

# Wisconsin Association of Health Plans

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

## Testimony Presented to the Office of the Commissioner of Insurance Wisconsin Healthcare Stability Plan Proposed 2021 Payment Parameters

April 27, 2020

Good morning. My name is Kelsey Avery and I am the Director of Public Policy and Communications at the Wisconsin Association of Health Plans. I appreciate the opportunity to share a few remarks today.

The Wisconsin Association of Health Plans is the voice of 12 Wisconsin community-based health plans that provide coverage to employers and individuals across the state. Association members comprise seven of the 12 health plans that provide individual market coverage through the federal Exchange in 2020. Many Association members have served customers through the Exchange since it first opened for business in 2014.

Wisconsin's community-based health plans appreciate Governor Evers' continued support for the Wisconsin Healthcare Stability Plan (WIHSP). This important program has provided much-needed premium relief for individual market consumers in each of its first two years of operation. The premium stabilization provided by WIHSP is even more critical as the health care system continues to respond to the COVID-19 pandemic and job losses will likely cause more people to rely on the individual market for coverage.

Wisconsin's community-based health plans appreciate efforts by the Office of the Commissioner of Insurance (OCI) to set 2021 WIHSP payment parameters that reduce the likelihood of the program exceeding its funding limit. Given the uncertain impact of COVID-19 on the individual market, it would be helpful for health plans to have a more detailed understanding of how OCI established the WIHSP payment parameters. **Specifically, health plans request that OCI share the aggregate data, considerations, and assumptions used to inform modeling of the proposed 2021 parameters. Similarly, health plans request that OCI share any actuarial modeling of the potential impact of COVID-19 on 2020 WIHSP-eligible claims.**

We are all navigating challenging, uncertain times. The exact impact COVID-19 will have on utilization, costs, and enrollment is not yet known, but several actuarial studies suggest the effect will be significant.<sup>1,2,3</sup> Wisconsin's community-based health plans welcome the opportunity to work with OCI and the Evers Administration to continue maximizing the premium impact of the Wisconsin Healthcare Stability Plan—whether by reinvesting unspent funding, allocating additional resources, or both.

Thank you again for the opportunity to speak today. I am happy to answer any questions.

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<sup>1</sup> Covered California: The Potential National Health Cost Impacts to Consumers, Employers and Insurers Due to the Coronavirus (COVID-19). Available at: <https://hbex.coveredca.com/data-research/library/COVID-19-NationalCost-Impacts03-21-20.pdf>.

<sup>2</sup> Health Management Associates: COVID-19 Impact on Medicaid, Marketplace, and the Uninsured, by State. Available at: <https://www.healthmanagement.com/wp-content/uploads/HMA-Estimates-of-COVID-Impact-on-Coverage-public-version-for-April-3-830-CT.pdf>.

<sup>3</sup> Wakely: COVID-19 Cost Scenario Modeling. Available at: <https://www.ahip.org/wp-content/uploads/AHIP-COVID-19-Modeling.pdf>.