban for his presentation and the models of the different subsidy designs. She asked if there are plans to model the expected enrollment loss resulting from the end of the enhanced subsidies in 2026 and the number of individuals that could enroll because of a state subsidy. Mr. Boban agreed that this modeling would be worthwhile in the future. Ms. Fabian-Marks added that the MHBE’s standard reinsurance projections will model the impact of the reinsurance program costs and enrollment if the enhanced subsidies are continued or not continued but it will not explore the impact of potential state subsidies. Ms. Mangiaracino noted that Colorado is examining different contingencies in the event that the enhanced

subsidies end and recommended planning for the worst-case scenario of the enhanced subsidies ending.

2024 MHBE Workgroup Updates and SAC Discussion

Becca Lane, Senior Health Policy Analyst with MHBE, explained that the Value Plan Workgroup will be meeting over the summer to evaluate 2024 value plan performance to inform the approach for 2026 value plans. Value plans have standardized cost-sharing determined by the MHBE. Carriers must offer one value plan at each of the bronze, silver, and gold metal levels. When designing the 2026 value plans, the Workgroup will discuss standardized cost-sharing, pre-deductible coverage, and cost-sharing for health equity, specifically reduced cost-sharing for high-disparity conditions such as diabetes. Ms. Lane explained that the MHBE recruited a diverse set of stakeholders for this Workgroup. Meetings will begin in June, and seven meetings are planned. The Workgroup will present proposed value plan designs to the SAC on September 12 and then to the Board for approval on September 16. The Workgroup will meet in December after the federal government releases the draft actuarial value (AV) calculator to ensure that the 2026 value plan designs comply with the federal requirements. The MHBE Board will finalize the 2026 value plans in January 2025.

Amelia Marcus, Health Policy Analyst with MHBE, provided an overview of the Consumer Decision Support Workgroup that will be convening in the summer and fall. She explained that the MHBE has worked in recent years to improve the consumer plan shopping experience, and the marketing team conducted targeted consumer user testing during open enrollment to identify specific areas for improving the enrollment and renewal process for consumers. Additionally, the MHBE has been interested in convening a wide group of stakeholders to discuss this subject because consumers still face significant challenges when shopping for health plans around health literacy and choice overload. The MHBE is convening the Consumer Decision Support Workgroup for the purpose of discussing areas to improve consumer decision support during the plan shopping process for consumers in the “Get an Estimate” plan shopping tool and within the MHC application. The Workgroup will develop a set of recommendations for more effective decision-making support for consumers when they are choosing health plans in order to help consumers find a plan that best fits their health and financial conditions. Ms. Marcus clarified that the Workgroup’s discussions and recommendations will focus on health insurance plan shopping in the individual market.

Ms. Marcus explained that the MHBE is interested in developing recommendations for identifying areas in the plan shopping experience where consumers may benefit from more information or guidance. The MHBE is also interested in discussion regarding the improvement of the plan information display on the plan list page, and the side-by-side plan comparison layout. Lastly, the MHBE would like recommendations on how Maryland Health Connection (MHC) can provide tailored plan recommendations to consumers. The Workgroup will look at other states that have successfully implemented tools to provide plan recommendations to consumers, such as Washington. The Workgroup will provide a report on their recommendations for MHBE’s consideration, with implementation occurring during the 2026 open enrollment at the earliest.

Recruitment for the Workgroup ends in June, and then bi-weekly meetings will begin in July with seven to eight meetings expected. After the meetings end in October, the Workgroup will present their recommendations to the Board on October 21 and the SAC on November 14. The MHBE is hoping to recruit diverse representatives from relevant state agencies, consumer advocates, navigators, health care providers, health plan carrier representatives, and brokers.

Mr. Celentano commented that the Consumer Decision Support Workgroup is a great idea and suggested a large representation from navigators and brokers because they have the most interaction with consumers. Ms. Marcus agreed with this suggestion and noted that the MHBE is interested in recruiting consumer assistance workers and brokers who have a good understanding of consumer issues.

Ms. Volk commented that she was a member of the Value Plan Workgroup two years ago, and there was a lot of discussion from navigators and brokers regarding cost-sharing and helping consumers understand the differences between the metal levels, so she agrees that navigators and brokers can offer valuable insight to the Consumer Decision Support Workgroup. Ms. Marcus responded that the MHBE will send the workgroup information to both navigators and brokers and asked the SAC members to share recruitment recommendations if interested.

Ms. Hsu commented that the Horowitz Center focuses on health literacy and asked if the MHBE has reached out to this organization regarding the Consumer Decision Support Workgroup. Ms. Marcus responded that the Horowitz Center is on the MHBE's contact list, and they are very interested in having Workgroup members with a focus on health literacy.

Ms. Volk commented that regarding value plans, the District of Columbia (DC) exchange has added many high-disparity conditions with reduced cost sharing and has experience dealing with the limits of the AV calculator when prioritizing equity-based plan designs. She recommended looking at the DC exchange for insight regarding this issue.

Public Comment
No comments offered.

Adjournment
The meeting adjourned at 3:58 PM.