

Georgia Waiver Project

Overview of 1332 Draft Waiver
October 29, 2019

1332 Waiver Reinsurance Overview

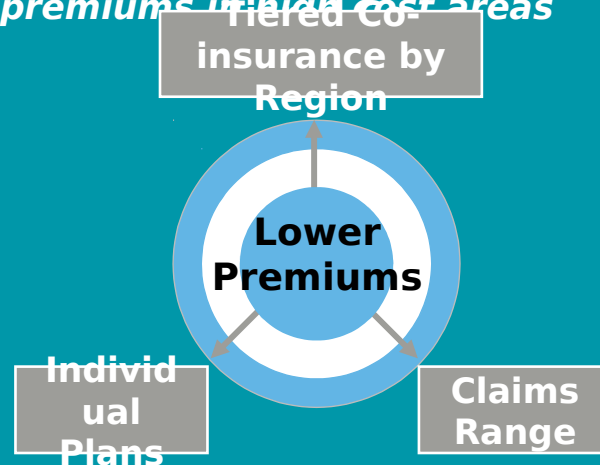
The reinsurance program reimburses carriers a portion of high-cost claims for Qualified Health Plans and Catastrophic Plans to stabilize the market and reduce premiums.

Program Goals:

- Increase affordable coverage options
- Reduce individual premiums to bring more uninsured individuals into the marketplace

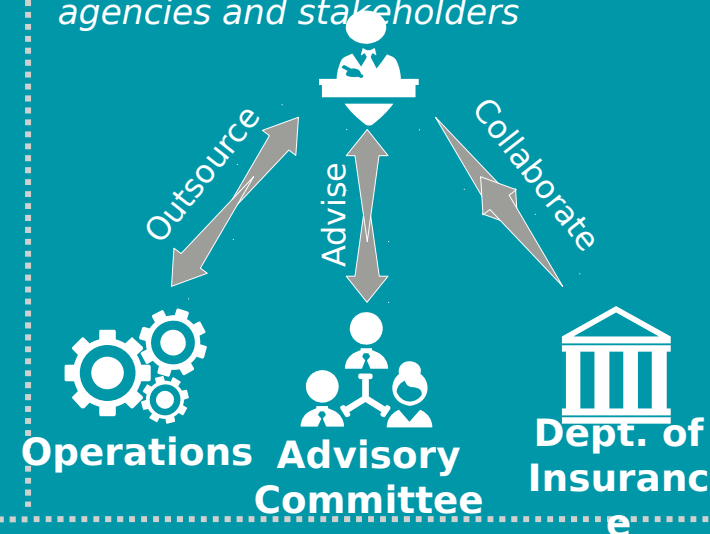
Claims Payment Approach

Claims within a defined range will be paid to insurers based on tiered co-insurance rates, **to drive down premiums in high-cost areas**



Authority & Oversight

The Office of Health Strategy & Coordination will oversee the program, coordinating across agencies and stakeholders



Funding Sources

Federal dollars saved from Advanced Premium Tax Credits will be passed through to the State and combined with state resources (e.g., premium assessment) to create a sustainable source of funding for the State's reinsurance program



Federal
Pass-Through
Funding

+

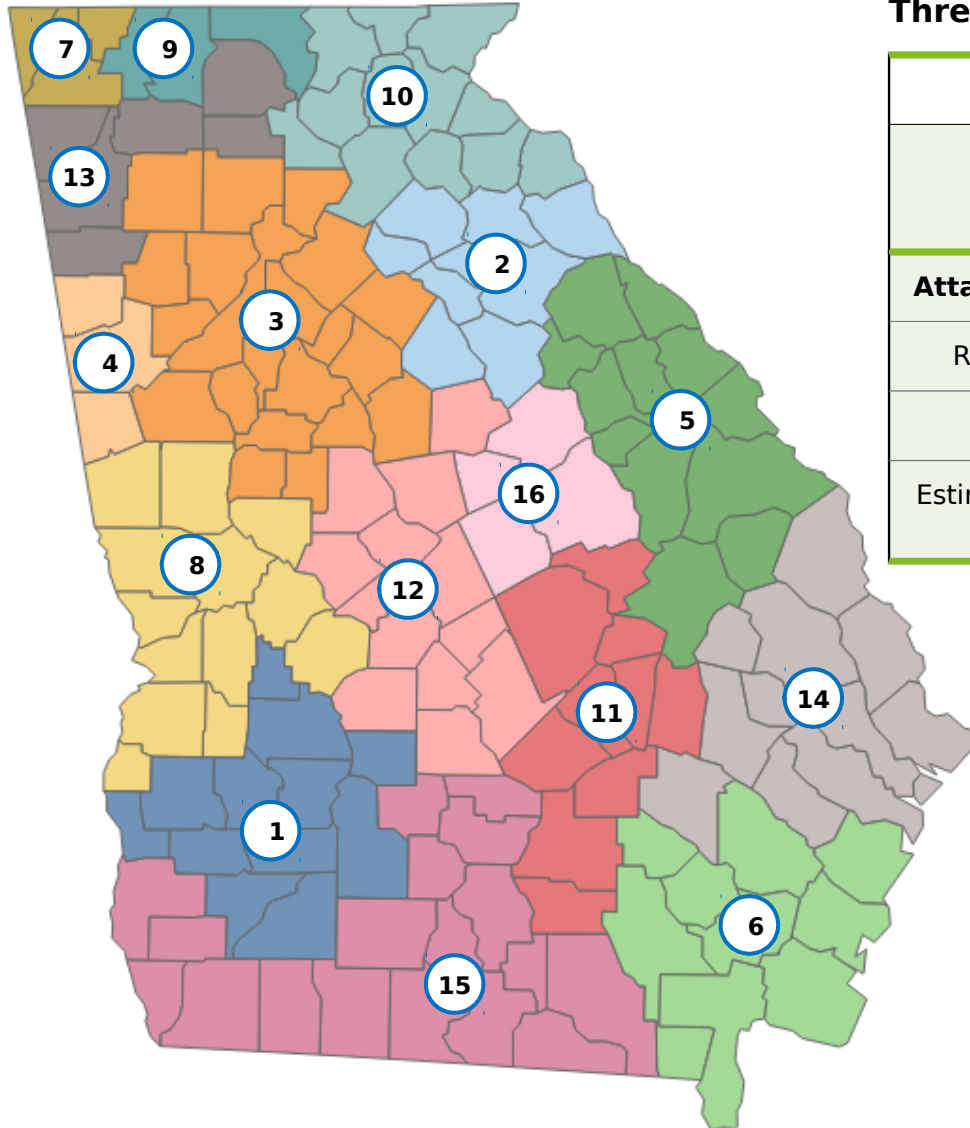
State
Resource
s

Selected Reinsurance Parameters

Three Tiered Coinsurance

Three-Tier Coinsurance Approach

	Tier 1	Tier 2	Tier 3
Rate Regions	2, 3, 5, 8, 14	1, 7, 9, 12, 16	4, 6, 10, 11, 13, 15
Attachment Point	\$20,000		
Reinsurance Cap	\$500,000		
Coinsurance %	15%	45%	80%
Estimated Premium Reduction	4.7%	14.0%	25.0%



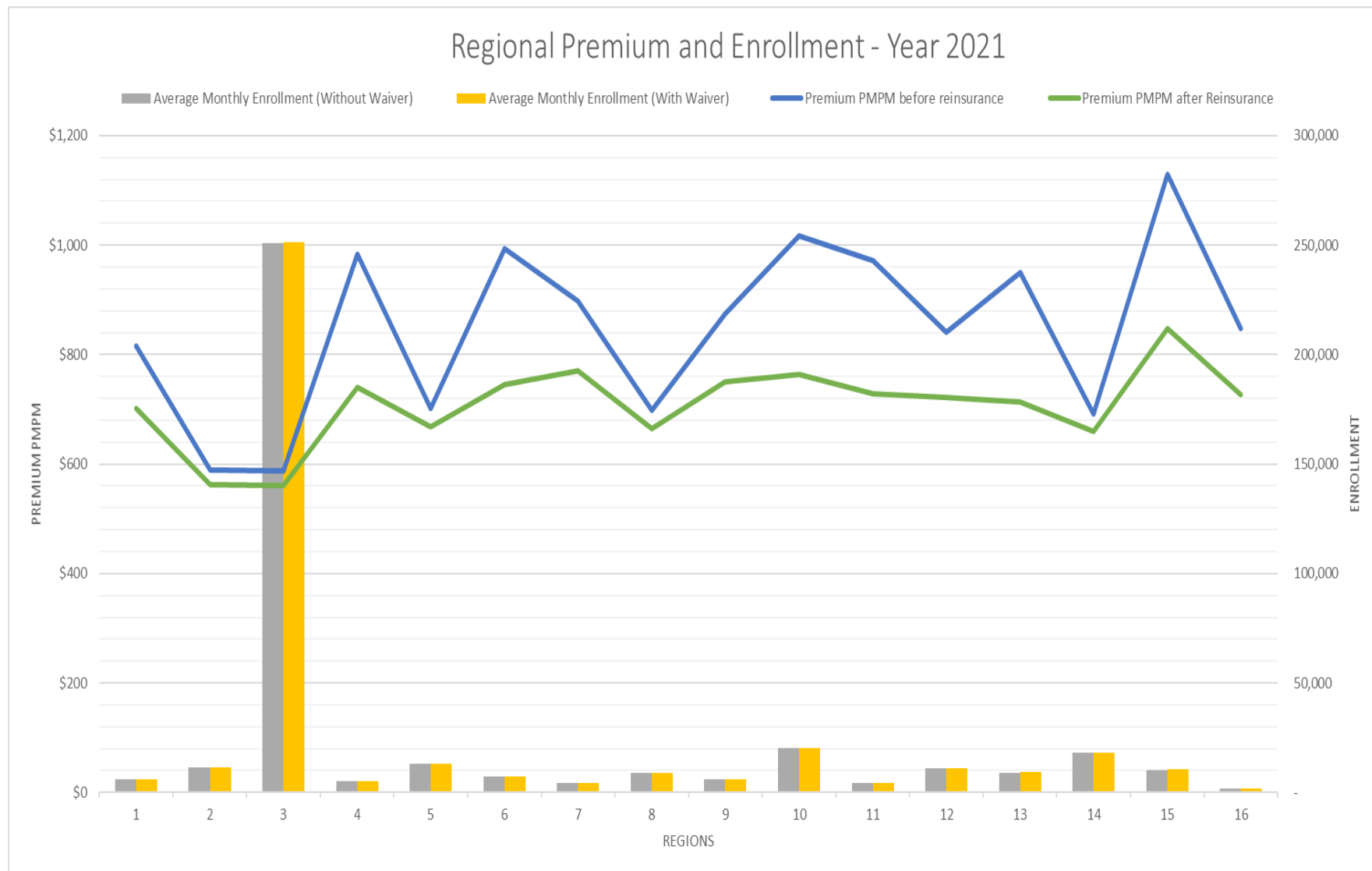
Rating Area ID

- Rating Area 1
- Rating Area 2
- Rating Area 3
- Rating Area 4
- Rating Area 5
- Rating Area 6
- Rating Area 7
- Rating Area 8
- Rating Area 9
- Rating Area 10
- Rating Area 11
- Rating Area 12
- Rating Area 13
- Rating Area 14
- Rating Area 15
- Rating Area 16

Reinsurance Parameters and Impact

	Tier 1 Area	Tier 2 Area	Tier 3 Area
Rate Regions	2, 3, 5, 8, 14	1, 7, 9, 12, 16	4, 6, 10, 11, 13, 15
Premium Range	\$588-702	\$816-897	\$949-1130
Avg Monthly Enrollment WOW	301,929	28,918	55,945
State-wide			
Attachment Point	\$20,000		
Reinsurance Cap	\$500,000		
% of Claims in Range	57.4%		
% of Members in Range	4.5%		
Rating Region Impact	Tier 1	Tier 2	Tier 3
Coinsurance %	15%	45%	80%
Est. Premium Change %	(4.8%)	(14.1%)	(25.0%)
Est. Premium Change \$	(\$27-33)	(\$114-126)	(\$236-282)
New Premium Range	\$561-669	\$702-771	\$713-848

Regional Premium Impact

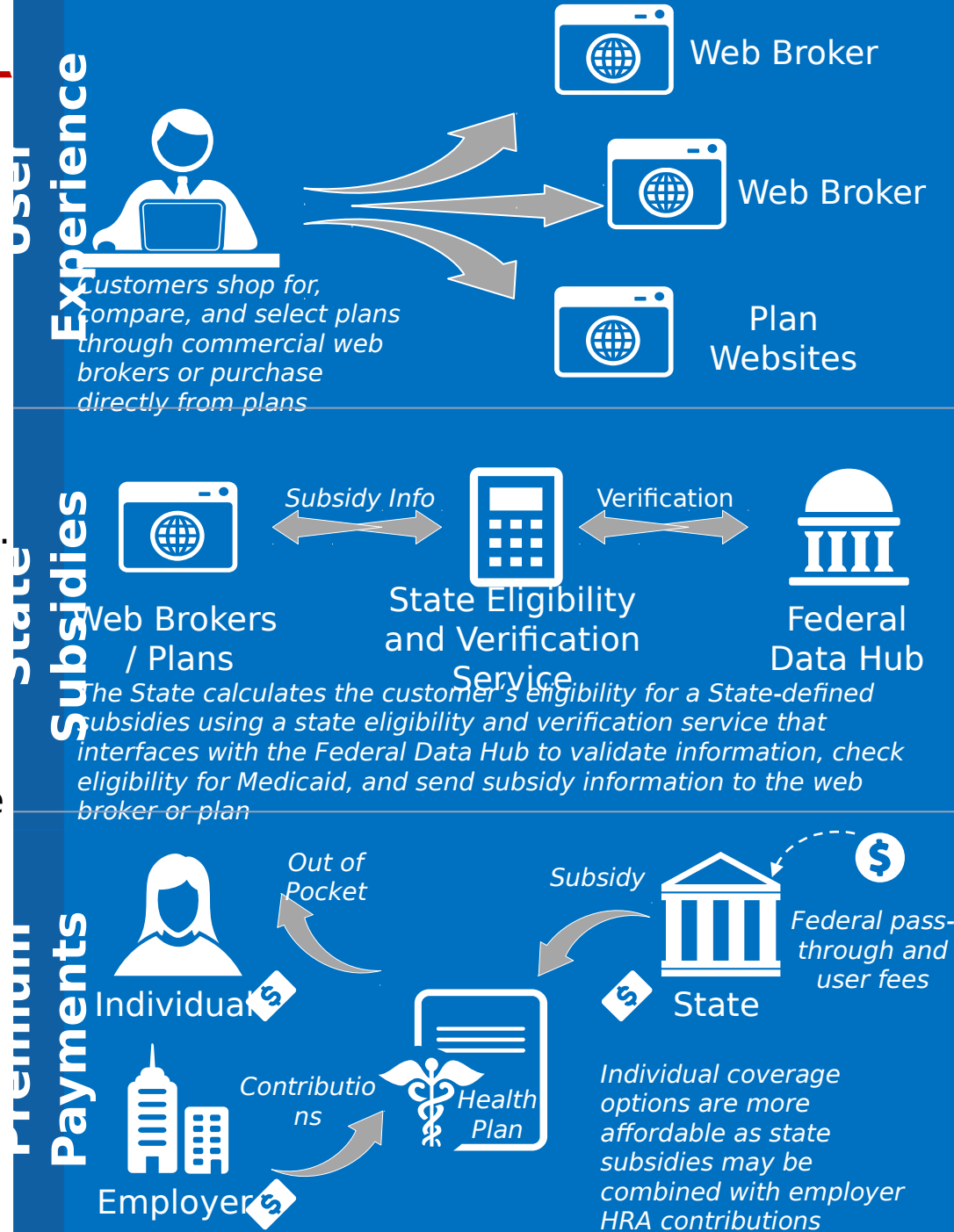


1332 Waiver Georgia Access

Georgia uses the private market to deliver front-end services to customers. The State calculates and issues subsidies using federal pass-through dollars and user fees previously charged as part of the FFM.

Program Goals:

- Enable flexibility to meet Georgia's unique health coverage needs
- Improve affordability



New Opportunities

- The State sets the standards for broker participation
- Vendors focus on delivering exceptional user experience
- "No wrong door" means individuals may purchase a plans through different channels and be eligible for subsidies

New Opportunities

- Georgia owns plan certification creating future flexibility for new state plans
- The State has the flexibility to make modifications to subsidy structure in order to better meet the unique needs of its residents

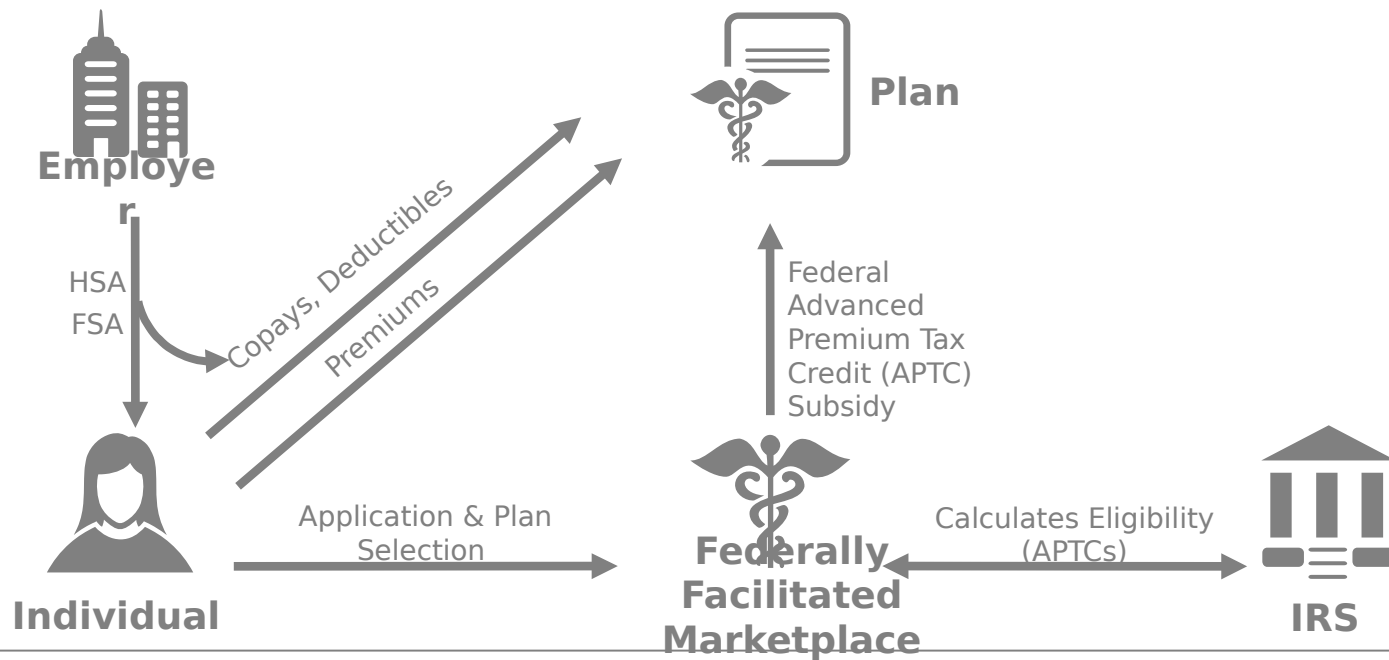
- Ability to leverage recent employment data to more accurately determine subsidy eligibility

New Opportunities

- Streamlined referrals for individuals eligible for Medicaid
- Funding comes from federal Advanced Premium Tax Credits passed through to the State and combined with user fees previously assessed for the FFE
- Employers may contribute to Health Reimbursement Accounts (HRAs) to help pay for

of FFM vs Georgia Access Process

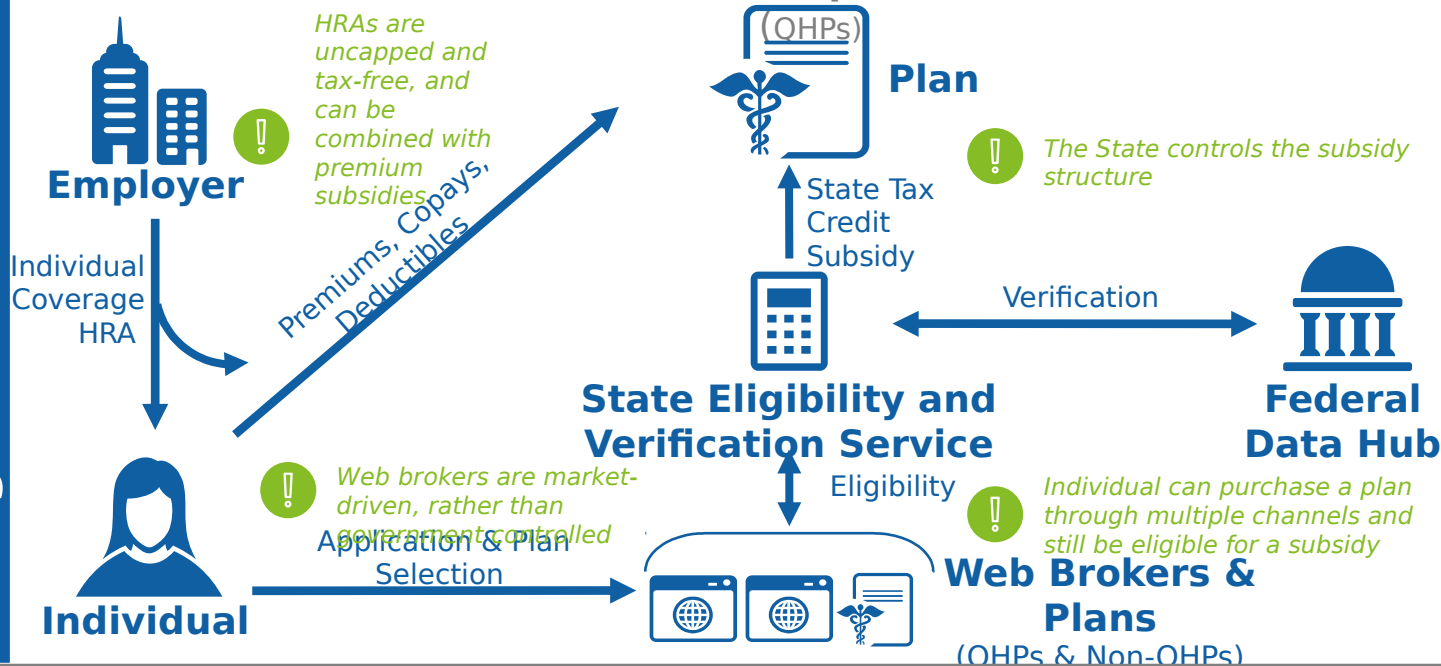
Healthcare.gov



Key Attributes

- **Employer Contributions:** HSA and FSA may only be used for copays & deductibles. Premium assistance with HRAs cannot be used with federal subsidies
- **Customer Access:** Customers can only receive subsidies when purchasing a plan on healthcare.gov or EDE

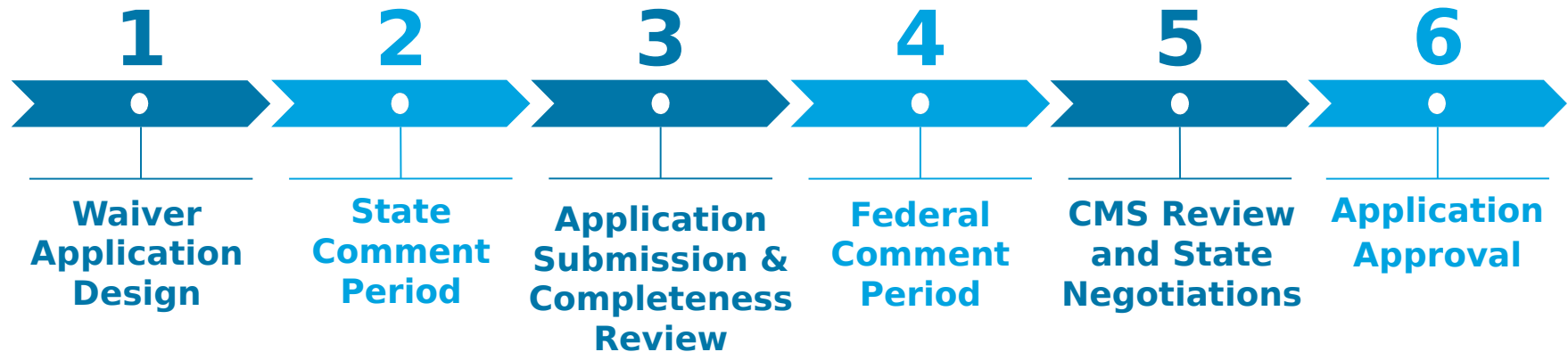
Georgia Access Model



Key Attributes

- **Employer Contributions:** HRAs are new for 2020. They are uncapped and tax-free accounts employees can combine with state subsidies to pay for premiums; they can also be used for other out-of-pocket costs.
- **Customer Access:** Customers can shop from web brokers or buy directly from

1332 Waiver Application Process



State Comment Period: 30-day state comment period and public hearings on draft waivers

Application Submission: HHS will determine if the application is complete within 45 days of submission

Federal Comment Period: 30-day federal comment period

Application Review: Final decision from HHS/Treasury will be issued within 180 days

Georgia Waiver November/December Timeline

Public Comment Period Dates

