


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 06/30/2023		2. Report Due Date 08/31/2023	
3. 1st Quarterly Report <input type="radio"/>	2nd Quarterly Report <input checked="" 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 12/31/27 (Grant Period Extension approved 7/15/22)			
10. Other Attachments (attach other documents as needed or as instructed by the awarding Federal agency) Summary of MGARA 2023 Post-Award Public Forum			

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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>Aug 24, 2023</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.</p> <p>Q2 represents the second quarter operating the MGARA program serving the merged individual and small group markets for plan years 2023 - 2027 (as well as quarterly adjustments for small group plans that do not renew on a calendar year basis) under approval from the Departments by letter dated 7/15/22.</p> <p>Through Q2 MGARA results are tracking to budget. Assessment revenues were \$7,347,806. Section 1332 grant funding estimate of \$61,412,276 was received in the quarter and approximately \$30,000,000 was drawn down under the Grant, with the balance expected to be drawn in Q3. Claims are tracking to budget at \$30,629,173 YTD. The number of Small Group claims YTD is less than expected, likely a timing issue only due to later than expected reporting under a new program and the staged entry of insureds into the program as of their renewal dates. No adjustments are being made to 2023 projected results.</p> <p>After having drawn down substantially on MGARA reserves to fund the transition to a retrospective model in 2022 and the expansion (without additional funding) to the Small Group Market in 2023, the Board voted to increase the MGARA reinsurance thresholds for 2024 to a corridor of \$135,000 to \$275,000 with a coinsurance rate of 75%.</p>	

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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.

No operational challenges have been experienced in 2023 YTD. See response to Question 12 above.

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D. POST-AWARD FORUM
(for Quarter Post-Award Forum was held)

14. Was the date, time, and location of the Post-Award Forum advertised 30 days in advance?

Yes

No

15. State website address where Post-Award Forum was advertised

The notice has been published on two websites: www.mgara.org and www.maine.gov/pfr/insurance/

16. Date Post-Award Forum took place

2023 Forum was held June 27, 2023 at 10 AM EST.

17. Summary of Post-Award Forum, held in accordance with §155.1320(c), including all public comments received and actions taken in response to concerns or comments.

The Summary of Post-Award Forum held June 27, 2023 is attached to this report.

18. Other Attachments (attach other documents as needed pertaining to Post-Award Form)

None

State of Maine

Maine Guaranteed Access Reinsurance Association

SUMMARY OF ANNUAL 2023 POST AWARD PUBLIC FORUM

Pursuant to 31 CFR §33.124 and 45 CFR §155.1324

As Specified in Innovation Waiver Specific Terms and Conditions Section 11

Introduction: Pursuant to 31 CFR §33.120(c) and 45 CFR §155.1320(c), the Maine Bureau of Insurance (“MBOI”) and the Maine Guaranteed Access Reinsurance Association (“MGARA”) jointly held a public forum on June 27, 2023 at 10:00 am ET at MGARA offices at 254 Commercial Street, Portland, Maine, at which the public was afforded an opportunity to provide comment on the progress of the State of Maine Section 1332 Innovation Waiver (the “Waiver”).

Process: The MBOI and MGARA both published the date, time and location of the public forum in a prominent location on the MBOI’s public web site and MGARA’s public web site at least 30 days prior to the date of the public forum.

Record: The forum was jointly hosted by Acting Maine Superintendent of Insurance Timothy Schott and Christopher Howard, MGARA’s Authorized Organizational Representative. The forum was also attended by members of the MBOI staff, including Mary M. (“Marti”) Hooper, ASA, MAAA, Life and Health Actuary, Benjamin Yardley, Senior Staff Attorney. Also in attendance was Diane Kopecky from River 9 Consulting, Inc., the MGARA administrator.

Following introductory statements by Mr. Howard and Acting Superintendent Schott, a role call was taken to identify the attendees. There were no members of the public in attendance. The meeting remained open for 15 minutes without public attendees.

There being no public comments, the Public Forum was concluded.

The meeting notice informed the public that written comments would be accepted by email to benjamin.yardley@maine.gov through 5:00pm EST on July 14, 2023. One member of the public submitted comments. Comments were received from Kristine M. Ossenfort, Esq., Senior Government Relations Director at Anthem Health Plans of Maine, Inc., d/b/a Anthem Blue Cross and Blue Shield. Her comments expressed concern over the expansion of the MGARA program to a larger, merged market pool without additional funding. The lack of additional funding has and will continue to result in changes to the MGARA reinsurance thresholds reinsurance levels that have and will continue to reduce its value and its impact on merged market premium rates. MGARA has mitigated the impact of the merger through drawing down its surplus, but the ability to do so is not sustainable, is not a long-term solution and is indicative of the larger issue—that the value of the program applied to a merged market will continue to decrease.