

Section 1332 of the Patient Protection and Affordable Care Act (PPACA) State Innovation Waivers – Reinsurance Waiver Quarterly Report

Reporting Instructions: Use the following template to capture data for quarterly 1332 waiver grant reporting, as specified in 45 CFR 155.1324(a), and referenced in your grant specific terms and conditions (STC). Quarterly reports are due 60 days following the end of each calendar quarter.

STATE:

A. GRANTEE INFORMATION			
1. Reporting Period End Date June 30, 2021		2. Report Due Date August 29, 2021	
3. 1st Quarterly Report <input type="radio"/>	2nd Quarterly Report <input checked="" type="radio"/>	3rd Quarterly Report <input type="radio"/>	4. Federal Agency and Organization Element to Which Report is Submitted Consumer Information & Insurance Oversight (CCIIO)
5. Federal Grant Number Assigned by Federal Agency SIWIW190008	6a. DUNS Number 155915090000		6b. EIN 396006451
7. Recipient Organization Name Office of the Commissioner of Insurance			
Address Line 1 125 South Webster Street			
Address Line 2			
Address Line 3			
City Madison	State WI		Zip Code 53707
Zip Extension		8. Grant Period Start Date January 1, 2019	
9. Grant Period End Date December 31, 2023			
10. Other Attachments (attach other documents as needed or as instructed by the awarding Federal agency)			

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B. REPORT CERTIFICATION	
11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.	
11a. Typed or printed name and title of Authorized Certifying Official Nathan Houdek	11b. Signature of Authorized Certifying Official
11c. Telephone (area code, number, and extension) 608-266-2493	11d. E-mail address Nathan.Houdek@wisconsin.gov
11e. Date report submitted (month/day/year)	
C. PROGRESS OF SECTION 1332 WAIVER - General	
12. Provide an update on progress made in implementing and/or operating the approved 1332 waiver.	
Administrative Rule: The current rule governing the program is an emergency rule (ER) that remains in place until a permanent rule is adopted. OCI wanted experience operating the program before moving forward with a permanent rule. The proposed permanent rule largely mirrors the ER, with a few updates to allow OCI flexibility in setting reporting dates, clarification around claim reconciliation after final claims are reported, and language allowing insurers to file claims for enrollees in the grace period where insurers are obligated to pay. A public hearing was held via Zoom on April 5, 2021. The Wisconsin Association of Health Plans provided written testimony (attached to the email with this report). No verbal remarks were made at the hearing. On June 10, 2021 the Governor approved the proposed permanent rule for consideration by the Legislature. The rule was filed with the Legislature on June 11, 2021. The rule process is lengthy. Assuming no problems, the proposed permanent rule may be adopted at the beginning of November 2021.	
2022 Payment Parameters: A public hearing on proposed 2022 payment parameters was held on April 26, 2021. A comment period for interested parties to submit written comments was made available from April 19, 2021 through May 3, 2021. The Wisconsin Association of Health Plans, Anthem, and Common Ground submitted written comments (attached to the email with this report). The proposed parameters kept the attachment point and cap the same as plan year 2021 but reduced the co-insurance from 48% to 43.75%. Comments largely	

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centered around discontent with the decreased co-insurance amount. OCI, based on an analysis completed by its contracted actuary, indicated a change in the payment parameters was necessary to keep the program at a \$200 million program (statutory requirement). OCI asked the actuary to run scenarios reflecting the 2021 parameters, as well as the impact of having a 50% co-insurance rate. The additional funding amount needed to move forward with a modification, such as a 50% co-insurance rate, was shared with the WI Association of Health Plans. Due to the \$200 million (all funds) funding cap on the program, on May 13, 2021, OCI finalized the payment parameters as \$40,000 attachment point, 43.75% co-insurance rate, and \$175,000 cap. Shortly after the payment parameters were finalized, insurers started to lobby the Legislature (as they were deliberating the 2021-23 biennial budget) for an increase in funding to the program. Both houses of the Legislature approved an increase in spending from \$200 million to \$230 million (all funds), effective 2022. The approved provision also includes a directive to OCI to modify the 2022 payment parameters to account for the additional funding. The budget needs approval by the Governor before becoming law.

2021 Q1 Insurer Claim Reports Submitted:

Insurers submitted their Q1 2021 claim reports to OCI on May 15, 2021. The total claims amount reported was \$16,391,781.56. This amount is lower than claims reported in Q1 of 2020. That amount was \$18,903,769.

2020 Insurer Final Claim Reports Submitted:

Insurers submitted their final 2020 claim reports by May 15, 2021. The total claim amount reported was \$183,483,625.85. OCI has a statutory requirement to send insurers the aggregate amount and confirm their individual payment totals by June 30, 2021. On June 28, 2021 insurers were sent an email with the aggregate total and a message indicating they would receive the amount they submitted on their final claim report, assuming no issues arise during the audit process.

Phase I Verification Audit:

Phase I of the audit process entails OCI choosing a sample of 60 enrollees, across all carriers, for review. Insurers with the highest WHSP claim totals are asked to provide more samples than those with lower claim amounts. For each identified enrollee, insurers must submit information such as date, provider, and claim total for every claim that rolls up to the total claim amount reported. Insurers were sent templates with the identified enrollees on May 24, 2021 and were given until July 7, 2021 to complete and return them to OCI.

Annual Forum:

In May, OCI asked HHS for permission to hold the annual forum virtually using Zoom. Permission was granted and, per HHS instructions, OCI posted the approval to its website. OCI also noticed and posted a public hearing notice for the forum on June 2nd. The actual forum date is July 14, 2021. Here is a link to the public hearing notice and OCI/HHS email correspondence: <https://oci.wi.gov/Pages/Consumers/HealthcareStabilityPlan.aspx>

1332 Waiver Extension Request:

On June 1, 2021, OCI sent HHS a letter indicating its plan to apply for a five year waiver extension. On

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June 30, 2021, HHS sent a letter back confirming receipt and listing the application requirements.

13. Describe any implementation and/or operational challenges, including plans for and results of associated corrective actions. After the first quarter, only report on changes and/or updates, as appropriate.

N/A

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D. POST-AWARD FORUM <i>(for Quarter Post-Award Forum was held)</i>
14. Was the date, time, and location of the Post-Award Forum advertised 30 days in advance? <input type="radio"/> Yes <input type="radio"/> No
15. State website address where Post-Award Forum was advertised
16. Date Post-Award Forum took place
17. Summary of Post-Award Forum, held in accordance with §155.1320(c), including all public comments received and actions taken in response to concerns or comments.
18. Other Attachments (attach other documents as needed pertaining to Post-Award Form)