

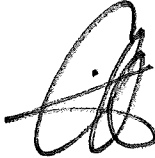
Section 1332 of the Patient Protection and Affordable Care Act (PPACA) State Innovation Waivers – Reinsurance Waiver Quarterly Report

Reporting Instructions: Use the following template to capture data for quarterly 1332 waiver grant reporting, as specified in 45 CFR 155.1324(a), and referenced in your grant specific terms and conditions (STC). Quarterly reports are due 60 days following the end of each calendar quarter.

STATE:

A. GRANTEE INFORMATION			
1. Reporting Period End Date 03/31/2021		2. Report Due Date 05/31/2021	
3. 1st Quarterly Report <input checked="" type="radio"/>	2nd Quarterly Report <input type="radio"/>	3rd Quarterly Report <input type="radio"/>	4. Federal Agency and Organization Element to Which Report is Submitted Consumer Information & Insurance Oversight (CCIIO)
5. Federal Grant Number Assigned by Federal Agency 1 SIWIW190005-01-00	6a. DUNS Number 160208815		6b. EIN 016000001
7. Recipient Organization Name State of Maine - Maine Guaranteed Access Reinsurance Association			
Address Line 1 254 Commercial Street			
Address Line 2			
Address Line 3			
City Portland	State ME		Zip Code 04101
Zip Extension		8. Grant Period Start Date Jan 1, 2019	
9. Grant Period End Date Dec 31, 2023			
10. Other Attachments (attach other documents as needed or as instructed by the awarding Federal agency) MGARA Q1 Financial Report			

**Section 1332 of the Patient Protection and Affordable Care Act (PPACA)
State Innovation Waivers – Reinsurance Waiver Quarterly Report**

B. REPORT CERTIFICATION	
<p>11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.</p>	
<p>11a. Typed or printed name and title of Authorized Certifying Official</p> <p>Christopher E. Howard Secretary, General Counsel Authorized Organizational Representative</p>	<p>11b. Signature of Authorized Certifying Official</p> 
<p>11c. Telephone (area code, number, and extension)</p> <p>(207) 791-1335</p>	<p>11d. E-mail address</p> <p>choward@pierceatwood.com</p>
<p>11e. Date report submitted (month/day/year)</p> <p>May 25, 2021</p>	
C. PROGRESS OF SECTION 1332 WAIVER - General	
<p>12. Provide an update on progress made in implementing and/or operating the approved 1332 waiver. For the 3 months ended 3/31/21, total income was \$9,392,207, consisting entirely of premium collected on ceded policies. No assessment revenue or 1332 grant revenue was received in Q1. Gain on investments and interest income totaled -\$20,215 due to market conditions in Q1. Claims incurred for the period totaled \$13,570,026, which together with operational expenses resulted in total expense of \$13,896,517. Claims are slightly ahead of year-ago levels but consistent with budget. The MGARA monthly operations report March 2021 is attached for reference.</p>	
<p>13. Describe any implementation and/or operational challenges, including plans for and results of associated corrective actions. After the first quarter, only report on changes and/or updates, as appropriate. There were no notable implementation and/or operational challenges experienced in Q3.</p> <p>MGARA has under consideration whether to convert its reinsurance program to a retrospective model as of 1/1/22.</p> <p>MGARA is awaiting the Maine Bureau of Insurance decision regarding implementation of the small group market merger, which will require a ramp-up in effort to plan the implementation of that revised operating model beginning 1/1/23.</p>	

MGARA
Balance Sheet
as of 3/31/2021

	2021	2020
Assets		
Cash/Investments (Note 1)	\$68,622,889	\$46,227,412
Assessment Receivable	68,532	-
Accrued Investment Interest Receivable	364,365	130,837
Allowance for Bad Debts	-	-
Premium Receivable	3,363,925	3,023,232
Grant Receivable	-	-
Claims Receivable	-	-
IBNR Premiums	1,900,000	400,000
Prepaid Expenses	0	0
Total Assets	\$74,319,711	\$49,781,480
Liabilities		
Accounts Payable (Note 2)	\$247,525	\$176,175
Claims Payable	7,579,419	6,395,513
IBNR Liability	15,000,000	14,900,000
Deferred Assessment Liability	-	0
Line of Credit	-	0
Total Liabilities	\$22,826,944	\$21,471,688
Fund Balance	\$51,492,767	\$28,309,792

Statement of Revenues and Expenditures
For the 3 Months Ending March 31, 2021

	Current Month	YTD 2021	YTD 2020	Full Year 2021 Projected*	2021 YTD % of Projected
Revenues					
Regular Assessment	\$0	\$0	\$253,548	\$25,000,000	0%
Additional Assessment	-	-	-	-	-
Premiums	3,177,680	9,392,207	9,266,674	31,300,000	30%
Grant Revenue (Note 4)	-	-	-	30,800,000	0%
Change in Premium IBNR	-	-	-	-	-
Gain on Investments	(157,904)	(700,523)	(151,961)	-	-
Interest Income	170,889	680,308	225,758	-	-
Total Income	\$3,190,666	\$9,371,991	\$9,594,019	\$87,100,000	11%
Total Income excluding Assessments and Grants		\$9,371,991	\$9,340,471	\$31,300,000	30%
Expenditures					
Claims Incurred	\$5,190,481	\$13,570,026	\$10,845,725	\$86,000,000	16%
Change in IBNR	-	-	-	-	-
Administration Fees	57,318	163,600	139,554	-	-
Interest Expense	-	-	-	-	-
Professional Fees (Note 3)	106,285	142,447	187,103	1,100,000	30%
Insurance Expense	18,958	18,958	-	-	-
Bank Charges	919	1,486	2,543	-	-
Other Expenses	-	-	-	-	-
Total Expenses	\$5,373,961	\$13,896,517	\$11,174,925	\$87,100,000	16%
Revenues excluding Assessments and Grants in Excess of Expenditures	-\$2,183,295	-\$4,524,526	-\$1,834,454	-\$56,300,000	8%
Revenues in Excess of Expenditures/ (Expenditures in Excess of Revenues)	-\$2,183,295	-\$4,524,526	-\$1,580,906	\$0	#DIV/0!
Fund Balance - Beginning		\$56,017,294	\$29,890,698		
Fund Balance - Ending		\$51,492,768	\$28,309,792	\$0	