



July 12, 2021

To: Dawn Graham, CMS Project Officer

From: Jennifer Stegall, WIHSP Administrator

Re: Responses to Questions on the Plan Year 2020 Draft Annual Report

The Centers for Medicare & Medicaid Services (CMS) and the federal Department of Treasury (DOT) submitted a request for additional information and follow up questions in response to the Wisconsin Healthcare Stability Plan (WIHSP) draft annual report for plan year (PY) 2020. Below is the information requested and OCI's responses.

CMS/DOT: Submit revised data that reflects enrollment as of December 31, 2020.

OCI Response: Individual market enrollment as of December 31, 2020, was 182,040 covered lives. The spreadsheet reflecting enrollment submitted with the draft annual report has been revised as part of the final annual report to include a line reflecting enrollment as of December 31, 2020.

CMS/DOT: We recommend that the state consider approaches on managing cost drivers and care utilization for the reinsurance program; e.g., CO, DE, MD have begun collecting data from issuers on reinsurance-eligible claims across conditions of interest (e.g., COVID-19), and on issuers' cost and care management protocol practices.

OCI Response: OCI will explore utilization management strategies for PY 2023, including talking with the other states mentioned to learn about their efforts.

CMS/DOT: Could you further summarize what this rule (proposed permanent) is and any changes the state is contemplating?

OCI Response: Statutory language enacting the Wisconsin Healthcare Stability Plan (WIHSP) allowed OCI to issue an emergency rule detailing operational functions of the program. For example, the emergency rule specifies eligible claim criteria, the data insurers must submit to the state, timelines for claim reporting, the process for claim reconciliation if an insurer were to be overpaid, auditing processes, etc. OCI drafted the emergency rule, held public hearings, made adjustments, and received the necessary legislative approval for the rule to take effect in 2019. OCI was given authority to keep the emergency rule in place until a permanent rule was adopted. The original emergency rule put into place in 2019 continues to be in force.

Since the emergency rule was drafted with public input and OCI was new to operationalizing WIHSP, it was determined that at least a year or more of operations under the emergency rule

would be acceptable to allow OCI to determine, through experience, whether any changes were needed before making the emergency rule a permanent rule.

In 2021, OCI slightly modified the emergency rule, held a public hearing where no further modifications were recommended, and submitted the draft revised rule (now the proposed permanent rule) to the Legislature for consideration. The proposed permanent rule largely reflects the emergency rule. A few modifications were made to allow OCI flexibility around insurer reporting dates and additional clarification was provided with respect reconciliation of WIHSP claims.

The proposed permanent rule has been referred to the Legislature for consideration. If there are no objections, it is anticipated the rule could be finalized in early November.

Below are links to the emergency rule and proposed permanent rule.

Emergency Rule: <https://oci.wi.gov/Documents/Regulation/1900em18.pdf>

Proposed Permanent: <https://oci.wi.gov/Documents/Regulation/1900lg21.pdf>

This explanation has not been added to the 2020 WIHSP final annual report as the final drafting and activity in moving the proposed permanent rule forward occurred in 2021.