

# Wisconsin 1332 Waiver Application

April 18, 2018



Office of the Commissioner of Insurance  
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## **Executive Overview**

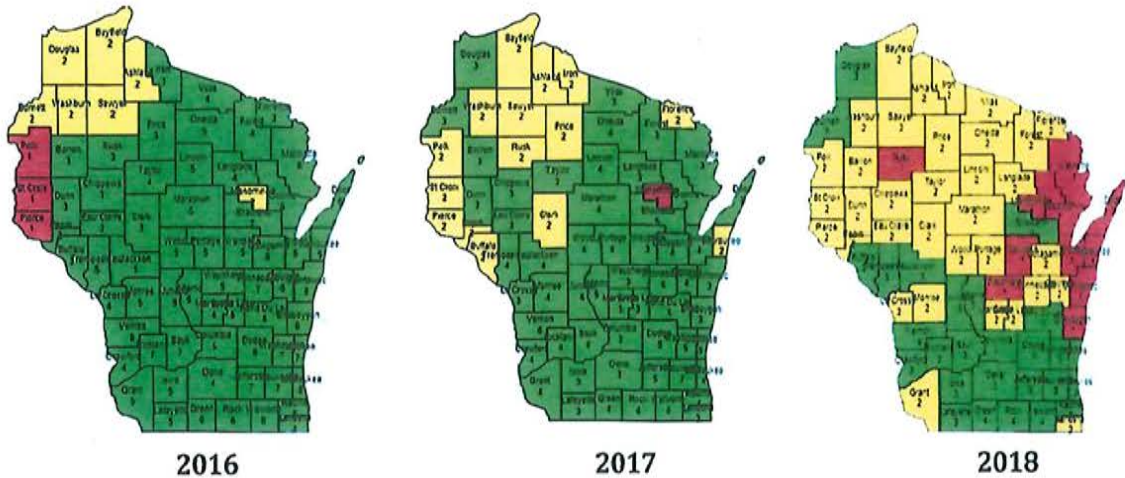
### **Request**

The State of Wisconsin, through its Office of the Commissioner of Insurance (OCI), submits this 1332 State Innovation Waiver request to the United States Department of the Treasury (Treasury) and the Centers for Medicare and Medicaid Services (CMS), a division of the United States Department of Health and Human Services (HHS). This request seeks waiver of Section 1312(c)(1) under Section 1332 of the Affordable Care Act (ACA) for a period of five years beginning in the 2019 plan year to develop and implement the Wisconsin Healthcare Stability Plan (WIHSP), a state based reinsurance program. This waiver will not affect any other provision of the ACA, but will result in a lower marketwide index rate, thereby lowering premiums and reducing federal payment of advance premium tax credits (APTC).

### **Basis for Request and Goal of Reinsurance Program**

Prior to the ACA, Wisconsin had a thriving individual market. Consumers had over twenty plans to choose from which included national and local insurers, for-profit and non-profit insurers, and HMOs and PPOs. However, the Wisconsin health insurance market is now fragile due to a number of unique variables that arose from implementation of the ACA. Over the past few years, Wisconsin has experienced more than \$400 million in insurer losses (over the past three years alone), prohibitive rate increases, and insurers consistently leaving the market or reducing service areas. This market volatility has left consumers with unaffordable and dwindling plan options. For example, during the 2018 open enrollment period, approximately 75,000 enrollees were forced to choose a new insurer and thousands of consumers overall had only one or two insurer options on the Health Insurance Marketplace (the "Exchange") in counties previously having three or more. Rate increases averaged 44% across the state and in some areas were as high as 105%. The maps on page 3 demonstrate the magnitude of this issue and the impact it has had across Wisconsin.

**Figure 1. Number of Exchange Health Plans Available in Wisconsin Counties, 2016-2018**



**Green: 3 or More Insurers**  
**Yellow: 2 Insurers**  
**Red: 1 Insurer**

Source: Wisconsin Office of the Commissioner of Insurance (OCI)

Establishing a state reinsurance plan through a 1332 waiver – to cover a portion of claims falling within a defined dollar range – is a step toward bringing certainty and stability back into the individual market.

Wisconsin’s state-based reinsurance plan will:

Action	Benefit
Assist insurers in managing high risk enrollees and create a broader pool of people to absorb all other risk	Prevent more insurer exits and improve consumer access
Lower rates to keep consumers in the market and attract new entrants	Provide financial relief for those not eligible for subsidies and a step toward a healthier risk pool
Retain federal subsidies for individuals with incomes between 100% and 400% of the federal poverty level (FPL)	Ensure those with access to affordable coverage due to federal subsidies can keep it

### **Operation, Funding, and Impact of the Wisconsin Healthcare Stability Plan**

Senate Bill 770, signed into law as 2017 Wisconsin Act 138 (Act 138) on February 27, 2018, established the WIHSP, to be administered by the Wisconsin Office of the Commissioner of Insurance (OCI), contingent upon approval of a 1332 Waiver. Total funding for the plan cannot exceed \$200 million. The plan will be funded with a combination of state general purpose revenue (GPR) and federal pass through dollars. OCI is estimating an 83% federal pass through rate and therefore anticipates state GPR funding of approximately \$34 million. However,



funding language in the Act is structured as a sum sufficient appropriation, granting the state the needed flexibility to fund the \$200 million program if the federal pass through funds differ from the anticipated amount. WIHSP will operate like a traditional reinsurance program by reimbursing qualifying individual health insurers for a percentage of an enrollee's claims between an attachment point and a cap. Act 138 establishes an attachment point of \$50,000 and a reinsurance cap of \$250,000 for plan year 2019. The Act allows for a coinsurance rate of between 50 and 80 percent. Based on actuarial modeling performed by Wakely, OCI intends to establish a preliminary coinsurance rate of 50% for plan year 2019. For future plan years, Act 138 requires OCI, after consulting with an actuarial firm, to design and adjust payment parameters with the goal of stabilizing the individual market, increasing participation of insurers in the market, and considering federal funding available to the plan.

OCI estimates the WIHSP will reduce premiums in 2019 by 10.6%, from the projected baseline level if WIHSP was not in place.

**Compliance with Section 1332**

Waiver of Section 1312(c)(1) will not impact the comprehensiveness of coverage of the Wisconsin insurance markets. As noted above, the waiver will reduce premiums and increase affordability.

OCI and Wakely estimate that average total enrollment in the non-group market for ACA-qualified plans fell from 227,000 in 2017 to 202,000 in 2018. Average premiums increased by nearly 44 percent, from \$520 per member per month (PMPM) in 2017 to \$751 PMPM in 2018.

Wakely's actuarial analysis indicates that Wisconsin's non-group ACA-qualified enrollment would stabilize under the waiver at about 203,000 enrollees. Exchange enrollment would stabilize at about 186,000, and APTC enrollment at about 163,000. Wakely estimates that the proposed reinsurance program would reduce premiums by approximately 10.6 percent in 2019 and non-group enrollment would increase by about 0.8 percent relative to the baseline projection.

Due to the resulting reduction in individual health insurance premiums, including premiums for the second-lowest cost silver plan, the federal government will see a net reduction in spending of approximately \$166 million in 2019 and approximately \$164 million for each subsequent year through the first five-years the waiver is in place.

**Table 1: 2019 High-Level Guard Rails Results**

<b>Guard rails</b>	<b>Effect of Waiver</b>
Coverage	Increase in enrollment
Affordability (2019)	Relative Premium Decrease of 8.2% to 12.6%
Comprehensiveness	No change to EHBS
Deficit Neutrality (2019)	Federal savings between \$157 million and \$176 million
Deficit Neutrality (10-year)	Federal savings each year of 10-year window



## I. Wisconsin 1332 Waiver Request

The Wisconsin health insurance market is fragile. Operationalizing the ACA has resulted in: approximately \$400 million in insurer losses over the past three years, prohibitive rate increases, and insurers consistently leaving the market or reducing service areas. This market volatility has left consumers with unaffordable and dwindling plan options. For example, during the 2018 open enrollment period, approximately 75,000 enrollees were forced to choose a new insurer, and thousands of consumers had only one or two insurer options in counties previously having three or more. Rate increases averaged over 40 percent across the state and in some areas were as high as 105 percent.

Wisconsin seeks waiver of Section 1312(c)(1) under Section 1332 of the ACA for a five-year period beginning in the 2019 plan year to develop and implement a state reinsurance program. WIHSP is intended to further stabilize the individual market, reduce rates, and to encourage insurance companies to offer plans in more parts of the state.

Section 1312(c)(1) requires "all enrollees in all health plans ... offered by [an] issuer in the individual market ... to be members of a single risk pool." Waiver of the single risk pool requirement, to the extent it would otherwise require excluding total expected state reinsurance payments when establishing the market wide index rate, will not affect any other provision of the ACA. Consideration of these payments will lower the marketwide index rate. A lower index rate will lower premiums for Wisconsin's second lowest-cost silver plan, which will reduce the overall APTC that the federal government is obligated to pay for Wisconsin subsidy-eligible consumers.

As fewer healthy people purchase coverage, the pool of people becomes sicker, older and higher risk, and, therefore, more costly to insure. Healthy lives are needed to balance risk so that consumers can regain access to affordable coverage. Without a reinsurance program, individual health insurance premiums in Wisconsin will continue to rise at an unsustainable rate and more healthy lives will be left out of the pool. Operating a state-based reinsurance plan will help reduce further erosion of this market and is a positive step toward stabilization. The WIHSP will result in decreased premiums and a means for insurers to manage high cost claims in a way that prevents them from leaving the market.

**Table 2: 2019 Impact of Waiver on Premium, Enrollment, and Federal Deficit**

	Premiums, Compared to 2019 Baseline	Premiums, Compared to 2018	Non-Group Enrollment	Federal Savings
Effect of Reinsurance	-10.6%	-5.4%	+0.8%	\$166 Million

Over the 10 year window, the reinsurance program provides savings to the federal government due to APTC savings net of other federal revenues. The details of the federal savings over the 10-year window are shown in Table 3<sup>1</sup>.

**Table 3: 10-Year Deficit Impact of Reinsurance Program**

Category of Impact	Impact to Federal Deficit (\$ millions)
Difference in APTCs	\$1,725
Difference in Mandate Penalty	\$0
Difference in User Fees	-\$63
Difference in HIT	-\$20
<b>Estimated Net Federal Savings</b>	<b>\$1,641</b>

To establish the state's reinsurance program, Wisconsin seeks federal pass through funds in the amount the federal government would have otherwise paid in APTC absent consideration of the reinsurance payments in the marketwide index rate. By mitigating high-cost individual health insurance claims, the WIHSP will help to stabilize Wisconsin's individual market and make premiums more affordable. With the waiver and reinsurance program, Wisconsin anticipates that individual premiums, including premiums for second lowest cost silver plans, will be lower than they would have been without the waiver and reinsurance program by 10.6 percent in 2019, 10.0 percent in 2020, 9.6 percent in 2021, and 9.1 to 6.8 percent in the years between 2022 and 2028 if the waiver were extended for 10 years.

## **II. Compliance with Section 1332 Guard Rails**

### **A. Comprehensive Coverage Requirement (1332(b)(1)(A)):**

Neither a waiver of Section 1312(c)(1) nor the WIHSP will affect covered benefits for Wisconsin residents. Regardless of whether the waiver is granted, all Exchange-compliant plans will be required to provide coverage of essential health benefits. Similarly, the scope of benefits provided by other types of coverage such as Medicaid, Children's Health Insurance Program (CHIP), and grandfathered plans will not be impacted.

### **B. Affordability Requirement (1332(b)(1)(B)):**

As stated in Section I, waiver of Section 1312(c)(1), together with the WIHSP, will make the cost of individual coverage lower each year than it would be without the waiver. The waiver will not affect cost sharing or the affordability of minimum essential coverage obtained through other means, such as Medicaid, CHIP, employer based insurance, or other types of coverage, and the same number of people will have access to such coverage as they would without the waiver. The

<sup>1</sup> Issuers that utilize the Healthcare.gov platform are assessed a fee by the federal government. This fee is calculated as a percent of Exchange premium. The HIT is a fee imposed on each covered entity that provides health insurance for US health risks. There is a moratorium on the fee in 2019. Individual mandate penalties were set to \$0 effective for the 2019 benefit year.



waiver will have a positive effect on vulnerable people who buy coverage in the individual market since premiums will be lower.

### **C. The Scope of Coverage Requirement (1332(b)(1)(C)):**

As previously noted, waiver of Section 1312(c)(1), together with WIHSP, will reduce the cost of coverage in the individual market. In each year of the waiver, the lower cost of coverage will allow more Wisconsinites to purchase or maintain coverage in the individual market than without the waiver. Enrollment in the non-group market is expected to increase by 0.8 percent in 2019. As described in Appendix A, “the decrease in premiums is expected to produce an increase in enrollment relative to what Wisconsin would experience without the reinsurance program. APTC enrollment is assumed to stay the same as 2018 since these members are generally unaffected by rate changes.<sup>2</sup> Consequently, the new enrollees are expected to be above 400% FPL. These new enrollees were allocated pro rata between on-Exchange and off-Exchange by the share of unsubsidized enrollment that on-Exchange enrollees represented. It is likely that enrollees who stay in the market due to the implementation of reinsurance will be healthier and/or younger than the enrollees who will be in the market regardless of whether there is a reinsurance program.<sup>3</sup>” Those who obtain minimum essential coverage through other means, such as Medicaid, CHIP, employer-based insurance, or other types of coverage, will have the same access to coverage as they would without the waiver. The waiver will have a positive effect on vulnerable people who buy coverage in the individual market since premiums will be lower.

### **D. The Federal Deficit Requirement (1332(b)(1)(D)):**

As stated above, with the waiver and reinsurance program, Wisconsin anticipates that individual premiums, including premiums for second lowest cost silver plans, will be lower, net of the premium assessment, by 10.6 percent in 2019, 10.0 percent in 2020, and 9.6 in 2021. Premium reductions in future years, due to both the reinsurance program and improved morbidity, are shown in annual detail in Table 8 in Appendix A of the Wakely report (Attachment 1 of this application). Because APTC are tied to the second lowest cost silver plan, these lower premiums, the federal government will pay less in APTC. As Table 3, on page 6 demonstrates, the federal government will save more than \$1,641 million over this 10-year budget cycle.

## **III. Description of the Wisconsin 1332 Waiver Proposal**

### **A. Wisconsin Act 138**

Wisconsin Senate Bill 770 (SB 770) was signed into law by Wisconsin Governor Scott Walker on February 27, 2018 (becoming “Act 138”). Act 138 established the WIHSP, a \$200 million state based reinsurance plan, contingent upon approval of a federal 1332 Waiver. One of the

<sup>2</sup> This assumption does not preclude normal churn that occurs within the individual market. Normal churn, enrollees leaving for employer-sponsored insurance or enrollees joining the individual market who previously had coverage in Medicaid, would continue. The assumption merely assumes in aggregate that a similar number of APTC enrollees would have coverage in 2019 as had coverage in 2018.

<sup>3</sup> <https://www.brookings.edu/blog/up-front/2017/02/08/new-data-on-sign-ups-through-the-acas-marketplaces-should-lay-death-spiral-claims-to-rest/>

goals of Act 138 is to stabilize rates for individual health insurance plans and provide greater financial certainty to health insurers and health insurance consumers.

Act 138 requires OCI to operate the WIHSP, including setting the attachment point, reinsurance cap, and coinsurance amounts. OCI must set these parameters after consulting with an actuarial firm, however, Act 138 sets the parameters for the 2019 plan year with a \$50,000 attachment point and \$250,000 reinsurance cap. OCI is required to set the coinsurance rate between 50 and 80 percent. As stated earlier, the 2019 coinsurance rate will be 50%.

While Act 138 establishes key dates by which payment parameters must be set, insurers must be paid, and OCI must communicate specified information to insurers, OCI is given broad rule-making authority to address operational and other WIHSP needs.

### **B. The WIHSP and Federal Pass Through Funding**

The WIHSP is designed to improve Wisconsinites' access to affordable and comprehensive coverage. The goal of the reinsurance program is to manage the risk of high-cost claimants across the broader health insurance market, thereby lowering premiums for the individual market. In doing so, the reinsurance program should incentivize individual enrollees to join or remain in the market, encourage insurer participation, and reduce overall instability. In addition to providing lower premiums to Wisconsin residents, WIHSP will also reduce federal expenditures through lower APTC.

Because the amount of APTC available for eligible consumers is tied to the second lowest cost silver plan available through the federal Exchange, the amount the federal government will be required to pay in APTC will be reduced. Through this waiver request, Wisconsin seeks the amount of federal savings from these reduced APTC payments. Wisconsin seeks these funds to offset a majority of the costs associated with the reinsurance program.

The WIHSP will reimburse individual health insurers for a proportion (co-insurance amount) of high-cost enrollee claims between a lower bound (attachment point) and an upper bound (cap). For 2019, as mentioned under previous sections, Wisconsin will set the attachment point at \$50,000, coinsurance rate at 50%, and the reinsurance cap at \$250,000. As required by Act 138, if the amount available for expenditure for the WIHSP is not anticipated to be adequate to fully fund the payment parameters set for the upcoming plan year, OCI must allow insurers to adjust their rate filings based on any adjustment made to the final payment parameters for the applicable benefit year. If it is the case that funding is not available to make all reinsurance payments in a benefit year, OCI will make reinsurance payments in proportion to the eligible health insurer's share of aggregate individual health plan claims costs eligible for reinsurance payments during the applicable benefit year.

## **IV. Waiver Implementation Timeline<sup>4</sup>**

02-27-18: Legislation authorizing the WIHSP is signed into law

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<sup>4</sup> Dates and action items are subject to change based on future operational decisions, waiver approval timelines, and the administrative rule-making process

- 03-14-18: Public comment period begins
- 03-14-18: Public hearing in Onalaska
- 03-15-18: Public hearings in Chippewa Falls and Marshfield
- 03-16-18: Public hearings in Wausau and Green Bay
- 03-24-18: Public hearing in Milwaukee
- 04-04-18: Public hearing in Madison
- 04-06-18: Tribal consultation held in Green Bay
- 04-14-18: Public comment period ends
- 04-20-18: 1332 Waiver application is submitted to the federal government
- 06-04-18: OCI issues a request for proposals (RFP) for actuarial expertise needed to set 2020 payment parameters<sup>5</sup>
- 06-05-18: Federal government determines the waiver application is complete/federal comment period begins
- 06-05-18: Administrative rules introduced
- 07-02-18: Insurer rate submission; one for the 2019 plan year assuming WIHSP in place using Act 138 parameters [rates that will be filed with the federal government]; and an indication of rates assuming no WIHSP
- 07-02-18: Office of the Commissioner of Insurance (OCI) staffs the WIHSP; Director of the WIHSP hired
- 07-04-18: Federal comment period ends
- 09-04-18: Federal government grants 1332 Waiver/funds for WIHSP<sup>6</sup>
- 09-04-18: OCI/WIHSP confirm payment parameters for the 2019 benefit year<sup>7</sup>
- 11-01-18: Emergency administrative rules for WIHSP finalized
- 01-01-19: First plan year WIHSP is in place
- 01-07-19: OCI/WIHSP awards actuarial vendor contract
- 02-04-19: OCI posts date, time, and location of post-award public forum on the OCI website to meet 45 CFR 155.1320(c)(1)
- 03-04-19: OCI holds six-month public forum required by 45 CFR 155.1320(c)
- 03-30-19: No later than this date OCI/WIHSP sets the payment parameters for the 2020 benefit year
- 06-03-19: Insurers submit Q1 eligible claims data to OCI for WIHSP
- 06-28-19: OCI/WIHSP will provide each eligible insurer with the calculation of total amounts of Q1 reinsurance payment requests
- 07-01-19: OCI/WIHSP shall adjust the payment parameters if it is not anticipated that the amount available for the program will be adequate to fully fund the payment parameters set earlier in the year (those set no later than March 30)
- 07-25-19: Insurer rate submission; one for the 2020 plan year assuming WIHSP in place [rates that will be filed with the federal government] and an indication of rates assuming no WIHSP

<sup>5</sup> Procurement for such services can take between six and twelve months. Actuarial expertise/work product is needed prior to March 30, 2019; the date OCI must release 2020 payment parameters. Vendor selection will be contingent upon 1332 waiver approval.

<sup>6</sup> Approval date assumes HHS/CMS does not take the full 180 day review period before making a determination.

<sup>7</sup> 2019 Payment parameters are detailed in 2017 WI Act 138 and are outlined in this waiver application. After final waiver approval, OCI will either confirm the payment parameters approved in the application as submitted or, if OCI was required to modify the parameters as a condition of waiver approval, OCI will ensure insurers are aware of those modifications.



- 09-04-19: OCI/WIHSP holds annual public forum required by 45 CFR 155.1320(c)
- 09-02-19: Insurers submit eligible Q2 claims data to OCI for WIHSP
- 09-30-19: OCI/WIHSP will provide each eligible insurer with the calculation of total amounts of Q2 reinsurance payment requests
- 12-02-19: Insurers submit Q3 eligible claims data to OCI for WIHSP
- 12-31-19: OCI/WIHSP will provide each eligible insurer with the calculation of total amounts of Q3 reinsurance payment requests
- 03-01-20: Federal government funds WIHSP for 2019 plan year
- 03-02-20: Insurers submit Q4 2019 eligible claims data to OCI for WIHSP
- 03-31-20: OCI/WIHSP will provide each eligible insurer with the calculation of total amounts of Q4 2019 reinsurance requests
- 03-31-20: No later than this date, OCI submits draft post award annual report to HHS as required by 45 CFR 155.1324(c)
- 06-30-20: No later than this date, OCI/WIHSP Director will notify eligible health insurers of reinsurance payments to be made for the 2019 plan year
- 07-01-20: OCI/WIHSP submit required post award annual report per 45 CFR 155.1324(c)<sup>8</sup>
- 07-01-20: General purpose revenue (GPR) funds appropriated to WIHSP
- 07-02-20: Insurer rate submission; one for the 2020 plan year assuming WIHSP in place [rates that will be filed with the federal government]; and an indication of rates assuming no WIHSP
- 08-15-20: No later than this date, OCI/WIHSP will disburse all reinsurance payments to eligible insurers

## **V. Additional Information and Reporting**

### **A. Administration Burden**

Waiver of Section 1312(c) will cause minimal administrative burden and expense for Wisconsin and for the federal government. The waiver will cause no additional administrative burden to employers and individual consumers because Section 1312(c) does not relate to the administrative functions or requirements typically undertaken by employers or individuals. Individual health insurers also will see no additional administrative burden.<sup>9</sup>

OCI has the resources and staff necessary to absorb the following administrative tasks that the waiver will require the state to perform:

- Administer the WIHSP
- Distribute federal pass through funds
- Monitor compliance with federal law
- Collect and analyze data related to the waiver
- Perform reviews of the implementation of the waiver

<sup>8</sup> OCI must post final within 60 days of receiving comments from HHS. This date, 7-1-20 assumes comments from HHS in late April/ early May 2020

<sup>9</sup> Individual health insurers will experience additional administrative burden and associated expense as a result of the WIHSP; however, the waiver itself will result in no additional administrative burden or cost, and the monetary benefit from the WIHSP will far exceed any resulting administrative expense.

- Hold annual public forums to solicit comments on the progress of the waiver
- Submit annual reports (and quarterly reports, if ultimately required) to the federal government

The waiver will require the federal government to perform the following administrative tasks:

- Review documented complaints, if any, related to the waiver
- Review state reports
- Periodically evaluate the state's 1332 waiver program
- Calculate and facilitate the transfer of pass through funds to the state

OCI believes the above administrative tasks are similar to other administrative functions currently performed by the federal government, so that their effect is insignificant. Waiver of Section 1312(c)(1) does not necessitate any changes to the Federally Facilitated Marketplace and will not affect how APTC or cost-sharing reduction payments are calculated or paid.

### **B. Impact on Residents Who Need to Obtain Healthcare Services Out-of-State**

Wisconsin shares borders with Minnesota, Iowa, Illinois and Michigan. Insurer health plans covering individuals living in border counties generally include providers from the neighboring state in their networks. Granting this waiver request will not affect insurer networks or service areas that provide coverage for services performed by out of state providers.

### **C. Ensuring Compliance, Waste, Fraud, and Abuse**

OCI is responsible for regulating and ensuring regulatory compliance and monitoring the solvency of all insurers. OCI performs market conduct analysis, financial examinations, and investigates consumer complaints. OCI also manages the Injured Patients and Families Compensation Fund and the State Life Insurance Fund. Until this year, OCI operated the Local Government and Property Fund (*Legislature ended the program*). OCI will apply the same expertise used in managing other funds to operating the WIHSP.

Act 138 sets accounting, reporting, and audit requirements for WIHSP. However, OCI can set forth additional requirements and detail by administrative rule. OCI must keep an accounting for each benefit year of all of the following:

- Funds appropriated for reinsurance payments and administrative and operational expenses
- Requests for reinsurance payments made to eligible health carriers
- Administrative and operational expenses incurred for the WIHSP

By November 1 of the calendar year following the applicable benefit year or by 60 days following the final disbursement of reinsurance payments for the applicable benefit year, whichever is later, the OCI must make available to the public a report summarizing the WIHSP's operations for each benefit year by posting the summary on the office's website.

The WIHSP is subject to audit by the Legislative Audit Bureau (LAB). OCI must ensure that its contractors, subcontractors, or agents cooperate with any audit of the WIHSP performed by LAB.

#### **D. State Reporting Requirements and Targets**

OCI will assume responsibility for the reporting requirements of 45 CFR 155.1324, including the following:

- Quarterly reports [45 CFR 155.1324(a)]: To the extent required, OCI will submit quarterly reports, including reports of ongoing operational challenges, if any, and plans for, and results of, associated corrective actions.
- Annual reports [45 CFR 155.1324(b)]: OCI will submit annual reports documenting the following:
  - (1) The progress of the waiver.
  - (2) Data, similar to that contained in Attachment 1, on compliance with Section 1332(b)(1)(B) through (D) of the ACA.
  - (3) Modifications, if any, to the essential health benefits for compliance with Section 1332(b)(1)(A) of the ACA.
  - (4) The premium for the second lowest cost silver plan under the waiver and an estimate of the premium as it would have been without the waiver for a representative consumer in each rating area.
  - (5) A summary of the annual post-award public forum required by 45 CFR 155.1320(c) together with a summary of action taken in response to public input.
  - (6) Any additional information required by the terms of the waiver.

To the extent that quarterly reporting is required under 45 CFR 155.1324(a), OCI recommends that such reporting starts no sooner than April 1, 2021, in order to provide some experience with the program about which to report. OCI will submit and publish annual reports by the deadlines established in 45 CFR 155.1324(c) or the deadlines established by the terms of the waiver.

#### **VI. Supporting Information and Miscellaneous**

##### **A. 45 CFR 155.1308(f)(4)(i) - (iii)**

The supporting information required by 45 CFR 155.1208(4)(i) - (iii), including the actuarial analyses and certifications, the economic analyses, the detailed deficit neutral 10-year budget plan, and the data and assumptions demonstrating that the proposed waiver is in compliance with 1332(b)(1)(A) - (B) are found in Attachment 1.

## **VII. Public Comment and Tribal Consultation**

### **A. Public Comment**

Supporting information required by 45 CFR 155.1308(f)(2) and 45 CFR 155.1312 is located under Attachments 4 & 5.

### **B. Tribal Consultation**

Supporting information required by HHS guidance is located under Attachment 6.

# **ATTACHMENT 1**

**WAKELY CONSULTING GROUP**

**SECTION 1332 STATE INNOVATION WAIVER  
ACTUARIAL AND ECONOMIC ANALYSIS**



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## State of Wisconsin

### **Section 1332 State Innovation Waiver Actuarial and Economic Analysis**

April 17, 2018

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## Introduction

The individual health insurance market in the state of Wisconsin (“Wisconsin”) has shown symptoms of destabilization in recent years. Insurers have left the market and reduced service areas, plan designs are limited, insurers have lost approximately \$400 million over the last three years, and the state experienced rate increases in excess of 30% in 2018. In order to mitigate further potential destabilization, Wisconsin is submitting a Section 1332 State Innovation Waiver (“1332 waiver” or “waiver”). The Affordable Care Act (ACA) permits states to waive certain provisions of the ACA in order to increase access to affordable coverage. However, in order for both of the Secretaries of Health and Human Services (HHS) and Treasury to approve of the waiver, the state must complete an application in which it demonstrates that it has met the regulatory requirements.

Pursuant to 45 CFR 155.1308(f)(4)(i)-(iii), in order for Wisconsin’s 1332 waiver to be approved, the state must demonstrate that the waiver does not interfere with the four “guard rails”. The four guard rails are defined as:

1. Coverage (there must be at least a comparable number of individuals with coverage under the waiver);
2. Affordability (waiver must not increase out of pocket spending including premiums and cost sharing);
3. Comprehensiveness (the waiver should not decrease the number of individuals with coverage that meets the essential health benefits (EHB) benchmark); and
4. Deficit neutrality (the waiver should not increase the federal deficit).

The waiver, as proposed, would reduce premiums through the introduction of a state-based reinsurance program starting in 2019. The reinsurance program would operate similarly to the Transitional Reinsurance program under the ACA that existed from 2014 to 2016 in that it would reimburse insurers for a proportion (coinsurance amount) of high-cost enrollee claims between a lower bound (attachment point) and an upper bound (cap). For 2019, Wisconsin has set the attachment point at \$50,000, the reinsurance cap at \$250,000, and allows for coinsurance rates between 50 and 80 percent.

The reinsurance program will be funded, contingent on approval of the 1332 waiver, through a sum sufficient state appropriation not to exceed \$200 million for the 2019 plan year.

The goals of the reinsurance program are to remove the volatility of high cost claimants from being solely the risk of any one insurer as well as to lower premiums for the individual market in total (as the reinsurance funding will come from sources outside the individual market). In doing

so, the reinsurance program would incentivize enrollees to join or remain in the market, encourage insurer participation, and reduce overall instability. In addition to providing lower premiums to residents of Wisconsin, the reinsurance program would also reduce federal outlays through lower premium tax credits.

As part of its 1332 waiver, Wisconsin is requesting federal funds as a way of offsetting some of the costs incurred by the reinsurance program. Wisconsin's reinsurance program will reduce premiums for those purchasing insurance coverage in the individual market. It will also reduce the amount of Advance Premium Tax Credits (APTCs) Wisconsinites receive over the next ten years. APTCs are subsidies for eligible enrollees that can be used to reduce the cost of premiums for plans purchased through the Exchange. The amount of APTCs available for eligible consumers are benchmarked to the second lowest cost silver plan (SLCSP) available on the Exchange. If premiums are reduced (including the SLCSP), then the amount the Federal Government will be required to pay in APTCs will also be reduced.

This report demonstrates that the savings on aggregate APTC amounts exceed lost federal revenue that may result from the reinsurance program. Furthermore, the reinsurance program will not reduce but rather would improve Wisconsinites' access to affordable and comprehensive coverage. The waiver requests that Wisconsin receive the amount of federal savings from APTCs, net of other costs, as a result of the reinsurance program.

The state of Wisconsin retained Wakely Consulting Group, LLC ("Wakely"), through Horizon Government Affairs, to analyze the potential effects of a state-based reinsurance program on the 2019 individual ACA market. This document has been prepared for the sole use of Wisconsin. Wakely Consulting Group, LLC (Wakely), understands that the report will be made public and used in the 1332 waiver process. This document contains the results, data, assumptions, and methods used in our analyses and satisfies the Actuarial Standard of Practice (ASOP) 41 reporting requirements. Using the information in this report for other purposes may not be appropriate.

This actuarial report is a supplement to Wisconsin's 1332 waiver report. It addresses section 45 CFR 155.1308(f)(4)(i)-(iii) of the checklist for the 1332 waiver, including actuarial analyses and actuarial certifications, economic analyses, and data and assumptions. Other sections of the waiver contain the non-actuarial portions of the 1332 waiver requirement. Reliance on this report should include a review of the full report by qualified individuals.

## Analysis Results

As described previously, the four guard rails of an approved 1332 waiver application are: 1) Coverage Requirement; 2) Affordability Requirement; 3) Comprehensiveness Requirement; and 4) Deficit Neutrality.

Wakely’s analysis estimated that the waiver meets each of the four guard rails not only in 2019 but in each subsequent year over the 10-year window. The high-level 2019 guard rail results are shown in Table 1.

**Table 1: 2019 High-Level Guard Rail Results**

Guardrail	Effect of Waiver
Coverage	Increase in enrollment
Affordability (2019)	Relative premium decrease of 8.2% to 12.6%
Comprehensiveness	No change to EHBs
Deficit Neutrality (2019)	Federal savings between \$157 million and \$176 million
Deficit Neutrality (10-year)	Federal savings each year of 10-year window

### Coverage, Affordability, and Comprehensiveness

The reinsurance program is expected to decrease premiums in the non-group market. The reduction in premiums should increase overall coverage. Existing research from Congressional Budget Office (CBO)<sup>1</sup> as the Council of Economic Advisors<sup>2</sup> has noted that premium decreases should result in enrollment increases. As the reinsurance program has no impact on other cost-sharing, the decreased premiums also improves affordability for consumers. Similarly, the reinsurance program would have no effect on the comprehensiveness of coverage. EHB requirements will not be affected by the reinsurance program. Individuals purchasing coverage in the non-group market would have the same benefits with the reinsurance program as they would without it.

### Deficit Impact

The following tables display the impact of the reinsurance program on Wisconsin’s individual market both for 2019 and for the 10-year deficit window. Based on the best estimate assumptions, in 2019, the waiver reduces premiums by -10.6%<sup>3</sup> compared to the 2019 baseline, reduces

<sup>1</sup> <http://www.cbo.gov/sites/default/files/cbofiles/ftpdocs/87xx/doc8712/10-31-healthinsurmodel.pdf>

<sup>2</sup> [https://obamawhitehouse.archives.gov/sites/default/files/page/files/201701\\_individual\\_health\\_insurance\\_market\\_cea\\_issue\\_brief.pdf](https://obamawhitehouse.archives.gov/sites/default/files/page/files/201701_individual_health_insurance_market_cea_issue_brief.pdf)

<sup>3</sup> The premium impacts shown throughout the report represent how much lower premiums would be due to reinsurance relative to what they otherwise would have been in 2019. They do not show 2019 premium changes relative to 2018 unless this is specifically mentioned.

premiums by -5.4% compared to 2018, increases non-group enrollment by 0.8%, and creates \$166 million in federal savings (which incorporates APTC savings net of other federal revenue). These results are shown in Table 2. The results are similar, although decreasing impacts on premium and enrollment, for years 2020 to 2028 as is shown in Appendix C.

**Table 2: 2019 Impact of Waiver on Premium, Enrollment, and Federal Deficit**

	Premiums, Compared to 2019 Baseline	Premiums, Compared to 2018	Non-Group Enrollment	Federal Savings
Effect of Reinsurance	-10.6%	-5.4%	+0.8%	\$166 Million

Over the 10-year window, the reinsurance program provides savings to the Federal Government due to APTC savings net of other federal revenues. The details of the federal savings over the 10-year window are shown in Table 3.<sup>4</sup>

**Table 3: 10-Year Deficit Impact of Reinsurance Program**

Category of Impact	Impact to Federal Deficit (\$ millions) <sup>5</sup>
Difference in APTCs	\$1,725
Difference in Mandate Penalty	\$0
Difference in User Fees	-\$63
Difference in HIT	-\$20
<b>Estimated Net Federal Savings</b>	<b>\$1,641</b>

## Data and Methodology

The following steps were taken to estimate the impact of a state-based reinsurance program on Wisconsin’s individual market both for 2019 and for the 10-year deficit window.

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<sup>4</sup> Insurers that utilize the Healthcare.gov platform are assessed a fee by the Federal government. This fee is calculated as percent of Exchange premium. The HIT is a fee imposed on each covered entity that provides health insurance for US health risks. There is a moratorium on the fee in 2019. Individual mandate penalties were set to \$0 effective for the 2019 benefit year.

<sup>5</sup> Numbers may not add up due to rounding.

1. Wakely's model incorporates 2016, 2017 and emerging 2018 experience as base data, which was provided by Wisconsin insurers.

Wakely sent a data call to all Wisconsin insurers that offered individual market ACA-compliant plans in 2017 or 2018. The data call requested full year 2017 and emerging 2018 enrollment, premium, and APTC information, which was used to inform the baseline estimates. The 2017 premiums and enrollment were summarized to create a baseline picture of Wisconsin's market. The 2018 enrollment, APTC, and premium data were adjusted to account for expected attrition to estimate average enrollment. The summarized amounts are shown in Table 4.

**Table 4: 2017 to 2019 Baseline Average Enrollment and Premium Data / Estimates**

<b>Baseline</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Average Annual Enrollment</b>			
Total Non-Group Enrollment	227,072	202,109	201,251
Exchange Enrollment	201,344	185,230	184,746
APTC Enrollment	163,988	163,442	163,442
Non-APTC Exchange Enrollment	37,356	21,788	21,304
Off-Exchange Enrollment	25,729	16,880	16,505
Total Non-APTC Enrollment	63,084	38,667	37,809
<b>Per Member Per Month (PMPM) Amounts</b>			
Total Non-Group Premium PMPM	\$520.50	\$751.26	\$795.11
Exchange Premium PMPM	\$522.94	\$761.73	\$806.19
Gross Premiums PMPM for APTC Members	\$538.69	\$782.75	\$828.44
Net Premiums PMPM for APTC Members	\$130.67	\$123.03	\$124.26
APTC PMPM	\$408.02	\$659.72	\$704.18
<b>Total Annual Dollars</b>			
Total Non-Group Premiums	\$1,418,303,932	\$1,822,036,075	\$1,920,208,088
Total APTCs	\$802,931,313	\$1,293,907,518	\$1,381,109,332

2. The 2019 enrollment, premium, and APTC amounts were estimated using 2017 and February 2018 insurer information submitted to Wakely, as well as 2017 data from the Center for Medicaid and Medicare Services (CMS) and other publicly available information.



- a. The state average premium was based on the 2018 insurer information. The 2018 average premiums were increased by the average estimated 2019 rate increase, which would include increases to account for trend, market morbidity changes, lower premiums due to the delay in the health insurance tax (also known as the health providers fee or the HIT), and for some scenarios, an overall uncertainty factor. Further details are included in Appendix A.
- b. To estimate the average 2019 APTC amounts, Wakely used the emerging 2018 APTC information from Wisconsin insurers including APTC amounts, gross premiums for those with APTCs, and net premiums (gross premiums – APTCs) for those with APTCs. We then inflated gross premiums for APTC enrollees by the estimated 2019 premium increase. Net premiums were increased by 1% from 2018 to 2019 as an approximation for APTC indexing. The 2019 average gross premium is then reduced by the 2019 average net premium (since APTC enrollees share of premiums is capped based on their respective household income) to calculate the 2019 APTC PMPM amounts.
- c. The 2019 individual market enrollment was calculated using 2017 and 2018 data from CMS and Wisconsin insurers and adjusted to account for changes in enrollment due to net attrition throughout 2018 and expected 2019 premium changes, as discussed in Appendix A. Given the high proportion of individuals with APTCs relative to total ACA non-group market and following discussions with Wisconsin, for our best estimate, we assumed that the effective repeal of the mandate would not impact Wisconsin’s enrollment. To the extent that experience deviates from this assumption, the results of this analysis will be impacted.

The estimated 2019 information is shown in Table 5.

3. To estimate the effects of the reinsurance program, Wakely assumed that \$200 million dollars would be spent to reduce premiums in 2019. None of the funds were assumed to cover administrative costs for Wisconsin to operate the program. The best estimate assumptions resulted in a reduction in premiums of 10.6% due to the reinsurance program and resulting improvement in morbidity.

**Table 5: Estimated 2019 Average Enrollment and Premium Amounts After Reinsurance**

<b>After Reinsurance</b>	
Reinsurance Funding	\$200,000,000
Reduction in Premiums (Reinsurance Funding)	-10.4%
Reinsurance Assessment	0.0%
Reduction in Premiums (Improved Morbidity)	-0.2%

After Reinsurance	
Total Non-Group Premium PMPM	\$710.71
Exchange Premium PMPM	\$720.62
APTC PMPM	\$616.24
Change in Total Non-Group Enrollment	0.8%
Total Non-Group Enrollment	202,957
Exchange Enrollment	185,707
APTC Enrollment	163,442
Total Premiums	\$1,730,930,173
Total APTCs	\$1,208,640,030

4. Enrollment was re-estimated with the lower post-reinsurance premium, using an enrollment function (Appendix A contains additional information regarding the enrollment function), to calculate a final individual market average enrollment per scenario. The results for the best estimate scenario are shown in Table 5.
5. Given the enrollment with the reinsurance program is estimated to be higher than without the reinsurance program, Wakely estimated the impact to the morbidity of the market due to the implementation of the reinsurance program.
  - a. A health reform study from Massachusetts<sup>6</sup> indicated that enrollees who leave the market have costs that are approximately 73% compared to those who remain. This relationship was applied to enrollees who remain in the market due to the lower premiums caused by the reinsurance program but would have left without the implementation of the reinsurance program.
  - b. The result is an additional 0.2% reduction in average costs due to the improved morbidity of the covered population from the lower premiums under the reinsurance program.
  - c. Applying the additional 0.2% reduction to the 10.4% reduction in premiums (from the \$200 million in reinsurance funding) results in an overall premium reduction estimate of 10.6% under the best estimate scenario. The results of the best estimate can be seen in Table 5.

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<sup>6</sup>[https://obamawhitehouse.archives.gov/sites/default/files/page/files/201701\\_individual\\_health\\_insurance\\_market\\_cea\\_issue\\_brief.pdf](https://obamawhitehouse.archives.gov/sites/default/files/page/files/201701_individual_health_insurance_market_cea_issue_brief.pdf)

- d. After reducing the premium impact by an additional 0.2%, Wakely again applied the enrollment function (described in item 4). It resulted in an additional 0.0% increase in enrollment, causing the total enrollment growth from the baseline to be 0.8%. No further iterations were done based on the relationship between change in enrollment and change in morbidity based on the negligible results of this iteration.
6. The following were the assumptions incorporated for the 10-year estimates:
- a. Premiums were trended using National Health Expenditure Data from CMS.<sup>7</sup> In 2020, the end of the HIT moratorium was estimated to increase premiums an additional 1.2% based on 2018 rate filing information.
  - b. The individual market enrollment was assumed to have reached steady state in 2019.
  - c. In 2020, and future years, total reinsurance funding was set equal to \$200 million.

The results of these assumptions, such as enrollment (both in total and various distributions), changes to the SLCSP, and impact on the federal deficit are discussed in Appendix A and Appendix C.

## Scenario Testing

Wakely performed scenario testing which primarily involved changing the enrollment and premium assumptions for 2019. These assumptions were chosen for scenario testing as they are significant drivers of the results of the analysis. We tested for a scenario (Scenario 2) in which the effective repeal of the individual mandate had a large impact (which resulted in less enrollment and higher premiums) and a scenario (Scenario 3) in which individual mandate repeal had less of an impact on enrollment and premiums than Scenario 2 but still has a significant effect. The high mandate repeal impact scenario corresponds to the impact of the CBO projections and the low mandate repeal impact corresponds to the impact of OACT based projections.

Scenario 4 tested for a scenario in which enrollment was flat relative to 2018 and premium growth was low (second lowest cost silver premiums were also increased at a lower rate). Scenario 5 enrollment was equal to Scenario 1 but premiums were much higher. Finally, we tested a scenario (Scenario 6) in which enrollment was low (similar to Scenario 2) but premiums increases were

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<sup>7</sup> <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/> - Table 17. Premiums were trended by spending per enrollee for direct purchase.

larger. Scenarios 5 and 6 also assumed that the morbidity of the members leaving the market is even healthier than that assumed in the other scenarios. Further details regarding the scenario testing can be found in Appendix A and Appendix C.

The high-level results of the scenario testing are shown in Table 6. Although a variety of alternative scenarios were tested, the basic conclusions did not alter significantly from the best estimate scenarios.

**Table 6: High-Level Results of Scenario Testing**

Scenario	1 – Best Estimate	2	3	4	5	6
Description	No Mandate Impact	High Mandate Impact	Low Mandate Impact	Scenario 1 with Conservative Assumptions (Overall Low)	Scenario 1 with Aggressive Assumptions	Scenario 2 with Aggressive Assumptions (Overall High)
Enrollment	Small Decrease (formula driven)	Mandate Impact - CBO	Mandate Impact - OACT	Flat	Small Decrease (formula driven)	Mandate Impact - CBO
Premiums	Low Increase	Moderate Increase	Moderate Increase	Low Increase	High Increase	High Increase
Total Reduction in Premiums	-10.6%	-12.6%	-11.8%	-10.6%	-8.2%	-10.7%
Estimated Net Federal Savings	\$166,120,154	\$174,243,916	\$171,026,710	\$156,871,822	\$169,445,853	\$176,226,437

# **Appendix A**

## **Data and Methodology**



## 2019 Baseline Enrollment and Premium Estimates

To create the baseline estimates, Wakely completed the following steps:

1. Wakely sent a data call to all Wisconsin carriers that offered individual market ACA-compliant plans in 2016, 2017, or 2018. The data call requested full year 2017 and emerging 2018 enrollment, premium, and APTC information, which was used to inform the baseline estimates.

Wakely used the 2017 insurer data to calculate average enrollment and average premiums. Wakely used the 2018 insurer data to identify the February experience, including enrollment, state average premium, average Exchange premium, average APTC amount, gross premiums for individuals with APTC, and net premium for individuals with APTC. The data was compared to CMS reports to confirm consistency.

The data call also requested full year 2016 and 2017 enrollment and claims information in continuance tables. The use of this data is discussed in Appendix B.

2. Using the 2017 CMS effectuated enrollment data, Open Enrollment Report PUF provided by HHS, insurer data submitted to Wisconsin and supplied to Wakely, and insurer 2017 data (submitted directly to Wakely), estimates were made to approximate the average 2018 experience.
3. Metal level distribution was estimated using insurer submitted data while FPL distribution was estimated using the 2018 CMS Open Enrollment PUF and the assumption that those not reporting income or were off-Exchange had incomes in excess of 400% FPL.
4. For the best estimate, overall enrollment in 2019 was estimated using a non-linear enrollment response function estimated by the Council of Economic Advisors (CEA take-up function).<sup>8</sup> The function computes expected enrollment change based on premium rate increases and the portion of the market that is not receiving subsidies. The result was an enrollment decrease of 0.4% compared to 2018. 2019 APTC enrollment was assumed to be consistent with 2018 enrollment, as these enrollees would not experience a net premium change. The result of these two assumptions is that enrollment changes would occur among the unsubsidized portion of the non-group market. The changes in enrollment were distributed pro rata between on-Exchange and off-Exchange by the share of unsubsidized enrollment that on-Exchange enrollees represented.

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<sup>8</sup>[https://obamawhitehouse.archives.gov/sites/default/files/page/files/201701\\_individual\\_health\\_insurance\\_market\\_cea\\_issue\\_brief.pdf](https://obamawhitehouse.archives.gov/sites/default/files/page/files/201701_individual_health_insurance_market_cea_issue_brief.pdf)

5. For 2019, premiums were estimated using the 2018 insurer submitted data and data sources described previously. The average 2018 premium was increased by approximately 6% to account for all rating factors such as trend, insurer uncertainty, change in morbidity due to mix changes, and to account for the health insurance tax delay for the 2019 benefit year.
6. To estimate 2019 APTC PMPMs, we used 2018 Wisconsin insurer data to calculate the average net premium among APTC enrollees (that is the actual amount APTC enrollees pay). We increased the 2019 required contribution (i.e., net premium) to conform with the indexing of the contribution rate. We increased it 1% annually from 2018 to 2019. We then inflated gross premiums for APTC enrollees (the 2018 APTC amounts plus net premiums) by the 2019 estimated premium increase (6%). This new gross premium amount is reduced by the net premium amount (since APTC enrollees share of premiums is capped based on their respective household income) to calculate the 2019 APTC PMPM amounts. These assumptions, in totality, were used to generate the baseline estimates shown in Table 4.

## 2019 Waiver Effects

The impact of the \$200 million in reinsurance funding (as discussed previously) as a reduction to premiums was estimated by dividing the total reinsurance funding amount of \$200 million by the total estimated 2019 baseline individual market. This resulted in an approximate 10.4% reduction to premiums. In addition, an adjustment was made to account for younger, healthier members remaining covered due to the implementation of the reinsurance program. This reduced premium another 0.2%. The premium adjustments due to reinsurance were made equally to Gross premiums for individuals with APTC (to calculate APTC), on-Exchange premiums, and off-Exchange premiums.

The decrease in premiums is expected to produce an increase in enrollment relative to what Wisconsin would experience without the reinsurance program. Enrollment changes were estimated using the CEA take-up function (as discussed previously). APTC enrollment is assumed to stay the same as 2018 since these members are generally unaffected by rate changes.<sup>9</sup> Consequently, the new enrollees are expected to be above 400% FPL. These new enrollees were allocated pro rata between on-Exchange and off-Exchange by the share of unsubsidized enrollment that on-Exchange enrollees represented. It is likely that enrollees who

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<sup>9</sup> This assumption does not preclude normal churn that occurs within the individual market. Normal churn, enrollees leaving for employer-sponsored insurance, or enrollees joining the individual market who previously had coverage in Medicaid, would continue. The assumption merely assumes in aggregate that a similar number of APTC enrollees would have coverage in 2019 as had coverage in 2018.

stay in the market due to the implementation of reinsurance will be healthier and/or younger than the enrollees who will be in the market regardless of whether there is a reinsurance program.<sup>10</sup> These results were discussed previously and are shown in Table 5.

## Alternative Scenarios

Wakely estimated five additional 2019 scenarios to analyze the robustness of the initial 2019 findings. The following were the enrollment scenarios that were modeled:

- Scenario 1: 2019 enrollment was lower than 2018 enrollment, as estimated by the CEA take-up function. Those that left the market were estimated to have a morbidity of 0.73.<sup>11</sup> Average premium rates were estimated to be 5.8% higher than 2018.
- Scenario 2: In this scenario, we assumed that no mandate is enforced in Wisconsin in 2019 and the effect would be high. The initial baseline was the previous Scenario 1. Additional enrollment losses due to the mandate are estimated using the Center for American Progress' state level estimates of the CBO enrollment losses.<sup>12</sup> These losses were estimated for the 2025 year, so an adjustment, following the CBO's estimates for 2019,<sup>13</sup> was made to estimate Wisconsin specific enrollment attrition in 2019 due to the loss of the mandate. The result of the mandate loss and resulting premium increases could cause additional enrollment losses, especially given the potential of alternative non-ACA products if regulations change for short-term limited duration plans and associations plans. While initial premium increases correspond to Scenario 1, the additional premium increases due to the smaller individual market and resulting morbidity increase results in an overall estimated 16.5% premium increase in 2019.
- Scenario 3: In this scenario, we continue to assume that the effective repeal of the mandate in 2019 will have an effect, but the impact is lower in this scenario. There is considerable uncertainty on the exact effects of the mandate repeal. Consequently, we used a different benchmark than the high scenario. Enrollment losses due to the mandate are estimated using the Center for American Progress' state level estimates but then

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<sup>10</sup><https://www.brookings.edu/blog/up-front/2017/02/08/new-data-on-sign-ups-through-the-acas-marketplaces-should-lay-death-spiral-claims-to-rest/>

<sup>11</sup>[https://obamawhitehouse.archives.gov/sites/default/files/page/files/201701\\_individual\\_health\\_insurance\\_market\\_cea\\_issue\\_brief.pdf](https://obamawhitehouse.archives.gov/sites/default/files/page/files/201701_individual_health_insurance_market_cea_issue_brief.pdf)

<sup>12</sup> <https://www.americanprogress.org/issues/healthcare/news/2017/12/05/443767/estimates-increase-uninsured-congressional-district-senate-gop-tax-bill/>

<sup>13</sup> <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53300-individualmandate.pdf>

Wisconsin-specific enrollment attrition in 2019 due to the loss of the mandate was reduced to match the nationwide total enrollment losses as estimated by the CMS Office of the Actuary.<sup>14</sup> While CBO estimated a nationwide loss of 3 million enrollees in 2019, the Office of the Actuary estimated an ultimate loss of 2 million enrollees due to the mandate repeal. The result of the mandate loss for this scenario and resulting premium increases could cause additional enrollment losses, especially given the potential of alternative non-ACA products if regulations change for short-term limited duration plans and associations plans. While initial premium increases correspond to Scenario 1, the additional premium increases due to the smaller individual market and resulting morbidity increase results in an overall estimated 12.7% premium increase in 2019.

- Scenario 4: This scenario is the most conservative scenario related to estimated Federal savings and uses Scenario 1 as the starting point. Enrollment was estimated to be flat relative to 2018. Premium growth was set to be around 6%. Finally, the second lowest cost plan (SLCP) was assumed to grow at a slower rate than the state average premium by 5%.
- Scenario 5: This scenario was estimated as a more aggressive scenario assuming a starting enrollment assumption similar to Scenario 1. Average premium rate increases were assumed to be high at 40%. Furthermore, we estimated that the morbidity of those leaving the market was low (0.62 relative cost compared to those who stay) which approximately corresponds to our calculation of CBO's estimates of those leaving the individual market due to the mandate. Enrollment was estimated using the CEA take-up function.
- Scenario 6: This scenario is the most aggressive scenario related to estimated Federal savings and Scenario 2 is the starting point for this scenario. In this scenario the effect of the mandate repeal was assumed to be high, corresponding to the effects of the CBO model. Furthermore, insurer uncertainty and other factors were assumed to be high resulting in a "high" premium increase of 40%. Similar to Scenario 5, we estimated that the morbidity of those leaving the market was low (0.62 relative cost compared to those who stay) which approximately corresponds to our calculation of CBO's estimates of those leaving the individual market due to the mandate.

For each of the scenarios, the same reinsurance methodology was applied as was used in the baseline scenario: \$200 million in reinsurance funding was applied to the individual market and

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<sup>14</sup> Please note that while the updated National Health Expenditure estimated an overall enrollment reduction in the individual market due to the mandate loss at 2 million as of 2021, it did not provide point estimates for 2019. As such, we rely on an earlier OACT estimate found here for 2019 effects: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Research/ActuarialStudies/Downloads/AHCA20170613.pdf>

enrollment was re-estimated using the CEA take-up function. Each scenario produced a decrease in the state average premiums PMPM in 2019 between 8.2% and 12.6%. In each scenario, the lower premiums resulted in more enrollees in the individual market. Finally, in each scenario, the combined lower premiums (including decreased APTC PMPMs) resulted in fewer Federal dollars being spent in 2019 as a result of the reinsurance program. The detailed results of the scenario testing are shown in Table 7.

Scenario 1 is the best estimate scenario including reactive enrollment and premiums to match Wisconsin's recommended premium increases. This scenario was used for the 10-year economic analysis.

Table 7: Summary of Alternative Scenario Results for 2019

Scenario	1-Best Estimate	2	3	4	5	6
Enrollment	Small Decrease (formula driven)	Mandate Impact - CBO	Mandate Impact - OACT	Flat	Small Decrease (formula driven)	Mandate Impact - CBO
Premiums	Low Increase	Moderate Increase	Moderate Increase	Low Increase	High Increase	High Increase
Baseline						
Total Non-Group Enrollment	201,251	152,891	169,011	202,109	197,078	150,166
Exchange Enrollment	184,746	143,214	157,058	185,230	182,395	141,338
APTC Enrollment	163,442	130,724	141,630	163,442	163,442	129,943
Total Non-Group Premium PMPM	\$795.11	\$875.19	\$846.90	\$794.20	\$1,051.44	\$1,051.79
Exchange Premium PMPM	\$806.19	\$887.38	\$858.70	\$805.27	\$1,066.09	\$1,066.44
APTC PMPM	\$704.18	\$787.61	\$758.14	\$661.85	\$971.25	\$971.62
Total Non-Group Premiums	\$1,920,208,088	\$1,605,706,007	\$1,717,635,119	\$1,926,183,657	\$2,486,588,501	\$1,895,319,666
Total APTCs	\$1,381,109,332	\$1,235,514,542	\$1,288,504,061	\$1,298,098,964	\$1,904,922,728	\$1,515,051,816
<b>After Reinsurance</b>						
Reinsurance Funding	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000
Reduction in Premiums (Reinsurance Funding)	-10.4%	-12.5%	-11.6%	-10.4%	-8.0%	-10.6%
Reinsurance Assessment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reduction in Premiums (Improved Morbidity)	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%
Total Premium Impact	-10.6%	-12.6%	-11.8%	-10.6%	-8.2%	-10.7%
Total Non-Group Premium PMPM	\$710.71	\$764.59	\$746.68	\$710.13	\$965.38	\$939.28

Scenario	1-Best Estimate	2	3	4	5	6
Enrollment	Small Decrease (formula driven)	Mandate Impact - CBO	Mandate Impact - OACT	Flat	Small Decrease (formula driven)	Mandate Impact - CBO
Premiums	Low Increase	Moderate Increase	Moderate Increase	Low Increase	High Increase	High Increase
Exchange Premium PMPM	\$720.62	\$775.24	\$757.08	\$720.03	\$978.83	\$952.37
APTC PMPM	\$616.24	\$672.38	\$653.71	\$578.64	\$881.59	\$854.39
Percent Change in Total Enrollment	0.8%	0.8%	0.8%	0.9%	0.6%	0.6%
Total Non-Group Enrollment	202,957	154,095	170,398	203,849	198,231	151,085
Exchange Enrollment	185,707	143,893	157,839	186,210	183,044	141,856
APTC Enrollment	163,442	130,724	141,630	163,442	163,442	129,943
Total Premiums	\$1,730,930,173	\$1,413,831,424	\$1,526,781,261	\$1,737,110,686	\$2,296,419,663	\$1,702,930,883
Total APTCs	\$1,208,640,030	\$1,054,746,162	\$1,111,022,161	\$1,134,892,093	\$1,729,059,450	\$1,332,260,556
<b>Savings</b>						
Estimated APTC Savings	\$172,469,302	\$180,768,381	\$177,481,899	\$163,206,871	\$175,863,278	\$182,791,260
Estimated Net Federal Savings	\$166,120,154	\$174,243,916	\$171,026,710	\$156,871,822	\$169,445,853	\$176,226,437

## Beyond 2019

For years beyond 2019, Wakely made the following assumptions:

- Baseline premiums (both total non-group and on-Exchange) as well as Gross Premium Amounts for individuals with APTC were trended by the Office of the Actuaries National Health Expenditure spending for each year of the 10 year window.<sup>15</sup>
- APTC Net Premiums were increase 1% annually to account for indexing.
- Premiums in 2020 were adjusted to account for the ending of the HIT Delay (i.e., an increase of 1.2%).
- Enrollment was assumed to be constant starting in 2019.

For each year, the same methodology of applying reinsurance, calculating the change in premiums and APTC amounts as a result of reinsurance, and calculating the change in enrollment as a result of lower premium was used consistently to that described for 2019. Since the total reinsurance funding remains the same for all years, this decreases the impact to premiums over time. The premium impact of 10.6% in 2019 reduces to an impact of 6.8% by 2028. The detailed results are shown in Table 8.

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<sup>15</sup> <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/> Table 17. Premiums were trended by spending per enrollee for direct purchase.



**Table 8: Baseline Data and Detailed Results after Reinsurance, by Year<sup>16</sup>**

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Baseline</b>										
Total Non-Group Enrollment	201,251	201,251	201,251	201,251	201,251	201,251	201,251	201,251	201,251	201,251
Exchange Enrollment	184,746	184,746	184,746	184,746	184,746	184,746	184,746	184,746	184,746	184,746
APTC Enrollment	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442
Total Non-Group Premium PMPM	\$795.11	\$842.47	\$883.75	\$927.94	\$973.41	\$1,021.11	\$1,070.12	\$1,122.40	\$1,177.24	\$1,234.76
Exchange Premium PMPM	\$806.19	\$854.21	\$896.07	\$940.87	\$986.97	\$1,035.33	\$1,085.03	\$1,138.04	\$1,193.64	\$1,251.96
Gross Premium PMPM for APTC Mbrs	\$828.44	\$877.79	\$920.80	\$966.84	\$1,014.21	\$1,063.91	\$1,114.98	\$1,169.45	\$1,226.59	\$1,286.52
Net Premium PMPM for APTC Mbrs	\$124.26	\$125.50	\$126.76	\$128.03	\$129.31	\$130.60	\$131.91	\$133.23	\$134.56	\$135.90
APTC PMPM	\$704.18	\$752.28	\$794.04	\$838.81	\$884.91	\$933.31	\$983.07	\$1,036.23	\$1,092.03	\$1,150.61
Total Premiums	\$1,920,208,088	\$2,034,583,363	\$2,134,277,947	\$2,240,991,845	\$2,350,800,445	\$2,465,989,667	\$2,584,357,171	\$2,710,621,478	\$2,843,054,699	\$2,981,958,229
Total APTCs	\$1,381,109,332	\$1,475,453,260	\$1,557,350,436	\$1,645,162,538	\$1,735,568,429	\$1,830,502,137	\$1,928,099,856	\$2,032,354,009	\$2,141,802,249	\$2,256,699,349
<b>After Reinsurance</b>										
Reinsurance Funding	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000
Reduction in Premiums (Reinsurance Funding)	-10.4%	-9.8%	-9.4%	-8.9%	-8.5%	-8.1%	-7.7%	-7.4%	-7.0%	-6.7%
Reinsurance Assessment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reduction in Premiums (Improved Morbidity)	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.1%	-0.1%
Total Non-Group Premium PMPM	\$710.71	\$758.07	\$799.34	\$843.53	\$888.99	\$936.69	\$985.70	\$1,037.98	\$1,092.81	\$1,150.32

<sup>16</sup> Please Appendix C for total federal savings net of federal losses under the reinsurance program.

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Exchange Premium PMPM	\$720.62	\$768.63	\$810.48	\$855.28	\$901.38	\$949.74	\$999.43	\$1,052.44	\$1,108.04	\$1,166.35
APTC PMPM	\$616.24	\$664.34	\$706.09	\$750.86	\$796.95	\$845.35	\$895.11	\$948.26	\$1,004.06	\$1,062.64
Change in Total Non-Group Enrollment	0.8%	0.8%	0.8%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.5%
Total Non-Group Enrollment	202,957	202,855	202,776	202,700	202,629	202,562	202,499	202,438	202,381	202,326
Exchange Enrollment	185,707	185,650	185,606	185,563	185,522	185,485	185,449	185,415	185,383	185,352
APTC Enrollment	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442
Total Premiums	\$1,730,930,173	\$1,845,337,825	\$1,945,057,696	\$2,051,796,078	\$2,161,627,475	\$2,276,838,359	\$2,395,226,050	\$2,521,509,892	\$2,653,961,686	\$2,792,882,878
Total APTCs	\$1,208,640,030	\$1,302,972,422	\$1,384,860,583	\$1,472,663,951	\$1,563,061,704	\$1,657,987,677	\$1,755,578,183	\$1,859,825,354	\$1,969,266,952	\$2,084,157,734

## **Appendix B**

### **Reinsurance Parameters**

## Reinsurance Parameters

As noted previously, the reinsurance program would operate similarly to the Transitional Reinsurance program under the ACA that existed from 2014 to 2016 in that it would reimburse insurers for a proportion (coinsurance amount) of high-cost enrollee claims between a lower bound (attachment point) and an upper bound (cap). For 2019, Wisconsin has set the attachment point at \$50,000, the reinsurance cap at \$250,000, and allows for coinsurance rates between 50 and 80 percent.

Wakely used the continuance tables provided from all insurers for 2016 and 2017 calendar years to estimate the coinsurance amount for the program. The 2017 continuance table was used in the modeling with the 2016 continuance table serving as a cross-check for reasonability and consistency.

To obtain a 2019 continuance table consistent with the best estimate scenario, various adjustments to the data were performed including enrollment, morbidity, and annual claim increases. The following components were considerations in adjusting the 2017 continuance tables, incorporating sources of public data, sensitive / proprietary data, and actuarial judgement.

1. The best estimate scenario enrollment drop of 10.6% from 2017 to 2019 was applied to the data.
2. The morbidity change from 2017 to 2019 was modeled under the assumption that members leaving the market were healthier relative those staying in the market.
3. The claims were increased annually from 2017 to 2019. This annual claim increase includes adjustments outside of trend such as metal mix changes.
4. The resulting medical loss ratio (MLR) in 2019 was reviewed (prior to the impact of the reinsurance program and after the impact of reinsurance) to ensure reasonability.

Enrollment and morbidity were modeled in tandem by removing membership and associated claims from the continuance tables to obtain the projected changes of 10.6% decrease in enrollment and a corresponding increase in morbidity (estimated by an increase in paid claims). This was modeled using an attrition distribution assuming lower cost membership is more likely to terminate coverage than higher cost membership.

In some instances, the trend and / or morbidity was higher than anticipated; however, it was necessary in order to achieve the level of premium increase we understood to be reasonable from Wisconsin and / or the insurers. The premium levels may be higher than otherwise expected as a result of uncertainty in the market. Trend and / or morbidity were adjusted similarly to achieve appropriate MLRs.

The resulting 2019 continuance table was used to determine the reinsurance parameters. Wakely used a fixed attachment point of \$50,000 and cap \$250,000. Ideally, the coinsurance would fall between 50% and 80% as is consistent with Wisconsin's prior estimated parameters. Assuming a funding level of \$200,000,000 and the preceding parameters, Wakely estimates that the coinsurance level will be approximately 50%, based on the 2019 estimated data. The coinsurance may change if methodology, assumptions, or other changes are incorporated.

It is important to note that the assumptions in this estimate are inherently uncertain. The resulting parameters will vary from these estimates to the degree the actual enrollment, morbidity, trend, and other assumptions vary from those used in this analysis. In addition, if there are significantly more or fewer high cost claimants in 2019 compared to 2016 and 2017, the results from this analysis may also vary. Finally, insurers are expected to have differing impacts from one another due to the reinsurance program based on how they vary from the market average in the assumptions discussed previously in this section.

## **Appendix C**

# **Guard Rail Requirements**

## Scope of Coverage Requirement

In order for a 1332 waiver to be accepted, the waiver must demonstrate that the changes will provide coverage to at least a comparable number of residents as would have been provided coverage without the waiver. We expect enrollment to increase between 0.5% and 0.8% each year relative to what would have occurred if the reinsurance program were not in place in each year of the waiver. Our analysis estimates that the reinsurance program, and resulting lower premiums, would provide for at least comparable number of enrollees (and most likely a greater number of individuals covered).

## Affordability Requirement

In order for a 1332 waiver to be accepted, the waiver must demonstrate that the changes will provide coverage, premiums, and cost-sharing protections that keep care at least as affordable as would be provided absent the waiver coverage to at least a comparable number of residents as would have been provided absent the waiver. Generally, we expect premiums to be approximately 10.6% lower in 2019, and lower than they otherwise would have been each year of the waiver as a direct result of the reinsurance program. Cost sharing for plans will remain within the federal requirements and should therefore not impact affordability. Our analysis estimates that the reinsurance program, and resulting lower premiums, would provide for at least as affordable coverage for residents (and most likely greater affordability for residents).

## Comprehensiveness of Coverage Requirement

In order for a 1332 waiver to be accepted, the waiver must demonstrate that it will provide coverage that is at least as comprehensive as would be provided absent the waiver. This waiver will not result in any changes to the EHB benchmark or actuarial value requirements and, as such, will not have any impact on the comprehensive of coverage for residents.

## Deficit Neutrality

### APTCs

Since APTCs are benchmarked to the SLCSPP, the decrease in premiums (specifically the SLCSPP) will result in lower per person APTC amounts in 2019. Since enrollees who have APTCs are generally unaffected by changes in gross premiums, due to the subsidies shielding them from premium increases, the introduction of reinsurance is not expected to decrease the number of enrollees with APTCs. Due to the combination of a non-decreasing number of enrollees with APTCs and a decrease in premiums, which is connected to APTC amounts, Wakely's analysis estimates that the overall aggregate amount of APTCs will be lower each year over the 10-year

window. Wakely further estimates that the total federal savings of APTC expenditures will be in excess of \$172.4 million per year. APTC savings net of other Federal losses will be in excess of \$163.8 million per year. These results are shown in Table 9.





**Table 9: Detailed Results of Federal Savings, by Year**

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Baseline</b>										
Total Non-Group Enrollment	201,251	201,251	201,251	201,251	201,251	201,251	201,251	201,251	201,251	201,251
Exchange Enrollment	184,746	184,746	184,746	184,746	184,746	184,746	184,746	184,746	184,746	184,746
APTC Enrollment	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442
Total Non-Group Premium PMPM	\$795.11	\$842.47	\$883.75	\$927.94	\$973.41	\$1,021.11	\$1,070.12	\$1,122.40	\$1,177.24	\$1,234.76
Exchange Premium PMPM	\$806.19	\$854.21	\$896.07	\$940.87	\$986.97	\$1,035.33	\$1,085.03	\$1,138.04	\$1,193.64	\$1,251.96
APTC PMPM	\$704.18	\$752.28	\$794.04	\$838.81	\$884.91	\$933.31	\$983.07	\$1,036.23	\$1,092.03	\$1,150.61
<b>After Reinsurance</b>										
Total Non-Group Enrollment	202,957	202,855	202,776	202,700	202,629	202,562	202,499	202,438	202,381	202,326
Exchange Enrollment	185,707	185,650	185,606	185,563	185,522	185,485	185,449	185,415	185,383	185,352
APTC Enrollment	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442	163,442
Total Non-Group Premium PMPM	\$710.71	\$758.07	\$799.34	\$843.53	\$888.99	\$936.69	\$985.70	\$1,037.98	\$1,092.81	\$1,150.32
Exchange Premium PMPM	\$720.62	\$768.63	\$810.48	\$855.28	\$901.38	\$949.74	\$999.43	\$1,052.44	\$1,108.04	\$1,166.35
APTC PMPM	\$616.24	\$664.34	\$706.09	\$750.86	\$796.95	\$845.35	\$895.11	\$948.26	\$1,004.06	\$1,062.64
<b>Federal Savings Calculations</b>										
Exchange User Fees	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
HIT	0.00%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
Difference in APTCs	\$172,469,302	\$172,480,838	\$172,489,863	\$172,498,588	\$172,506,725	\$172,514,460	\$172,521,673	\$172,528,655	\$172,535,297	\$172,541,615
Difference in Mandate Penalty	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Difference in User Fees	(\$6,349,148)	(\$6,348,672)	(\$6,348,300)	(\$6,347,941)	(\$6,347,606)	(\$6,347,288)	(\$6,346,991)	(\$6,346,704)	(\$6,346,432)	(\$6,346,172)
Difference in HIT	\$0	(\$2,270,946)	(\$2,270,643)	(\$2,270,349)	(\$2,270,076)	(\$2,269,816)	(\$2,269,573)	(\$2,269,339)	(\$2,269,116)	(\$2,268,904)
<b>Estimated Net Federal Savings</b>	\$166,120,154	\$163,861,220	\$163,870,910	\$163,880,298	\$163,889,043	\$163,897,357	\$163,905,108	\$163,912,612	\$163,919,749	\$163,926,539

## Offsets to APTC Savings

### INDIVIDUAL RESPONSIBILITY REQUIREMENT

As part of the ACA, individuals that can afford insurance but forgo insurance are generally required to pay a fee. However, as part of the Tax Cuts and Jobs Act of 2017, the individual responsibility requirement was set to \$0 for 2019 and future years. Therefore, it will not directly affect federal savings.

### EXCHANGE USER FEE

Wakely acknowledges that there may be a loss of revenue to the Federal government for Exchange user fees (also known as user fees) due to the reduction in premium amounts. To calculate an estimate of this loss, Wakely estimated the baseline Exchange user fees to be 3.5% (per the 2019 proposed HHS Payment Notice) multiplied by total Exchange premiums (using the baseline Exchange enrollment and baseline Exchange premiums). This was then compared to post-reinsurance scenarios in which enrollment and premiums were re-estimated using the lower premiums and higher enrollment as a result of the reinsurance payments. In future years, Wakely assumed that the user fee rate would stay at 3.5%.

### HEALTH INSURANCE PROVIDERS FEE

The reinsurance program would also impact the health insurance providers fee, or HIT. Section 9010 of the ACA requires that a tax on health insurance providers be set at an amount totaling \$14.3 billion in 2018 and increasing thereafter generally at the rate of premium increase. As part of the Tax Cuts and Jobs Act of 2017, the HIT was suspended for the 2019 benefit year. We estimate that Wisconsin's reinsurance program will have minimal impact on national premium growth rate. To estimate the decrease in collected fees, Wakely first estimated the baseline collection for 2020 using the 2018 rate filing information. Information from Wisconsin's Office of the Commissioner of Insurance (OCI) weighted by enrollment yielded an estimated 1.2% HIT on premiums. This amount was held constant over the 10-year window to align the fee with overall premium growth. To calculate the impact of the waiver, Wakely estimated the total HIT (defined as total premiums multiplied by 1.2%) for the baseline and the waiver scenario to arrive at the federal costs due to the health insurance providers fee for the implementation of the waiver. These estimates are conservative as the losses on Wisconsin's insurers may be partially or fully captured by taxes on non-Wisconsin health insurance providers given that statutory construction of the fee.

## **OTHER FEDERAL IMPACTS**

Wakely did not directly estimate the impact of the proposed waiver on the collections related to the Cadillac or Excise tax, small business tax credit or income taxes. It is unlikely that any of these would have a significant impact on the overall savings.<sup>17</sup>

## **EMPLOYER MARKETS**

A detailed analysis of the group markets was not completed. It is not expected that the reinsurance program will have an impact on the small group, large group, federal employee health benefits program, and other health programs in the state. In particular, we do not expect enrollment migration from the group market to the non-group market as a result of the reinsurance program.

## **DEFICIT NEUTRALITY IN ALTERNATIVE SCENARIOS**

In addition, Wakely calculated the impact of the federal savings under the alternative 2019 scenarios discussed previously. As can be seen in table 10, there was no 2019 scenario in which net federal savings, as a result of the reinsurance program, was less than \$157 million.

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<sup>17</sup> <http://mn.gov/commerce-stat/pdfs/mn-1332-actuarial-analysis.pdf>

**Table 10: Estimated 2019 Federal Savings in Alternative Scenarios**

Scenario	1-Best Estimate		2		3		4		5		6	
	Small Decrease (formula driven)	Mandate Impact - CBO	Moderate Increase	Mandate Impact - OACT	Moderate Increase	Low Increase	Flat	High Increase	Small Decrease (formula driven)	High Increase	Mandate Impact - CBO	High Increase
Difference in APTCs	\$172,469,302	\$180,768,381	\$0	\$177,481,899	\$0	\$163,206,871	\$0	\$175,863,278	\$0	\$182,791,260	\$0	\$0
Difference in Mandate Penalty	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Difference in User Fees	(\$6,349,148)	(\$6,524,464)	(\$6,455,189)	(\$6,335,049)	(\$6,417,425)	(\$6,564,823)	(\$6,417,425)	(\$6,564,823)	(\$6,417,425)	(\$6,564,823)	(\$6,564,823)	(\$6,564,823)
Difference in HIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Estimated Net Federal Savings</b>	<b>\$166,120,154</b>	<b>\$174,243,916</b>	<b>\$171,026,710</b>	<b>\$156,871,822</b>	<b>\$169,445,853</b>	<b>\$176,226,437</b>	<b>\$176,226,437</b>	<b>\$176,226,437</b>	<b>\$169,445,853</b>	<b>\$176,226,437</b>	<b>\$176,226,437</b>	<b>\$176,226,437</b>

**Appendix D**  
**5 and 10 year Projections**

Tables 11, 12, and 13 show various information over the 10-year deficit period, as required under the CMS checklist. The second lowest cost silver for each rating area was calculated using a weighted average of each county's Exchange enrollment for 2017.

**Table 11: Second Lowest Cost Silver Plan Premium PMPM, with and without Reinsurance, by Rating Area and Year**

Rating Area	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Baseline</b>											
1	\$444	\$470	\$498	\$523	\$549	\$576	\$604	\$633	\$664	\$696	\$730
2	\$353	\$373	\$396	\$415	\$436	\$457	\$479	\$503	\$527	\$553	\$580
3	\$438	\$464	\$491	\$515	\$541	\$568	\$595	\$624	\$655	\$686	\$720
4	\$463	\$490	\$519	\$544	\$571	\$599	\$629	\$659	\$691	\$725	\$760
5	\$424	\$448	\$475	\$498	\$523	\$549	\$576	\$604	\$633	\$664	\$696
6	\$487	\$515	\$546	\$573	\$601	\$631	\$662	\$693	\$727	\$763	\$800
7	\$368	\$389	\$413	\$433	\$454	\$477	\$500	\$524	\$550	\$576	\$605
8	\$446	\$472	\$500	\$524	\$550	\$577	\$606	\$635	\$666	\$698	\$732
9	\$449	\$475	\$504	\$528	\$555	\$582	\$610	\$640	\$671	\$704	\$738
10	\$411	\$435	\$461	\$483	\$507	\$532	\$558	\$585	\$614	\$644	\$675
11	\$470	\$497	\$527	\$553	\$580	\$609	\$639	\$669	\$702	\$736	\$772
12	\$451	\$478	\$506	\$531	\$558	\$585	\$613	\$643	\$674	\$707	\$742
13	\$419	\$444	\$470	\$493	\$518	\$543	\$570	\$597	\$627	\$657	\$689
14	\$330	\$349	\$370	\$388	\$407	\$427	\$448	\$470	\$493	\$517	\$542
15	\$354	\$375	\$397	\$417	\$438	\$459	\$481	\$505	\$529	\$555	\$582
16	\$617	\$653	\$692	\$726	\$762	\$799	\$839	\$879	\$922	\$967	\$1,014
<b>After Reinsurance</b>											
1		\$420	\$448	\$473	\$499	\$526	\$554	\$583	\$614	\$646	\$680
2		\$334	\$356	\$375	\$396	\$417	\$440	\$463	\$487	\$513	\$540

Rating Area	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
3	\$414	\$442	\$466	\$466	\$492	\$518	\$546	\$575	\$605	\$637	\$671
4	\$438	\$467	\$492	\$492	\$519	\$547	\$577	\$607	\$639	\$673	\$708
5	\$401	\$428	\$451	\$451	\$476	\$501	\$528	\$556	\$585	\$616	\$649
6	\$461	\$491	\$518	\$518	\$547	\$576	\$607	\$639	\$673	\$708	\$745
7	\$348	\$371	\$391	\$391	\$413	\$435	\$459	\$483	\$508	\$535	\$563
8	\$422	\$450	\$474	\$474	\$500	\$527	\$556	\$585	\$616	\$648	\$682
9	\$425	\$453	\$478	\$478	\$504	\$531	\$560	\$589	\$621	\$653	\$688
10	\$389	\$414	\$437	\$437	\$461	\$486	\$512	\$539	\$567	\$597	\$629
11	\$445	\$474	\$500	\$500	\$528	\$556	\$586	\$617	\$649	\$684	\$720
12	\$427	\$455	\$480	\$480	\$507	\$534	\$563	\$592	\$624	\$657	\$691
13	\$397	\$423	\$446	\$446	\$471	\$496	\$523	\$550	\$579	\$610	\$642
14	\$312	\$333	\$351	\$351	\$370	\$390	\$411	\$433	\$456	\$480	\$505
15	\$335	\$357	\$377	\$377	\$398	\$419	\$442	\$465	\$489	\$515	\$542
16	\$584	\$623	\$656	\$656	\$693	\$730	\$769	\$809	\$852	\$897	\$945

Table 12: Projected Enrollment by FPL, with and without Reinsurance, by Year

	2018	2019	2020	2021	2022	2023
<b>Baseline</b>						
Total Non-Group Enrollment	202,109	201,251	201,251	201,251	201,251	201,251
Total Non-Group APTC Eligible	163,442	163,442	163,442	163,442	163,442	163,442
<100% of FPL	-	-	-	-	-	-
≥100% to ≤150% of FPL	47,955	47,752	47,752	47,752	47,752	47,752
>150% to ≤200% of FPL	40,148	39,977	39,977	39,977	39,977	39,977
>200% to ≤250% of FPL	27,135	27,019	27,019	27,019	27,019	27,019
>250% to ≤300% of FPL	18,005	17,928	17,928	17,928	17,928	17,928
>300% to ≤400% of FPL	25,250	25,143	25,143	25,143	25,143	25,143
>400% of FPL	43,618	43,432	43,432	43,432	43,432	43,432
<b>After Reinsurance</b>						
Total Non-Group Enrollment	202,957	202,855	202,855	202,776	202,700	202,629
Total Non-Group APTC Eligible	163,442	163,442	163,442	163,442	163,442	163,442
<100% of FPL	-	-	-	-	-	-
≥100% to ≤150% of FPL	47,752	47,752	47,752	47,752	47,752	47,752
>150% to ≤200% of FPL	39,977	39,977	39,977	39,977	39,977	39,977
>200% to ≤250% of FPL	27,019	27,019	27,019	27,019	27,019	27,019
>250% to ≤300% of FPL	17,928	17,928	17,928	17,928	17,928	17,928
>300% to ≤400% of FPL	25,143	25,143	25,143	25,143	25,143	25,143
>400% of FPL	45,138	45,036	44,957	44,881	44,881	44,810



**Table 13: Projected Enrollment by Metal Level with and without Reinsurance, by Year**

	2018	2019	2020	2021	2022	2023
<b>Baseline</b>						
Total Non-Group Enrollment	202,109	201,251	201,251	201,251	201,251	201,251
Catastrophic	2,054	2,046	2,046	2,046	2,046	2,046
Bronze	74,427	74,111	74,111	74,111	74,111	74,111
Silver	98,797	98,378	98,378	98,378	98,378	98,378
Gold	26,265	26,154	26,154	26,154	26,154	26,154
Platinum	565	563	563	563	563	563
<b>After Reinsurance</b>						
Total Non-Group Enrollment	202,957	202,855	202,776	202,700	202,629	202,629
Catastrophic	2,099	2,096	2,094	2,091	2,089	2,089
Bronze	75,221	75,155	75,103	75,054	75,008	75,008
Silver	98,592	98,579	98,569	98,560	98,551	98,551
Gold	26,464	26,446	26,431	26,417	26,404	26,404
Platinum	580	579	579	578	577	577



## **Appendix E Reliances**



The following is a list of the data Wakely relied on for the analysis:

- Issuer submitted premium and enrollment information for 2017 and for January/February 2018
- Insurers submitted APTC information, including enrollment and premiums, for January/February 2018
- Insurer submitted paid claim continuance tables for 2016 and 2017
- The June 30<sup>th</sup> Risk Adjustment and Reinsurance Report for the 2016 benefit year produced by CMS<sup>18</sup>
- The 2016, 2017, and 2018 Open Enrollment Report PUF produced by HHS<sup>19 20 21</sup>
- Effectuated Enrollment Reports released by CMS<sup>22</sup>
- CBO Analysis on Impact of Repeal of the Mandate<sup>23</sup>
- OACT Analysis on Impact of Repeal of the Mandate<sup>24 25</sup>
- Information from the Wisconsin Office of the Commissioner of Insurance for estimates of HIT from the 2018 rate filings

Wakely made some assumptions in working with the available data. These assumptions may impact the results of the analyses and were reviewed by Wisconsin for reasonability.

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<sup>18</sup> <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/Downloads/Summary-Reinsurance-Payments-Risk-2016.pdf>

<sup>19</sup> <https://aspe.hhs.gov/health-insurance-marketplaces-2016-open-enrollment-period-final-enrollment-report>

<sup>20</sup> [https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/Plan\\_Selection\\_ZIP.html](https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/Plan_Selection_ZIP.html)

<sup>21</sup> [https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/2018\\_Open\\_Enrollment.html](https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/2018_Open_Enrollment.html)

<sup>22</sup> <https://downloads.cms.gov/files/effectuated-enrollment-snapshot-report-06-12-17.pdf>

<sup>23</sup> <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53300-individualmandate.pdf>

<sup>24</sup> <https://www.cms.gov/Research-Statistics-Data-and-Systems/Research/ActuarialStudies/Downloads/AHCA20170613.pdf>



Any impact due to private commercial reinsurance was not reflected in the analyses.

The following are additional reliances and caveats that could have an impact on results:

- **Data Limitations.** Wakely received data submissions for full year 2016 and 2017 and emerging 2018 experience from insurers offering individual market ACA-compliant plans. The majority of the insurers submitted all the requested information; however, one insurer with smaller market share did not supply some portion of the information requested. Wakely made adjustments to account for this data omission, and this limitation is not expected to have a significant impact on results. Wakely relied on the data submitted from all insurers for significant portions of this analysis. We reviewed the data for reasonability, but we did not audit the data. To the extent that the data is not correct, the results of this analysis will be impacted.
- **Political Uncertainty.** There is significant policy uncertainty. Future federal actions in regards to association health plans, short-term duration plans, reinsurance funds, direct enrollment and/or CSR payments could dramatically change premiums and enrollment in 2019 or future years. In particular, CSR funding or a requirement to spread the cost of CSRs across all metal levels could dramatically decrease the pass-through percentage relative to what was estimated in this report.
- **Enrollment Uncertainty.** Additionally, there is enrollment uncertainty. Beyond changes to potential rates and policy, individual enrollee responses to these changes also has uncertainty. All of these uncertainties result in limitations in providing point estimates on reinsurance parameters and impacts of a 1332 waiver.
- **Premium Uncertainty.** Given that several regulations (association plans, short-term duration plans, etc.) have not been finalized, there is uncertainty in how insurers may respond in their 2019 premiums. These uncertainties result in limitations in providing point estimates on reinsurance parameters and impacts of a 1332 waiver.
- **Pass-Through Uncertainty.** Ultimately the Department of Health and Human Services and the Department of Treasury model the pass-through amounts. The extent to which the exact assumptions and micro-simulation modeling differs from Wakely's models, differences in the pass-through amounts are possible.

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<sup>25</sup> <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/ProjectionsMethodology.pdf>



- Program Integrity. CMS and Exchanges will conduct far more validation on individuals who are applying for subsidies. Given prior experiences with income verification, this is likely to reduce the number of people with APTCs.
- Reinsurance Operations. If actual operations of the reinsurance program differ from the data configurations used in this analysis, Wakely's analysis would need to be adjusted to match actual reinsurance data requirements. Changes to assumed data requirements, actual data requirements, and data submission quality for reinsurance operations may impact the results. Furthermore, if less than \$200 million in spent, for example because some funds are used for reinsurance operations, then effects may be different.

## **Appendix F**

### **Disclosures and Limitations**

**Responsible Actuary.** Julie Peper and Danielle Hilson are the actuaries responsible for this communication. They are Members of the American Academy of Actuaries and Fellows of the Society of Actuaries. They meet the Qualification Standards of the American Academy of Actuaries to issue this report.

**Intended Users.** This information has been prepared for the sole use of the management of Wisconsin. Wakely understands that the report will be made public and used in the 1332 waiver process. Distribution to such parties should be made in its entirety and should be evaluated only by qualified users. The parties receiving this report should retain their own actuarial experts in interpreting results. This information is proprietary.

**Risks and Uncertainties.** The assumptions and resulting estimates included in this report and produced by the modeling are inherently uncertain. Wakely used conservative pass-through assumptions. The extent to which the enrollment experience for 2018 or 2019 is different than expected could affect results. Users of the results should be qualified to use it and understand the results and the inherent uncertainty. Actual results may vary, potentially materially, from our estimates. Wakely does not warrant or guarantee that Wisconsin will attain the estimated values included in the report. It is the responsibility of those receiving this output to review the assumptions carefully and notify Wakely of any potential concerns.

**Conflict of Interest.** The responsible actuaries are financially independent and free from conflict concerning all matters related to performing the actuarial services underlying these analyses. In addition, Wakely is organizationally and financially independent of Wisconsin.

**Data and Reliance.** We have relied on others for data and assumptions used in the assignment. We have reviewed the data for reasonableness, but have not performed any independent audit or otherwise verified the accuracy of the data/information. If the underlying information is incomplete or inaccurate, our estimates may be impacted, potentially significantly. The information included in the 'Data and Methodology' and 'Reliances and Caveats' sections identifies the key data and assumptions.

**Subsequent Events.** These analyses are based on the implicit assumption that the ACA will continue to be in effect in future years with no material change. Material changes in state or federal laws regarding health benefit plans may have a material impact on the results included in this report. In addition, many of the assumptions are based on the initial 2018 experiences. Change in emerging 2018 enrollment and experience could impact the results. Additional changes in regulations (e.g., association health plans, short term limited duration plans) could impact findings. For example, since neither of the proposed regulations on these topics have been finalized, they were not included in the analysis.

**Contents of Actuarial Report.** This document (the report, including appendices) constitutes the entirety of actuarial report and supersede any previous communications on the project.



**Deviations from ASOPs.** Wakely completed the analyses using sound actuarial practice. To the best of our knowledge, the report and methods used in the analyses are in compliance with the appropriate ASOPs with no known deviations. A summary of ASOP compliance is listed below:

ASOP No. 23, Data Quality

ASOP No. 41, Actuarial Communication

## **ATTACHMENT 2**

**SENATE SUBSTITUTE AMENDMENT 1 TO SENATE BILL 770**

**2017 SB 770 ENACTED AS 2017 WISCONSIN ACT 138**



State of Wisconsin  
2017 - 2018 LEGISLATURE

LRBs0320/1  
TJD:all

**SENATE SUBSTITUTE AMENDMENT 1,  
TO SENATE BILL 770**

February 13, 2018 - Offered by JOINT COMMITTEE ON FINANCE.

1     **AN ACT** *to repeal* subchapter VI (title) of chapter 601 [precedes 601.93]; *to*  
2     *amend* 601.45 (1); and *to create* 16.5285, 20.145 (5), 49.45 (2p), subchapter VII  
3     (title) of chapter 601 [precedes 601.80], 601.80, 601.83, 601.85 and subchapter  
4     VIII (title) of chapter 601 [precedes 601.93] of the statutes; **relating to:**  
5     Wisconsin Healthcare Stability Plan, reinsurance of health carriers,  
6     reallocating savings from health insurer fee, providing an exemption from  
7     emergency rule procedures, granting rule-making authority, and making  
8     appropriations.

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***Analysis by the Legislative Reference Bureau***

This substitute amendment creates the Wisconsin Healthcare Stability Plan (WIHSP), which is a state-based reinsurance program for health carriers, subject to the approval of a waiver of the federal Patient Protection and Affordable Care Act. WIHSP makes a reinsurance payment to a health carrier if the claims for an individual who is enrolled in a health benefit plan of the carrier exceed a threshold amount, known as the attachment point, in a benefit year. The commissioner of the Office of the Commissioner of Insurance in this state administers WIHSP. After

consulting with an actuarial firm, the commissioner sets the payment parameters for the reinsurance payment as specified under the substitute amendment. In addition to the attachment point, the other payment parameters are the reinsurance cap, which is the maximum amount of claims eligible for a reinsurance payment, and the coinsurance rate, which is the percent of the claim amount eligible for a reinsurance payment. The commissioner must design and adjust the payment parameters with the goal to stabilize or reduce premium rates in the individual health insurance market, increase participation by health carriers in the individual market, improve access to health care providers and services for individuals purchasing individual health insurance coverage, mitigate the impact high-risk individuals have on premium rates in the individual market, and take into account any federal funding and the total amount of funding available for the plan. If the funding amounts available for expenditure are not anticipated to fully fund the reinsurance payments as of July 1 of the year before the applicable benefit year, the commissioner must adjust the payment parameters and then allow the health carrier to adjust its filing of insurance premium rates. If funding is not available to make all reinsurance payments in a benefit year, reinsurance payments will be made proportional to the health carrier's share of aggregate individual health plan claims costs eligible for reinsurance payments, as determined by the commissioner. Under the substitute amendment, health carriers are required to calculate the rates the carrier would have charged for a benefit year if WIHSP was not established and submit those rates as part of its rate filing.

The commissioner must calculate a reinsurance payment to be made to a health carrier as specified in the substitute amendment. If the claims cost amounts for an individual enrollee of the health benefit plan do not exceed the attachment point threshold, the commissioner may not make a reinsurance payment. If the costs exceed the attachment point, then the commissioner makes a reinsurance payment that is the coinsurance rate multiplied by whichever of the following is less 1) the claims cost minus the attachment point or 2) the reinsurance cap minus the attachment point. When a health carrier meets criteria set in the substitute amendment and any requirements set by the commissioner, the carrier may request a reinsurance payment. A health carrier, however, is not eligible to receive a reinsurance payment unless the carrier agrees not to bring a lawsuit against the commissioner or a state agency or employee over any delay in reinsurance payments or reduction in the payments for insufficient funding. The commissioner must notify the carrier of any reinsurance payments for the benefit year no later than June 30 of the year following that benefit year.

The substitute amendment requires health carriers to provide access to certain data. The commissioner may also have a health carrier audited to assess the carrier's compliance with requirements in this substitute amendment. The commissioner is required to keep an accounting of certain payments and moneys available for payments as specified in the substitute amendment.

The substitute amendment allows the commissioner to submit one or more requests for a state innovation waiver under the federal Affordable Care Act, known as a "1332 waiver," to implement WIHSP. The substitute amendment specifies the

2019 benefit year payment parameters to be used for submitting the waiver but allows the commissioner to adjust the payment parameters to secure federal approval of the waiver request. If the federal government does not approve WIHSP as submitted or a substantially similar plan, the commissioner may not implement WIHSP. Current federal law allows a state to apply for a waiver of certain provisions of the Affordable Care Act, and the state is then eligible to receive moneys from the federal government, known as pass-through funding, that the federal government would have paid in premium tax credits, cost-sharing reductions, or small business credits if the waiver had not been approved.

Under the substitute amendment, if a fee imposed under the Affordable Care Act is no longer applicable to insurers participating in the state's group health insurance program or the Medical Assistance program, the secretary of administration must calculate the expected savings to state agencies from avoiding the fee. The secretary must then adjust appropriations and transfer, in the biennium in which the savings calculation is made, to the general fund the program revenue based on the savings calculated, subject to limitations in the substitute amendment, or adjust state agency employer contributions for state employee fringe benefit costs in the biennium following the biennium in which the savings is calculated or both.

The substitute amendment prohibits the Department of Health Services from expanding the Medical Assistance program under the federal Patient Protection and Affordable Care Act unless legislation is in effect allowing the expansion.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 16.5285 of the statutes is created to read:

2           **16.5285 Health insurer fee savings.** (1) In this section, "Affordable Care  
3 Act" has the meaning given in s. 601.80 (1).

4           (2) If the annual fee imposed under section 9010 of the Affordable Care Act is  
5 no longer applicable to insurers participating in the state's group health insurance  
6 program under s. 40.51 (6) or the Medical Assistance program under subch. IV of ch.  
7 49 and if the state budget allocated an amount to expend on the annual insurer fee,  
8 the secretary shall calculate the expected state agency savings related to the  
9 avoidance of the fee.

10           (3) Based on the savings calculated under sub. (2), the secretary shall do one  
11 or more of the following:

1           (a) In the fiscal biennium in which the savings are calculated, reduce the  
2 estimated general purpose revenue and program revenue expenditures, excluding  
3 tuition and fee moneys from the University of Wisconsin System, for "Compensation  
4 Reserves" shown in the schedule under s. 20.005 (1) by an amount equal to the  
5 savings calculated under sub. (2) to the state's group health insurance program;  
6 subject to sub. (4), transfer to the general fund the related available balances in  
7 program revenue appropriation accounts related to the savings under sub. (2) to the  
8 state's group health insurance program in an amount equal to the calculated  
9 program revenue saved under sub. (2) to the state's group health insurance program;  
10 and, if the secretary of health services finds that a reduction would not result in a  
11 deficit to the Medical Assistance program, reduce the general purpose revenue  
12 expenditure amounts for the Medical Assistance program under s. 20.435 (4) (b) by  
13 an amount that is no greater than the amount of the savings calculated under sub.  
14 (2) to the Medical Assistance program.

15           (b) In the fiscal biennium following the fiscal biennium in which the savings  
16 are calculated, adjust state agency employer contributions for state employee fringe  
17 benefit costs.

18           (4) If the secretary intends to transfer to the general fund the related available  
19 balances in program revenue appropriation accounts related to the savings under  
20 sub. (2) to the state's group health insurance program, the secretary shall submit a  
21 request to the joint committee on finance stating the amounts the secretary  
22 calculates would be transferred from each program revenue appropriation account.  
23 If, within 14 days after the date of the secretary's request, the cochairpersons of the  
24 committee do not notify the department that the committee has scheduled a meeting  
25 to review the request, the transfers submitted are considered approved. If the

1       cochairpersons notify the department within 14 days after the date of the secretary's  
2       request that the committee has scheduled a meeting to review the request, a transfer  
3       may be made only upon approval of the committee.

4               **SECTION 2.** 20.145 (5) of the statutes is created to read:

5               20.145 (5) WISCONSIN HEALTHCARE STABILITY PLAN. (b) *Reinsurance plan; state*  
6       *subsidy.* A sum sufficient for the state subsidy of reinsurance payments for the  
7       reinsurance program under subch. VII of ch. 601.

8               (m) *Federal funds; reinsurance plan.* All moneys received from the federal  
9       government for reinsurance for the purposes for which received.

10              **SECTION 3.** 49.45 (2p) of the statutes is created to read:

11              49.45 (2p) APPROVAL OF MEDICAL ASSISTANCE PROGRAM CHANGES. After the  
12       effective date of this subsection .... [LRB inserts date], the department may not  
13       expand eligibility under section 2001 (a) (1) (C) of the Patient Protection and  
14       Affordable Care Act, P.L. 111-148, for the Medical Assistance program under this  
15       subchapter unless the state legislature has passed legislation to allow the expansion  
16       and that legislation is in effect.

17              **SECTION 4.** 601.45 (1) of the statutes is amended to read:

18              601.45 (1) COSTS TO BE PAID BY EXAMINEES. The reasonable costs of examinations  
19       and audits under ss. 601.43 ~~and, 601.44, and 601.83 (5) (f)~~ shall be paid by examinees  
20       except as provided in sub. (4), either on the basis of a system of billing for actual  
21       salaries and expenses of examiners and other apportionable expenses, including  
22       office overhead, or by a system of regular annual billings to cover the costs relating  
23       to a group of companies, or a combination of such systems, as the commissioner may  
24       by rule prescribe. Additional funding, if any, shall be governed by s. 601.32. The

1 commissioner shall schedule annual hearings under s. 601.41 (5) to review current  
2 problems in the area of examinations.

3 SECTION 5. Subchapter VII (title) of chapter 601 [precedes 601.80] of the  
4 statutes is created to read:

5 CHAPTER 601

6 SUBCHAPTER VII

7 HEALTHCARE STABILITY PLAN

8 SECTION 6. 601.80 of the statutes is created to read:

9 **601.80 Definitions; healthcare stability plan.** In this subchapter:

10 (1) "Affordable Care Act" means the federal Patient Protection and Affordable  
11 Care Act, P.L. 111-148, as amended by the federal Health Care and Education  
12 Reconciliation Act of 2010, P.L. 111-152, and any amendments to or regulations or  
13 guidance issued under those acts.

14 (2) "Attachment point" means the amount set under s. 601.83 (2) for the  
15 healthcare stability plan that is the threshold amount for claims costs incurred by  
16 an eligible health carrier for an enrolled individual's covered benefits in a benefit  
17 year, beyond which the claims costs are eligible for reinsurance payments.

18 (3) "Benefit year" means the calendar year for which an eligible health carrier  
19 provides coverage through an individual health plan.

20 (4) "Coinsurance rate" means the rate set under s. 601.83 (2) for the healthcare  
21 stability plan that is the rate at which the commissioner will reimburse an eligible  
22 health carrier for claims incurred for an enrolled individual's covered benefits in a  
23 benefit year above the attachment point and below the reinsurance cap.



1           (5) “Eligible health carrier” means an insurer, as defined in s. 632.745 (15) that  
2 offers an individual health plan and incurs claims costs for an enrolled individual’s  
3 covered benefits in the applicable benefit year.

4           (6) “Grandfathered plan” means a health plan in which an individual was  
5 enrolled on March 23, 2010, for as long as it maintains that status in accordance with  
6 the Affordable Care Act.

7           (7) “Health benefit plan” has the meaning given in s. 632.745 (11).

8           (8) “Healthcare stability plan” means the state-based reinsurance program  
9 known as the Wisconsin Healthcare Stability Plan administered under s. 601.83 (1).

10           (9) “Individual health plan” means a health benefit plan that is not a group  
11 health plan, as defined in s. 632.745 (10), or a grandfathered plan.

12           (10) “Payment parameters” means the attachment point, reinsurance cap, and  
13 coinsurance rate for the healthcare stability plan.

14           (12) “Reinsurance cap” means the threshold amount set under s. 601.83 (2) for  
15 the healthcare stability plan for claims costs incurred by an eligible health carrier  
16 for an enrolled individual’s covered benefits, after which the claims costs for benefits  
17 are no longer eligible for reinsurance payments.

18           (13) “Reinsurance payment” means an amount paid by the commissioner to an  
19 eligible health carrier under the healthcare stability plan.

20           **SECTION 7.** 601.83 of the statutes is created to read:

21           **601.83 Healthcare stability plan; administration.** (1) PLAN ESTABLISHED;  
22 GENERAL ADMINISTRATION. (a) Subject to par. (b), the commissioner shall administer  
23 a state-based reinsurance program known as the healthcare stability plan.

24           (b) 1. The commissioner may submit a request to the federal department of  
25 health and human services for one or more waivers under 42 USC 18052 to

1 implement the healthcare stability plan for benefit years beginning January 1, 2019.  
2 The commissioner may adjust the payment parameters under sub. (2) to the extent  
3 necessary to secure federal approval of the waiver request under this paragraph.

4 2. If the federal department of health and human services does not approve the  
5 healthcare stability plan in the waiver request submitted under subd. 1. or a  
6 substantially similar healthcare stability plan, the commissioner may not  
7 implement the healthcare stability plan.

8 (c) If the federal government enacts into law Senate Bill 1835 of the 115th  
9 Congress or a similar bill providing support to states to establish reinsurance  
10 programs, the commissioner shall seek, if necessary, and receive federal moneys for  
11 the purpose of reinsurance programs that result from that enacted law to expend for  
12 the purposes of this subchapter.

13 (d) In accordance with sub. (5) (c), the commissioner shall collect the data from  
14 an eligible health carrier as necessary to determine reinsurance payments.

15 (e) Beginning on a date determined by the commissioner, the commissioner  
16 shall require each eligible health carrier to calculate the rates the eligible health  
17 carrier would have charged for a benefit year if the healthcare stability plan had not  
18 been established and submit the calculated rates as part of its rate filing submitted  
19 to the commissioner. The commissioner shall consider the calculated rate  
20 information provided under this paragraph as part of the rate filing review.

21 (f) 1. For each applicable benefit year, the commissioner shall notify eligible  
22 health carriers of reinsurance payments to be made for the applicable benefit year  
23 no later than June 30 of the calendar year following the applicable benefit year.

1           2. Quarterly during the applicable benefit year, the commissioner shall provide  
2 each eligible health carrier with the calculation of total amounts of reinsurance  
3 payment requests.

4           3. By August 15 of the calendar year following the applicable benefit year, the  
5 commissioner shall disburse all applicable reinsurance payments to an eligible  
6 health carrier.

7           (g) The commissioner may promulgate any rules necessary to implement the  
8 healthcare stability plan under this section, except that any rules promulgated  
9 under this paragraph shall seek to maximize federal funding for the healthcare  
10 stability plan. The commissioner may promulgate rules necessary to implement this  
11 section as emergency rules under s. 227.24. Notwithstanding s. 227.24 (1) (a) and  
12 (3), the commissioner is not required to provide evidence that promulgating a rule  
13 under this paragraph as an emergency rule is necessary for the preservation of the  
14 public peace, health, safety, or welfare and is not required to provide a finding of  
15 emergency for a rule promulgated under this paragraph.

16           (h) In 2019 and in each subsequent year, the commissioner may expend no more  
17 than \$200,000,000 from all revenue sources for the healthcare stability plan under  
18 this section, unless the joint committee on finance under s. 13.10 has increased this  
19 amount upon request by the commissioner.

20           **(2) PAYMENT PARAMETERS.** The commissioner, after consulting with an actuarial  
21 firm, shall design and adjust payment parameters with the goal to do all of the  
22 following:

23           (a) Stabilize or reduce premium rates in the individual market.

24           (b) Increase participation by health carriers in the individual market.

1 (c) Improve access to health care providers and services for individuals  
2 purchasing coverage in the individual market.

3 (d) Mitigate the impact high-risk individuals have on premium rates in the  
4 individual market.

5 (e) Take into account any federal funding available for the plan.

6 (f) Take into account the total amount available to fund the plan.

7 **(3) OPERATION.** (a) The commissioner shall set the payment parameters as  
8 described under sub. (2) by no later than March 30 of the calendar year before the  
9 applicable benefit year or, if the commissioner specifies a different date by rule, the  
10 date specified by the commissioner by rule.

11 (b) If the amount available for expenditure for the healthcare stability plan is  
12 not anticipated to be adequate to fully fund the payment parameters set under par.  
13 (a) as of July 1 of the calendar year before the applicable benefit year, the  
14 commissioner shall adjust the payment parameters in accordance within the moneys  
15 available to expend for the healthcare stability plan. The commissioner shall allow  
16 an eligible health carrier to revise its rate filing based on the final payment  
17 parameters for the applicable benefit year.

18 (c) If funding is not available to make all reinsurance payments to eligible  
19 health carriers in a benefit year, the commissioner shall make reinsurance payments  
20 in proportion to the eligible health carrier's share of aggregate individual health plan  
21 claims costs eligible for reinsurance payments during the given benefit year, as  
22 determined by the commissioner. The commissioner shall notify eligible health  
23 carriers if there are insufficient funds available to make reinsurance payments in  
24 full and the estimated amount of payment as soon as practicable after the  
25 commissioner becomes aware of the insufficiency.

1           **(4) REINSURANCE PAYMENT CALCULATION.** (a) The commissioner shall calculate  
2 a reinsurance payment with respect to each eligible health carrier's incurred claims  
3 costs for an enrolled individual's covered benefits in the applicable benefit year. If  
4 the claims costs for an enrolled individual do not exceed the attachment point set  
5 under sub. (2), the commissioner may not make a reinsurance payment with respect  
6 to that enrollee. If the claims costs for an enrolled individual exceed the attachment  
7 point, subject to par. (b), the commissioner shall make a reinsurance payment that  
8 is calculated as the product of the coinsurance rate and whichever of the following  
9 is less:

- 10           1. The claims costs minus the attachment point.
- 11           2. The reinsurance cap minus the attachment point.

12           (b) The commissioner shall ensure that any reinsurance payment made to an  
13 eligible health carrier does not exceed the total amount paid by the eligible health  
14 carrier for any claim. For purposes of this paragraph, the total amount paid of a  
15 claim is the amount paid by the eligible health carrier based upon the allowed  
16 amount less any deductible, coinsurance, or copayment paid by another person as of  
17 the time the data are submitted or made accessible under sub. (5) (c).

18           **(5) REINSURANCE PAYMENT REQUESTS.** (a) An eligible health carrier may request  
19 reinsurance payments from the commissioner when the eligible health carrier meets  
20 the requirements of this subsection and sub. (4).

21           (b) An eligible health carrier shall make any requests for a reinsurance  
22 payment in accordance with any requirements established by the commissioner.

23           (c) Each eligible health carrier shall provide the commissioner with access to  
24 the data within the dedicated data environment established by the eligible health  
25 carrier under the federal risk adjustment program under 42 USC 18063. Each

1 eligible health carrier shall submit to the commissioner attesting to compliance with  
2 the dedicated data environments, data requirements, establishment and usage of  
3 masked enrollee identification numbers, and data submission deadlines.

4 (d) Each eligible health carrier shall provide the access under par. (c) for each  
5 applicable benefit year by April 30 of the calendar year following the end of the  
6 applicable benefit year.

7 (e) Each eligible health carrier shall maintain for at least 6 years documents  
8 and records, by paper, electronic, or other media, sufficient to substantiate a request  
9 for a reinsurance payment made under this section. An eligible health carrier shall  
10 make the documents and records available to the commissioner, upon request, for  
11 purposes of verification, investigation, audit, or other review of a reinsurance  
12 payment request.

13 (f) The commissioner may have an eligible health carrier audited to assess the  
14 health carrier's compliance with the requirements of this section. The eligible health  
15 carrier shall ensure that its contractors, subcontractors, or agents cooperate with  
16 any audit under this paragraph. Within 30 days of receiving notice that an audit  
17 results in a proposed finding of material weakness or significant deficiency with  
18 respect to compliance with any requirement of this section, the eligible health carrier  
19 may provide a response to the proposed finding. Within 60 days of the issuance of  
20 a final audit report that includes a finding of material weakness or significant  
21 deficiency, the eligible health carrier shall do all of the following:

22 1. Provide a written corrective action plan to the commissioner for approval.

23 2. Implement the corrective action plan under subd. 1. as approved by the  
24 commissioner.

1           3. Provide the commissioner with written documentation of the corrective  
2 action after implementation.

3           (g) The commissioner may recover from an eligible health carrier any  
4 overpayment of reinsurance payments as determined under the audit under par. (f).

5           (h) A health carrier is not eligible to receive a reinsurance payment unless the  
6 health carrier agrees not to bring a lawsuit against the commissioner or a state  
7 agency or employee over any delay in reinsurance payments or any reduction in  
8 reinsurance payments in accordance with sub. (3) (c).

9           **(6) ACCESS TO INFORMATION.** Information submitted by an eligible health carrier  
10 or obtained by the commissioner for purposes of the healthcare stability plan shall  
11 be used only for purposes of this subchapter and is proprietary and confidential  
12 under s. 601.465.

13           **SECTION 8.** 601.85 of the statutes is created to read:

14           **601.85 Accounting, reports, and audits.** **(1) ACCOUNTING.** The  
15 commissioner shall keep an accounting for each benefit year of all of the following:

16           (a) Funds appropriated for reinsurance payments and administrative and  
17 operational expenses.

18           (b) Requests for reinsurance payments received from eligible health carriers.

19           (c) Reinsurance payments made to eligible health carriers.

20           (d) Administrative and operational expenses incurred for the healthcare  
21 stability plan.

22           **(2) REPORTS.** By November 1 of the calendar year following the applicable  
23 benefit year or by 60 days following the final disbursement of reinsurance payments  
24 for the applicable benefit year, whichever is later, the commissioner shall make

1 available to the public a report summarizing the healthcare stability plan's  
2 operations for each benefit year by posting the summary on the office's Internet site.

3 (3) LEGISLATIVE AUDITOR. The healthcare stability plan is subject to audit by the  
4 legislative audit bureau. The commissioner shall ensure that its contractors,  
5 subcontractors, or agents cooperate with any audit of the healthcare stability plan  
6 performed by the legislative audit bureau.

7 (4) REQUIRED RECOMMENDATION REPORT. By December 31, 2018, the  
8 commissioner shall submit to the governor recommendations on implementing a  
9 waiver under s. 601.83 (1) (b), any possible additional waivers to be requested, and  
10 any other options to stabilize the individual health care market in this state. In  
11 developing the recommendations, the commissioner shall consider and include in the  
12 report the impacts of creating a high-risk pool or an invisible high-risk pool; funding  
13 of consumer health savings accounts; expanding consumer plan choices, including  
14 catastrophic plans or coverage and new low-cost plan options; and implementing  
15 any other approach that will lower consumer costs, stabilize the insurance market,  
16 or expand the availability of private insurance coverage.

17 SECTION 9. Subchapter VIII (title) of chapter 601 [precedes 601.93] of the  
18 statutes is created to read:

19 **CHAPTER 601**

20 **SUBCHAPTER VIII**

21 **FIRE DEPARTMENT DUES**

22 SECTION 10. Subchapter VI (title) of chapter 601 [precedes 601.93] of the  
23 statutes is repealed.

24 SECTION 11. **Nonstatutory provisions.**

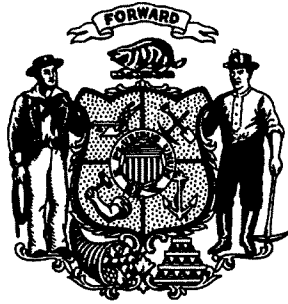


1           (1) PAYMENT PARAMETERS. For the 2019 benefit year, the commissioner of  
2 insurance shall set as payment parameters for the healthcare stability plan under  
3 subchapter VII of chapter 601 an attachment point of \$50,000, a coinsurance rate of  
4 between 50 and 80 percent, and a reinsurance cap of \$250,000. The commissioner  
5 of insurance may adjust the payment parameters to the extent necessary to secure  
6 federal approval of the waiver request under section 601.83 (1) (b) of the statutes. For  
7 subsequent benefit years, the commissioner of insurance may adjust the payment  
8 parameters in accordance with section 601.83 (2) of the statutes.

9

**(END)**

# State of Wisconsin



2017 Senate Bill 770

Date of enactment: **February 27, 2018**  
Date of publication\*: **February 28, 2018**

## 2017 WISCONSIN ACT 138

**AN ACT** to repeal subchapter VI (title) of chapter 601 [precedes 601.93]; to amend 601.45 (1); and to create 16.5285, 20.145 (5), 49.45 (2p), subchapter VII (title) of chapter 601 [precedes 601.80], 601.80, 601.83, 601.85 and subchapter VIII (title) of chapter 601 [precedes 601.93] of the statutes; relating to: Wisconsin Healthcare Stability Plan, reinsurance of health carriers, reallocating savings from health insurer fee, providing an exemption from emergency rule procedures, granting rule-making authority, and making appropriations.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 16.5285 of the statutes is created to read:

**16.5285 Health insurer fee savings.** (1) In this section, "Affordable Care Act" has the meaning given in s. 601.80 (1).

(2) If the annual fee imposed under section 9010 of the Affordable Care Act is no longer applicable to insurers participating in the state's group health insurance program under s. 40.51 (6) or the Medical Assistance program under subch. IV of ch. 49 and if the state budget allocated an amount to expend on the annual insurer fee, the secretary shall calculate the expected state agency savings related to the avoidance of the fee.

(3) Based on the savings calculated under sub. (2), the secretary shall do one or more of the following:

(a) In the fiscal biennium in which the savings are calculated, reduce the estimated general purpose revenue and program revenue expenditures, excluding tuition and fee moneys from the University of Wisconsin System, for "Compensation Reserves" shown in the schedule under s. 20.005 (1) by an amount equal to the savings calculated under sub. (2) to the state's group health insurance program; subject to sub. (4), transfer to the general fund the

related available balances in program revenue appropriation accounts related to the savings under sub. (2) to the state's group health insurance program in an amount equal to the calculated program revenue saved under sub. (2) to the state's group health insurance program; and, if the secretary of health services finds that a reduction would not result in a deficit to the Medical Assistance program, reduce the general purpose revenue expenditure amounts for the Medical Assistance program under s. 20.435 (4) (b) by an amount that is no greater than the amount of the savings calculated under sub. (2) to the Medical Assistance program.

(b) In the fiscal biennium following the fiscal biennium in which the savings are calculated, adjust state agency employer contributions for state employee fringe benefit costs.

(4) If the secretary intends to transfer to the general fund the related available balances in program revenue appropriation accounts related to the savings under sub. (2) to the state's group health insurance program, the secretary shall submit a request to the joint committee on finance stating the amounts the secretary calculates would be transferred from each program revenue appropriation account. If, within 14 days after the date of the

\* Section 991.11, WISCONSIN STATUTES: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication."

secretary's request, the cochairpersons of the committee do not notify the department that the committee has scheduled a meeting to review the request, the transfers submitted are considered approved. If the cochairpersons notify the department within 14 days after the date of the secretary's request that the committee has scheduled a meeting to review the request, a transfer may be made only upon approval of the committee.

**SECTION 2.** 20.145 (5) of the statutes is created to read:

20.145 (5) WISCONSIN HEALTHCARE STABILITY PLAN. (b) *Reinsurance plan; state subsidy.* A sum sufficient for the state subsidy of reinsurance payments for the reinsurance program under subch. VII of ch. 601.

(m) *Federal funds; reinsurance plan.* All moneys received from the federal government for reinsurance for the purposes for which received.

**SECTION 3.** 49.45 (2p) of the statutes is created to read:

49.45 (2p) APPROVAL OF MEDICAL ASSISTANCE PROGRAM CHANGES. After the effective date of this subsection ... [LRB inserts date], the department may not expand eligibility under section 2001 (a) (1) (C) of the Patient Protection and Affordable Care Act, P.L. 111-148, for the Medical Assistance program under this subchapter unless the state legislature has passed legislation to allow the expansion and that legislation is in effect.

**SECTION 4.** 601.45 (1) of the statutes is amended to read:

601.45 (1) COSTS TO BE PAID BY EXAMINEES. The reasonable costs of examinations and audits under ss. 601.43 and 601.44, and 601.83 (5) (f) shall be paid by examinees except as provided in sub. (4), either on the basis of a system of billing for actual salaries and expenses of examiners and other apportionable expenses, including office overhead, or by a system of regular annual billings to cover the costs relating to a group of companies, or a combination of such systems, as the commissioner may by rule prescribe. Additional funding, if any, shall be governed by s. 601.32. The commissioner shall schedule annual hearings under s. 601.41 (5) to review current problems in the area of examinations.

**SECTION 5.** Subchapter VII (title) of chapter 601 [precedes 601.80] of the statutes is created to read:

#### CHAPTER 601

##### SUBCHAPTER VII

#### HEALTHCARE STABILITY PLAN

**SECTION 6.** 601.80 of the statutes is created to read:  
**601.80 Definitions; healthcare stability plan.** In this subchapter:

(1) "Affordable Care Act" means the federal Patient Protection and Affordable Care Act, P.L. 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, P.L. 111-152, and any amendments to or regulations or guidance issued under those acts.

(2) "Attachment point" means the amount set under s. 601.83 (2) for the healthcare stability plan that is the threshold amount for claims costs incurred by an eligible health carrier for an enrolled individual's covered benefits in a benefit year, beyond which the claims costs are eligible for reinsurance payments.

(3) "Benefit year" means the calendar year for which an eligible health carrier provides coverage through an individual health plan.

(4) "Coinsurance rate" means the rate set under s. 601.83 (2) for the healthcare stability plan that is the rate at which the commissioner will reimburse an eligible health carrier for claims incurred for an enrolled individual's covered benefits in a benefit year above the attachment point and below the reinsurance cap.

(5) "Eligible health carrier" means an insurer, as defined in s. 632.745 (15), that offers an individual health plan and incurs claims costs for an enrolled individual's covered benefits in the applicable benefit year.

(6) "Grandfathered plan" means a health plan in which an individual was enrolled on March 23, 2010, for as long as it maintains that status in accordance with the Affordable Care Act.

(7) "Health benefit plan" has the meaning given in s. 632.745 (11).

(8) "Healthcare stability plan" means the state-based reinsurance program known as the Wisconsin Healthcare Stability Plan administered under s. 601.83 (1).

(9) "Individual health plan" means a health benefit plan that is not a group health plan, as defined in s. 632.745 (10), or a grandfathered plan.

(10) "Payment parameters" means the attachment point, reinsurance cap, and coinsurance rate for the healthcare stability plan.

(12) "Reinsurance cap" means the threshold amount set under s. 601.83 (2) for the healthcare stability plan for claims costs incurred by an eligible health carrier for an enrolled individual's covered benefits, after which the claims costs for benefits are no longer eligible for reinsurance payments.

(13) "Reinsurance payment" means an amount paid by the commissioner to an eligible health carrier under the healthcare stability plan.

**SECTION 7.** 601.83 of the statutes is created to read:

#### **601.83 Healthcare stability plan; administration.**

(1) PLAN ESTABLISHED; GENERAL ADMINISTRATION. (a) Subject to par. (b), the commissioner shall administer a state-based reinsurance program known as the healthcare stability plan.

(b) 1. The commissioner may submit a request to the federal department of health and human services for one or more waivers under 42 USC 18052 to implement the healthcare stability plan for benefit years beginning January 1, 2019. The commissioner may adjust the payment parameters under sub. (2) to the extent necessary to

secure federal approval of the waiver request under this paragraph.

2. If the federal department of health and human services does not approve the healthcare stability plan in the waiver request submitted under subd. 1. or a substantially similar healthcare stability plan, the commissioner may not implement the healthcare stability plan.

(c) If the federal government enacts into law Senate Bill 1835 of the 115th Congress or a similar bill providing support to states to establish reinsurance programs, the commissioner shall seek, if necessary, and receive federal moneys for the purpose of reinsurance programs that result from that enacted law to expend for the purposes of this subchapter.

(d) In accordance with sub. (5) (c), the commissioner shall collect the data from an eligible health carrier as necessary to determine reinsurance payments.

(e) Beginning on a date determined by the commissioner, the commissioner shall require each eligible health carrier to calculate the rates the eligible health carrier would have charged for a benefit year if the healthcare stability plan had not been established and submit the calculated rates as part of its rate filing submitted to the commissioner. The commissioner shall consider the calculated rate information provided under this paragraph as part of the rate filing review.

(f) 1. For each applicable benefit year, the commissioner shall notify eligible health carriers of reinsurance payments to be made for the applicable benefit year no later than June 30 of the calendar year following the applicable benefit year.

2. Quarterly during the applicable benefit year, the commissioner shall provide each eligible health carrier with the calculation of total amounts of reinsurance payment requests.

3. By August 15 of the calendar year following the applicable benefit year, the commissioner shall disburse all applicable reinsurance payments to an eligible health carrier.

(g) The commissioner may promulgate any rules necessary to implement the healthcare stability plan under this section, except that any rules promulgated under this paragraph shall seek to maximize federal funding for the healthcare stability plan. The commissioner may promulgate rules necessary to implement this section as emergency rules under s. 227.24. Notwithstanding s. 227.24 (1) (a) and (3), the commissioner is not required to provide evidence that promulgating a rule under this paragraph as an emergency rule is necessary for the preservation of the public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this paragraph.

(h) In 2019 and in each subsequent year, the commissioner may expend no more than \$200,000,000 from all revenue sources for the healthcare stability plan under this section, unless the joint committee on finance under

s. 13.10 has increased this amount upon request by the commissioner.

(2) PAYMENT PARAMETERS. The commissioner, after consulting with an actuarial firm, shall design and adjust payment parameters with the goal to do all of the following:

(a) Stabilize or reduce premium rates in the individual market.

(b) Increase participation by health carriers in the individual market.

(c) Improve access to health care providers and services for individuals purchasing coverage in the individual market.

(d) Mitigate the impact high-risk individuals have on premium rates in the individual market.

(e) Take into account any federal funding available for the plan.

(f) Take into account the total amount available to fund the plan.

(3) OPERATION. (a) The commissioner shall set the payment parameters as described under sub. (2) by no later than March 30 of the calendar year before the applicable benefit year or, if the commissioner specifies a different date by rule, the date specified by the commissioner by rule.

(b) If the amount available for expenditure for the healthcare stability plan is not anticipated to be adequate to fully fund the payment parameters set under par. (a) as of July 1 of the calendar year before the applicable benefit year, the commissioner shall adjust the payment parameters in accordance within the moneys available to expend for the healthcare stability plan. The commissioner shall allow an eligible health carrier to revise its rate filing based on the final payment parameters for the applicable benefit year.

(c) If funding is not available to make all reinsurance payments to eligible health carriers in a benefit year, the commissioner shall make reinsurance payments in proportion to the eligible health carrier's share of aggregate individual health plan claims costs eligible for reinsurance payments during the given benefit year, as determined by the commissioner. The commissioner shall notify eligible health carriers if there are insufficient funds available to make reinsurance payments in full and the estimated amount of payment as soon as practicable after the commissioner becomes aware of the insufficiency.

(4) REINSURANCE PAYMENT CALCULATION. (a) The commissioner shall calculate a reinsurance payment with respect to each eligible health carrier's incurred claims costs for an enrolled individual's covered benefits in the applicable benefit year. If the claims costs for an enrolled individual do not exceed the attachment point set under sub. (2), the commissioner may not make a reinsurance payment with respect to that enrollee. If the claims costs for an enrolled individual exceed the attachment point,



subject to par. (b), the commissioner shall make a reinsurance payment that is calculated as the product of the coinsurance rate and whichever of the following is less:

1. The claims costs minus the attachment point.
2. The reinsurance cap minus the attachment point.

(b) The commissioner shall ensure that any reinsurance payment made to an eligible health carrier does not exceed the total amount paid by the eligible health carrier for any claim. For purposes of this paragraph, the total amount paid of a claim is the amount paid by the eligible health carrier based upon the allowed amount less any deductible, coinsurance, or copayment paid by another person as of the time the data are submitted or made accessible under sub. (5) (c).

(5) REINSURANCE PAYMENT REQUESTS. (a) An eligible health carrier may request reinsurance payments from the commissioner when the eligible health carrier meets the requirements of this subsection and sub. (4).

(b) An eligible health carrier shall make any requests for a reinsurance payment in accordance with any requirements established by the commissioner.

(c) Each eligible health carrier shall provide the commissioner with access to the data within the dedicated data environment established by the eligible health carrier under the federal risk adjustment program under [42 USC 18063](#). Each eligible health carrier shall submit to the commissioner attesting to compliance with the dedicated data environments, data requirements, establishment and usage of masked enrollee identification numbers, and data submission deadlines.

(d) Each eligible health carrier shall provide the access under par. (c) for each applicable benefit year by April 30 of the calendar year following the end of the applicable benefit year.

(e) Each eligible health carrier shall maintain for at least 6 years documents and records, by paper, electronic, or other media, sufficient to substantiate a request for a reinsurance payment made under this section. An eligible health carrier shall make the documents and records available to the commissioner, upon request, for purposes of verification, investigation, audit, or other review of a reinsurance payment request.

(f) The commissioner may have an eligible health carrier audited to assess the health carrier's compliance with the requirements of this section. The eligible health carrier shall ensure that its contractors, subcontractors, or agents cooperate with any audit under this paragraph. Within 30 days of receiving notice that an audit results in a proposed finding of material weakness or significant deficiency with respect to compliance with any requirement of this section, the eligible health carrier may provide a response to the proposed finding. Within 60 days of the issuance of a final audit report that includes a finding of material weakness or significant deficiency, the eligible health carrier shall do all of the following:

1. Provide a written corrective action plan to the commissioner for approval.

2. Implement the corrective action plan under subd. 1. as approved by the commissioner.

3. Provide the commissioner with written documentation of the corrective action after implementation.

(g) The commissioner may recover from an eligible health carrier any overpayment of reinsurance payments as determined under the audit under par. (f).

(h) A health carrier is not eligible to receive a reinsurance payment unless the health carrier agrees not to bring a lawsuit against the commissioner or a state agency or employee over any delay in reinsurance payments or any reduction in reinsurance payments in accordance with sub. (3) (c).

(6) ACCESS TO INFORMATION. Information submitted by an eligible health carrier or obtained by the commissioner for purposes of the healthcare stability plan shall be used only for purposes of this subchapter and is proprietary and confidential under s. 601.465.

**SECTION 8.** 601.85 of the statutes is created to read:

**601.85 Accounting, reports, and audits.** (1)

ACCOUNTING. The commissioner shall keep an accounting for each benefit year of all of the following:

- (a) Funds appropriated for reinsurance payments and administrative and operational expenses.

- (b) Requests for reinsurance payments received from eligible health carriers.

- (c) Reinsurance payments made to eligible health carriers.

- (d) Administrative and operational expenses incurred for the healthcare stability plan.

(2) REPORTS. By November 1 of the calendar year following the applicable benefit year or by 60 days following the final disbursement of reinsurance payments for the applicable benefit year, whichever is later, the commissioner shall make available to the public a report summarizing the healthcare stability plan's operations for each benefit year by posting the summary on the office's Internet site.

(3) LEGISLATIVE AUDITOR. The healthcare stability plan is subject to audit by the legislative audit bureau. The commissioner shall ensure that its contractors, subcontractors, or agents cooperate with any audit of the healthcare stability plan performed by the legislative audit bureau.

(4) REQUIRED RECOMMENDATION REPORT. By December 31, 2018, the commissioner shall submit to the governor recommendations on implementing a waiver under s. 601.83 (1) (b), any possible additional waivers to be requested, and any other options to stabilize the individual health care market in this state. In developing the recommendations, the commissioner shall consider and include in the report the impacts of creating a high-risk pool or an invisible high-risk pool; funding of consumer

health savings accounts; expanding consumer plan choices, including catastrophic plans or coverage and new low-cost plan options; and implementing any other approach that will lower consumer costs, stabilize the insurance market, or expand the availability of private insurance coverage.

**SECTION 9.** Subchapter VIII (title) of chapter 601 [precedes 601.93] of the statutes is created to read:

**CHAPTER 601**

**SUBCHAPTER VIII**

**FIRE DEPARTMENT DUES**

**SECTION 10.** Subchapter VI (title) of chapter 601 [precedes 601.93] of the statutes is repealed.

**SECTION 11. Nonstatutory provisions.**

(1) **PAYMENT PARAMETERS.** For the 2019 benefit year, the commissioner of insurance shall set as payment parameters for the healthcare stability plan under subchapter VII of chapter 601 an attachment point of \$50,000, a coinsurance rate of between 50 and 80 percent, and a reinsurance cap of \$250,000. The commissioner of insurance may adjust the payment parameters to the extent necessary to secure federal approval of the waiver request under section 601.83 (1) (b) of the statutes. For subsequent benefit years, the commissioner of insurance may adjust the payment parameters in accordance with section 601.83 (2) of the statutes.

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## **ATTACHMENT 3**

### **PUBLIC COMMENT PERIOD AND PUBLIC HEARING ANNOUNCEMENTS**



Wisconsin Office of the  
Commissioner of Insurance

Office of the Commissioner of Insurance

Wisconsin Insurance Commissioner Ted Nickel welcomes you to the Office of the Commissioner of Insurance (OCI) Web site. OCI has been regulating the Wisconsin insurance market and protecting consumers since 1870.

Consumer Information



- File a Complaint
- Search for an Agent
- Search for a Company
- Consumer Publications
- Health Insurance Rates
- More...

Agent/Agencies



- Obtain a Resident Insurance License
- Obtain a Nonresident Insurance License
- Renewing an Insurance License
- Continuing Education
- License Types and Fees
- More...

OCI Online Services



- Registered Agent for Service of Process
- Administrative Actions
- Rate and Form Filing Information
- Pay Premium Taxes and Fees
- Subscribe to Mailing Lists
- More...

Insurance News

- Press Releases
- Find Health Insurer
- Wisconsin Insurance Report
- Open Meeting Notices
- 1332 Draft Waiver for State Innovation Application *(new)*

What's New

- Public Hearing Notice (Milwaukee, WI): OCI 1332 Draft Waiver for State Innovation Application
- Commissioner Nickel Appointed Zach Bemis as Chief Legal Counsel
- Commissioner Nickel Applauds Legislature on Passage of SB 770, Wisconsin Health Care Stability Plan, with Bipartisan Support

Bulletins/Rules/Laws

- Bulletins to Insurers
- Rule-making Information
- Wisconsin Insurance Laws and Regulations





Wisconsin Office of the  
Commissioner of Insurance

## Information for Consumers - Health Insurance

Last Updated: March 20, 2018

Health

Auto

Life and Annuities

Homeowners

Consumer's Home Page

Consumer Publications

### Where Can I Find Health Insurance Information?

The Office of the Commissioner of Insurance (OCI) provides a number of publications to guide consumers looking for information related to health insurance. These publications are updated regularly and can help consumers make informed decisions regarding their health coverage. A list of health publications can be found on the Consumer Publications list. You will find information on long-term care, Medicare supplement, worker's compensation, managed care plans (HMOs and limited service health organizations), as well as filing grievances and complaints.

The publications can be printed. You will find a link to a publication order form if you prefer a hard copy.

### Federal Health Care Reform

Per federal regulation all health insurance plans in the individual market are "guaranteed available" to consumers during an annual open enrollment period. You and your family may or may not be eligible for health insurance coverage from all companies listed in your county depending on your address. For more information you should contact (1) the health insurance companies listed for your county in the Health Insurer Map below, (2) your licensed insurance agent, or (3) the Federally Facilitated Market Place (FFM). Please note that you are eligible for subsidies from the federal government these can only be accessed by applying for coverage through the FFM. See the Health Care Reform page for additional information.

#### Find Health Insurer

The Health Insurer Map is a record of health insurance companies' marketing practices as reported to the Office of the Commissioner of Insurance in rate filings. Inclusion on this list is NOT an implicit or explicit endorsement by OCI.

#### 2017 Health Care Insurance Town Hall Presentation

OCI held informational sessions across Wisconsin in an effort to provide a forum for citizens to gather information on the Affordable Care Act (ACA), 2017 open enrollment and "auto re-enrollment."

[Copy of the Presentation](#)

### Comprehensive Health Insurance Rates

Information about health insurance rate changes already on file with our office is available using OCI's Policy Form and Rate/Rule Filing Search feature. Comments and/or questions about health insurance rate increases can be e-mailed to [OCIHealthRates@wisconsin.gov](mailto:OCIHealthRates@wisconsin.gov).

**Note:** The average health insurance rate increase information included in health insurance filings is required by the U.S. Department of Health and Human Services to be included in all health insurer rate filings. OCI has concerns that the information required to be posted will be confusing to consumers. The rate increase information is calculated by using a weighted average based on a geographic distribution of plans and, as a result, has little relationship to an increase in any consumer's actual premium rate.

Lists of rate filings that were subject to rate review in Wisconsin are provided below. The lists are organized by the calendar year of the rate filing's effective date. A justification for each rate filing can be accessed by visiting <https://ratereview.healthcare.gov/>.

This federal Web site allows consumers to search for rate filings by (1) state and (2) company name. Please note that the federal Web site may not be supported by certain Internet browsers.

- 2013
- 2014
- 2015
- 2016
- 2017
- 2018

In Wisconsin, Health Maintenance Organizations (HMOs) are required to develop quality assurance plans to monitor the quality of the health care that their members receive. HMOs are required to submit to the Office the Commissioner of Insurance a report every year that includes a sample of this data. See the HMO Quality and Consumer Satisfaction Data page for further information.

#### Wisconsin 1332 Draft Waiver for State Innovation Application

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan; the Healthcare Stability Plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened a 30-day public comment period for the 1332 Draft Waiver Application. Below are links to the draft application and a power point presentation highlighting key information about the Wisconsin individual market and the Healthcare Stability Plan. **The last day to formally submit comments for inclusion with the final application OCI submits to the federal government is Saturday, April 14, 2018. Written comments may be emailed at [OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov).**

Wisconsin Healthcare Stability Plan PowerPoint Presentation:

[Wisconsin Healthcare Stability Plan - FINAL public pp.pdf](#)

Wisconsin 1332 Draft Waiver Application:

[WI 1332 DRAFT Waiver Application 3 13 18.pdf](#)



Wisconsin Office of the  
Commissioner of Insurance

## Press Release, March 13, 2018, Public Hearing Notice (La Crosse, WI): OCI 1332 Draft Waiver for State Innovation Application

Last Updated: March 13, 2018

Press Releases  
Administrative Actions  
Press Releases

For more information contact: Elizabeth Hizmi, Public Information Officer  
(608) 267-9460 or [elizabeth.hizmi@wisconsin.gov](mailto:elizabeth.hizmi@wisconsin.gov)

### Public Hearing Notice (La Crosse, WI): OCI 1332 Draft Waiver for State Innovation Application

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened the 30-day public comment period for the 1332 Draft Waiver Application, which is attached to this release.

OCI will hold a public hearing tomorrow in La Crosse.

**WHAT: Public Hearing: OCI 1332 Draft Waiver for State Innovation Application**

**WHEN:** Wednesday, March 14, 2018  
Public hearing begins: 4:00PM

**WHERE:** Gundersen Health System – Onalaska Clinic  
3<sup>rd</sup> Floor, Room 3K-Rheumatology  
3111 Gundersen Drive  
Onalaska, WI 54650

**NOTE:** Credentialed members of the media are invited to attend.

#### Public Hearing Information – Attachments

- OCI Public Hearing Presentation: Wisconsin Healthcare Stability Plan
- OCI 1332 Draft Waiver Application

The public comment period will be open from **March 13 – April 14, 2018**. Comments may be submitted in writing or in person at a public hearing.

Written comments on the OCI 1332 Draft Waiver Application may be submitted via e-mail at:

[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

or mail at:

ATTN: JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

Later this week, OCI will also conduct public hearings in the following locations: Chippewa Falls, Marshfield, Wausau, and Green Bay. Hearings in Milwaukee and Madison will occur in the coming weeks. Additional details are forthcoming.

Created by the Legislature in 1870, Wisconsin's Office of the Commissioner of Insurance (OCI) was vested with broad powers to ensure the insurance industry responsibly and adequately met the insurance needs of Wisconsin citizens. Today, OCI's mission is to lead the way in informing and protecting the public and responding to its insurance needs.



Wisconsin Office of the  
Commissioner of Insurance

## Press Release, March 14, 2018, Public Hearing Notice (Marshfield, WI): OCI 1332 Draft Waiver for State Innovation Application

Last Updated: March 14, 2018

Press Releases  
Administrative Actions  
Press Releases

For more information contact: Elizabeth Hizmi, Public Information Officer, (608) 267-9460 or [elizabeth.hizmi@wisconsin.gov](mailto:elizabeth.hizmi@wisconsin.gov)

### Public Hearing Notice (Marshfield, WI): OCI 1332 Draft Waiver for State Innovation Application

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened the 30-day public comment period for the 1332 Draft Waiver Application, which is attached to this release.

OCI will hold a public hearing tomorrow in Marshfield.

**WHAT: Public Hearing: OCI 1332 Draft Waiver for State Innovation Application**

**WHEN:** Thursday, March 15, 2018  
Public hearing begins: 2:00PM

**WHERE:** Marshfield Clinic  
Melvin Laird Building, Froehle Auditorium  
648-748 W. Kalsched Street  
Marshfield, WI 54449

**NOTE:** Credentialed members of the media are invited to attend.

#### Public Hearing Information – Attachments

- OCI Public Hearing Presentation: Wisconsin Healthcare Stability Plan
- OCI 1332 Draft Waiver Application

The public comment period will be open from **March 13 – April 14, 2018**. Comments may be submitted in writing or in person at a public hearing.

Written comments on the OCI 1332 Draft Waiver Application may be submitted via e-mail at:

[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

or mail at:

ATTN: JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

Later this week, OCI will also conduct public hearings in Wausau, and Green Bay. Hearings in Milwaukee and Madison will occur in the coming weeks. Additional details are forthcoming.

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Wisconsin Office of the  
Commissioner of Insurance

## Press Release, March 14, 2018, Public Hearing Notice (Chippewa Falls, WI): OCI 1332 Draft Waiver for State Innovation Application

Last Updated: March 14, 2018

Press Releases  
Administrative Actions  
Press Releases

For more information contact: Elizabeth Hizmi, Public Information Officer, (608) 267-9460 or  
[elizabeth.hizmi@wisconsin.gov](mailto:elizabeth.hizmi@wisconsin.gov)

### Public Hearing Notice (Chippewa Falls, WI): OCI 1332 Draft Waiver for State Innovation Application

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened the 30-day public comment period for the 1332 Draft Waiver Application, which is attached to this release.

OCI will hold a public hearing tomorrow in Chippewa Falls.

**WHAT: Public Hearing: OCI 1332 Draft Waiver for State Innovation Application**

**WHEN:** Thursday, March 15, 2018  
Public hearing begins: 10:00AM

**WHERE:** Chippewa Falls Public Library  
Virginia Smith Meeting Room  
105 West Central Street  
Chippewa Falls, WI 5472

**NOTE:** Credentialed members of the media are invited to attend.

#### Public Hearing Information – Attachments

[OCI Public Hearing Presentation: Wisconsin Healthcare Stability Plan](#)

[OCI 1332 Draft Waiver Application](#)

The public comment period will be open from **March 13 – April 14, 2018**. Comments may be submitted in writing or in person at a public hearing.

Written comments on the OCI 1332 Draft Waiver Application may be submitted via e-mail at:

[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

or mail at:

ATTN: JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

Later this week, OCI will also conduct public hearings in the following locations: Marshfield, Wausau, and Gre Bay. Hearings in Milwaukee and Madison will occur in the coming weeks. Additional details are forthcoming.

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## Press Release, March 15, 2018, Public Hearing Notice (Wausau, WI): OCI 1332 Draft Waiver for State Innovation Application

Last Updated: March 15, 2018

Press Releases

Administrative Actions  
Press Releases

For more information contact: Elizabeth Hizmi, Public Information Officer, (608) 267-9460 or [elizabeth.hizmi@wisconsin.gov](mailto:elizabeth.hizmi@wisconsin.gov)

### Public Hearing Notice (Wausau, WI): OCI 1332 Draft Waiver for State Innovation Application

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened the 30-day public comment period for the 1332 Draft Waiver Application, which is attached to this release.

OCI will hold a public hearing tomorrow in Wausau.

**WHAT: Public Hearing: OCI 1332 Draft Waiver for State Innovation Application**

**WHEN:** Friday, March 16, 2018  
Public hearing begins: 8:00AM

**WHERE:** Northcentral Technical College  
Center for Health Sciences Building, Room 2014  
1000 W. Campus Drive  
Wausau, WI 54401

**NOTE:** Credentialed members of the media are invited to attend.

#### Public Hearing Information – Attachments

[OCI Public Hearing Presentation: Wisconsin Healthcare Stability Plan](#)

[OCI 1332 Draft Waiver Application](#)

The public comment period will be open from **March 13 – April 14, 2018**. Comments may be submitted in writing or in person at a public hearing.

Written comments on the OCI 1332 Draft Waiver Application may be submitted via e-mail at:

[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

or mail at:

ATTN: JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

Later this week, OCI will also conduct a public hearing in Green Bay. Hearings in Milwaukee and Madison will occur in the coming weeks. Additional details are forthcoming.

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Created by the Legislature in 1870, Wisconsin's Office of the Commissioner of Insurance (OCI) was vested with broad powers to ensure the insurance industry responsibly and adequately met the insurance needs of Wisconsin citizens. Today, OCI's mission is to lead the way in informing and protecting the public and responding to its insurance needs.



Wisconsin Office of the  
Commissioner of Insurance

## Press Release, March 15, 2018, Public Hearing Notice (Green Bay, WI): OCI 1332 Draft Waiver for State Innovation Application

Last Updated: March 15, 2018

Press Releases  
Administrative Actions  
Press Releases

For more information contact: Elizabeth Hizmi, Public Information Officer, (608) 267-9460 or [elizabeth.hizmi@wisconsin.gov](mailto:elizabeth.hizmi@wisconsin.gov)

### Public Hearing Notice (Green Bay, WI): OCI 1332 Draft Waiver for State Innovation Application

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened the 30-day public comment period for the 1332 Draft Waiver Application, which is attached to this release.

OCI will hold a public hearing tomorrow in Green Bay.

**WHAT: Public Hearing: OCI 1332 Draft Waiver for State Innovation Application**

**WHEN:** Friday, March 16, 2018  
Public hearing begins: 12:30PM

**WHERE:** Weyers-Hillard Branch Library  
W-H Meeting Room 1  
2680 Riverview Drive  
Green Bay, WI 54313

**NOTE:** Credentialed members of the media are invited to attend.

#### Public Hearing Information – Attachments

- OCI Public Hearing Presentation: Wisconsin Healthcare Stability Plan
- OCI 1332 Draft Waiver Application

The public comment period will be open from **March 13 – April 14, 2018**. Comments may be submitted in writing or in person at a public hearing.

Written comments on the OCI 1332 Draft Waiver Application may be submitted via e-mail at:

[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

or mail at:

ATTN: JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

Public hearings in Milwaukee and Madison will occur in the coming weeks. Additional details are forthcoming.

Created by the Legislature in 1870, Wisconsin's Office of the Commissioner of Insurance (OCI) was vested with broad powers to ensure the insurance industry responsibly and adequately met the insurance needs of Wisconsin citizens. Today, OCI's mission is to lead the way in informing and protecting the public and responding to its insurance needs.



Wisconsin Office of the  
Commissioner of Insurance

## Press Release, March 21, 2018, Public Hearing Notice (Milwaukee, WI): OCI 1332 Draft Waiver for State Innovation Application

Last Updated: March 21, 2018

Press Releases  
Administrative Actions  
Press Releases

For more information contact: Elizabeth Hizmi, Public Information Officer, (608) 267-9460 or [elizabeth.hizmi@wisconsin.gov](mailto:elizabeth.hizmi@wisconsin.gov)

### Public Hearing Notice (Milwaukee, WI): OCI 1332 Draft Waiver for State Innovation Application

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened the 30-day public comment period for the 1332 Draft Waiver Application, which is attached to this release.

OCI will hold a public hearing in Milwaukee.

**WHAT: Public Hearing: OCI 1332 Draft Waiver for State Innovation Application**

**WHEN:** Friday, March 23, 2018  
Public hearing begins: 3:00PM

**WHERE:** Wisconsin Center  
Room 203C  
400 W. Wisconsin Avenue  
Milwaukee, WI 53203

**NOTE:** Credentialed members of the media are invited to attend.

**Public Hearing Information – Attachments**

OCI Public Hearing Presentation: Wisconsin Healthcare Stability Plan

OCI 1332 Draft Waiver Application

The public comment period will be open from **March 13 – April 14, 2018**. Comments may be submitted in writing or in person at a public hearing.

Written comments on the OCI 1332 Draft Waiver Application may be submitted via e-mail at:

[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

or mail at:

ATTN: JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

In early April, OCI will also conduct a public hearing in Madison. Additional details are forthcoming.

Created by the Legislature in 1870, Wisconsin's Office of the Commissioner of Insurance (OCI) was vested with broad powers to ensure the insurance industry responsibly and adequately met the insurance needs of Wisconsin citizens. Today, OCI's mission is to lead the way in informing and protecting the public and responding to its insurance needs.





Wisconsin Office of the  
Commissioner of Insurance

## Press Release, April 3, 2018, Public Hearing Notice (Madison, WI): OCI 1332 Draft Waiver for State Innovation Application

Last Updated: April 3, 2018

Press Releases  
Administrative Actions  
Press Releases

For more information contact: Elizabeth Hizmi, Public Information Officer, (608) 267-9460 or [elizabeth.hizmi@wisconsin.gov](mailto:elizabeth.hizmi@wisconsin.gov)

### Public Hearing Notice (Madison, WI): OCI 1332 Draft Waiver for State Innovation Application

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened the 30-day public comment period for the 1332 Draft Waiver Application, which is attached to this release.

OCI will hold a public hearing in tomorrow in Madison.

**WHAT: Public Hearing: OCI 1332 Draft Waiver for State Innovation Application**

**WHEN:** Wednesday, April 4, 2018  
Public hearing begins: 1:00PM

**WHERE:** Wisconsin Office of the Commissioner of Insurance  
Room 227  
125 South Webster Street  
Madison, WI 53703

**NOTE:** Credentialed members of the media are invited to attend.

**Public Hearing Information – Attachments**

[OCI Public Hearing Presentation: Wisconsin Healthcare Stability Plan](#)

[OCI 1332 Draft Waiver Application](#)

The public comment period will be open from **March 13 – April 14, 2018**. Comments may be submitted in writing or in person at a public hearing.

Written comments on the OCI 1332 Draft Waiver Application may be submitted via e-mail at:

[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

or mail at:

ATTN: JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

This concludes the public hearings on Wisconsin's 1332 Draft Waiver for State Innovation Application.

Created by the Legislature in 1870, Wisconsin's Office of the Commissioner of Insurance (OCI) was vested with broad powers to ensure the insurance industry responsibly and adequately met the insurance needs of Wisconsin citizens. Today, OCI's mission is to lead the way in informing and protecting the public and responding to its insurance needs.

# **ATTACHMENT 4**

## **PUBLIC HEARING SUMMARY**



# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor  
Theodore K. Nickel, Commissioner

Wisconsin.gov

125 South Webster Street • P.O. Box 7873  
Madison, Wisconsin 53707-7873  
Phone: (608) 266-3585 • Fax: (608) 266-9935  
E-Mail: [ociinformation@wisconsin.gov](mailto:ociinformation@wisconsin.gov)  
Web Address: [oci.wi.gov](http://oci.wi.gov)

## Public Hearing Summary

The Office of the Commissioner of Insurance (OCI) held seven public hearings across the state on the 1332 Draft Waiver for State Innovation application. Press releases were issued prior to each hearing and posted to the OCI Web site. This document reflects the dates and locations for each hearing as well as a list of all attendees.

At the hearings, Deputy Commissioner J.P. Wieske presented information about the Wisconsin individual health insurance market and the 1332 Draft Waiver for State Innovation application. In addition to being available on the OCI Web site, hard copies of the OCI hearing presentation and the draft application were made available at the hearings.

None of the hearing attendees expressed opposition to the proposed reinsurance plan detailed in the draft application. Most attendees participated silently for information only and asked clarifying questions either during or at the end of the presentation.

### Hearing 1: Onalaska

#### Date

March 14, 2018

#### Location

Gundersen Health System-Onalaska Clinic  
3111 Gundersen Drive  
Onalaska, WI 54650

#### Attendees

Brandi Deno, Quartz  
Liz Rogers, Gundersen Health System  
Laura Olson, Gundersen Health System  
Brian Vamstad, Gundersen Health System  
Michael Richards, Gundersen Health System

### Hearing 2: Chippewa Falls

#### Date

March 15, 2018

#### Location

Chippewa Falls Public Library  
Virginia Smith Meeting Room  
105 West Central Street  
Chippewa Falls, WI 54729

#### Attendees

Jennifer Loomis, Affiance Insurance Group  
Jennifer LaVick, Affiance Insurance Group  
Kathy Bernier, State Representative

**Hearing 3: Marshfield**Date

March 15, 2018

Location

Marshfield Clinic  
Melvin Laird Building, Froehlke Auditorium  
648-748 W. Kalsched Street  
Marshfield, WI 54449

Attendees

Marty R. Anderson, Security Health Plan  
Kara Johnson, Security Health Plan  
Michael Sautebin, Security Health Plan  
Tony Langenohl, Capitol Consultants  
Ryan Natzke, Marshfield Clinic Health System  
Julie Brussow, Security Health Plan  
Jennifer Morrison, Delta Dental of Wisconsin  
Brad Weiler, Marshfield Clinic

**Hearing 4: Wausau**Date

March 16, 2018

Location

Northcentral Technical College  
Center for Health Sciences Building, Room 2014  
1000 W. Campus Drive  
Wausau, WI 54401

Attendees

Jacob Prunuske, Public Member

**Hearing 5: Green Bay**Date

March 16, 2018

Location

Weyers-Hillard Branch Library  
W-H Meeting Room 1  
2680 Riverview Drive  
Green Bay, WI 54313

Attendees

Susanne Garrity, Public Member and Common Ground Healthcare Cooperative Board Member  
Keriann Riewe, WPS Health Solutions  
Tom Madden, Agent with iPlan Rx

**Hearing 6: Milwaukee**Date

March 23, 2018

Location

The Wisconsin Center  
Room 203C  
400 W. Wisconsin Avenue  
Milwaukee, WI 53203

Attendees

Clarence Chou, Wisconsin Medical Society  
Kelsey Avery, Wisconsin Association of Health Plans  
Mary Haffenbradl, America's Health Insurance Plans  
Robert Kraig, Citizen Action of Wisconsin  
Sean Kirkby, Wisconsin Health News  
Jan and Brian Baumann, Self-employed Citizens  
Leanne Gassaway, America's Health Insurance Plans

**Hearing 7: Madison**Date

April 4, 2018

Location

Wisconsin Office of the Commissioner of Insurance  
Room 227  
125 South Webster Street  
Madison, WI 53703

Attendees

Shamane Mills, Wisconsin Public Radio  
David Wahlberg, Wisconsin State Journal  
Jonathan Moody, Quartz  
Terry Pursifull, ASU Group  
Kyle Ames, Wisconsin Department of Administration

## **ATTACHMENT 5**

**PUBLIC COMMENTS SUBMITTED TO THE OFFICE OF THE  
COMMISSIONER OF INSURANCE**





# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor  
Theodore K. Nickel, Commissioner

Wisconsin.gov

125 South Webster Street • P.O. Box 7873  
Madison, Wisconsin 53707-7873  
Phone: (608) 266-3585 • Fax: (608) 266-9935  
E-Mail: [ociinformation@wisconsin.gov](mailto:ociinformation@wisconsin.gov)  
Web Address: [oci.wi.gov](http://oci.wi.gov)

## Public Comment Period

The Office of the Commissioner of Insurance (OCI) held a public comment period from March 14, 2018 to April 14, 2018. OCI press releases announcing the public hearings mentioned the public comment period and offered an e-mail address for individuals to submit written comments. That e-mail address, [OCI1332WaiverComments@Wisconsin.gov](mailto:OCI1332WaiverComments@Wisconsin.gov), was also posted to the OCI Web site.

Individuals and entities submitting written comments are included in this attachment, as well as their specific correspondence.

In summary, a majority of the comments received were supportive in nature. The few comments opposing the proposal either referred to issues that fell outside the scope of the proposal or were based on an inaccurate understanding of the proposal. Re-occurring points made by those entities submitting opposing comments are listed below, along with the OCI's rationale for determining no additional edits to the proposal are necessary to address those issues.

### Opposing Argument

- The WIHSP only benefits individuals who do not currently receive a federal subsidy.

### OCI Rationale

- Operationalizing the ACA has resulted in: approximately \$400 million in insurer losses over the past three years; unaffordable rate increases; limited plan designs; and insurers consistently leaving the market or reducing service areas. This market volatility has left consumers with unaffordable and dwindling plan options. For example, during the 2018 open enrollment period, approximately 75,000 enrollees were forced to choose a new insurer and thousands of consumers overall had only one or two insurer options in counties previously having three or more. Rate increases averaged over 40% across the state and in some areas were as high as 105%; and were justified using ACA rate review requirements.
- The ACA has created a volatile and uncertain individual marketplace. It is no longer a prediction that insurers will leave the market due to the ACA. As noted above, many have now left or reduced their services areas, resulting in several counties having one insurer option during the 2018 open enrollment period. Action needs to be taken to help the market recover. Creating a state based reinsurance program is a strong, positive step that can be achieved for the 2019 plan year. No one has pointed to the WIHSP as a silver bullet solution to all things impacting the market; however, it is a key piece of the solution to most immediately add stability to the market. **In addition to helping those individuals who do not qualify for subsidies and experienced double and even triple digit premium increases this year, the reinsurance program will help the condition of the broader market.**
- If no steps are taken and the state sits, as these comments suggest, until the government or some other entity can find a single solution to every ACA problem inflicted on the marketplace, insurers will continue to leave the market and consumers will have no access to an insurer in the individual market. As has been repeated throughout this very open and transparent waiver process, the ACA has resulted in numerous counties having one insurer available and consumers in those counties having one choice and no opportunity to compare benefits or provider networks. WIHSP offers a means for getting the Wisconsin individual market on a path toward stabilization.



### **Opposing Argument**

- Cannot support the Wisconsin Healthcare Stability Plan (WIHSP) because it will harm individuals receiving Medicaid.

### **OCI Rationale**

- The WIHSP was created by 2017 WI Act 138, contingent upon federal approval of a 1332 Waiver request. Act 138 funds the state portion of WIHSP through a sum sufficient general purpose revenue (GPR) appropriation. The WIHSP is not funded with Medicaid dollars and is not tied to Medicaid in any way. Funding for WIHSP does not rely on a surplus or lapse from any other program or appropriation. Like other programs supported by GPR, the program is funded unless the Legislature changes the law to modify funding for the program.
- 2017 WI Act 138 is included in the application as attachment 2.

### **Opposing Argument**

- Cannot support a proposal where the estimated savings is not required to be passed along to consumers. No mechanism is proposed to ensure savings are passed along.

### **OCI Rationale**

- Insurers are required to file their rates with OCI prior to each plan year and have them reviewed in accordance with federal law. When setting their rates for the 2019 plan year, insurers must account for the fact that a portion of their risk will be offset by the reinsurance program. Supporting information is filed and reviewed by OCI. Additionally, 2017 Act 138 requires insurers to file two sets of rates; one assuming participation in the reinsurance program and the other assuming no program is in place. That second set of rates will be used for comparison purposes and not used in setting plan premiums for the upcoming plan year.
- Savings generated through WIHSP are realized at the consumer level through rates charged for the insurance plans. For the 2019 plan year, Wakely estimates a 10.6% decrease in rates from levels that otherwise would have occurred, resulting in a 5% decrease in rates compared to 2018. Insurers cannot participate in WIHSP if they do not demonstrate a reduction in their rate filing directly tied to WIHSP, per Act 138.

### **Opposing Argument**

- The WIHSP does nothing to address rising health care costs.

### **OCI Rationale**

- WIHSP is not designed to address the cost of health care. It is designed to help manage the cost of insurance coverage that pays for those health care costs. The 1332 Waiver application does not assert to address the cost of health care.

### **Opposing Argument**

- WIHSP does not defray the cost of deductibles, co-insurance and co-pays, harming their (groups commenting) respective membership.

### **OCI Rationale**

- WIHSP does not impact cost-sharing. Plan design falls outside the scope of the 1332 waiver application. All ACA requirements around plan design, including allowable cost sharing provisions, are retained and not impacted by the 1332 waiver application.
- The ACA requires plans offered on and off the Exchange to fall into a metal tier of bronze, silver, gold, or platinum. Each metal tier has an actuarial value tied to it, per federal law. The WIHSP does not impact required actuarial values insurance plans must meet as a condition of being offered in the individual market.





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E-Mail: [ociinformation@wisconsin.gov](mailto:ociinformation@wisconsin.gov)  
Web Address: [oci.wi.gov](http://oci.wi.gov)

## Individuals and Entities Submitting Written Comments

### Comments in Support

Common Ground Healthcare Cooperative  
Network Health  
Wisconsin Hospital Association  
Quartz  
National Multiple Sclerosis Society  
AHIP  
Wisconsin Association of Health Plans  
Security Health Plan & Marshfield Clinic Health System  
American Cancer Society Cancer Action Network  
Wisconsin Medical Society

### Comments in Opposition

Wisconsin Alliance for Women's Health  
Kids Forward  
Wisconsin Board for People with Developmental Disabilities  
ABC for Health

### General Comments

Gerry Paul, Public Member  
Douglas Smith, Public Member  
Mark Geissler, Public Member



April 13, 2018

JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

**Re: Support for Wisconsin's 1332 Waiver Application**

*Sent via email to: OCI1332WaiverComments@wisconsin.gov*

Dear JP:

On behalf of nearly 60,000 members of Common Ground Healthcare Cooperative (CGHC), I write to express support for Wisconsin's 1332 Waiver which would establish a reinsurance program for issuers in Wisconsin as a means to stabilize Wisconsin's insurance market.

CGHC is a nonprofit health insurance cooperative that is governed by individuals and small employers receiving health insurance coverage through our organization. We have served Wisconsin's individual market since 2014 and have experienced first-hand the impact of law changes, rule changes and funding changes that have combined to create an instable market for insurers and consumers alike. We strongly support Wisconsin's effort to stabilize its market through a reinsurance program that will have a positive impact on premiums for consumers, particularly those that have suffered high premium increases resulting from the volatility of the market.

Our primary concern is for our members; a core tenant of our mission is to ensure Wisconsin consumers continue to have access to health insurance. Our support for the 1332 Waiver proposal is provided in the spirit of that mission – to protect the interests of our members and other consumers in the state of Wisconsin.

We appreciate the opportunity to provide comments. If you have any questions or would like to discuss these suggestions further, please do not hesitate to contact me.

Sincerely,

Cathy Mahaffey  
CEO, Common Ground Healthcare Cooperative



1570 Midway Pl.  
Menasha, WI 54952

April 13, 2018

Office of the Commissioner of Insurance  
J.P. Wieske, Deputy Commissioner of Insurance  
125 S. Webster Street  
Madison, WI 53703

RE: Wisconsin Draft 1332 Waiver

Dear Deputy Commissioner Wieske:

Network Health appreciates the opportunity to comment on Wisconsin's Section 1332 waiver application, and appreciates the time and effort the Office of the Commissioner of Insurance (OCI), the Governor's Office and the State Legislature have put into developing an expedient pathway towards stability in Wisconsin's individual insurance market. For plan year 2019, it is estimated that Wisconsin's program will offset 50 to 60 percent of claims for members with costs between \$50,000 and \$250,000. Network Health supports an individual market reinsurance program.

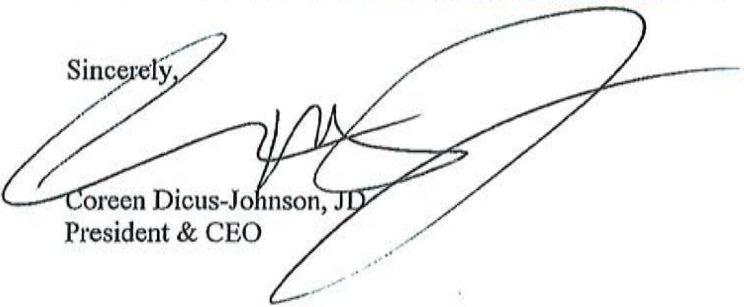
Network Health is dedicated to serving our neighbors and providing access to affordable health insurance coverage. As a Qualified Health Plan on the Exchange, we maintain a strong commitment to our communities and to ensuring stability in Wisconsin's individual marketplace.

Health insurance premiums are reflective of market rules, the cost of care and the amount of health care used. We appreciate OCI providing the 50 percent reinsurance estimate on the April 12, 2018 waiver update call. With clear guidance on the co-insurance funding percentage insurers are equipped to set sound premiums for 2019.

The reinsurance program is a strong first step towards promoting an affordable, stable market for Wisconsin's Exchange consumers. Network Health looks forward to partnering and supporting OCI with regard to waiver implementation. We are committed to working to ensure that the program has maximum positive impact for consumers on Wisconsin's health insurance Exchange.

Network Health remains committed to maintaining consumer choice, stabilizing the market and providing affordable coverage options. We look forward to continuing a collaborative, transparent process with OCI as we prepare for the 2019 Open Enrollment Period. Please contact Elizabeth Benz, Vice President of Government Programs, at [Ebenz@networkhealth.com](mailto:Ebenz@networkhealth.com) with any questions.

Sincerely,



Coreen Dicus-Johnson, JD  
President & CEO



## WISCONSIN HOSPITAL ASSOCIATION, INC.



April 13, 2018

TO: JP Wieske, Deputy Commissioner  
FROM: Eric Borgerding, President & CEO, Wisconsin Hospital Association  
RE: 1332 Draft Waiver Application: Reinsurance Program

The Wisconsin Hospital Association (WHA) believes all Wisconsin residents should have access to high-quality, affordable health insurance, and that action is necessary at the state level to mitigate premium increases and ensure choice and affordability in the individual market. WHA believes the State's 1332 waiver application to establish a reinsurance program is a logical first step to encourage market stability and sustain our recent gains in coverage expansion.

As you know, Wisconsin's hospitals and health systems are on the front lines of providing high quality care every day, from our large urban communities to small rural areas so vital to our state, and everywhere in between. In 2013, as the nation was gearing up for the implementation of the health insurance exchange and the significant changes to the health care markets as a result of the Affordable Care Act (ACA), Wisconsin's hospitals and health systems stepped up as well. We worked with the Office of the Commissioner of Insurance (OCI), the Department of Health Services, Governor Walker and with many state lawmakers to help our Wisconsin residents sign up for health care coverage through either the insurance exchange or Wisconsin's version of Medicaid expansion. Regardless of ideology, Wisconsinites are united in the belief that everyone should have access to high quality, affordable health care coverage. Indeed, Wisconsin's uninsured rate has been cut by 42% since then – a laudable achievement for which we should all be proud.

Now, five years later, we are seeing troubling signs in the individual market, including insurers exiting the market, and premiums increasing (on average) 36 percent for 2018. WHA vigorously engaged with our federal elected officials over the past year as debate about the repeal and replacement of the ACA ebbed and flowed in Washington, DC, and we were disappointed and frustrated when nothing was done to address states' concerns. It is clear that action is required at the state level to mitigate premium increases and ensure choice and affordability for the individual market.

We support using the tools available under the ACA to put forward a plan aimed at stabilizing premiums, increasing competition in the insurance market and sustaining coverage gains for the foreseeable future or until the ACA is repaired or replaced. Therefore, we respectfully submit our support for the State's waiver application to establish a reinsurance program. WHA looks forward to partnering with OCI on the eventual implementation, as well as engaging in discussions to develop longer-term solutions to ensure market stability and maintaining insurance coverage for Wisconsin residents.

Sincerely,

A handwritten signature in black ink that reads 'Eric Borgerding'. The signature is written in a cursive style with a prominent 'E' and 'B'.

Eric Borgerding  
President/CEO

# Quartz

April 12, 2018

J.P. Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

Dear Mr. Wieske,

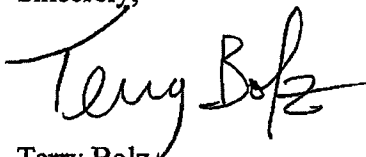
On behalf of Quartz, I write in strong support of Wisconsin's Innovation Waiver under section 1332 of the Patient Protection and Affordable Care Act (PPACA) to develop and implement the Wisconsin Health Care Stability Plan (WIHSP) reinsurance program.

Wisconsin's individual market has been reshaped in recent years – the loss of federal Cost Sharing Reduction (CSR) payments and shifts in the risk pool towards higher-cost individuals has led to unsustainable premium increases Statewide. While many individual market consumers receive federal tax credits that insulate them from rate increases, thousands of consumers without federally funded Advance Premium Tax Credits (APTCs) for premium support have exited the individual market. The loss of traditionally healthier consumers from the individual market further risks the stability of the individual market.

If approved, Wisconsin's \$200 million reinsurance program will give Quartz and other community-based health plans the support needed to mitigate the effect of high-cost claims, slow the growth in premiums, incentivize members to remain in or rejoin the individual market and bring much needed stability and predictability to Wisconsin's individual market.

Quartz appreciates the work Office the Commissioner of Insurance (OCI) has taken to prepare and advance the 1332 waiver application and encourages the timely review and approval of the waiver by Centers for Medicare & Medicaid Services (CMS).

Sincerely,



Terry Bolz  
President and CEO



National  
Multiple Sclerosis  
Society

April 12, 2018

Office of the Commissioner of Insurance  
125 South Webster Street  
Madison, WI 53707

Dear Commissioner Ted Nickel,

The National Multiple Sclerosis Society (Society) appreciates the opportunity to submit comments on Wisconsin's 1332 Draft Waiver for State Innovation Application, pursuant to 2017 Wisconsin Act 138, allowing the state to leverage federal funding to create a reinsurance mechanism for insurers operating in Wisconsin. The Society supports Wisconsin's 1332 Waiver proposal.

Multiple sclerosis is an unpredictable, often disabling disease of the central nervous system that disrupts the flow of information within the brain, and between the brain and body. Symptoms range from numbness and tingling to blindness and paralysis. The progress, severity and specific symptoms of MS in any one person cannot yet be predicted, but advances in research and treatment are leading to better understanding and moving us closer to a world free of MS.

Since 2014, the Affordable Care Act (ACA) health insurance marketplace has been an extremely important avenue to affordable, quality coverage for uninsured people living with MS. Affordable plans ensure patients are able to access needed care in a timely manner from an experienced provider without undue financial burden.

However, ACA insurance premiums are rising, and the Society is committed to ensuring that people living with MS have access to comprehensive health insurance plans with affordable

**JOIN THE MOVEMENT**<sup>®</sup>  
1100 New York Ave NW Suite 440E Washington D.C. 20005 tel +1 202 408 1500 fax +1 202 408 0696 [www.nationalMSSociety.org/advocacy](http://www.nationalMSSociety.org/advocacy)





National  
Multiple Sclerosis  
Society

premiums, deductibles, and out-of-pocket costs. Without market stabilization measures such as reinsurance, the many citizens of Wisconsin—including 6-8% of people living with MS—currently relying on the marketplace could lose their only affordable option for health insurance. The Society supports Wisconsin’s 1332 Waiver proposal because it would increase the affordability of insurance plans in Wisconsin’s individual market. However, while we strongly support reinsurance to help stabilize the individual market, stabilization funds should never be used to re-establish high risk pools that often had waiting lists, high premiums and deductibles, limited benefits, and insufficient numbers of needed specialists available in their networks.

Beyond the draft waiver in its current form, we believe that it would be appropriate for the state to consider pursuing strong enrollment incentives to further lower costs and avoid the perils of adverse selection in the wake of Congress repealing the ACA’s individual mandate. Such enrollment incentives could take the form of automatic enrollment for eligible individuals, or tax incentives for individuals who maintain continuous coverage, among other options. Robust outreach to encourage individuals to sign up for ACA plans is another effective tool to stabilize the risk pool and increase affordability.

The Society believes that improving the stability of the individual market is of the utmost importance because it provides access to plans that cover essential health benefits, prohibits discrimination based on pre-existing conditions, and caps what enrollees pay out-of-pocket, in addition to other critical patient protections provided by the ACA. Reducing premiums for individual market insurance plans through reinsurance, and maintaining robust coverage numbers through strong enrollment incentives, are first-line strategies that Wisconsin should pursue to improve the stability of its individual insurance market. The Society applauds the State of



National  
Multiple Sclerosis  
Society

Wisconsin for taking the first steps by establishing a reinsurance mechanism. For further information, please contact Jessalyn Hampton, Sr. Manager of Advocacy, at [Jessalyn.hampton@nmss.org](mailto:Jessalyn.hampton@nmss.org) or 303-698-5431.

Respectfully,

The National MS Society, Wisconsin

CC:

Office of Governor Scott Walker

Senator Vukmir, Chair of Senate Health and Human Services Committee

Senator Darling, Chair of Senate Finance Committee

Senator Craig, Chair of Senate Insurance, Financial Services, Constitution, and Federalism Committee

Representative Sanfelippo, Chair of Assembly Health Committee

Representative Nygren, Chair of Assembly Finance Committee

Representative Petersen, Chair of Assembly Insurance Committee



Marilyn Tavenner  
President &  
Chief Executive Officer



April 13, 2018

JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
P.O. Box 7873  
Madison, WI 53707-7873

Dear Deputy Commissioner Wieske:

I write today on behalf of America's Health Insurance Plans (AHIP) to express our support for the Wisconsin OCI 1332 waiver proposal for a State Innovation Application.

America's Health Insurance Plans (AHIP) is the national association representing health insurance plans. Our members provide health and supplemental benefits to the American people through employer-sponsored coverage, the individual insurance market, and public programs such as Medicare and Medicaid. AHIP advocates for public policies that expand access to affordable health care coverage to all Americans through a competitive marketplace that fosters choice, quality, and innovation.

Because health insurance markets are inherently local, we support the federal 1332 waiver option for states to develop state-specific solutions to state-specific health insurance challenges. We also believe that proposals for 1332 waivers should explore solutions to increase consumer choice and reduce costs while ensuring consumers in that specific state have access to coverage. States that utilize a 1332 waiver should consider how to implement that waiver in a manner that minimizes disruption for individuals who purchase coverage in that state.

The Wisconsin Office of the Commissioner of Insurance has thoroughly engaged with a wide variety of stakeholders, including health plans doing business in Wisconsin and the Wisconsin 1332 waiver application reflects thoughtful consideration of input provided by stakeholders, including health plans and others, on how to best stabilize the Wisconsin market.

The Wisconsin Healthcare Stability Plan seeks to establish a \$200 million state-based reinsurance program to stabilize rates for individual health insurance plans and provide greater financial certainty to consumers. We believe the proposal will allow health plans to continue offering more affordable products in the individual market leading, to increased competition and more affordable health plan options for Wisconsin residents.

We appreciate the opportunity to provide comments, and we look forward to working with you to ensure consumers have access to quality, affordable coverage and care for years to come.

Sincerely,

A handwritten signature in blue ink that reads "Marilyn B. Tavenner". The signature is written in a cursive style.

Marilyn B. Tavenner  
President and CEO

601 Pennsylvania Avenue, NW  
South Building  
Suite Five Hundred  
Washington, DC 20004  
202.778.3200

## Stegall, Jennifer - OCI

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**From:** Kelsey Avery <Kelsey@wihealthplans.org>  
**Sent:** Friday, April 13, 2018 10:56 AM  
**To:** OCI 1332 Waiver Comments  
**Cc:** Wieske, JP - OCI; Stegall, Jennifer - OCI; Hizmi, Elizabeth - OCI  
**Subject:** Reinsurance Comment Letter  
**Attachments:** Reinsurance Comment Letter.pdf

Good morning:

The Wisconsin Association of Health Plans appreciates the opportunity to comment on Wisconsin's Section 1332 waiver application to establish an individual market reinsurance program. Wisconsin's community-based health plans support a reinsurance program, and appreciate the efforts by Governor Scott Walker, the Legislature, and the Office of the Commissioner of Insurance (OCI) to act quickly to impact premiums for plan year 2019.

Wisconsin's community-based health plans look forward to partnering with OCI during administrative rulemaking and program implementation to help consumers who purchase Qualified Health Plans in Wisconsin.

Please do not hesitate to contact me with any questions.

Thanks,

Kelsey Avery  
Director of Public Policy and Communications  
Wisconsin Association of Health Plans  
[kelsey@wihealthplans.org](mailto:kelsey@wihealthplans.org)  
(608) 255-8761

# *Wisconsin Association of Health Plans*

*The Voice of Wisconsin's Community-Based Health Plans*

April 13, 2018

TO: Office of the Commissioner of Insurance  
J.P. Wieske, Deputy Commissioner of Insurance

FR: Wisconsin Association of Health Plans  
Nancy J. Wenzel, Chief Executive Officer  
Kelsey Avery, Director of Public Policy & Communications

RE: Wisconsin Draft 1332 Waiver

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The Wisconsin Association of Health Plans appreciates the opportunity to comment on Wisconsin's Section 1332 waiver application to establish an individual market reinsurance program. For plan year 2019, Wisconsin's program is estimated to offset 50 to 60 percent of claims for members with costs between \$50,000 and \$250,000. Wisconsin's community-based health plans support a reinsurance program, and appreciate the efforts by Governor Scott Walker, the Legislature, and the Office of the Commissioner of Insurance (OCI) to act quickly to impact premiums for plan year 2019.

Community-based health plans are committed to serving their neighbors, providing access to affordable health insurance coverage, and supporting efforts that promote a stable individual market. Many of Wisconsin's community-based health plans have offered coverage through the federal Exchange every year since its inception. Today, community-based health plans make up the majority of insurers still serving Wisconsin consumers in the Exchange.

Qualified Health Plan premiums are reflective of market rules, the cost of care, and the amount of health care used. Health plans have worked to adjust to the many changes in individual market rules and consumer health risk; however, premiums have increased to keep pace with costs. Reinsurance can help mitigate some of the financial impact of these costs.

In the absence of other policy changes that affect rates, reinsurance can help make premiums more stable from year to year. A reinsurance program can alleviate some – but not all – of the upward pressure on individual market premiums. Similar programs in other states have resulted in smaller premium increases than there would have been without a reinsurance program.

More than 200,000 Wisconsin residents rely on the individual market for comprehensive health insurance coverage. Wisconsin's community-based health plans believe a reinsurance program is an important step toward promoting an affordable, stable market for these consumers.

Wisconsin's community-based health plans look forward to partnering with OCI during administrative rulemaking and program implementation to help consumers who purchase Qualified Health Plans in Wisconsin. Please do not hesitate to contact Kelsey Avery at [kelsey@wihealthplans.org](mailto:kelsey@wihealthplans.org) with any questions.



**TO:** J.P. Wieske, Deputy Commissioner  
**Wisconsin Office of the Commissioner of Insurance**

**FROM:** Marty Anderson, Chief Marketing Officer  
**Security Health Plan**  
Ryan Natzke, Chief External Affairs Officer  
**Marshfield Clinic Health System**

**DATE:** April 2, 2018

**SUBJECT:** Wisconsin 1332 Reinsurance Waiver Application

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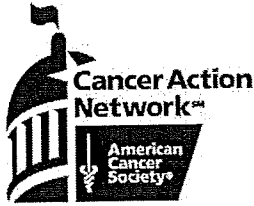
The following comments are provided in regards to the 1332 waiver to establish a reinsurance program for the Affordable Care Act (ACA) individual and family market in the state of Wisconsin. Security Health Plan and Marshfield Clinic Health System strongly support this application to the Centers for Medicare and Medicaid Services. Our service territory covers central, northern and western Wisconsin. These are some of the most rural areas of the state and our customers tend to be some of the poorest and sickest. The affordability of health care and insurance is of critical importance to the people we serve.

Governor Scott Walker proposed, as part of his “Health Care Sustainability” plan, a state-based reinsurance program (Assembly Bill 885/Senate Bill 770) to stabilize the ACA individual market. Because the federal government has not acted on a broader healthcare reform bill to address stabilizing the non-group insurance market, these individuals, many of whom are either lower income, early retirees or small business owners, have seen an average premium increase of more than 40 percent in 2018. These increases impacted rates for enrollees both on and off the federal Marketplace.

A state-based reinsurance program does not address the root causes of the rising costs of health care, but it is the best stabilization program that Wisconsin can implement in the short term to have a significant impact on rates for 2019 and beyond. Reinsurance lowers premiums by spreading risk in a way that benefits all of the members of the risk pool (enrollees both on and off the federal Marketplace). This is why other states that have adopted similar programs have experienced sizeable rate reductions in their 2018 premiums. Alaska and Minnesota, two states that have established similar reinsurance programs, have seen upwards of a 20 percent rate reduction for 2018 premiums over what they otherwise would have been without the program.

For Security Health Plan, only 3 percent of enrollees (or approximately 1,000 residents) would fall into this program, but they account for 25 percent of total costs. Security Health Plan estimates that if this program had been in place for 2018, our 32 percent average rate increase would have been held to a far more reasonable 9.5 percent rate increase for enrollees. For 2019, depending on the reinsurance recovery percentage, we would estimate that the reinsurance program could reduce premiums by up to 15 percent over what they otherwise would be.

As one of the largest carriers that continues to sell ACA individual products in Wisconsin, we believe the implementation of a state-based reinsurance program is crucial to maintaining the affordability of health insurance for our members. Having affordable insurance available in our part of the state helps our local economy by allowing these individuals and families to spend the money they save on other items, helping to promote economic activity.



via electronic submission

April 13, 2018

JP Wieske  
Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
P.O. Box 7873  
Madison, WI 53707-7873

**Re: ACS CAN's Comments on Proposed 1332 Waiver**

Dear Deputy Commissioner Wieske:

The American Cancer Society Cancer Action Network (ACS CAN) appreciates the opportunity to comment on the request for comment on the Wisconsin Office of the Commissioner of Insurance's 1332 waiver proposal. ACS CAN, the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society, supports evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem. As the nation's leading advocate for public policies that are helping to defeat cancer, ACS CAN ensures that cancer patients, survivors, and their families have a voice in public policy matters at all levels of government.

ACS CAN supports a robust marketplace from which consumers can choose a health plan that best meets their needs. Access to health care is paramount for persons with cancer and survivors. In the United States, there are more than 1.7 million Americans who will be diagnosed with cancer this year.<sup>1</sup> An additional 15.5 million Americans are living with a history of cancer.<sup>2</sup> In Wisconsin alone, an estimated 33,340 Wisconsinites are expected to be diagnosed with cancer this year<sup>3</sup> and another 288,410 Wisconsinites are cancer survivors.<sup>4</sup> For these Americans access to affordable health insurance is a matter of life or death. Research from the American Cancer Society has shown that uninsured Americans are less likely to get screened for cancer and thus are more likely to have their cancer diagnosed at an advanced stage when survival is less likely and the cost of care more expensive.<sup>5</sup>

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<sup>1</sup> American Cancer Society. *Cancer Facts & Figures: 2018*. Atlanta: American Cancer Society, 2018.

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> American Cancer Society. *Cancer Treatment & Survivorship: Facts & Figures 2016-2017*. Atlanta: American Cancer Society, 2016.

<sup>5</sup> E Ward et al, "Association of Insurance with Cancer Care Utilization and Outcomes, CA: A Cancer Journal for Clinicians 58:1 (Jan./Feb. 2008), <http://www.cancer.org/cancer/news/report-links-health-insurance-status-with-cancer-care>.

ACS CAN supports the state's proposed 1332 waiver which would implement a state reinsurance program. A well-designed reinsurance program can help to lower premiums and mitigate plan risk associated with high-cost enrollees. We note that the Wisconsin Office of the Commissioner of Insurance estimates that the proposed reinsurance program will reduce premiums by 10.1 percent in 2019, 9.6 percent in 2020, 9.1 percent in 2021, and 6.5 to 8.7 percent in the years between 2020 and 2028.<sup>6</sup> These savings will not only benefit the federal government through reduced subsidy payments (an estimated \$170 million over 10 years), but will also benefit consumers not eligible for subsidies who enroll in coverage through the exchange.

A reinsurance program may also encourage insurance carriers to continue offering plans through the exchange, or begin to offer plans as applicable. This maintenance or increase in plan competition also may help to keep premiums from rising. These premium savings could help cancer patients and survivors afford health insurance coverage, and may allow some individuals to enroll who previously could not afford coverage.

ACS CAN believes that patient protections in current law – like the prohibition on pre-existing condition exclusions, lifetime and annual limits, and Essential Health Benefits requirements – are crucial to making the healthcare system work for cancer patients and survivors. We are pleased that Wisconsin's 1332 waiver application does not propose to alter any key patient protections, and specifically states the waiver "will not affect covered benefits for Wisconsinites ... all Wisconsin-compliant plans will be required to provide coverage of essential health benefits."<sup>7</sup>

### Conclusion

On behalf of the American Cancer Society Cancer Action Network we thank you for the opportunity to comment on the proposed section 1332 waiver, which we believe will provide long-term viability of the individual market while not eroding important consumer protections. If you have any questions, please feel free to contact me at [sara.sahli@cancer.org](mailto:sara.sahli@cancer.org) or 608.662.7557.

Sincerely,



Sara Sahli  
Wisconsin Government Relations Director  
American Cancer Society Cancer Action Network

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<sup>6</sup> Wisconsin Office of the Commissioner of Insurance. Wisconsin 1332 Draft Waiver Application. March 13, 2018.

<sup>7</sup> Id.





# Wisconsin Medical Society

April 10, 2018

Deputy Commissioner JP Wieske  
Office of the Commissioner of Insurance  
125 South Webster Street  
Madison, WI 53707  
RE: Wisconsin 1332 Draft Waiver Application

Dear Deputy Commissioner Wieske:

Comprised of more than 12,500 physicians, residents and medical students, the Wisconsin Medical Society (Society) is the largest association of medical doctors in Wisconsin. It is our mission to improve the health of the people of Wisconsin by supporting and strengthening physicians' ability to practice high-quality patient care in a changing environment. The Wisconsin Healthcare Stability Plan (WIHSP) supports this mission by helping Wisconsin's patients maintain access to high quality care at affordable levels. The Society supports the implementation of the reinsurance program under WIHSP as it will help lower premiums for Wisconsin's patients while maintaining a healthy marketplace.

Working to manage the health care costs of Wisconsin's patients and maintaining network adequacy are stated principles of the Society's Health System Reform Objectives (attached). Such efforts pertain to office visits and prescribed treatments, but also extend to out-of-pocket costs associated with insurance premiums, co-insurance, and coverage requirements. Oftentimes, it is the out-of-pocket costs that can have adverse effects on Wisconsin's patients, forcing them to make difficult decisions about their health care.

In 2018, Wisconsin's premiums for plans offered on the Affordable Care Act (ACA) exchange increased 36 percent on average.<sup>1</sup> According to an analysis performed by Wakely Consulting Group and estimates from the Office of the Commissioner of Insurance (OCI), the average premium for all exchange participants is expected to be 42 percent higher in 2018 compared to 2017.<sup>2</sup> Along with premium concerns, rising out-of-pocket costs are also adversely affecting many patients, especially those with incomes above 400 percent of the federal poverty level.<sup>3</sup> Taken together, these rising costs place patients

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<sup>1</sup> "Wisconsin Individual ACA Plan Rates set to Rise 36 Percent on Average in 2018," *Wisconsin Health News*, Oct. 17, 2017. <https://wisconsinhealthnews.com/2017/10/12/individual-aca-plan-rates-set-rise-36-percent-average-2018/>.

<sup>2</sup> Office of the Commissioner of Insurance, "Wisconsin 1332 Draft Waiver Application," accessed March 15, 2018 <https://oci.wi.gov/Documents/AboutOCI/WI%201332%20DRAFT%20Waiver%20Application%203%2013%2018.pdf>.

<sup>3</sup> Anna Goldman et al. "Out-of-Pocket Spending and Premium Contributions After Implementation of the Affordable Care Act," *JAMA Internal Medicine* 178, no. 3 (2018): 347-355, doi: 10.1001/jamainternmed.2017.8060.

in unconscionable positions, whereby they are rationing their own treatment and care because they don't think they can afford it.<sup>4</sup>

Lowering costs for patients can help with issues of affordability, but without adequate insurer participation patients who receive coverage from the ACA exchanges may not have adequate access to care. Reinsurance programs have been demonstrated to lower insurer risk, which can incentivize insurers to participate in the ACA marketplaces.<sup>5</sup> Further, with elimination of the individual mandate in the 2018 tax reform law, concerns have arisen regarding the stability of the ACA exchanges,<sup>6</sup> including potential bifurcation of the market with the exchanges operating as de facto high-risk pools. Primary among these concerns is that only the sickest will opt to obtain coverage creating a "death spiral" for the ACA marketplace. Reinsurance programs can guard against adverse selection concerns, and incentivize insurers to continue participating in the ACA marketplace.<sup>7</sup> By stabilizing and lowering premiums, the Wisconsin Healthcare Stability Plan could help incentivize younger, healthier patients to acquire coverage, rather than risking a potential catastrophic event.

The reinsurance structure proposed by WIHSP addresses the concerns of affordability and access, and will help reduce the financial burden on patients through lowered premiums. Further, the proposal maintains existing patient protections and guarantees that patients will have access to an adequate range of services, which the Society also supports.

As physicians we play a central role in the health of Wisconsin's patients and want to do everything we can ensure and promote their health and well-being. The Society looks forward towards being a partner with OCI, the Department of Health Services, and the Centers for Medicare and Medicaid Services to help ensure the 1332 waiver and subsequent reinsurance program are successful.

Sincerely,



Clyde "Bud" Chumbley, MD, CEO

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<sup>4</sup> Sarah Kliff, "Why Obamacare Enrollees Voted for Trump," Vox, Dec. 13, 2016. <https://www.vox.com/science-and-health/2016/12/13/13848794/kentucky-obamacare-trump>.

<sup>5</sup> TJ Layton et al. "Risk Corridors and Reinsurance in Health Insurance Marketplaces: Insurance for insurers," *American Journal of Health Economics* 2, no. 1 (2016): 66-95, doi: 10.1162/ajhe\_a\_00034.

<sup>6</sup> HR 1 15<sup>th</sup> Congress of the United States. Accessed March 15, 2018. <https://www.congress.gov/115/bills/hr/1/BILLS-115hr1enr.pdf>.

<sup>7</sup> JM Zhu et al. "The Power of Reinsurance in Health Insurance Exchanges to Improve the Fit of the Payment System and Reduce Incentives for Adverse Selection," *Inquiry* 50, no. 4 (2013): 255-274, doi: 10.1177/0046958014538913.



# Wisconsin Medical Society Health System Reform Objectives

The Wisconsin Medical Society has long sought to improve the health of the people of Wisconsin. This core principle will guide the Society's advocacy efforts regarding any reforms of the American health care system.

The Society prioritizes the patient-physician relationship as paramount in all health system reforms and the core component to consider when improving the broader health system. Further, the Society recognizes the essential principle of universal coverage, which can be achieved through public and/or private options for coverage. The Society is committed to improving health insurance coverage and health care access so that all patients receive timely high-quality care and all necessary treatments. In addition, our efforts will focus on making sure health care continues to be patient-centered and physician-led.

As plans develop, the Society endorses and reaffirms our four essential goals in reforming the health care system:

1. Attain universal health insurance coverage through public and private options.
2. Maintain high quality health care.
3. Manage health care costs for patients and physicians.
4. Be responsive to patient and physician well-being and physician sustainability in the workforce.

The Society also supports efforts to improve health plan transparency for patients and physicians including ensuring that provider directories are accurate, complete and up-to-date; requiring health plans to inform physicians of criteria to participate in provider networks; and promoting fair health plan contracting practices. The Society will advocate for the provision of additional protections for patients who are forced to seek care out-of-network. The Society also supports state network adequacy thresholds that ensure provider networks maintain and improve upon existing thresholds to include a full range of primary, specialty and subspecialty providers for children and adults, so that health insurance coverage translates to patients having access to the care and providers they need and respects historical patterns of care.

In addition, any health system reform should maintain existing patient protections such as:

1. Guaranteed coverage for individuals with preexisting conditions within the context of requiring individual responsibility, including maintaining community rating provisions.
2. Coverage on parent's health insurance plans until age 26.
3. Using refundable and advanceable tax credits that are inversely related to income.
4. Ban on lifetime caps.

In order to ensure that patients get the best quality care possible, any health system reform should ensure that:

1. Health plan coverage is at least as adequate as stipulated by the Affordable Care Act (ACA), as codified in 42 U.S.C. 18001 as of December 1, 2017.
2. Adequate health plan coverage is at least as affordable as the ACA, as codified in 42 U.S.C. 18001 as of December 1, 2017.
3. Regulatory burdens on physicians are reduced through all systems of care.



4. Selling insurance across state lines must not undermine a state's authority to regulate its own insurance marketplace(s).
5. Wisconsin's relatively healthy medical liability climate is maintained.
6. Prescription drug price and cost transparency among pharmaceutical companies, pharmacy benefit managers and health insurance companies is encouraged.
7. Coverage for mental health and addiction care has full parity with general medical care.
8. States have adequate flexibility to tailor their health system infrastructure to their unique needs.

Any reforms to Medicaid and Medicare should ensure that:

1. Medicaid is adequately funded and is sustainable for patients, physicians and states.
2. Groups currently covered by Medicare and Medicaid don't lose coverage without gaining coverage that is at least as adequate and affordable as their existing coverage.
3. Medicaid funding must treat states equitably.
4. Medicaid and Medicare programs are viable and effective mechanisms to provide health insurance coverage to low-income individuals, seniors and the disabled.
5. Graduate medical education funding continues to be supported by the Medicare program and the State of Wisconsin, consistent with the extensive, longstanding policy, and also including the reduction/elimination of residency caps.
6. Increased flexibility for states resulting from changes to entitlements, or the restructuring of grants and waivers, result in improved efficiencies for Wisconsin's Medicaid programs.
7. Changes to financing structures and/or coverage requirements should not disadvantage physicians and health systems that often serve as a safety net in their communities for those with little or no health insurance.
8. Long-term, full funding for federally qualified health centers to serve high need areas at existing levels.

It will be critical that patients, physicians and states have a real transition period before new reforms are implemented as quick and rash actions can have unforeseen consequences. The Society will continue to be an active and engaged partner in improving health care for all patients and will collaborate with all interested parties to create a better health care system.

*Approved by the Board of Directors on January 27, 2018*





## Stegall, Jennifer - OCI

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**From:** OCI 1332 Waiver Comments  
**Sent:** Wednesday, April 04, 2018 2:14 PM  
**To:** Gerry Paul (x5349)  
**Subject:** RE: Written comments on the OCI 1332

Dear Gerry

Thanks for your note and inquiry.

In short, the Health Care Stability Program will lower the insurance rates in the individual market. For folks between 100% and 400% of the federal poverty level, the lower rates will mean the federal government will pay less for health insurance (since the premium the consumer pays stays the same regardless of how high the premiums go, the federal government just picks up the difference between the consumer portion and the actual rate). For those over 400% of poverty, the lower insurance rates mean just that, you will pay less than you otherwise would have for health insurance.

The health care stability plan is anticipated to reduce health insurance premiums by 10% for plan year 2019, from what they would have been without the reinsurance plan in place. Given the cost of medical care and the dynamics of the federal Affordable Care Act (ACA), it is anticipated health insurance rates will continue to increase; however, the reinsurance plan will hold down those increases. The impact on health insurance premiums applies to the entire individual health insurance market, meaning, premiums for plans offered on and off the Exchange will be lower than what they would have been.

We have a great deal on our website, but this is a presentation we have been giving covering some of the details:

<https://oci.wi.gov/Documents/AboutOCI/Wisconsin%20Healthcare%20Stability%20Plan%20-%20FINAL%20public%20pp.pdf>

You also asked what is the federal poverty rate. Below is some information from federal government website defining and explaining:

<https://www.healthcare.gov/glossary/federal-poverty-level-FPL/>  
(from the website)

The 2018 federal poverty level (FPL) income numbers below are used to calculate eligibility for Medicaid and the Children's Health Insurance Program (CHIP). 2017 numbers are slightly lower, and are used to calculate savings on Marketplace insurance plans for 2018.

\$12,140 for individuals  
\$16,460 for a family of 2  
\$20,780 for a family of 3  
\$25,100 for a family of 4  
\$29,420 for a family of 5  
\$33,740 for a family of 6  
\$38,060 for a family of 7  
\$42,380 for a family of 8

To get to 400% of poverty, you would simply multiply any of those numbers (based on the family size) by 4.

If you have any additional questions or comments, please feel free to reach out.

J.P. Wieske  
Deputy Commissioner  
Office of the Commissioner of Insurance  
[jp.wieske@wisconsin.gov](mailto:jp.wieske@wisconsin.gov)  
(608) 266-2493



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**From:** Gerry Paul (x5349) [<mailto:GPaul@littlerapids.com>]

**Sent:** Wednesday, March 21, 2018 7:09 AM

**To:** OCI 1332 Waiver Comments

**Subject:** Written comments on the OCI 1332

What will this new program do for applicants who are over 400% of Federal Poverty Level?

What is the federal poverty level?

Thank you,

Gerry Paul  
Whitelaw, WI

## Stegall, Jennifer - OCI

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**From:** Douglas James Smith <dsmith42@wisc.edu>  
**Sent:** Monday, April 09, 2018 8:14 PM  
**To:** OCI 1332 Waiver Comments  
**Subject:** Comments

- "If the Governor really wanted to stabilize health care he could expand BadgerCare, which would cover nearly 80,000 more people and saving the state \$190 million per year. He could use those savings to fund his reinsurance plan, increase provider reimbursement rates, or fund more sensible plans to reduce health care costs for Wisconsinites."
- The governor needs to include consumer protections in his waiver request.

Thank you,

*Douglas Smith*  
*Master of Social Work | University of Wisconsin-Madison 2016*  
414-416-2508 | [dougjamesmith@gmail.com](mailto:dougjamesmith@gmail.com)

Sent from my iPhone

*Douglas Smith*  
*Master of Social Work | University of Wisconsin-Madison 2016*  
414-416-2508 | [dougjamesmith@gmail.com](mailto:dougjamesmith@gmail.com)

Sent from my iPhone

**Stegall, Jennifer - OCI**

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**From:** Mark Geissler <geissm52@gmail.com>  
**Sent:** Tuesday, April 10, 2018 10:52 AM  
**To:** OCI 1332 Waiver Comments  
**Subject:** Wisconsin Health Care Stability Plan

**Governor Walker,  
Include consumer protections to his healthcare stability plans by mandating that savings are passed on to consumers and funding for his plan shouldn't come from our state's Medicaid budget.**

**Mark Geissler**





April 13, 2018

JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
125 South Webster Street  
Madison, WI 53703  
[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)  
*Submitted Electronically*

Re: Proposed Section 1332 Waiver to Create Wisconsin State Reinsurance Program

Dear Mr. Wieske:

Thank you for the opportunity to comment on the Office of the Commissioner of Insurance's draft request for a Section 1332 Waiver for State Innovation to create a state health care reinsurance plan.

The Wisconsin Alliance for Women's Health's (WAWH) vision for Wisconsin is to be an environment in which all women, at every stage of life, can realize their optimal health and well-being. In order to help make this vision a reality, we advocate for public policies that promote women's health, economic security, and safety. Ensuring that women and their families have access to affordable, comprehensive, and quality health care is a core policy goal of our organization.

As a longtime supporter of the Affordable Care Act (ACA), WAWH certainly shares OCI's goal of improving the ACA Marketplace for Wisconsinites who rely on the Marketplace for health insurance coverage. While the ACA was a tremendous step forward to improving meaningful access to health care for millions of Americans, WAWH believes that there are still important ways in which state and federal policymakers can build upon and improve this landmark policy achievement.

However, we believe that the substantive provisions of OCI's waiver request will do little to achieve the admirable goal of improving the Marketplace for Wisconsin consumers. Even more important than our belief that this request will largely be ineffectual in attaining its purported goals, we are concerned that this proposal may cause actual harm to low-income and vulnerable individuals if the state uses Medicaid funding to finance the proposed reinsurance plan.

While OCI projects that its proposed reinsurance program will reduce health insurance premiums for Marketplace plans by approximately 10 percent<sup>1</sup>, relatively few people will benefit from this premium reduction. It is projected that enrollment in Marketplace plans is projected to increase by less than one percent. To put this benefit to Wisconsin consumers in perspective, according to the Center for Medicare and Medicaid Services (CMS)<sup>2</sup>, only approximately 36,000 of the 225,000 or so Wisconsin Marketplace participants do not qualify for Advance Premium Tax Credits under the ACA and thus could directly benefit from reinsurance. This seems like a low return on investment for what is projected to be a minimum \$300 million expenditure of state funds over the next 10 years to fund this proposal.

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<sup>1</sup> <https://oci.wi.gov/Documents/AboutOCI/WI%201332%20DRAFT%20Waiver%20Application%203%2013%2018.pdf>

<sup>2</sup> See CMS HEALTH INSURANCE EXCHANGES 2018 OPEN ENROLLMENT PERIOD FINAL REPORT at <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2018-Fact-sheets-items/2018-04-03.html>



More importantly than the limited scope of the potential benefits of this proposal, the waiver request contains no language that would ensure that any savings created by the plan will accrue to the benefit of health care insurance consumers, thus it is unlikely that this proposal will defray the costs associated with the higher deductibles or copays faced by many Marketplace consumers.

More troubling than the limited benefits of OCI's proposal, WAWH is greatly concerned that the state may try to fund its \$30 million per year contribution to the program from the state Medicaid program. While no state funding source is specified in OCI's proposal, supporters of the waiver request's enabling legislation indicated that the state's funding obligation would come from savings to the state's Medicaid program, which may prove to be temporary<sup>3</sup>. WAWH is adamantly opposed to any state Medicaid money funding this proposed reinsurance program, as this would represent a transfer of resources from a program that provides health care to low-income and vulnerable individuals to an inefficient plan to reduce health care costs for more financially stable people. WAWH respectfully requests that OCI clearly identify the funding source for its proposed reinsurance plan and unequivocally state that Medicaid funds or other support programs for low-income or vulnerable individuals will not be used to fund this plan.

WAWH would consider supporting a state health care reinsurance proposal that (1) ensured that savings from any plan are passed on to consumers to reduce their health care costs and (2) explicitly states that none of the state funding for the proposal will be financed by Medicaid or other social safety net programs. Because OCI's current waiver request does not address either of these concerns, we must oppose this proposal.

Thank you for taking the time to consider our comments and concerns regarding this proposal.

Sincerely,

Sara Finger  
Executive Director  
Wisconsin Alliance for Women's Health

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<sup>3</sup> <https://www.jsonline.com/story/news/politics/2018/02/13/scott-walkers-200-m-plan-hold-down-obamacare-premiums-get-key-vote/330999002/>





April 12, 2018

JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
125 South Webster Street  
Madison, WI 53703

Dear Mr. Wieske:

RE: Proposed 1332 Waiver for State Innovation

Thank you for the opportunity to share our comments on the draft request for a 1332 State Innovation Waiver to develop and operate a state-based reinsurance plan.

For over a century, Kids Forward – a private, non-partisan, non-profit – has focused on improving conditions for families and children through policy change, expanded public investments and public education that lead to improvements in outcomes and practices in the delivery of publicly funded health care, education, workforce development and social services. We seek to inspire action and promote access to opportunity for every kid, every family, and every community. Kids Forward advocates for effective, long-lasting solutions that break down barriers to success for children and families in Wisconsin.

As an organization that works to help increase access to health insurance for low-income families and children, we have serious concerns about the rising costs of health care and health insurance. While we support the goal of shoring up the Affordable Care Act Marketplace, we're concerned that this proposal could shift resources away from vulnerable Wisconsinites served by Medicaid, while benefiting relatively few, if any, Marketplace participants, and while failing to address the cost drivers of health care.

The state is proposing using at least \$30 million per year of state funding to help cover insurance companies' costs for high-cost claims for people insured through the ACA Marketplace. Kids Forward has a number of concerns regarding the state's creation and operation of a reinsurance program that should be addressed prior to submitting its application to the federal government for approval.

- Reinsurance is projected to provide a modest benefit to relatively few people who purchase insurance through the ACA.
- There is no clear funding source for the state's \$30 million annual portion. More troubling still, proponents have asserted that reinsurance will be funded out of the Medicaid budget.
- There is no mandate that savings will be passed on to consumers.
- The goal of using reinsurance to mitigate premium increases will fail if state and federal officials continue to take steps that sabotage the ACA Marketplace.

The reinsurance program is projected to lower premiums by 10 percent, but will only directly benefit the relatively few people who do not receive premium tax credits. Through the life of the waiver, that savings will be further reduced to 6.5 percent. The Center for Medicaid and Medicare Services projects health spending to rise by 5.5 percent per year<sup>1</sup>, which will likely negate any savings generated through a reinsurance program.

A strong majority of people who purchase health insurance through the ACA receive tax credits to help pay their insurance premiums. These people will see their tax credit decrease in step with any reductions in their premiums, and won't see any direct benefit. During the 2018 open enrollment period about 225,000 people signed up for coverage through the ACA, and only 16% of those people are ineligible for premium tax credits. That's about 35,000 people who could possibly directly benefit from reinsurance<sup>2</sup>.

The proposal estimates that reinsurance will result in an increase of less than 1 percent in the number of people purchasing insurance, which is less than 500 additional people. In 2016, when the federal government's transitional reinsurance program was active, there were approximately 38,000 people in Wisconsin's Marketplace who did not receive tax credits. However, there were more people in the marketplace overall. In fact, the same percentage of consumers in 2016 and 2018 were ineligible to receive subsidies<sup>3</sup>. This suggests that reinsurance programs are unlikely to substantially increase enrollment or broaden the risk pool. Despite these facts, over the course of the next decade Wisconsin is committing to spend at least \$300 million of state revenue to modestly help this small group of people with above average incomes.

Wisconsin anticipates contributing at least \$30 million annually to fund its reinsurance program, but provides no clarity from where it will take those funds. Proponents of the waiver have indicated that the funding could come from savings from the Medicaid budget, but could not provide specific detail. Even if there is a surplus during this biennium, it is no guarantee that we will have one in future budget cycles. Funding for this program, which will benefit relatively few, relatively financially stable people should not come from the Medicaid program. The waiver application should clearly show the state's income source and not risk taking funds from BadgerCare, Family Care, SeniorCare, IRIS, CCS, or any of the other programs that support low-income children and families, people with disabilities, and senior citizens.

The actuarial analysis included with the waiver application indicates that, at best, consumers could see a 10 percent decrease in premiums, but this program will not address the underlying cost-drivers of health care, or lower deductibles and other out-of-pocket costs that create barriers for people accessing the care they need. Those with pre-existing conditions, disabilities, and other complex health needs are more likely to be disproportionately impacted by rising health care costs, and this program will do very little to alleviate their cost burdens.

Reinsurance protects insurance companies them from very high-cost claims, thereby resulting in less risk and lower costs for those companies. In theory this approach could modestly lower premiums if all of those savings were passed on to consumers. However, the state does not mandate that insurers pass on those savings to consumers. Insurance companies could offer plans with lower premiums, but higher deductibles and copays, which would disproportionately impact people most likely to use their health insurance. Federal deregulation of insurance companies and weakening of consumer protections makes this more likely. The proposal does nothing to prevent this practice.

The reinsurance program may result in modest savings to a small share of Wisconsinites, but it hardly mitigates the damage caused by the many acts of federal sabotage, which have resulted in significantly higher premiums and fewer choices for consumers. The Trump administration's refusal to honor the government's commitment to fund cost-sharing reductions resulted in an average 36 percent increase in premiums in Wisconsin.<sup>4</sup> Repealing the penalty for individuals who do not purchase health insurance will result in even higher premiums and a shrinking risk pool. In this broader context, Wisconsin needs to do far more to help stabilize the individual marketplace if it wants to protect consumers.

The Trump administration and Wisconsin legislature have proposed changes that will further weaken the ACA by allowing people to buy skimpier health plans that do not provide comprehensive health coverage. Younger, healthier people will disproportionately choose these cheaper, less generous plans and leave the marketplace. The result will be an ACA marketplace with a smaller, sicker risk pool, which will continue to drive up costs. Reinsurance does not adequately address these concerns. The Health Care Stability Plan is likely to be too little too late, and at a significant cost.

If Wisconsin policymakers want to strengthen the ACA and lower costs for people purchasing health coverage through the Marketplace, they should fund outreach and enrollment assisters, lengthen the open enrollment period, and first and foremost expand BadgerCare to provide nearly 80,000 people with cost-effective insurance coverage. Expanding BadgerCare will save the state nearly \$190 million per year. The state could use those savings to cover the costs of a reinsurance program targeted to provide modest financial relief for the relatively few people who make too much to qualify for premium tax credits.

To sum up, we support the goal of stabilizing the ACA Marketplace and making it more affordable for state residents, including those who are ineligible for federal subsidies, but we do not support the waiver in its current form. We would put our support behind a 1332 waiver to establish a reinsurance program if we had confidence that it won't be financed by making cuts to Medicaid, and if the waiver required insurance companies to pass on the savings to consumers. We would also be far more willing to back the program if Wisconsin officials show that they are making a good faith effort to stabilize the ACA Marketplace, rather than taking actions that undercut the Marketplace and pose a threat to the continuation of affordable coverage for people with preexisting conditions.

Thank you for your consideration of our concerns.

Jon Peacock  
Research Director  
Kids Forward

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<sup>1</sup> <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/ForecastSummary.pdf>

<sup>2</sup> Health Insurance Exchanges 2018 Open Enrollment Period Final Report, state-Level public use file.  
[https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/2018\\_Open\\_Enrollment.html](https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/2018_Open_Enrollment.html)

<sup>3</sup> <https://aspe.hhs.gov/health-insurance-marketplaces-2016-open-enrollment-period-final-enrollment-report>

<sup>4</sup> <https://www.wpr.org/36-percent-average-jump-aca-premiums-coming-wisconsin>



April 9, 2018

Wisconsin Office of the Commissioner on Insurance

Re: Proposed 1332 waiver

To Whom It May Concern:

Thank you for the opportunity to comment on Wisconsin's proposed Affordable Care Act (ACA) 1332 waiver. The Wisconsin Board for People with Developmental Disabilities (BPDD) finds that the proposed waiver is unlikely to result in meaningful and lasting financial relief for consumers, does not address health care cost drivers, and may result in disproportionately higher out of pocket costs for consumers with disabilities and consumers with family members with disabilities.

Consumers with disabilities, pre-existing conditions, chronic health care conditions, and those with family members with disabilities are Wisconsin ACA marketplace consumers. These populations of people tend to use health care services and spend more on health care because of their conditions.

Out of Wisconsin's 225,000 marketplace plans purchased in 2018, only 36,000 (16%) fit the criteria of the population targeted by Wisconsin's \$200M reinsurance proposal<sup>1</sup>. Of those 36,000 higher income consumers, those who utilize health care the least will benefit the most. 84% of Wisconsin ACA marketplace consumers already qualify for subsidies.

At its best estimate the \$200M reinsurance program may reduce overall marketplace premiums for all consumers by 10%. When estimates of premium reductions are considered over a ten-year period, the savings estimate is reduced to 6%. The Center for Medicaid and Medicare Services (CMS) projects national health spending to grow at an average rate of 5.5 percent per year for 2017-26<sup>2</sup>. Any reductions in premiums are likely to be negated by rising health care costs. Even if premiums are marginally lower, consumers will pay more; reinsurance does not address rising health care costs as a whole or consumer costs associated with deductibles, co-insurance, co-pays or other mechanisms which pass part of the total costs of covered benefits to consumers.

Consumers with disabilities, pre-existing conditions, and chronic health conditions who do not qualify for subsidies and who need to utilize health care services will be disproportionately affected, as these populations are likely to reach their out of pocket deductible faster and will continue to incur co-insurance and co-pay costs after their deductible has been met. The affordability of health insurance and health care will continue to rapidly decline for all consumers who use health services, and especially for those who need to access more services. Wisconsin's proposed 1332 waiver does nothing to address these issues.

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<sup>1</sup> The target population of the reinsurance program are Wisconsin marketplace consumers who have incomes that exceed the level that qualifies for government subsidies under the Affordable Care Act (those with incomes of more than \$98,000 per year who do not have employer sponsored insurance).

<sup>2</sup> <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsProjected.html>

Moreover, the repeal of the requirement for people to have health insurance (individual mandate) as well as recent changes and proposed changes to federal administrative rules are projected to weaken the overall marketplace risk pool. Younger, healthier people are more likely to forgo purchasing health insurance entirely, thereby removing themselves from the risk pool. The allowance of Association Health Plans (AHPs) and Short-Term Health Plans—which do not have to comply with ACA standards, required essential health benefit coverage, and consumer protection requirements—may syphon younger, healthier individuals away from ACA compliant marketplace plans leading to exponentially increasing costs for people with disabilities and chronic conditions who must remain in ACA regulated markets<sup>3</sup> to obtain the care they need. When people leave ACA compliant marketplace plans for cheaper lower coverage plans or choose to go uninsured, ACA marketplace premiums will increase, negating and reversing the small impact Wisconsin's reinsurance plans will have on consumer premiums<sup>4</sup>.

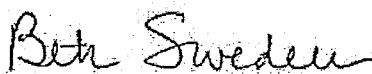
Even small changes to the overall risk pool call into question the deficit neutrality of the 1332 waiver proposal and will certainly result in higher out of pocket costs for ACA marketplace consumers, especially consumers with disabilities and chronic health conditions. Wisconsin's 1332 waiver program would be of diminishing return as premiums, health care costs, and out of pocket expenses required of consumers continue to rise.

It is unclear—if the 1332 waiver is approved—what the funding source will be for the \$30M per year cost to operate the program over the next ten years. BPDD understands that the current proposed funding source is General Purpose Revenue (GPR), however it is uncertain whether revenue projections will be sufficient to cover \$60M in reinsurance funding over the next biennium (much less the next four biennium state budgets. A surplus or lapse in one year does not translate to the same amount being available in future years.

BPDD is charged under the federal Developmental Disabilities Assistance and Bill of Rights Act with advocacy, capacity building, and systems change to improve self-determination, independence, productivity, and integration and inclusion in all facets of community life for people with developmental disabilities.

Our role is to seek continuous improvement across all systems—education, transportation, health care, employment, etc.—that touch the lives of people with disabilities. Our work requires us to have a long-term vision of public policy that not only sees current systems as they are, but how these systems could be made better for current and future generations of people with disabilities.

Thank you for your consideration,



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<sup>3</sup> Both AHPs and Short-Term plans can reject people with pre-existing medical conditions or charge higher prices for people with pre-existing conditions, and neither are required to cover the ten essential health benefits required under the ACA.

<sup>4</sup> A February 2018 Avalere study projected that changes to regulation of AHPs would prompt 4.3 million people to leave ACA compliant marketplace plans for cheaper and lower coverage AHPs over the next five years, resulting in a 4% premium increase for individuals in marketplace plans, with an additional 140,000 estimated to lose health care coverage altogether. A March 2018 Urban Institute analysis found that short-term health plans are projected to remove 4.3 million people from the ACA compliant marketplace; the same study projected an additional 6.4 million people would choose to go uninsured by 2019. The combined impact of the increasing uninsured population and people moving to just the short-term insurance market is projected to result an 18.3% increase in ACA compliance insurance premiums in 2019.

Beth Swedeen, Executive Director  
Wisconsin Board for People with Developmental Disabilities



## Stegall, Jennifer - OCI

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**From:** OCI 1332 Waiver Comments  
**Sent:** Wednesday, April 18, 2018 9:15 AM  
**To:** Jackson, Tamara - BPDD; OCI 1332 Waiver Comments  
**Cc:** Swedeen, Beth - BPDD  
**Subject:** RE: BPDD: Public Comments on 1332 waiver  
**Attachments:** Swedeen letter 4 18 18.pdf

Good Morning,

Please find attached a response from Deputy Commissioner J.P. Wieske.

Thank you,

Jennifer Stegall  
Executive Senior Policy Advisor  
Office of the Commissioner of Insurance  
608-267-7911

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**From:** Jackson, Tamara - BPDD  
**Sent:** Thursday, April 12, 2018 3:01 PM  
**To:** OCI 1332 Waiver Comments  
**Cc:** Swedeen, Beth - BPDD  
**Subject:** BPDD: Public Comments on 1332 waiver

Hello,

I have attached the Wisconsin Board for People with Developmental Disabilities' public comments on the proposed 1332 waiver.

Thank you,

***Tami Jackson***

Wisconsin Board for People with Developmental Disabilities (BPDD)  
Public Policy Analyst and Legislative Liaison

(608) 266-0979 (office)  
(608) 228-7285 (cell)  
[Tamara.jackson@wisconsin.gov](mailto:Tamara.jackson@wisconsin.gov)

Follow me on Facebook for coverage of public policy issues affecting people with disabilities  
<https://www.facebook.com/tamarajacksonBPDD>



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor  
Theodore K. Nickel, Commissioner

Wisconsin.gov

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Phone: (608) 266-3585 • Fax: (608) 266-9935  
E-Mail: [ociinformation@wisconsin.gov](mailto:ociinformation@wisconsin.gov)  
Web Address: [oci.wi.gov](http://oci.wi.gov)

April 18, 2018

Beth Swedeen, Executive Director  
Wisconsin Board for People with Developmental Disabilities  
101 East Wilson Street, Room 219  
Madison, WI 53703

Dear Ms. Swedeen,

Thank you for your letter commenting on the proposed 1332 waiver application. As you know, we have had more than seven public hearings and have met individually with groups requesting more information. Unfortunately, your comment letter is confusing because it asks to address points which have nothing to do with the proposed 1332 Waiver. OCI will respond to a number of common issues through our general responses, but a few issues require a tailored response.

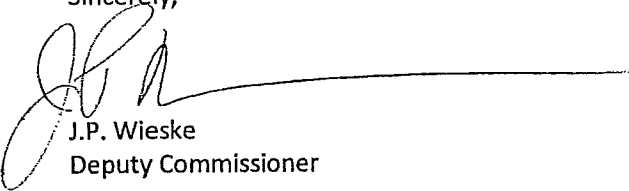
The individual market as a whole serves the most vulnerable of Wisconsin consumers. These are individuals who do not have access to any other coverage, including BadgerCare, Medicare, or employer sponsored coverage. It is important to Wisconsin consumers of all income levels to stabilize the Wisconsin insurance market. In areas across the state, consumers have lost access to insurers. In 2018 alone, 75,000 Wisconsinites lost their individual market coverage – regardless of their subsidy level. We have seen numerous insurers leave the individual market. In areas across the state, consumers – regardless of health status – now have fewer choices and in some areas have no choice.

This issue disproportionately harms those with significant medical conditions. As consumers lose choice, they lose access to their choice of medical providers. Even worse, with only one carrier available in much of the state, those consumers could have faced a market without an insurer. Governor Walker's Healthcare Stability Plan (WIHSP) is not a panacea, but it does seek to stabilize the individual market in Wisconsin. In the absence of action at the federal level, Wisconsin needed to do what it could to keep the individual market viable. This is why the American Cancer Society and Multiple Sclerosis Society both supported the waiver as well as doctors, hospitals, and insurers.

Your comment letter spends a great deal of time concerning the rising out-of-pocket medical costs for those with disabilities and the impact of the individual mandate. We understand those concerns but out-of-pocket costs have nothing to do with this proposed 1332 Waiver and neither does the repeal of the individual mandate penalty passed by Congress. Indeed, the actuarial analysis on our website shows that the WIHSP will increase enrollment which will help broaden the risk pool.

Our office has been regulating insurance since 1871. We engaged the public on the 1332 waiver application through the legislative process followed by seven public hearings to understand concerns. We have provided a plethora of information on our website about WIHSP. With the Governor's leadership, we felt the need to protect consumers who were facing a collapsing individual market. We simply do not agree the best option was to do nothing.

Sincerely,

A handwritten signature in black ink, appearing to read 'J.P. Wieske', followed by a long horizontal line extending to the right.

J.P. Wieske  
Deputy Commissioner



April 13, 2018

JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873  
[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

RE: ABC for Health, Inc.'s comment on Wisconsin's Section 1332 State Innovation Waiver Request Regarding a State Reinsurance Program

Dear Deputy Commissioner Wieske –

Thank you for the opportunity to provide comment on Wisconsin's Section 1332 Waiver Request. Advocacy and Benefits Counseling for Health, Inc. (ABC for Health) helps low-income, health disparity populations obtain access to both health care and coverage in Wisconsin. ABC for Health's mission is to provide consumers and providers with information, advocacy tools, legal services, and expert support they need to secure health care coverage and services. We translate individual client case experiences into local strategies as well as system level reforms through our statewide HealthWatch Wisconsin subsidiary, which serves as a catalyst in the development of local HealthWatch Coalitions to promote community efforts and community voices directed at health care coverage and access concerns for children and families.

The Affordable Care Act envisioned reinsurance as a way to stabilize the individual insurance market as individuals with preexisting conditions entered the market for the first time without discrimination. Reinsurance stabilized markets for insurance companies carrying higher risk, or with underpriced monthly premiums, in a temporary, three-year program. Reinsurance provided a glide path for insurance companies to evaluate price plans and remain competitive in the expanded individual policy market. That program, however, only succeeded in compensating insurers for about half the claims expenses of high-cost enrollees. The original ACA legislation grossly underestimated the amount of funding necessary to keep up with high-cost claims in the Marketplace's second year, and subsequent challenges by Republican opponents, including Governor Walker, limited the federal government's ability to pay out fund contributions.

With the draft waiver, Governor Scott Walker changes course and pivots toward the ACA and the reinsurance concept. The plan, approved by the legislature, includes a request for federal and state funding for a state operated reinsurance program that would partially reimburse individual health insurance plans for claims paid on behalf of their highest cost enrollees.

In substance, the plan mirrors programs enacted in other states, including Minnesota, Alaska, and Oregon. Wisconsin's proposal asks the US Treasury and US Department of Health and Human Services (HHS) to waive section 1312(c)1 under Sec. 1332 of the ACA for 5 years (starting in 2019) to implement the "WI Healthcare Stability Plan" (WIHSP). The Office of the Commissioner of Insurance (OCI) will administer this state-based reinsurance program upon federal approval. OCI is responsible for WIHSP operations, including setting the attachment point, reinsurance cap, and





coinsurance amounts. Wisconsin seeks approximately \$170 million in federal pass through dollars for Wisconsin's reinsurance program. The state would contribute the balance.

The waiver language blames the existing premium increases in Wisconsin's individual insurance market almost exclusively on the "failing" of the ACA, looking backward with rose-colored glasses on the pre-ACA market in Wisconsin, citing a time when there was "more competition" in the marketplace. Yet, upon scrutiny, the past also lacked Medical Loss Ratios, essential health benefits, individual mandate, or other consumer-level protections. In reality, the small group market was collapsing under the weight of its own inefficiencies.

Marketplaces in Wisconsin evolved after ACA implementation, more specifically, after the implementation of HealthCare.gov in 2013. Market forces cause inefficient insurers, unable to meet the stricter Medical Loss Ratio requirements to close.<sup>1</sup> Strong political opposition from state and federal policymakers barraged markets, as did continued high-stakes constitutional or other ACA legal challenges, some of which Wisconsin spearheaded. State and federal regulators extended ability of certain health plans to remain exempt from the ACA's insurance reforms. In addition, states were left with insufficient funding for consumer outreach and assistance or like Wisconsin, rejected already awarded consumer assistance funding and sent it back to Washington,<sup>2</sup> harming consumers, the operation of OCI, and ultimately enrollment and stability in the markets. For these and other reasons, enrollment growth slowed and premiums increased.

While ABC generally recognizes reinsurance programs as a useful tool, especially in risky insurance markets, Wisconsin's proposed waiver request generates three major concerns: 1) lack of sufficient consumer protections; 2) troubling funding mechanisms; and 3) insufficient impact in the context of recent state and federal policy.

### **Consumer Protection**

Wisconsin should take proactive steps to support enhanced consumer protections in the private insurance market, and promote increased growth of risk pools and plan enrollment. Wisconsin could expand public-private partnership coverage options like BadgerCare Plus, that promote large-scale

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<sup>1</sup> Recall at the time, companies like American Republic Insurance and World Insurance Company were at 68% and 65% Medical Loss Ratios, respectively. Commissioner Nickel went so far as to request a waiver of the medical loss ratio requirements of the ACA, in an obvious effort to help support these failing small group market plans. OCI claimed Wisconsin's insurance market could not operate with requirements that limits health insurer profits, salaries, marketing, and other overhead costs to 20% of the amount spent by consumers in the individual market. OCI rejected the idea of streamlined administration of insurance plans and a more competitive marketplace, instead preferring to have consumers cover the cost.

<sup>2</sup> On February 10, 2011, then new Commissioner of Insurance, Ted Nickel terminated Wisconsin's federally funded consumer assistance program. The majority of the \$637,114 grant to Wisconsin went to the Office of the Insurance Commissioner. The purpose of the program, supported by a U.S. Department of Health and Human Services Consumer Assistance Grant, was to "educate consumers about their health coverage options, empower consumers, and ensure access to accurate information." See also, "New state insurance commissioner terminates \$637K federal health care grant," Feb. 10, 2011, WI State Journal, *available at*:

[http://host.madison.com/wsj/news/local/health\\_med\\_fit/article\\_dd894d62-3572-11e0-a002-001cc4c002e0.html](http://host.madison.com/wsj/news/local/health_med_fit/article_dd894d62-3572-11e0-a002-001cc4c002e0.html)





pooling, spread risk, create financial leverage, and promote consumer protection and health plan accountability.

Most fundamentally, Wisconsin's draft waiver (the language in Act 138) provides no guarantee that any reinsurance payment made to Wisconsin insurers will translate into reduced premiums for consumers.

OCI estimates the waiver's impact to include premium decreases of approximately 10% for 2019. Lowering premiums is an important goal, but consumers should bear some of the fruit of that reduction. As such, the waiver must also require insurance companies to pass on the savings to the consumer as a condition of receiving WIHSP payments. Otherwise, WIHSP risks simply subsidizing insurance companies who could otherwise "justify" accepting reinsurance payments while subsequently increasing premiums or out of pocket costs to high cost consumers, or both.

OCI's role will be an important one, when paired with OCI's duty to administer a fully transparent rate review process in Wisconsin. We would expect OCI to administer a strict rate review process for those insurers receiving reinsurance payments. The language in Act 138 stops short of any such guarantee. Ch. 601.83(1)(e) requires eligible health carriers to "calculate the rates the eligible health carrier would have charged for a benefit year if the healthcare stability plan had not been established and submit the calculated rates as part of its rate filing submitted to the commissioner," for *consideration*, and nothing more. To efficiently review requests for rate increases, OCI determines the reasonableness of requests that fall into a certain "review path." Establishing a review path specific to reinsurance providers would be appropriate, and creating a heightened threshold of responsibility, expected.

For stability, reinsurance alone is not enough. Wisconsin's program effects will depend on its impact on the cost of coverage, the ability of lower premiums to attract a healthier mix of enrollees, and an overall expanded enrollment in the market to help achieve economies of scale in non-claim costs. As reported in the draft waiver request, WIHSP will help a negligible amount of people gain health insurance. OCI estimates only a 0.8% increase in enrollment after reinsurance in the short term.

Over the short and long term, Wisconsin must expand and maintain the marketplace's enrollment to include healthier and younger consumers. Moreover, Wisconsin should embrace educational campaigns and consumer outreach and assistance efforts, and even reinforce mechanisms like auto-enrollment of enrollees that do not proactively select a plan. Instead, Wisconsin is doing the opposite,<sup>3</sup> making the impact of reinsurance negligible in the broader context.

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<sup>3</sup> "Update: Wisconsin Gov. Signs Health Reinsurance Bill; State Joins 'Obamacare' Suit," Insurance Journal, Feb. 28, 2018, available at: <https://www.insurancejournal.com/news/midwest/2018/02/28/481836.htm>, saying "Walker signed the reinsurance bill less than 24 hours after Schimel joined with 19 other states in filing a federal lawsuit in Texas. The lawsuit, which Schimel led along with Texas Attorney General Ken Paxton, argues that the individual mandate is unconstitutional and that the entire law should be blocked."





Even if it is as effective as OCI predicts, at best, WIHSP will lower premiums for only a relatively small group of people, and in only small amounts. (The waiver predicts a 10% premium reduction for 2019, yet the impact over time reduces to 6.5% over the next decade). Other market instabilities will offset any reduction in premiums, discussed more below. Wisconsin had approx. 225,000 enrollees in the 2018 marketplace, the vast majority, 80% of whom are eligible to receive federal subsidies.<sup>4</sup> Approximately 30,000 are unsubsidized consumers, and the target of this reinsurance program.

The program benefits higher income consumers. Unsubsidized Marketplace customers with incomes above 400% FPL are the primary beneficiaries of the reinsurance proposal. Those people range from middle class incomes up to higher self-employed incomes. We recognize that premium support for this population is needed; however, funding \$200 million a year – over \$30 million in state money – for reinsurance to bring down premiums for this sliver of the insurance market seems wasteful and inefficient. Funding the reinsurance program with Medicaid leftovers is an upward redistribution of income, regressive and wrong. We address this more, below.

#### **Funding Concerns**

Wisconsin asks the federal government to pay up to 85% of the reinsurance program, with the State paying “a sum sufficient” to cover the rest of the program. Total funding is not allowed to exceed \$200 million dollars. ABC has three concerns about how WIHSP is funded: 1) the \$200 million limit may not be enough to adequately fund a robust reinsurance program; 2) the state may be left to pay more than anticipated; and 3) the state’s funding mechanism may incentivize reducing Medical Assistance coverage to the most vulnerable.

The state seeks federal support of an 85% pass through rate of the \$200 million deemed necessary to fund the reinsurance program. State reinsurance programs (1332 waivers generally) are required to be budget-neutral to the federal government. Passing through Advance Premium Tax Credit (APTC) expenditures for reinsurance payments is how the state generates their approx. \$170 million federal savings. As such, Wisconsin’s funding request could very well fall short of required funding to support an effective reinsurance program. We need look no further than Minnesota. After devoting \$300 million in 2017, the Minnesota Legislature spent an additional \$542 million to set up a reinsurance pool for the next two years.<sup>5</sup> Should the sum not be sufficient, Act 138 allows OCI to ask Wisconsin’s Joint Finance Committee to increase the amount, most likely to come out of state dollars.

Act 138 allows OCI to simply, without a legislative process or following formal administrative rulemaking procedures, makes up its own rules. Under 601.83(3g), the Commissioner of Insurance can promulgate “any rules necessary to implement the healthcare stability plan” as “emergency rules under s. 227.24,” but “the commissioner is not required to provide evidence that promulgating a rule under this paragraph as an emergency rule is necessary...” This is an extraordinary and perhaps

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<sup>4</sup> [https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/2018\\_Open\\_Enrollment.html](https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/2018_Open_Enrollment.html)

<sup>5</sup> Available at: <https://www.usnews.com/news/best-states/minnesota/articles/2017-09-19/apnewsbreak-reinsurance-approval-costly-for-minnesota>





impermissible grant of legislative power to the Commissioner of Insurance. OCI can promulgate emergency rules without the usual finding of emergency required under current law, and extend the reach of the Commissioner, without the legislature, to create policy. In such an instance, OCI could also draft exemptions for the insurance industry instead of waiting for the legislature to create new Wisconsin law. The waiver's broad delegation of emergency rulemaking authority to OCI may be illegal, and at the very least will further erode consumer protections.<sup>6</sup>

Furthermore, the state takes on even greater financial risks, thanks to the drafting of a "sum sufficient appropriation." Wisconsin's waiver "grants" the state the needed "flexibility" to fund the \$200 million program if the federal pass through funds differ from the anticipated amount. Recognizing that there is no guarantee the federal government's payment will cover the program's costs or that the federal government would not fully fund their "share," the waiver directs the state to fund the balance. Such a scenario is entirely possible, as federal pass through funding originates from savings in APTC. Large increase in premiums anticipated in 2019 and beyond (discussed more below) would surely mean a larger need for APTC in the Wisconsin market and fewer dollars redirected to reinsurance.

Curiously, Governor Walker rejected federal Medicaid Expansion funds for fear that the state would be left "holding the bag" for the full cost of expansion, should the feds "renege" on their funding share. Here, the statute *directs* the state to "pay the bill," should the feds not pay its share.

Similarly, Act 138 expressly prohibits the state from accepting federal Medicaid Expansion money without legislative approval. Despite the fact that if Wisconsin were to fully expand Medicaid, more than 80,000 adults between 100 and 138% FPL would be covered in BadgerCare Plus. That change would yield a net savings for state taxpayers of about \$190 million per year,<sup>7</sup> freeing up more than enough GPR to fund the state's reinsurance share – or even the entire cost of reinsurance – and dozens of other state projects and priorities.

Chapter 16.5285(3)(a) of the statute as written in Act 138 authorizes the Secretary of Health Services to transfer savings from the Medical Assistance program to the GPR. Wisconsin's funding provisions may create a perverse incentive to reduce Medical Assistance program spending in order to pay for WIHSP. As Wisconsin develops an annual Medicaid budget, it can generate larger and larger Medicaid lapse funds at the end of the fiscal year that can become a "goodie bag" fund for the

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<sup>6</sup> Also troubling, Act 138 *requires* OCI to submit a recommendation report, not an assessment, a recommendation to the Governor on requesting additional waivers. In these recommendations, OCI "shall consider and include" impacts of creating a high-risk pool or an invisible high-risk pool; funding of consumer health savings accounts; expanding consumer plan choices, including catastrophic plans or coverage and new low-cost plan options; and implementing any other approach..." [601.85(4)]. Curious how it is in the best interest of consumers that OCI should be statutorily-required to recommend a high-risk pool to the Governor.

<sup>7</sup> The Wisconsin Approach to Medicaid Expansion, Dec. 2017, Kids Forward, available at: <http://kidsforward.net/assets/Medicaid-Approach.pdf>





administration to dole out to special interests. A surplus can be generated by adding administrative hoops and hurdles in the eligibility path of people seeking or using Medicaid.<sup>8</sup>

In Wisconsin, nearly 1.2 million people rely on BadgerCare and Medicaid programs to provide essential, affordable, and effective health care services. Moreover, the impact of these programs reaches thousands more--our friends, neighbors, grandparents, colleagues, and health care providers large and small in every county of Wisconsin. The large pool of BadgerCare and Medicaid recipients provides cost effective coverage that lowers the number of uninsured and keeps people out of expensive, inefficient, and often uncompensated emergency room care. Most people realize that uncompensated care costs do not disappear but rather show up in the form of increased health care costs. Health care providers redistribute unpaid medical bills to small business, people with insurance, and other hospital patients. Lowering premiums is important, but Wisconsin should take care to ensure that marginal benefits for 30,000 higher-income Wisconsinites do not come at the expense of our most vulnerable.

In order to comply with Sec. 1332 guardrails, Wisconsin's waiver promises "comprehensive coverage," and says that the "scope of benefits provided by other types of coverage such as Medicaid, CHIP, and grandfathered plans will not be impacted." Nevertheless, this is a promise Act 138 alone cannot make, and therefore delivers false confidence to Wisconsinites. The state has already taken other steps to reduce services for a large portion of Wisconsin's BadgerCare Plus population.<sup>9</sup>

### **Overall Impact**

In fact, Wisconsin's entire waiver request needs to be examined in the broader context of the current health care coverage landscape. A new report<sup>10</sup> paints a grim picture for premiums in the individual insurance market over the next three years. The report predicts a 15% average premium increase stemming from the repeal of the Affordable Care Act's personal responsibility tax penalty in 2019 (in the Tax Reconciliation Act signed into law December 22, 2017). In combination with Trump administration proposals to increase the availability of association health plans and short-term health plans, the authors predict overall price increases ranging between 12% and 23% in 2019 and rising to triple that amount in 2021. The highest increases are expected for states that did not pursue federal Medicaid expansion. Wisconsin joins ranks with Texas as states at "catastrophic risk" of 90% premium increases over a three-year period. Neighboring Medicaid Expansion states, such as Illinois, Indiana, and Iowa, will fare somewhat better with premium rates topping out at a 50% increase over

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<sup>8</sup> Elements of Wisconsin's still pending Sec. 1115 Demonstration waiver, including drug testing requirements, work requirements, premium requirements, etc. are anticipated to create a drop in BadgerCare Plus enrollment (as witnessed from other states such as Indiana. Similarly, Wisconsin need look no further than its own FoodShare program where work requirements caused 86,000 to drop out of the program.

<sup>9</sup> *Infra* note 8.

<sup>10</sup> "Individual Markets Nationally Face High Premium Increases in Coming Years..." Covered California, March 2018, available at: [http://hbex.coveredca.com/data-research/library/CoveredCA\\_High\\_Premium\\_Increases\\_3-8-18.pdf](http://hbex.coveredca.com/data-research/library/CoveredCA_High_Premium_Increases_3-8-18.pdf)



the next three years. However, these changes also mean 5 million people losing coverage by 2027, and insurers dropping out of the marketplace.

The nonpartisan Urban Institute<sup>11</sup> corroborates that prediction in a separate study evaluating the impact of the GOP Tax bill and federal move to allow short term insurance plans. The combined effect of eliminating the individual-mandate penalties and expanding short-term limited-duration policies would increase 2019 ACA-compliant nongroup insurance premiums 18.3% on average, and 20% in Wisconsin.<sup>12</sup>

Any reduction in premiums Wisconsin hopes to achieve with the reinsurance program will likely be offset by, and most likely obliterated by, other political decisions that dramatically increase premiums and destabilize the private insurance market, further diminishing the impact of reinsurance. We call WIHSP, “much ado about nothing.”

### **Conclusion**

Under the right circumstances, reinsurance is an effective tool to help stabilize risk and jittery insurance marketplaces. The Wisconsin approach could be drastically improved to better serve the insurance consumers of our state. Part of the blame for the unstable markets can be directed at the numerous Trump and Walker administration efforts to destabilize the ACA. Sadly, both Walker and Trump reap what they sow and we all now pay a price.

Sincerely,  
**ABC for Health, Inc.**

Bobby Peterson  
Executive Director/Public Interest Attorney  
32 N. Bassett St.  
Madison, WI 53703  
[bobbyp@safetyweb.org](mailto:bobbyp@safetyweb.org)

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<sup>11</sup> “The Potential Impact of Short-Term Limited-Duration Policies on insurance Coverage, Premiums and Federal Spending,” Urban Institute, March 2018, *available at*: <https://www.urban.org/research/publication/updated-potential-impact-short-term-limited-duration-policies-insurance-coverage-premiums-and-federal-spending>

<sup>12</sup> *Id.* at 16, Table 4 “Percent change in ACA-Compliant Premiums because of Expanded Short-Term Limited-Duration Policies and Loss of Individual Mandate, 2019.” Five states prohibit short-term limited duration policies in state law and therefore fare better in the estimated premium increases. Wisconsin has no such regulation.

## **ATTACHMENT 6**

# **TRIBAL CONSULTATION OUTREACH AND CONSULTATION SUMMARY**



# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor  
Theodore K. Nickel, Commissioner

Wisconsin.gov

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## Tribal Consultation Summary

The Office of the Commissioner of Insurance (OCI) held a Tribal Consultation on Friday April 6 in Green Bay, WI on the 1332 Draft Waiver for State Innovation application. Ten individuals representing four of the eleven tribes in Wisconsin attended the meeting.

Deputy Commissioner J.P. Wieske presented information on the Wisconsin individual health insurance market and the 1332 Draft Waiver for State Innovation application. Copies of the hearing presentation and the draft application were distributed at the meeting.

Tribal representatives asked several clarifying questions related to how reinsurance works, the funding source for the reinsurance plan, the anticipated impact of the state based reinsurance plan on rates, which insurers are currently selling in the individual market, and whether data was available to understand the demographics of individuals purchasing coverage on the Exchange. Some of the issues discussed fell outside the scope of the proposed reinsurance plan; for example, insurer/provider contracting and claims processing. OCI sent a follow up email to the state tribal liaison with links to supplemental information related to some of the areas of interest expressed at the meeting. That e-mail is included with the 1332 Waiver application.

None of the meeting attendees expressed opposition to the proposed reinsurance plan detailed in the draft application.

### Location

Radisson Hotel and Convention Center  
Seneca Room  
2040 Airport Drive  
Green Bay, WI

### Attendees representing Tribes

Chris McGeshick, Sokaogon Chippewa Community  
Tana Aguirre, Oneida Tribe of WI  
Candice Skenandore, Oneida Tribe of WI  
Daniel Guzman King, Oneida Tribe of WI  
Jenny Webster, Oneida Tribe of WI  
Joe Strohl, Menominee Tribe of WI  
Douglas Cox, Menominee Tribe of WI  
Jonathan Wilbur, Menominee Tribe of WI  
Melissa Cook, Menominee Tribe of WI  
Shannon Holsey, Stockbridge-Munsee Band of Mohican Indians





State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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Theodore K. Nickel, Commissioner

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**Tribal Consultation (Green Bay, WI):  
OCI 1332 Draft Waiver for State Innovation Application**

The Office of the Commissioner of Insurance (OCI) has developed a 1332 Draft Waiver for State Innovation Application under the Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan. A 1332 Waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options. OCI has opened the 30-day public comment period for the 1332 Draft Waiver Application, which is attached to this notice. A series of public hearings have been held around the state including: La Crosse, Chippewa Falls, Marshfield, Wausau, and Green Bay. Milwaukee and Madison will be held in the weeks to come.

In addition to the public hearings, OCI will also hold a tribal consultation in Green Bay.

WHEN: Friday, April 6, 2018  
Start time: 10:30AM

WHERE: Radisson Hotel and Convention Center  
Seneca Room  
2040 Airport Drive  
Green Bay, WI 54313

The public comment period will be open from **March 13 – April 14, 2018**. Comments may be submitted in writing or in person at the tribal consultation.

Written comments on the OCI 1332 Draft Waiver Application may be submitted via e-mail at:

[OCI1332WaiverComments@wisconsin.gov](mailto:OCI1332WaiverComments@wisconsin.gov)

or mail at:

ATTN: JP Wieske, Deputy Commissioner  
Wisconsin Office of the Commissioner of Insurance  
PO Box 7873  
Madison, WI 53707-7873

**Tribal Consultation Information – Attachments**

OCI Public Hearing Presentation: Wisconsin Healthcare Stability Plan  
OCI 1332 Draft Waiver Application

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## Stegall, Jennifer - OCI

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**From:** Vick, Dawn - DOA  
**Sent:** Monday, April 09, 2018 1:33 PM  
**To:** Stegall, Jennifer - OCI  
**Cc:** Wieske, JP - OCI; Hizmi, Elizabeth - OCI  
**Subject:** RE: 1332 Waiver Tribal Consultation Follow Up  
**Attachments:** OCI 1332 Meeting April 2018.xlsx; 20180409133348938.pdf

Jennifer/Elizabeth –

Let me know if you need anything else from me. I will forward the links in the email below to attendees.

Thank you.

Dawn



**Dawn Vick** | Administrator  
Department of Administration  
Division of Intergovernmental Relations  
[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)  
Direct: (608) 266-7043 | Fax: (608) 267-6917



**From:** Stegall, Jennifer - OCI  
**Sent:** Monday, April 09, 2018 12:27 PM  
**To:** Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>  
**Cc:** Wieske, JP - OCI <[JP.Wieske@wisconsin.gov](mailto:JP.Wieske@wisconsin.gov)>; Hizmi, Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>  
**Subject:** 1332 Waiver Tribal Consultation Follow Up

Hi Dawn,

It was nice meeting you on Friday. I hope the remainder of the meetings you had that day went well and the drive home was uneventful.

A few things in follow up to the meeting...

1. Here are links to the OCI Web site that contain information of interest to the group:
  - a. 2013 OCI Town Hall presentation given across the state to educate and inform consumers about the 2014 changes to the individual market (*some individuals at the meeting had an interest in understanding some of the basic federal rules that govern the individual market. The proposed reinsurance program will NOT change any of the rules governing the market.*)  
<https://oci.wi.gov/Documents/Consumers/HCRTownhallPresentation.pdf>

- b. Interactive map indicating which insurers are selling in each county (and the insurer contact information). Individuals at the meeting were interested in who was selling where. <https://oci.wi.gov/Pages/Consumers/ProviderMap2018.aspx>
2. One gentleman asked whether data is available to understand the age and FPL of individuals purchasing coverage. HHS publicly released an enrollment report this month that speaks to Exchange enrollment nationally and includes a public use file that includes data on all states in terms of the number of individuals signing up for a plan, the number of individuals receiving tax credits, avg consumer FPLs, and the number of people in certain age brackets that purchased etc. Both the high level report and specific state data are attached.
3. I have the sign-in sheet for Friday's meeting, however, there are only 8 people on it and I know there were more in attendance. Joe Strohl is not noted, for example. Below is the list I have, could you send me any additional names of people who were there but are not accounted for? I can add Joe but need to know which tribe he was representing. There are also a couple where I cannot read the spelling of their name, as noted below.
  - a. Candice Skenandore; Daniel Guzman; Jenny Webster; Douglas Cox; Chris McGeskick (can't make out last name on this one); Shannon Helsz (can't make out last name or who they are representing); Dawn Vik; Melissa Cook (need to know who she was representing).
4. There was a question about the number of carriers selling the individual market. The information below compares 2011 to 2018.
  - 2011:
    - ▶ 28 health insurers actively selling plans in the individual market
  - 2018:
    - ▶ 16 insurers selling plans in the individual market
      - 11 on Exchange; 5 off Exchange only
5. Our goal is to submit the application on Monday or Tuesday of next week to the federal government. If you can send me the final attendee list and the email correspondence you've had with the tribes in setting up the meeting/getting their RSVPs (Elizabeth mentioned you were planning to send over), by the end of the week, that would be great.

Thanks!

Jennifer Stegall  
Executive Senior Policy Advisor  
Office of the Commissioner of Insurance  
608-267-7911

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## Vick, Dawn - DOA

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**From:** Vick, Dawn - DOA  
**Sent:** Wednesday, March 28, 2018 12:02 PM  
**To:** Vick, Dawn - DOA  
**Subject:** FW: OCI Tribal Consultation April 6  
**Attachments:** OCI Tribal Consultation - April 6.pdf

---

**From:** Vick, Dawn - DOA  
**Sent:** Wednesday, March 28, 2018 12:01 PM  
**To:** Cleveland, Wilfred <Wilfrid.Cleveland@ho-chunk.com>; Taylor, Lewis <lewist@stcroixtribalcenter.com>; louis.taylor@lco-nsn.gov; rick.peterson@redcliff-nsn.gov; mikew@badriver-nsn.gov; jwildcatsr@ldftribe.com; ned.danielsjr@fcpotawatomi-nsn.gov; McGeshick, Chris <chris.mcGeshick@scc-nsn.gov>; dcoo@mitw.org; 'shannon.holsey@mohican-nsn.gov' <shannon.holsey@mohican-nsn.gov>; rhill7@oneidanation.org  
**Cc:** Sarah M. Lemieux <Sarah.Lemieux@ho-chunk.com>; 'collin.price@ho-chunk.com' <collin.price@ho-chunk.com>; Taylor, Lewis <michaeld@stcroixtribalcenter.com>; Miller, Terri <Terri.Miller@lco-nsn.gov>; nathan.gordon@redcliff-nsn.gov (nathan.gordon@redcliff-nsn.gov) <nathan.gordon@redcliff-nsn.gov>; Gordon, Jean <jean.gordon@redcliff-nsn.gov>; brtsecretary@badriver-nsn.gov; Brooks Jerome <blabarge@ldftribe.com>; George Ermert (george@martinschreiber.com) <george@martinschreiber.com>; Frank, Harold <ken@martinschreiber.com>; Vickie Ackley (vickie.ackley@scc-nsn.gov) <vickie.ackley@scc-nsn.gov>; 'mcook@mitw.org' <mcook@mitw.org>; Jerilyn Johnson (jerilyn.johnson@mohican-nsn.gov) <jerilyn.johnson@mohican-nsn.gov>; Aguirre, Tana <TAGUIRRE@oneidanation.org>; Safford, T <tsafford@glitc.org>; Cristina Danforth <CDanforth@Glitc.org>; Hizmi, Elizabeth - OCI <Elizabeth.Hizmi@wisconsin.gov>  
**Subject:** RE: OCI Tribal Consultation April 6

Hello Tribal Leaders –

The Wisconsin Office of the Commissioner of Insurance (OCI) is offering the opportunity to hold a consultation with you regarding their 1332 Draft Waiver for State Innovation Application.

Section 1332 of the Affordable Care Act (ACA) permits states to seek a waiver to pursue innovative strategies to ensure residents have access to affordable health insurance options in the individual market. OCI, pursuant to 2017 Wisconsin Act 138, has developed a draft waiver application allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan.

Federal regulations require OCI to offer you a consultation on the details of the draft waiver application and collect any feedback you may have. I have arranged a consultation time/place to discuss this matter. The meeting is scheduled for Friday, April 6 from 10:30AM – 11:30AM at the Radisson in Green Bay. We will be meeting in the Seneca Room and will be finished in plenty of time for you to meet with the Department of Corrections later that day.

Please also note that federal law requires OCI to offer a 30-day comment period on the draft application. This comment period began on March 14, 2018 and will end on April 14, 2018. Anyone wishing to submit written comments can do so using the following e-mail address: [Oci1332WaiverComments@Wisconsin.gov](mailto:Oci1332WaiverComments@Wisconsin.gov).

The attachments are too large to be sent via email. The web link to materials is: <https://oci.wi.gov/Pages/Consumers/Health.aspx#1332>.

Please let me know if you have any questions or comments. Also, please RSVP to me your intention to attend.



Thank you.

Dawn



**Dawn Vick** | Administrator  
Department of Administration  
Division of Intergovernmental Relations  
[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)  
Direct: (608) 266-7043 | Fax: (608) 267-6917



**From:** Vick, Dawn - DOA

**Sent:** Wednesday, March 21, 2018 4:51 PM

**To:** Cleveland, Wilfred <[Wilfrid.Cleveland@ho-chunk.com](mailto:Wilfrid.Cleveland@ho-chunk.com)>; Taylor, Lewis <[lewis@stcroixtribalcenter.com](mailto:lewis@stcroixtribalcenter.com)>; [louis.taylor@lco-nsn.gov](mailto:louis.taylor@lco-nsn.gov); [rick.peterson@redcliff-nsn.gov](mailto:rick.peterson@redcliff-nsn.gov); [mikew@badriver-nsn.gov](mailto:mikew@badriver-nsn.gov); [jwildcatsr@ldftribe.com](mailto:jwildcatsr@ldftribe.com); [ned.danielsjr@fcpotawatomi-nsn.gov](mailto:ned.danielsjr@fcpotawatomi-nsn.gov); McGeshick, Chris <[chris.mcGeshick@scc-nsn.gov](mailto:chris.mcGeshick@scc-nsn.gov)>; [dcox@mitw.org](mailto:dcox@mitw.org); 'shannon.holsey@mohican-nsn.gov' <[shannon.holsey@mohican-nsn.gov](mailto:shannon.holsey@mohican-nsn.gov)>; [rhil7@oneidanation.org](mailto:rhil7@oneidanation.org)  
**Cc:** Sarah M. Lemieux <[Sarah.Lemieux@ho-chunk.com](mailto:Sarah.Lemieux@ho-chunk.com)>; 'collin.price@ho-chunk.com' <[collin.price@ho-chunk.com](mailto:collin.price@ho-chunk.com)>; Taylor, Lewis <[michaeld@stcroixtribalcenter.com](mailto:michaeld@stcroixtribalcenter.com)>; Miller, Terri <[Terri.Miller@lco-nsn.gov](mailto:Terri.Miller@lco-nsn.gov)>; [nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov) ([nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)) <[nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)>; Gordon, Jean <[jean.gordon@redcliff-nsn.gov](mailto:jean.gordon@redcliff-nsn.gov)>; [brtsecretary@badriver-nsn.gov](mailto:brtsecretary@badriver-nsn.gov); Brooks Jerome <[blabarge@ldftribe.com](mailto:blabarge@ldftribe.com)>; George Ermert ([george@martinschreiber.com](mailto:george@martinschreiber.com)) <[george@martinschreiber.com](mailto:george@martinschreiber.com)>; Frank, Harold <[ken@martinschreiber.com](mailto:ken@martinschreiber.com)>; Vickie Ackley ([vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)) <[vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)>; 'mcook@mitw.org' <[mcook@mitw.org](mailto:mcook@mitw.org)>; Jerilyn Johnson ([jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)) <[jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)>; Aguirre, Tana <[TAGUIRRE@oneidanation.org](mailto:TAGUIRRE@oneidanation.org)>; Safford, T <[tsafford@glitc.org](mailto:tsafford@glitc.org)>; Cristina Danforth <[CDanforth@Glitc.org](mailto:CDanforth@Glitc.org)>; Hizmi, Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>; Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>

**Subject:** OCI Tribal Consultation April 6

Hello Tribal Leaders –

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Section 1332 of the Affordable Care Act (ACA) permits states to seek a waiver to pursue innovative strategies to ensure residents have access to affordable health insurance options in the individual market. OCI, pursuant to 2017 Wisconsin Act 138, has developed a draft waiver application allowing Wisconsin to leverage federal funding for the operation of a state based reinsurance plan.

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<https://oci.wi.gov/Pages/Consumers/Health.aspx#1332>.

Please let me know if you have any questions or comments. Also, please RSVP to me your intention to attend.

Thank you.

Dawn



**Dawn Vick** | Administrator  
Department of Administration  
Division of Intergovernmental Relations  
[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)  
Direct: (608) 266-7043 | Fax: (608) 267-6917



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## Vick, Dawn - DOA

---

**From:** Vick, Dawn - DOA  
**Sent:** Tuesday, April 03, 2018 3:45 PM  
**To:** Cleveland, Wilfred; Taylor, Lewis; louis.taylor@lco-nsn.gov; rick.peterson@redcliff-nsn.gov; mikew@badriver-nsn.gov; jwildcatsr@ldftribe.com; ned.danielsjr@fcpotawatomi-nsn.gov; McGeshick, Chris; dcox@mitw.org; 'shannon.holsey@mohican-nsn.gov'; rhill7@oneidanation.org  
**Cc:** Sarah M. Lemieux; 'collin.price@ho-chunk.com'; Taylor, Lewis; Miller, Terri; nathan.gordon@redcliff-nsn.gov (nathan.gordon@redcliff-nsn.gov); Gordon, Jean; brtsecretary@badriver-nsn.gov; Brooks Jerome; George Ermert (george@martinschreiber.com); Frank, Harold; Vickie Ackley (vickie.ackley@scc-nsn.gov); 'mcook@mitw.org'; Jerilyn Johnson (jerilyn.johnson@mohican-nsn.gov); Aguirre, Tana; Safford, T; Cristina Danforth; Hizmi, Elizabeth - OCI; 'tom.springer@huschblackwell.com'; 'Forbes@wis-gps.com'; Joe Strohl (jstrohl66@gmail.com); Vick, Dawn - DOA  
**Subject:** RE: OCI Tribal Consultation April 6  
**Attachments:** OCI Tribal Consultation - April 6.pdf

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**Cc:** Sarah M. Lemieux <[Sarah.Lemieux@ho-chunk.com](mailto:Sarah.Lemieux@ho-chunk.com)>; 'collin.price@ho-chunk.com' <[collin.price@ho-chunk.com](mailto:collin.price@ho-chunk.com)>; Taylor, Lewis <[michaeld@stcroixtribalcenter.com](mailto:michaeld@stcroixtribalcenter.com)>; Miller, Terri <[Terri.Miller@lco-nsn.gov](mailto:Terri.Miller@lco-nsn.gov)>; [nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov) ([nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)) <[nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)>; Gordon, Jean <[jean.gordon@redcliff-nsn.gov](mailto:jean.gordon@redcliff-nsn.gov)>; [brtsecretary@badriver-nsn.gov](mailto:brtsecretary@badriver-nsn.gov); Brooks Jerome <[blabarge@ldftribe.com](mailto:blabarge@ldftribe.com)>; George Ermert ([george@martinschreiber.com](mailto:george@martinschreiber.com)) <[george@martinschreiber.com](mailto:george@martinschreiber.com)>; Frank, Harold <[ken@martinschreiber.com](mailto:ken@martinschreiber.com)>; Vickie Ackley ([vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)) <[vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)>; 'mcook@mitw.org' <[mcook@mitw.org](mailto:mcook@mitw.org)>; Jerilyn Johnson ([jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)) <[jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)>; Aguirre, Tana <[TAGUIRRE@oneidanation.org](mailto:TAGUIRRE@oneidanation.org)>; Safford, T <[tsafford@glitc.org](mailto:tsafford@glitc.org)>; Cristina Danforth <[CDanforth@Glitc.org](mailto:CDanforth@Glitc.org)>; Hizmi, Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>; Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>

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Thank you.

Dawn



**Dawn Vick** | Administrator  
Department of Administration  
Division of Intergovernmental Relations  
[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)  
Direct: (608) 266-7043 | Fax: (608) 267-6917





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## Vick, Dawn - DOA

---

**From:** Tana D. Aguirre <taguirre@oneidanation.org>  
**Sent:** Tuesday, April 03, 2018 4:04 PM  
**To:** Vick, Dawn - DOA  
**Subject:** Re: OCI Tribal Consultation April 6

Dave Larsen and I will be attending

Sent from my iPhone

On Apr 3, 2018, at 3:46 PM, Vick, Dawn - DOA <dawn.vick@wisconsin.gov> wrote:

**REMINDER – THIS IS HAPPENING FRIDAY! Please RSVP to me.**

Thank you.

Dawn

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Direct: (608) 266-7043 | Fax: (608) 267-6917

<image001.png>

<image002.gif>

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**From:** Vick, Dawn - DOA  
**Sent:** Wednesday, March 21, 2018 4:51 PM  
**To:** Cleveland, Wilfred <[Wilfrid.Cleveland@ho-chunk.com](mailto:Wilfrid.Cleveland@ho-chunk.com)>; Taylor, Lewis <[lewist@stcroixtribalcenter.com](mailto:lewist@stcroixtribalcenter.com)>; [louis.taylor@lco-nsn.gov](mailto:louis.taylor@lco-nsn.gov); [rick.peterson@redcliff-nsn.gov](mailto:rick.peterson@redcliff-nsn.gov); [mikew@badriver-nsn.gov](mailto:mikew@badriver-nsn.gov); [jwildcatsr@ldftribe.com](mailto:jwildcatsr@ldftribe.com); [ned.danielsjr@fcpotawatomi-nsn.gov](mailto:ned.danielsjr@fcpotawatomi-nsn.gov); McGeshick, Chris <[chris.mcGeshick@scc-nsn.gov](mailto:chris.mcGeshick@scc-nsn.gov)>; [dcox@mitw.org](mailto:dcox@mitw.org); 'shannon.holsey@mohican-nsn.gov' <[shannon.holsey@mohican-nsn.gov](mailto:shannon.holsey@mohican-nsn.gov)>; [rhill7@oneidanation.org](mailto:rhill7@oneidanation.org)  
**Cc:** Sarah M. Lemieux <[Sarah.Lemieux@ho-chunk.com](mailto:Sarah.Lemieux@ho-chunk.com)>; 'collin.price@ho-chunk.com' <[collin.price@ho-chunk.com](mailto:collin.price@ho-chunk.com)>; Taylor, Lewis <[michaeld@stcroixtribalcenter.com](mailto:michaeld@stcroixtribalcenter.com)>; Miller, Terri <[Terri.Miller@lco-nsn.gov](mailto:Terri.Miller@lco-nsn.gov)>; [nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov) ([nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)) <[nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)>; Gordon, Jean <[jean.gordon@redcliff-nsn.gov](mailto:jean.gordon@redcliff-nsn.gov)>; [brtsecretary@badriver-nsn.gov](mailto:brtsecretary@badriver-nsn.gov); Brooks Jerome <[blabarge@ldftribe.com](mailto:blabarge@ldftribe.com)>; George Ermert ([george@martinschreiber.com](mailto:george@martinschreiber.com)) <[george@martinschreiber.com](mailto:george@martinschreiber.com)>; Frank, Harold <[ken@martinschreiber.com](mailto:ken@martinschreiber.com)>; Vickie Ackley ([vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)) <[vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)>; 'mcook@mitw.org' <[mcook@mitw.org](mailto:mcook@mitw.org)>; Jerilyn Johnson ([jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)) <[jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)>; Aguirre, Tana <[TAGUIRRE@oneidanation.org](mailto:TAGUIRRE@oneidanation.org)>; Safford, T <[tsafford@glitc.org](mailto:tsafford@glitc.org)>; Cristina Danforth <[CDanforth@Glitc.org](mailto:CDanforth@Glitc.org)>; Hizmi, Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>; Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>  
**Subject:** OCI Tribal Consultation April 6

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<image001.png>

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Direct: (608) 266-7043 | Fax: (608) 267-6917  
<image002.gif>

<OCI Tribal Consultation - April 6.pdf>

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## Vick, Dawn - DOA

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**From:** Melissa K. Cook <mcook@mitw.org>  
**Sent:** Tuesday, April 03, 2018 4:15 PM  
**To:** Vick, Dawn - DOA  
**Subject:** Re: OCI Tribal Consultation April 6  
**Attachments:** image001.png; image002.gif

Jonathan Wilber will be. Chairman is double booked on that same day

Sent from my iPhone

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<image001.png><https://doa.wi.gov/>

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dawn.vick@wisconsin.gov<mailto:dawn.vick@wisconsin.gov>  
Direct: (608) 266-7043 | Fax: (608) 267-6917 <image002.gif><https://secure-web.cisco.com/1DzYEyVTPYfoB\_cOOEhga2ryW5ANmhhFUVm3Texp5IP2qApEcXBr0BBFik8uB3kg59g3X8b0CX8co0GnkYO Wjq7W8BkO0s1-F\_yAbBHvaN1LlpaSwiGZMLN2-74312vPOzo2takVs2LYab4ZOAZ83Vpn9WSHEFKmC\_O8IH1scH4IRhn0f\_LsaIX0ehXfZpA0gPMGePz3Kv7EGv2i7Q7lyQRj6gj2vlsRLMTACDSX4QN6GnQNgppAUldO3OaFq34MSRu7k\_8oWxRz9tudxebiKg/https%3A%2F%2Ftwitter.com%2Fwisconsin.doa>

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To: Cleveland, Wilfred <Wilfrid.Cleveland@ho-chunk.com<mailto:Wilfrid.Cleveland@ho-chunk.com>>; Taylor, Lewis <lewist@stcroixtribalcenter.com<mailto:lewist@stcroixtribalcenter.com>>; louis.taylor@lco-nsn.gov<mailto:louis.taylor@lco-nsn.gov>; rick.peterson@redcliff-nsn.gov<mailto:rick.peterson@redcliff-nsn.gov>; mikew@badriver-nsn.gov<mailto:mikew@badriver-nsn.gov>; jwildcatsr@ldftribe.com<mailto:jwildcatsr@ldftribe.com>; ned.danielsjr@fcpotawatomi-nsn.gov<mailto:ned.danielsjr@fcpotawatomi-nsn.gov>; McGeshick, Chris <chris.mcGeshick@scc-nsn.gov<mailto:chris.mcGeshick@scc-nsn.gov>>; dcox@mitw.org<mailto:dcox@mitw.org>; 'shannon.holsey@mohican-nsn.gov<mailto:shannon.holsey@mohican-nsn.gov>' <shannon.holsey@mohican-nsn.gov<mailto:shannon.holsey@mohican-nsn.gov>>; rhill7@oneidanation.org<mailto:rhill7@oneidanation.org>  
Cc: Sarah M. Lemieux <Sarah.Lemieux@ho-chunk.com<mailto:Sarah.Lemieux@ho-chunk.com>>; 'collin.price@ho-chunk.com<mailto:collin.price@ho-chunk.com>' <collin.price@ho-chunk.com<mailto:collin.price@ho-chunk.com>>; Taylor, Lewis <michaeld@stcroixtribalcenter.com<mailto:michaeld@stcroixtribalcenter.com>>; Miller, Terri <Terri.Miller@lco-nsn.gov<mailto:Terri.Miller@lco-nsn.gov>>; nathan.gordon@redcliff-nsn.gov<mailto:nathan.gordon@redcliff-nsn.gov> (nathan.gordon@redcliff-nsn.gov<mailto:nathan.gordon@redcliff-nsn.gov>) <nathan.gordon@redcliff-nsn.gov<mailto:nathan.gordon@redcliff-nsn.gov>>; Gordon, Jean <jean.gordon@redcliff-nsn.gov<mailto:jean.gordon@redcliff-nsn.gov>>; brtsecretary@badriver-nsn.gov<mailto:brtsecretary@badriver-nsn.gov>; Brooks Jerome <blabarge@ldftribe.com<mailto:blabarge@ldftribe.com>>; George Ermert (george@martinschreiber.com<mailto:george@martinschreiber.com>) <george@martinschreiber.com<mailto:george@martinschreiber.com>>; Frank, Harold <ken@martinschreiber.com<mailto:ken@martinschreiber.com>>; Vickie Ackley (vickie.ackley@scc-nsn.gov<mailto:vickie.ackley@scc-nsn.gov>) <vickie.ackley@scc-nsn.gov<mailto:vickie.ackley@scc-nsn.gov>>; 'mcook@mitw.org<mailto:mcook@mitw.org>' <mcook@mitw.org<mailto:mcook@mitw.org>>; Jerilyn Johnson (jerilyn.johnson@mohican-nsn.gov<mailto:jerilyn.johnson@mohican-nsn.gov>) <jerilyn.johnson@mohican-nsn.gov<mailto:jerilyn.johnson@mohican-nsn.gov>>; Aguirre, Tana <TAGUIRRE@oneidanation.org<mailto:TAGUIRRE@oneidanation.org>>; Safford, T <tsafford@glitc.org<mailto:tsafford@glitc.org>>; Cristina Danforth <CDanforth@Glitc.org<mailto:CDanforth@Glitc.org>>; Hizmi, Elizabeth - OCI <Elizabeth.Hizmi@wisconsin.gov<mailto:Elizabeth.Hizmi@wisconsin.gov>>; Vick, Dawn - DOA <dawn.vick@wisconsin.gov<mailto:dawn.vick@wisconsin.gov>>  
Subject: OCI Tribal Consultation April 6

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Please let me know if you have any questions or comments. Also, please RSVP to me your intention to attend.

Thank you.

Dawn

<image001.png><<https://doa.wi.gov/>>

Dawn Vick | Administrator  
Department of Administration  
Division of Intergovernmental Relations  
dawn.vick@wisconsin.gov<mailto:dawn.vick@wisconsin.gov>  
Direct: (608) 266-7043 | Fax: (608) 267-6917 <image002.gif><[https://secure-web.cisco.com/1DzYEyvTPYfoB\\_cOOEhga2ryW5ANmhhFUVm3Texp5IP2qApEcXBr0BBFik8uB3kg59g3X8b0CX8co0GnkY0Wjjiq7W8Bk00s1-F\\_yAbBHvaN1LlpaSwiGZMLN2-74312vPOzo2takVs2LYab4ZOAZ83Vpn9WSHEFKmC\\_O8IH1scH4IRhnOf\\_LsaiX0ehXfZpA0gPMGePz3Kv7EGv2i7Q7lyQRj6gj2vlsRLMTACDSX4QN6GnQNgppAUldO3OaFq34MSRu7k\\_8oWxRz9tudxebiKg/https%3A%2F%2Ftwitter.com%2Fwisconsin doa](https://secure-web.cisco.com/1DzYEyvTPYfoB_cOOEhga2ryW5ANmhhFUVm3Texp5IP2qApEcXBr0BBFik8uB3kg59g3X8b0CX8co0GnkY0Wjjiq7W8Bk00s1-F_yAbBHvaN1LlpaSwiGZMLN2-74312vPOzo2takVs2LYab4ZOAZ83Vpn9WSHEFKmC_O8IH1scH4IRhnOf_LsaiX0ehXfZpA0gPMGePz3Kv7EGv2i7Q7lyQRj6gj2vlsRLMTACDSX4QN6GnQNgppAUldO3OaFq34MSRu7k_8oWxRz9tudxebiKg/https%3A%2F%2Ftwitter.com%2Fwisconsin doa)>

<OCI Tribal Consultation - April 6.pdf>

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## Vick, Dawn - DOA

---

**From:** Shannon Holsey <Shannon.Holsey@mohican-nsn.gov>  
**Sent:** Tuesday, April 03, 2018 6:18 PM  
**To:** Vick, Dawn - DOA  
**Subject:** Re: OCI Tribal Consultation April 6

Hi Dawn

I plan on being in attendance.

Most respectfully  
Shannon

Sent from my iPhone

On Apr 3, 2018, at 3:45 PM, Vick, Dawn - DOA <dawn.vick@wisconsin.gov> wrote:

**REMINDER – THIS IS HAPPENING FRIDAY! Please RSVP to me.**

**Thank you.**

**Dawn**

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Thank you.

Dawn

 **Dawn Vick** | Administrator  
Department of Administration  
Division of Intergovernmental Relations  
[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)  
Direct: (608) 266-7043 | Fax: (608) 267-6917  


**From:** Vick, Dawn - DOA

**Sent:** Wednesday, March 21, 2018 4:51 PM

**To:** Cleveland, Wilfred <[Wilfrid.Cleveland@ho-chunk.com](mailto:Wilfrid.Cleveland@ho-chunk.com)>; Taylor, Lewis <[lewist@stcroixtribalcenter.com](mailto:lewist@stcroixtribalcenter.com)>; [louis.taylor@lco-nsn.gov](mailto:louis.taylor@lco-nsn.gov); [rick.peterson@redcliff-nsn.gov](mailto:rick.peterson@redcliff-nsn.gov); [mikew@badriver-nsn.gov](mailto:mikew@badriver-nsn.gov); [jwildcatsr@ldftribe.com](mailto:jwildcatsr@ldftribe.com); [ned.danielsjr@fcpotawatomi-nsn.gov](mailto:ned.danielsjr@fcpotawatomi-nsn.gov); McGeshick, Chris <[chris.mcGeshick@scc-nsn.gov](mailto:chris.mcGeshick@scc-nsn.gov)>; [dcox@mitw.org](mailto:dcox@mitw.org); 'shannon.holsey@mohican-nsn.gov' <[shannon.holsey@mohican-nsn.gov](mailto:shannon.holsey@mohican-nsn.gov)>; [rhill7@oneidanation.org](mailto:rhill7@oneidanation.org)

**Cc:** Sarah M. Lemieux <[Sarah.Lemieux@ho-chunk.com](mailto:Sarah.Lemieux@ho-chunk.com)>; 'collin.price@ho-chunk.com' <[collin.price@ho-chunk.com](mailto:collin.price@ho-chunk.com)>; Taylor, Lewis <[michaeld@stcroixtribalcenter.com](mailto:michaeld@stcroixtribalcenter.com)>; Miller, Terri <[Terri.Miller@lco-nsn.gov](mailto:Terri.Miller@lco-nsn.gov)>; [nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov) ([nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)) <[nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)>; Gordon, Jean <[jean.gordon@redcliff-nsn.gov](mailto:jean.gordon@redcliff-nsn.gov)>; [brtsecretary@badriver-nsn.gov](mailto:brtsecretary@badriver-nsn.gov); Brooks Jerome <[blabarge@ldftribe.com](mailto:blabarge@ldftribe.com)>; George Ermert ([george@martinschreiber.com](mailto:george@martinschreiber.com)) <[george@martinschreiber.com](mailto:george@martinschreiber.com)>; Frank, Harold <[ken@martinschreiber.com](mailto:ken@martinschreiber.com)>; Vickie Ackley ([vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)) <[vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)>; 'mcook@mitw.org' <[mcook@mitw.org](mailto:mcook@mitw.org)>; Jerilyn Johnson ([jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)) <[jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)>; Aguirre, Tana <[TAGUIRRE@oneidanation.org](mailto:TAGUIRRE@oneidanation.org)>; Safford, T <[tsafford@glitc.org](mailto:tsafford@glitc.org)>; Cristina Danforth <[CDanforth@Glitc.org](mailto:CDanforth@Glitc.org)>; Hizmi, Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>; Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>

**Subject:** OCI Tribal Consultation April 6

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Please let me know if you have any questions or comments. Also, please RSVP to me your intention to attend.

Thank you.

Dawn

 **Dawn Vick** | Administrator  
Department of Administration  
Division of Intergovernmental Relations  
[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)  
Direct: (608) 266-7043 | Fax: (608) 267-6917  


<OCI Tribal Consultation - April 6.pdf>



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**Vick, Dawn - DOA**

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**From:** Melissa K. Cook <mcook@mitw.org>  
**Sent:** Wednesday, April 04, 2018 7:59 AM  
**To:** Vick, Dawn - DOA  
**Cc:** Douglas G. Cox; Jonathan Wilber; jstrohl66; John Wilhelmi  
**Subject:** RE: OCI Tribal Consultation April 6

Dear Dawn,

Chairman Douglas Cox, Jonathan Wilber, Tribal Administrator, and myself, Melissa Cook, Intergovernmental Affairs Manager will be attending on April 6.

Thank you

---

**From:** Vick, Dawn - DOA [mailto:dawn.vick@wisconsin.gov]  
**Sent:** Tuesday, April 3, 2018 3:45 PM  
**To:** Cleveland, Wilfred <Wilfrid.Cleveland@ho-chunk.com>; Taylor, Lewis <lewist@stcroixtribalcenter.com>; louis.taylor@lco-nsn.gov; rick.peterson@redcliff-nsn.gov; mikew@badriver-nsn.gov; jwildcatsr@ldftribe.com; ned.danielsjr@fcpotawatomi-nsn.gov; McGeshick, Chris <chris.mcGeshick@scc-nsn.gov>; Douglas G. Cox <dcox@mitw.org>; 'shannon.holsey@mohican-nsn.gov' <shannon.holsey@mohican-nsn.gov>; rhill7@oneidanation.org  
**Cc:** Sarah M. Lemieux <Sarah.Lemieux@ho-chunk.com>; 'collin.price@ho-chunk.com' <collin.price@ho-chunk.com>; Taylor, Lewis <michaeld@stcroixtribalcenter.com>; Miller, Terri <Terri.Miller@lco-nsn.gov>; nathan.gordon@redcliff-nsn.gov (nathan.gordon@redcliff-nsn.gov) <nathan.gordon@redcliff-nsn.gov>; Gordon, Jean <jean.gordon@redcliff-nsn.gov>; brtsecretary@badriver-nsn.gov; Brooks Jerome <blabarge@ldftribe.com>; George Ermert (george@martinschreiber.com) <george@martinschreiber.com>; Frank, Harold <ken@martinschreiber.com>; Vickie Ackley (vickie.ackley@scc-nsn.gov) <vickie.ackley@scc-nsn.gov>; Melissa K. Cook <mcook@mitw.org>; Jerilyn Johnson (jerilyn.johnson@mohican-nsn.gov) <jerilyn.johnson@mohican-nsn.gov>; Aguirre, Tana <TAGUIRRE@oneidanation.org>; Safford, T <tsafford@glitc.org>; Cristina Danforth <CDanforth@Glitc.org>; Hizmi, Elizabeth - OCI <Elizabeth.Hizmi@wisconsin.gov>; 'tom.springer@huschblackwell.com' <tom.springer@huschblackwell.com>; 'Forbes@wis-gps.com' <Forbes@wis-gps.com>; Joe Strohl (jstrohl66@gmail.com) <jstrohl66@gmail.com>; Vick, Dawn - DOA <dawn.vick@wisconsin.gov>  
**Subject:** RE: OCI Tribal Consultation April 6

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'shannon.holsey@mohican-nsn.gov' <[shannon.holsey@mohican-nsn.gov](mailto:shannon.holsey@mohican-nsn.gov)>; [rhil7@oneidanation.org](mailto:rhil7@oneidanation.org)

**Cc:** Sarah M. Lemieux <[Sarah.Lemieux@ho-chunk.com](mailto:Sarah.Lemieux@ho-chunk.com)>; 'collin.price@ho-chunk.com' <[collin.price@ho-chunk.com](mailto:collin.price@ho-chunk.com)>;

Taylor, Lewis <[michaeld@stcroixtribalcenter.com](mailto:michaeld@stcroixtribalcenter.com)>; Miller, Terri <[Terri.Miller@lco-nsn.gov](mailto:Terri.Miller@lco-nsn.gov)>; [nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov) ([nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)) <[nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)>; Gordon, Jean <[jean.gordon@redcliff-nsn.gov](mailto:jean.gordon@redcliff-nsn.gov)>;

[brtsecretary@badriver-nsn.gov](mailto:brtsecretary@badriver-nsn.gov); Brooks Jerome <[blabarge@ldftribe.com](mailto:blabarge@ldftribe.com)>; George Ermert

([george@martinschreiber.com](mailto:george@martinschreiber.com)) <[george@martinschreiber.com](mailto:george@martinschreiber.com)>; Frank, Harold <[ken@martinschreiber.com](mailto:ken@martinschreiber.com)>; Vickie

Ackley ([vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)) <[vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)>; 'mcook@mitw.org' <[mcook@mitw.org](mailto:mcook@mitw.org)>; Jerilyn

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<[TAGUIRRE@oneidanation.org](mailto:TAGUIRRE@oneidanation.org)>; Safford, T <[tsafford@glitc.org](mailto:tsafford@glitc.org)>; Cristina Danforth <[CDanforth@Glitc.org](mailto:CDanforth@Glitc.org)>; Hizmi,

Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>; Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>

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[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)  
Direct: (608) 266-7043 | Fax: (608) 267-6917



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## Vick, Dawn - DOA

---

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**Sent:** Wednesday, April 04, 2018 9:39 AM  
**To:** Vick, Dawn - DOA  
**Subject:** Re: OCI Tribal Consultation April 6

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Miigz,  
Chris

Sent from my iPhone

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Thank you.



Dawn

 **Dawn Vick** | Administrator  
Department of Administration  
Division of Intergovernmental Relations  
[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)  
Direct: (608) 266-7043 | Fax: (608) 267-6917  


**From:** Vick, Dawn - DOA  
**Sent:** Wednesday, March 21, 2018 4:51 PM  
**To:** Cleveland, Wilfred <[Wilfrid.Cleveland@ho-chunk.com](mailto:Wilfrid.Cleveland@ho-chunk.com)>; Taylor, Lewis <[lewist@stcroixtribalcenter.com](mailto:lewist@stcroixtribalcenter.com)>; [louis.taylor@lco-nsn.gov](mailto:louis.taylor@lco-nsn.gov); [rick.peterson@redcliff-nsn.gov](mailto:rick.peterson@redcliff-nsn.gov); [mikew@badriver-nsn.gov](mailto:mikew@badriver-nsn.gov); [jwildcatsr@ldftribe.com](mailto:jwildcatsr@ldftribe.com); [ned.danielsjr@fcpotawatomi-nsn.gov](mailto:ned.danielsjr@fcpotawatomi-nsn.gov); McGeshick, Chris <[chris.mcGeshick@scc-nsn.gov](mailto:chris.mcGeshick@scc-nsn.gov)>; [dcox@mitw.org](mailto:dcox@mitw.org); 'shannon.holsey@mohican-nsn.gov' <[shannon.holsey@mohican-nsn.gov](mailto:shannon.holsey@mohican-nsn.gov)>; [rhill7@oneidanation.org](mailto:rhill7@oneidanation.org)  
**Cc:** Sarah M. Lemieux <[Sarah.Lemieux@ho-chunk.com](mailto:Sarah.Lemieux@ho-chunk.com)>; 'collin.price@ho-chunk.com' <[collin.price@ho-chunk.com](mailto:collin.price@ho-chunk.com)>; Taylor, Lewis <[michaeld@stcroixtribalcenter.com](mailto:michaeld@stcroixtribalcenter.com)>; Miller, Terri <[Terri.Miller@lco-nsn.gov](mailto:Terri.Miller@lco-nsn.gov)>; [nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov) ([nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)) <[nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)>; Gordon, Jean <[jean.gordon@redcliff-nsn.gov](mailto:jean.gordon@redcliff-nsn.gov)>; [brtsecretary@badriver-nsn.gov](mailto:brtsecretary@badriver-nsn.gov); Brooks Jerome <[blabarge@ldftribe.com](mailto:blabarge@ldftribe.com)>; George Ermert ([george@martinschreiber.com](mailto:george@martinschreiber.com)) <[george@martinschreiber.com](mailto:george@martinschreiber.com)>; Frank, Harold <[ken@martinschreiber.com](mailto:ken@martinschreiber.com)>; Vickie Ackley ([vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)) <[vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)>; 'mcook@mitw.org' <[mcook@mitw.org](mailto:mcook@mitw.org)>; Jerilyn Johnson ([jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)) <[jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)>; Aguirre, Tana <[TAGUIRRE@oneidanation.org](mailto:TAGUIRRE@oneidanation.org)>; Safford, T <[tsafford@glitc.org](mailto:tsafford@glitc.org)>; Cristina Danforth <[CDanforth@Glitc.org](mailto:CDanforth@Glitc.org)>; Hizmi, Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>; Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>  
**Subject:** OCI Tribal Consultation April 6

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<image001.png>

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Direct: (608) 266-7043 | Fax: (608) 267-6917  
<image002.gif>

<OCI Tribal Consultation - April 6.pdf>

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**Vick, Dawn - DOA**

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**From:** jstrohl66 <jstrohl66@gmail.com>  
**Sent:** Wednesday, April 04, 2018 8:21 PM  
**To:** Vick, Dawn - DOA  
**Cc:** Melissa K. Cook  
**Subject:** Re: OCI Tribal Consultation April 6

Dawn,

I will be attending as well.

Joe

Joseph A. Strohl  
Government Relations  
321 E. Main Street, Suite 200  
Madison, WI 53703  
Office: 608-251-0900  
Cell: 414-429-2589  
[jstrohl66@gmail.com](mailto:jstrohl66@gmail.com)

On Tue, Apr 3, 2018 at 3:44 PM, Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)> wrote:

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**Sent:** Wednesday, March 21, 2018 4:51 PM

**To:** Cleveland, Wilfred <[Wilfrid.Cleveland@ho-chunk.com](mailto:Wilfrid.Cleveland@ho-chunk.com)>; Taylor, Lewis <[lewist@stcroixtribalcenter.com](mailto:lewist@stcroixtribalcenter.com)>; [louis.taylor@lco-nsn.gov](mailto:louis.taylor@lco-nsn.gov); [rick.peterson@redcliff-nsn.gov](mailto:rick.peterson@redcliff-nsn.gov); [mikew@badriver-nsn.gov](mailto:mikew@badriver-nsn.gov); [jwildcatsr@ldftribe.com](mailto:jwildcatsr@ldftribe.com); [ned.danielsjr@fcpotawatomi-nsn.gov](mailto:ned.danielsjr@fcpotawatomi-nsn.gov); McGeshick, Chris <[chris.mcGeshick@scc-nsn.gov](mailto:chris.mcGeshick@scc-nsn.gov)>; [dcox@mitw.org](mailto:dcox@mitw.org); 'shannon.holsey@mohican-nsn.gov' <[shannon.holsey@mohican-nsn.gov](mailto:shannon.holsey@mohican-nsn.gov)>; [rhil7@oneidation.org](mailto:rhil7@oneidation.org)

**Cc:** Sarah M. Lemieux <[Sarah.Lemieux@ho-chunk.com](mailto:Sarah.Lemieux@ho-chunk.com)>; 'collin.price@ho-chunk.com' <[collin.price@ho-chunk.com](mailto:collin.price@ho-chunk.com)>; Taylor, Lewis <[michaeld@stcroixtribalcenter.com](mailto:michaeld@stcroixtribalcenter.com)>; Miller, Terri <[Terri.Miller@lco-nsn.gov](mailto:Terri.Miller@lco-nsn.gov)>; [nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov) ([nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)) <[nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)>; Gordon, Jean <[jean.gordon@redcliff-nsn.gov](mailto:jean.gordon@redcliff-nsn.gov)>; [brtsecretary@badriver-nsn.gov](mailto:brtsecretary@badriver-nsn.gov); Brooks Jerome <[blabarge@ldftribe.com](mailto:blabarge@ldftribe.com)>; George Ermert ([george@martinschreiber.com](mailto:george@martinschreiber.com)) <[george@martinschreiber.com](mailto:george@martinschreiber.com)>; Frank, Harold <[ken@martinschreiber.com](mailto:ken@martinschreiber.com)>; Vickie Ackley ([vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)) <[vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)>; 'mcook@mitw.org' <[mcook@mitw.org](mailto:mcook@mitw.org)>; Jerilyn Johnson ([jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)) <[jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)>; Aguirre, Tana <[TAGUIRRE@oneidation.org](mailto:TAGUIRRE@oneidation.org)>; Safford, T <[tsafford@glitc.org](mailto:tsafford@glitc.org)>; Cristina Danforth <[CDanforth@Glitc.org](mailto:CDanforth@Glitc.org)>; Hizmi, Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>; Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>

**Subject:** OCI Tribal Consultation April 6

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[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)

Direct: (608) 266-7043 | Fax: (608) 267-6917



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## Vick, Dawn - DOA

---

**From:** Tana D. Aguirre <taguirre@oneidanation.org>  
**Sent:** Thursday, April 05, 2018 10:46 AM  
**To:** Vick, Dawn - DOA  
**Subject:** RE: OCI Tribal Consultation April 6

Council Members Jennifer Webster and Daniel Guzman will be in attendance.

Tana Aguirre  
Intergovernmental Affairs and Communications



A good mind. A good heart. A strong fire.

Office 920.869.4239  
Cell 920.819.0692  
Fax 920.869.4040

PO Box 365  
Oneida WI 54155  
Oneida-nsn.gov

---

**From:** Vick, Dawn - DOA [mailto:dawn.vick@wisconsin.gov]  
**Sent:** Tuesday, April 03, 2018 3:45 PM  
**To:** Cleveland, Wilfred; Taylor, Lewis; louis.taylor@lco-nsn.gov; rick.peterson@redcliff-nsn.gov; mikew@badriver-nsn.gov; jwildcats@ldftribe.com; ned.danielsjr@fcpotawatomi-nsn.gov; McGeshick, Chris; dcox@mitw.org; 'shannon.holsey@mohican-nsn.gov'; Tehassi Tasi Hill  
**Cc:** Sarah M. Lemieux; 'collin.price@ho-chunk.com'; Taylor, Lewis; Miller, Terri; nathan.gordon@redcliff-nsn.gov (nathan.gordon@redcliff-nsn.gov); Gordon, Jean; brtsecretary@badriver-nsn.gov; Brooks Jerome; George Ermert (george@martinschreiber.com); Frank, Harold; Vickie Ackley (vickie.ackley@scc-nsn.gov); 'mcook@mitw.org'; Jerilyn Johnson (jerilyn.johnson@mohican-nsn.gov); Tana D. Aguirre; Safford, T; Cristina Danforth; Hizmi, Elizabeth - OCI; 'tom.springer@huschblackwell.com'; 'Forbes@wis-gps.com'; Joe Strohl (jstrohl66@gmail.com); Vick, Dawn - DOA  
**Subject:** RE: OCI Tribal Consultation April 6

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**Cc:** Sarah M. Lemieux <[Sarah.Lemieux@ho-chunk.com](mailto:Sarah.Lemieux@ho-chunk.com)>; 'collin.price@ho-chunk.com' <[collin.price@ho-chunk.com](mailto:collin.price@ho-chunk.com)>; Taylor, Lewis <[michaeld@stcroixtribalcenter.com](mailto:michaeld@stcroixtribalcenter.com)>; Miller, Terri <[Terri.Miller@lco-nsn.gov](mailto:Terri.Miller@lco-nsn.gov)>; [nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov) ([nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)) <[nathan.gordon@redcliff-nsn.gov](mailto:nathan.gordon@redcliff-nsn.gov)>; Gordon, Jean <[jean.gordon@redcliff-nsn.gov](mailto:jean.gordon@redcliff-nsn.gov)>; [brtsecretary@badriver-nsn.gov](mailto:brtsecretary@badriver-nsn.gov); Brooks Jerome <[blabarge@ldftribe.com](mailto:blabarge@ldftribe.com)>; George Ermert ([george@martinschreiber.com](mailto:george@martinschreiber.com)) <[george@martinschreiber.com](mailto:george@martinschreiber.com)>; Frank, Harold <[ken@martinschreiber.com](mailto:ken@martinschreiber.com)>; Vickie Ackley ([vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)) <[vickie.ackley@scc-nsn.gov](mailto:vickie.ackley@scc-nsn.gov)>; 'mcook@mitw.org' <[mcook@mitw.org](mailto:mcook@mitw.org)>; Jerilyn Johnson ([jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)) <[jerilyn.johnson@mohican-nsn.gov](mailto:jerilyn.johnson@mohican-nsn.gov)>; Aguirre, Tana <[TAGUIRRE@oneidanation.org](mailto:TAGUIRRE@oneidanation.org)>; Safford, T <[tsafford@glitc.org](mailto:tsafford@glitc.org)>; Cristina Danforth <[CDanforth@Glitc.org](mailto:CDanforth@Glitc.org)>; Hizmi, Elizabeth - OCI <[Elizabeth.Hizmi@wisconsin.gov](mailto:Elizabeth.Hizmi@wisconsin.gov)>; Vick, Dawn - DOA <[dawn.vick@wisconsin.gov](mailto:dawn.vick@wisconsin.gov)>  
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