Marketplace Coverage Affordability Workgroup

Thursday, October 31, 2024

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Agenda for Today

Thursday October 31 ***National Survey of State Actions + Considerations***
• RI Starting Point: What programs are already in place in RI to address affordability?
• National Landscape: What are other states doing to address affordability?
• Discussion: Which options is this group most interested in exploring further?

Today, we ask that you:

- **Engage with the options**: Do you have a clear understanding of what other states are doing to address affordability?
- **Think about which options you want to explore further**: Do any of the options seem particularly promising? Which are best aligned with this workgroup's guiding principles?

Guiding Principles

Protect coverage gains achieved under the ACA, ARPA, and IRA

State-funded assistance should be targeted to maximize impact and address disparities in uninsurance and underinsurance

Responsible consideration of potential funding sources

Consider timing of assistance program to best support predictability for carriers and customers

Six Week Syllabus

Marketplace Coverage Affordability Workgroup Schedule

Topic(s) for Discussion	Meeting Date
Meeting 1 – Introductions + Setting the Stage: ACA and HSRI 101	September 24th
Meeting 2 – What has been accomplished + What is at risk in RI?	October 10th
Meeting 3 – National Survey of State Actions + Considerations	**October 31st**
Meeting 4 – Affordability Options and Assessments for RI	November
Meeting 5 – Moving towards Recommendations	December
Meeting 6 – Finalizing Recommendations	January

We are planning to hold our next meeting on November 21st 3 - 5pm

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Rhode Island Starting Point

What programs are already in place in RI to address affordability?

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RI Affordability Programs Starting Point

Rhode Island currently has a few programs in place that aim to enhance accessibility and affordability of coverage

Parents and Caregiver Premium Assistance Program

- Through the state's 1115 Waiver, The Parents and Caregiver Premium Assistance program **allows the caregivers of Medicaid eligible dependents to receive enhanced tax credits for Marketplace plans**.
- Eligible caregivers must be under 175% FPL, enrolled in coverage through HSRI, and making timely payments.

State Premium Assistance and Autoenrollment

- To ease the transition from Medicaid to Marketplace coverage, the state **offers both a one-month premium payment and autoenrollment for individuals transitioning off Medicaid coverage**.
- The premium payment applies to QHP enrollees transitioning from Medicaid, up to 250% FPL. HSRI auto-enrolls eligible individuals up to 200% FPL in a silver plan.

1332 Waiver Reinsurance Program and Individual Mandate

- The Reinsurance Program **reimburses qualifying insurers for a percentage of an enrollee's claims** between an attachment point and a cap. The program is intended to mitigate the impact of high-risk individuals on health insurance rates offered in the individual insurance market on and off the exchange.
- Because reinsurance works to mitigate annual rate increases, it has a larger impact on the population ineligible for financial assistance.
- Individual mandate revenue currently funds the 1332 reinsurance program. The individual mandate penalty applies to uninsured individuals, though there are some financial exceptions.

National Landscape

What are other states doing to address affordability?

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Dan Meuse

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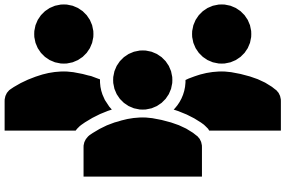
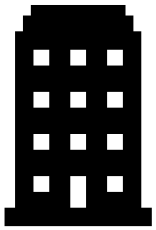
State Activity in Affordability Domains

Consumer Affordability



Premium Subsidies
Cost-Sharing Subsidies

Care Affordability



Basic Health Programs

Coverage Value and Comparison

Standardized Plan Designs

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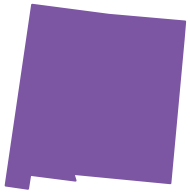
Premium Subsidies

Connecticut: State subsidy to allow $0 premium if enrolled in silver-CSR plan. Available up to 175% FPL. CT also includes cost-sharing subsidies under same program.

Massachusetts: Scaled premium subsidy based on income up to 500% FPL. MA also include cost-sharing subsidies under the same program.

New Jersey: Flat monthly premium subsidy that increases with income. $20-$100 per month for individuals, $40-$200 per month for families. Available up to 600% FPL.



New Mexico: Scaled premium subsidy up to 400% FPL. Additional premium subsidy for Native Americans. NM also offers a cost-sharing subsidy program.

Premium Subsidies

Vermont: Scaled premium subsidy based (additional percentage off expected contribution) up to 300% FPL. VT also includes cost-sharing subsidies under same program.

Washington: Flat monthly premium subsidy if individual enrolls in Cascade Care (standardized plan) or Cascade Select (Public Option) plan. Available up to 250% FPL. Also available to persons not eligible for APTC.

Premium Subsidies (Targeted Populations)

Colorado: State subsidy to allow $0 premium if enrolled in *Omnisalud* plan. Available up to 150% FPL. Program is capped at 11,000 enrollees. CO also includes cost-sharing subsidy under same program, as well as a separate cost-sharing program.

Maryland: Scaled premium subsidy based on age (additional percentage off expected contribution). Available up to 400% FPL and for ages 18-37.

District of Columbia: $0 premium plans for employees of childcare facilities. Managed as employer plan.

Rhode Island: Flat premium subsidy for parents and caretakers of Medicaid-eligible children. Available under 175% FPL.

Cost Sharing Subsidies

California: State buys up all enrollees to a plan with no deductibles and scaled cost-sharing amounts.

Colorado: State buys up to 94% silver plan for all enrollees in a CSR plan (up to 250% FPL). $0 premium plan in *Omnisalud* is also a 94% silver plan.

Connecticut: State pays all cost-sharing amounts for enrollees in a silver CSR plan up to 175% FPL.

Cost Sharing Subsidies

Massachusetts: State offers standard cost sharing, scaled on income, for enrollees up to 500% FPL.

New Mexico: State buys higher AV level plans up to 300% FPL.

Up to 150%	150%-200%	200%-300%
99% AV	95% AV	90% AV

New York: State buys up CSR levels from 250-400% FPL, with additional cost sharing reductions for persons with diabetes or pregnant or post-partum persons.

Vermont: State buys up CSR levels up to 300% FPL.

Up to 150%	151%-200%	201%-250%	251%-300%
94% AV	87% AV	77% AV	73% AV

How are these programs paid for?

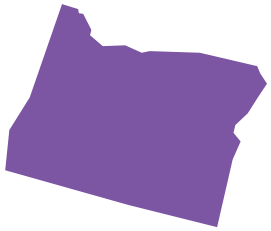
Premium Subsidies	**Medicaid (via 1115 Waiver)** CT, MA, RI, VT
	Section 1332 Pass-Through Funding CO (Public Option)
	State General Revenue DC, MD, NJ, NM, WA
CSR Subsidies	**Medicaid (via 1115 Waiver)** CT, MA, VT
	Section 1332 Pass-Through Funding CO, NY (Expanded BHP)
	State General Revenue CA, NM

Basic Health Program

Allowed under Section 1331 of the ACA, states can replace QHP coverage for persons up to 200% FPL with a single, state-contracted offering. Premiums and cost-sharing can be no more than they would have under APTC/QHP coverage.

State receives 95% of APTC amount to purchase coverage for this population.

Minnesota



Oregon

New York*

Standardized Plans

- Standardized plans create a standard benefit design offered on the marketplace.

Standard Cost Sharing

Allows consumer to compare plans on premiums and/or network

Required Pre-deductible benefits

Allows state to prioritize certain services for access and affordability

Deductible Limits

Allows plans to de-prioritize deductible as AV creation tool.

Standardized Plans

- 42 states and the District of Columbia have standardized plan designs offered for sale.
- Healthcare.gov and CO require the offering of standard plans, but do not limit offerings of non-standard plans.
  - 5 states (CT, ME, MA, NY, WA) limit the number of non-standard plans
  - 4 states (CA, DC, NJ, VT) do not have non-standard plans

Discussion

Discussion

1. Is there anything else you want to know about these programs? What information could we show you next time to help you formulate a recommendation?

2. Which options are you interested in exploring further?
   a) Which do you think could be a good fit for Rhode Island?
   b) Are there options that are well aligned with the workgroup's guiding principles?

3. Are there options we do *not* want to explore further?

Next Steps

Meeting 4 – Affordability Options and Assessments for RI

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Thank you!

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