Stabilizing the Individual Health Insurance Market: The State Perspective

Jessica Altman, Acting Pennsylvania Insurance Commissioner
Overview

- Stabilization Efforts for 2018
- Evaluating Proposals for Future Stabilization
- Pennsylvania’s Priorities for Stabilization
Stabilization Efforts for 2018

- Permitted insurers to file two rate filings for 2018 to account for:
  - Cost-Sharing Reduction (CSR) non-payment
  - Individual Mandate non-enforcement
- Mitigating consumer impact from CSR non-payment
- Open Enrollment outreach and education
Evaluating Proposals for Future Stabilization

• Criteria for evaluating stabilization proposals:
  – Time
  – Adequate, sustainable funding
  – Efficient implementation paths
  – Federal backstop for consistency

• Must consider tradeoffs:
  – Who you can cover
  – What you can cover
  – How much you can cover
Evaluating Proposals for Future Stabilization

- Congressional proposals:

<table>
<thead>
<tr>
<th><strong>Graham-Cassidy</strong></th>
<th><strong>Alexander-Murray</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Repeals individual and employer mandate</td>
<td>Appropriates CSR payments through 2019</td>
</tr>
<tr>
<td>Repeals individual market subsidies</td>
<td>Increases availability of Catastrophic plans</td>
</tr>
<tr>
<td>Ends Medicaid expansion funding; per-capita cap or block grant funding in future</td>
<td>Modifies 1332 waiver provisions</td>
</tr>
<tr>
<td>Allows states to alter pre-existing condition rules</td>
<td>Increases outreach and enrollment funding through 2019</td>
</tr>
<tr>
<td>Allows states to eliminate essential health benefits (EHBs)</td>
<td>Encourages regulations implementing sales of products across state lines</td>
</tr>
</tbody>
</table>
Evaluating Proposals for Future Stabilization

- Executive Actions
  - Non-payment of CSRs
  - Executive order
    - Association Health Plans
    - Short Term Limited Duration Plans
  - 2019 Notice of Benefit and Payment Parameters
Pennsylvania’s Priorities for Stabilization

- Funding for CSR payments
- Enforcement of the individual mandate
- Long-term federal reinsurance program
- Streamline 1332 waiver process
  - Flexibility to make targeted, exigent changes to stabilize the market
  - Extensive application processes preserved for more comprehensive proposals
- Shift focus to address health care costs and quality
Questions?