MGARA

Balance Sheet

as of 12/31/2023

	2023	2022
Assets		
Cash/Investments (Note 1)	$90,760,589	$100,157,373
Assessment Receivable	135,733	7,963,750
Accrued Investment Interest Receivable	589,051	482,985
Allowance for Bad Debts	-	-
Premium Receivable	16,419	16,419
Grant Receivable	-	-
Claims Receivable	-	-
IBNR Premiums	0	0
Prepaid Expenses	0	0
Total Assets	$91,501,792	$108,620,527
Liabilities		
Accounts Payable (Note 2)	$90,716	$89,001
Claims Payable	41,475,189	29,699,923
IBNR Liability	20,200,000	15,800,000
Deferred Assessment Liability	-	0
Line of Credit	-	0
Total Liabilities	$61,765,906	$45,588,925
Fund Balance	$29,735,886	$63,031,602

Statement of Revenues and Expenditures

For the 12 Months Ending December 31, 2023

	Current Quarter	YTD 2023	YTD 2022	Full Year 2023 Projected*	2023 YTD % of Projected
Revenues					
Regular Assessment	$7,315,941	$21,777,371	$28,957,561	$27,000,000	81%
Additional Assessment	-	-	-		
Premiums	-	-	110,880	-	
Grant Revenue (Note 4)	28,570,402	63,478,674	43,754,627	61,400,000	103%
Change in Premium IBNR	-	-	-		
Gain on Investments	845,811	1,623,365	(2,611,975)		
Interest Income	529,061	2,503,725	2,115,339		
Total Income	$37,261,215	$89,383,136	$72,326,431	$88,400,000	101%
Expenditures					
Claims Incurred	$41,475,189	$109,251,361	$78,862,391	$113,600,000	96%
Change in IBNR	12,740,037	12,740,037	14,304,585		
Administration Fees	113,300	377,000	387,950		
Interest Expense	-	-	-		
Professional Fees (Note 3)	87,294	239,415	335,766	1,100,000	62%
Insurance Expense	-	71,039	61,558		
Bank Charges	-	-	7,681		
Other Expenses					
Total Expenses	$54,415,820	$122,678,852	$93,959,932	$114,700,000	107%
Revenues in Excess of Expenditures/ (Expenditures in Excess of Revenues)	$-17,154,605	$-33,295,716	$-21,633,501	$-26,300,000	
Fund Balance - Beginning		$63,031,602	$84,665,103	$57,500,000	
Fund Balance - Ending		$29,735,886	$63,031,602	$31,200,000	

Supplemental Response

Question 20

Summary of HPIS Program

In accordance with the provisions of §3952(5-A) of the MGARA Enabling Act, the Board, in consultation with and based on analysis by the Maine Department of Health and Human Services and Maine Health Data Organization, has developed, and may amend from time to time, a list of certain high-priced items or services that contribute to MGARA's costs and offer an opportunity for savings (each, a "High-Priced Item or Service" or "HPIS"). Below is a list of the HPIS Code Sets selected ("HPIS Code Sets"):

- APC – 5115: Level Musculoskeletal Procedures
- APC – 5375: Level 5 Urology and Related Services
- APC – 5571 – Level 1 Imaging with Contrast
- APC – 5623: Level 3 Radiation Therapy
- APC – 5671: Level 1 Pathology
- APC – 5771: Cardiac Rehabilitation
- APC – 8005: CT and CTA without Contrast Composite

The reinsurance payments provided under the MGARA reinsurance program for a HPIS are limited to 200% of the allowed charge determined for such item or service under the original Medicare fee-for-service program for the applicable year in which the claim arose (the "HPIS Limit").

Section 3958(1)(B) of the Enabling Act requires (i) each Member Insurer to report for each plan year the name of each HPIS for which such Member Insurer's payment exceeded the HPIS Limit and the name of the provider that received this payment (collectively, the "Annual HPIS Data"); and (ii) MGARA to annually compile and publish a list of all names so reported.

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. She commented that the lack of additional funding has and will continued 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.