

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 6/30/2019		2. Report Due Date 8/30/2019	
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 1559150930000	6b. EIN 396006451	
7. Recipient Organization Name State of Wisconsin Office of the Commissioner of Insurance			
Address Line 1 125 S. Webster Street			
Address Line 2			
Address Line 3			
City Madison	State WI	Zip Code 53703	
Zip Extension		8. Grant Period Start Date Jan 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 Kate Ludlum, Administrator Funds and Program Management Office of the Commissioner of Insurance	11b. Signature of Authorized Certifying Official
11c. Telephone (area code, number, and extension) (608) 264-6232	11d. E-mail address kate.ludlum@wisconsin.gov
11e. Date report submitted (month/day/year) 08/12/2019	
C. PROGRESS OF SECTION 1332 WAIVER - General	
<p>12. Provide an update on progress made in implementing and/or operating the approved 1332 waiver. The Deputy Commissioner sent an email on May 2, 2019 to update insurers of staffing changes, as Terri Carlson the initial administrator accepted a position outside of OCI and Sue Ezalarab was named the new administrator.</p> <p>Per s. 601.83(3), Wis. Stats, the commissioner must set the payment parameters by no later than March 30 of the calendar year before the applicable benefit year, unless the commissioner specifies a different date by rule. Emergency Rule 1831 extends that date to May 15. The commissioner proposed 2020 payment parameters, held a hearing on April 29, 2019, and offered a comment period as opportunities for public feedback. Given no objections or substantive comments on the proposed parameters, the commissioner announced the 2020 payment parameters on May 10, 2019, to include an attachment point of \$40,000 and a cap of \$175,000. A 50% coinsurance will be applied.</p> <p>Insurers offering coverage in the individual market that want to participate in WIHSP must file their Quarter 2 claims data with OCI no later than August 15, 2019.</p>	
<p>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.</p> <p>As insurers start to complete the spreadsheet provided by OCI to report their first quarter data, there have been several clarifying questions presented from insurers. These have been very helpful in</p>	

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understanding areas where instructions are not clear and can be improved. This information will also help inform changes to the administrative rule as OCI starts to work on the permanent version of the rule.

Statutory language approved at the end of 2018 allowing the OCI WIHSP emergency rule to remain in place until a permanent rule was adopted had been put on hold due to a temporary injunction. There were several other provisions included in that injunction, unrelated to WIHSP. In other words, WIHSP was not singled out for action. Therefore, the original emergency rule issued to administer the program was set to expire and OCI needed to get approval for an extension from the WI Joint Committee for the Review of Administrative Rules. A 60 day extension was approved. A second 60 day extension was approved on June 13, 2019, that extended the rule to August 29, 2019. On June 21, 2019, the Wisconsin Supreme Court ruled that the extraordinary session did not violate the Wisconsin constitution. The statutory language allowing the emergency rule to remain in place is in effect and the emergency rule continues to be effective until the permanent rule is promulgated. OCI has scheduled a public hearing on July 24, 2019, for the permanent rule with public comment period through August 2, 2019.

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D. POST-AWARD FORUM <i>(for Quarter Post-Award Forum was held)</i>
<p>14. Was the date, time, and location of the Post-Award Forum advertised 30 days in advance?</p> <p><input checked="" type="radio"/> Yes</p> <p><input type="radio"/> No</p>
<p>15. State website address where Post-Award Forum was advertised</p> <p>oci.wi.gov</p>
<p>16. Date Post-Award Forum took place</p> <p>May 7, 2019</p>
<p>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.</p> <p>Attendees:</p> <p>OCI Olivia Hwang Sue Ezalarab Julie Walsh Jennifer Stegall Darcy Paskey</p> <p>External Lisa Ellinger; WHA Paige Scobee; Hamilton Consulting Stephanie Maslowski; Dean Health Plan Kelsey Avery; WAHP Bobby Peterson; ABC for Health Melissa Duffy; Common Ground</p> <p>Notes:</p> <ul style="list-style-type: none"> • Olivia delivered the attached power point; hard copies were available at the meeting • Bobby Peterson asked a question related to OCI's mechanism for holding insurers accountable for lowering rates in light of the program. <ul style="list-style-type: none"> o OCI Response: State law and OCI require insurers to submit 2 rates; one reflecting WIHSP being in place and the other reflecting what the insurer would have filed if WIHSP was not in place. Staff also addressed the validity of the claims data filed with OCI by explaining the verification audit process and the use of EDGE Server data for the carriers final, end of year reporting. • Bobby Peterson also asked whether the OCI has to apply for a waiver every year, how much state funds are supporting the program and what the revenue source is; how the state portion of the program compares to what other states are paying, how the states operation of the program compares to other

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states, and whether any data would be reported out by the state throughout the year.

o OCI Response indicated the following:

- The waiver is approved for a 5 year period.
 - For plan year 2019, the federal government approved approximately 128 million dollars and the state budget includes 72 million dollars (in keeping with the \$200 million program approved by HHS).
 - State funding is general purpose revenue (GPR).
 - Other states have contributed more than WI; MN is an example, although part of their initial costs may have been attributed to the basic health plan population.
 - Operationally WI's process is similar to Oregon where claims data is collected, attested to and audited vs. a MN set up where they have a separate entity outside of the insurance dept. managing the data and more directly accessing EDGE data.
 - Per state statute, OCI will provide to the insurers on a quarterly basis the amount of claims reported to qualify for WIHSP, on an aggregate basis, and OCI can post to the website. OCI also has operational reports due to HHS quarterly.
 - Lisa Ellinger asked why the payment parameters for the 2020 plan year vary from those set for 2019.
- o OCI Response: To maximize the program and ensure it remains a \$200 million program, the parameters needed to shift a bit; based on expected enrollment and claims trends for 2020.

The hearing adjourned at 10:30 a. m. The record was held open, but no additional comments were received.

18. Other Attachments (attach other documents as needed pertaining to Post-Award Form

Notice of hearing (email documenting 30 day notice)

Power point presentation