

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 03/31/2022		2. Report Due Date 05/31/2022	
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			

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B. REPORT CERTIFICATION	
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.	
11a. Typed or printed name and title of Authorized Certifying Official Christopher E. Howard Secretary, General Counsel Authorized Organizational Representative	11b. Signature of Authorized Certifying Official
11c. Telephone (area code, number, and extension) (207) 791-1335	11d. E-mail address choward@pierceatwood.com
11e. Date report submitted (month/day/year) May 23, 2022	
C. PROGRESS OF SECTION 1332 WAIVER - General	
12. Provide an update on progress made in implementing and/or operating the approved 1332 waiver. MGARA transitioned its reinsurance program to a retrospective model effective 1/1/22. The structure of the retrospective model results in very limited activity in the first calendar quarter of each year. As anticipated, MGARA no revenue for Q1. Under the retrospective model MGARA is no longer collecting premiums from carriers and the first installment of regular assessments is not due until May 15, 2022. Section 1332 grant funding was not finalized until May 3, 2022 and is not reported in Q1. Following close of Q1, on May 3, 2022, MGARA received confirmation of 2022 pass-through funding in the amount of \$45,821,025. Gain on investments and interest income totaled -\$1,180,647 due to market conditions in Q1; however these are unrealized losses and as MGARA invests only in short term fixed income investments and holds to maturity no losses are anticipated. Claims incurred for the period totaled \$5,441,516, which together with operational expenses resulted in total expense of \$5,582,815.	
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. As noted above, MGARA transitioned its reinsurance program to a retrospective model effective 1/1/22. Training sessions were coordinated with member insurers in Q4 2021 and to date MGARA has not experienced any notable implementation and/or operational challenges.	

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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. Reinsurance thresholds for 2023 were still in process at the close of Q1 and are expected to be finalized by the end of May. Those thresholds will be provided to member insurers on a with and without small group merger basis.

MGARA is currently working with the Maine Department of Health and Human Services on implementation of the High Cost Items and Services Program targeting an effective date of 1/1/24.

