

*State of Idaho*

**DEPARTMENT OF INSURANCE**

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**DEAN L. CAMERON**  
Director

May 5, 2022

The Honorable Xavier Becerra  
Secretary of Health and Human Services  
U.S. Department of Health & Human Services  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

Dear Secretary Becerra:

We are pleased to submit this State Innovation Waiver application under the Patient Protection and Affordable Care Act (ACA) Section 1332 and respectfully request approval as soon as possible.

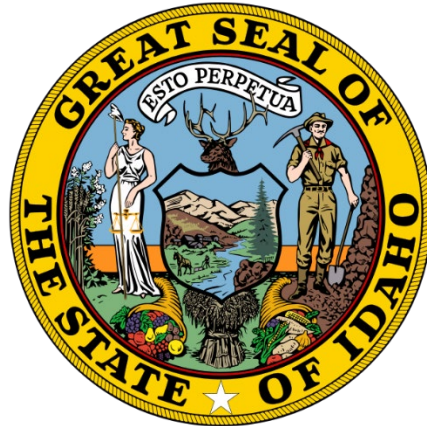
The waiver we are requesting will provide needed premium relief to Idahoans in the individual health insurance market, without increasing the cost of subsidized coverage or changing the benefits provided in any way. Idaho anticipates that approval of this 1332 waiver will result in premiums reduced by approximately seven to ten percent in each of the next ten years, compared to the anticipated premiums without the waiver. We anticipate the waiver will also increase the number of Idahoans with comprehensive health insurance due to the increased affordability.

This waiver adheres to the guardrails established by Section 1332, as well as additional principles laid out in guidance from the Centers for Medicare and Medicaid Services (CMS) and does not affect any other provision of the ACA. We appreciate your consideration of our waiver request. My staff and I are available should you have any questions.

Sincerely,



Dean L Cameron  
Director  
Idaho Department of Insurance



# **Idaho Section 1332 Waiver Application**

**May 5, 2022**

**Idaho Department of Insurance**

**Dean Cameron, Director**

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## Section I – Executive Summary

The state of Idaho submits this State Innovation Waiver (section 1332 waiver) application to the Department of the Treasury and the Centers for Medicare & Medicaid Services (CMS) in the Department of Health and Human Services (collectively, “the Departments”). Idaho seeks to waive Section 1312(c)(1) under Section 1332 of the Patient Protection and Affordable Care Act (ACA). This provision of the ACA states that health insurance issuers “shall consider all enrollees in all health plans (other than grandfathered health plans) offered by such issuer in the individual market, including those enrollees who do not enroll in such plans through the Exchange, to be members of a single risk pool.”

The Idaho Individual High Risk Reinsurance Pool (“the Pool”) is statutorily created and authorized to run a state reinsurance program in which enrollees in individual coverage who are diagnosed with certain specified medical conditions are ceded to the Pool by the issuer. The issuer then pays a monthly reinsurance premium (retroactive to January of the current year). Claims for the ceded individuals – up to an annual maximum - are paid by the Pool at a set coinsurance percentage once a specified attachment point is reached. Each January, the ceding process begins fresh. Reinsurance parameters – the attachment point, coinsurance percentage and annual maximum – are set by the Pool’s Board of Directors. The Pool is funded by the reinsurance ceding premiums, a portion of collected premium tax (the program receives 25% of all premium tax collected above \$45,000,000), investments and interest income. The Pool also has authority to assess health issuers directly, if needed.

The state is submitting this section 1332 waiver in order to further increase affordability of individual health insurance in Idaho. The lower premium amounts will result in a reduction in federal monies paid out to Idaho consumers in the form of premium tax credit (PTC), which is the basis for the pass-through funding to the Pool. Idaho anticipates that approval of this 1332 waiver will result in premiums reduced by approximately seven to ten percent in each of the next ten years, compared to the anticipated premiums without the waiver. The premium reduction will similarly apply to all individual market Qualified Health Plans.

The enabling legislation makes any future reinsurance payments for individual market claims and health plans contingent upon the approval of this 1332 reinsurance waiver application. Therefore, our actuarial and economic analysis is based on a scenario with no Idaho reinsurance program versus a reinsurance program with the waiver in place.

Under the second scenario – an approved 1332 waiver – the reinsurance program will be funded by:

1. Reinsurance ceding premiums paid by participating issuers.
2. State funds, consisting of:
  - a. Ongoing annual premium tax allotment.
  - b. One time deposit of \$25 million in calendar year 2022 from the Idaho Department of Insurance’s budget to strengthen the reinsurance program under a 1332 waiver.
  - c. The reinsurance program’s existing fund, available for use at the discretion of the Board to help strengthen the savings from the reinsurance mechanism.
3. Pass-through funding from the waiver, which would go into the reinsurance fund to further reduce premiums through the same mechanism.
4. If necessary, an assessment of health issuers to recoup any net loss from the previous year.

Idaho has enacted House Bill 611 that authorizes the state to apply for and implement a section 1332 waiver.

## **Section II – Authorizing Legislation**

On March 23, 2022, Governor Little signed House Bill 611. This legislation allows the state to develop a section 1332 waiver application to submit to the Departments. Under this authority, Idaho is submitting a section 1332 waiver application to create a Risk Stabilization strategy to implement the Pool.

The legislation includes the following provisions:

The legislation authorizes the Pool to provide reinsurance for claims incurred after December 31, 2022 only if:

1. Idaho develops a section 1332 waiver,
2. Idaho submits the waiver to the Departments, and
3. The waiver is approved by the Departments.

The legislation also specifically states that the Director of the Idaho Department of Insurance shall have the authority to develop and submit the waiver, and upon approval, to implement the waiver program.

A copy of the House Bill 611 can be found at [legislature.idaho.gov](http://legislature.idaho.gov) and is included in Appendix A: Authorizing Legislation.

## **Section III – Provision(s) of the Law that the State Seeks to Waive**

Idaho requests a waiver of ACA section 1312(c)(1) to the extent it would otherwise require excluding total expected state reinsurance payments when establishing the market-wide index rate, and the Pool will lower premiums as part of the state plan.

The state is seeking federal pass-through funding to implement a state reinsurance program. These federal pass-through funds will be generated by a reduction in individual market premiums, which in turn will reduce the amount of federal funds expended on PTC for Idaho residents who enroll through Idaho’s state health insurance exchange, Your Health Idaho (“Exchange”).

## **Section IV – Compliance with Section 1332 Guardrails: Data, Analyses, and Certifications**

Idaho anticipates that its proposal will meet the parameters set forth in Section 1332 of the ACA and provides the following assurances:

**A. Comprehensive Coverage**– 1332(b)(1)(A). The proposed waiver makes no alterations to the required scope of benefits offered in the individual insurance market in Idaho and will not result in a decrease in the number of individuals with coverage that meets the ACA’s Essential Health Benefits requirements.

**B. Affordability – 1332(b)(1)(B).** The proposed waiver will not increase premiums nor decrease cost-sharing protections against excessive out-of-pocket costs in the individual market. Rather, Idaho anticipates that affordability for individuals enrolled off-Exchange and Exchange enrollees who do not qualify for PTC will be increased through lower premium rates in 2023 and future years. Idaho anticipates that for individuals who qualify for PTC, the affordability of higher actuarial value plans will also be improved through the lower premium rates.

**C. Scope of Coverage – 1332(b)(1)(C).** The proposed waiver will facilitate the provision of coverage to at least a comparable number of Idaho residents as would be provided absent the waiver. Idaho believes that an outcome of the waiver will be to increase the number of Idahoans with ACA-compliant coverage, bringing unsubsidized individuals and families into the individual market through issuers being able to offer ACA-compliant coverage at more affordable costs.

**D. Federal Deficit Neutrality – 1332(b)(1)(D).** The proposed waiver will not result in increased spending, administrative, or other expenses to the federal government. It requests pass-through payments that mirror the reinsurance program’s reduction in federal PTC payments for which the federal government would otherwise be responsible.

The state utilized Milliman, Inc. to perform actuarial and economic analyses related to the changes that will occur after this section 1332 waiver application is approved and implemented beginning in 2023. The actuarial and economic analyses and certifications that support the state’s findings that all four of the section 1332 guardrails will be met, are included in Appendix B: Actuarial and Economic Analysis.

#### A. Comprehensiveness Requirement (Section 1332(b)(1)(A))

Comprehensiveness refers to the scope of benefits provided by the state plan as measured by the extent to which coverage meets essential health benefit (EHB) requirements as defined in section 1302(b) of the ACA and 45 CFR 156.110. The state’s EHB benchmark with and without the section 1332 waiver can be found at [https://www.cms.gov/CCIIO/Resources/Data-Resources/Downloads/2017-BMP\\_ID.zip](https://www.cms.gov/CCIIO/Resources/Data-Resources/Downloads/2017-BMP_ID.zip).

Under Idaho’s proposed section 1332 waiver, consumers will continue to have access to an affordable EHB-compliant plan. The waiver, by implementing an “invisible” reinsurance program rather than creating a new coverage type, ensures Idaho residents will continue to be covered by individual market plans that meet the requirements of the existing Idaho EHB benchmark.

The reinsurance program is “invisible” in that enrollees with reinsured claims are unaware and not advantaged or disadvantaged compared to other enrollees who do not have reinsured claims. The reinsurance ceding is “invisible” to the individual enrollees, and only known by the Pool and the insurers, who reflect the Pool’s reinsurance payments by reducing their individual health plan premiums market-wide.

The covered benefits and plan designs of Qualified Health Plans (QHPs), as well as all other health coverage options, are unaffected by the waiver, being outside the authority of the Pool. Consequently, Idaho has determined that the proposed section 1332 waiver will have no impact on access to the covered benefits or actuarial value of plans offered on the Exchange. This conclusion is supported by Appendix B. Actuarial and Economic Analysis.

## B. Affordability Requirement (Section 1332(b)(1)(B))

Affordability refers to the state residents’ ability to pay out-of-pocket for their healthcare expenses relative to their income. Overall, state residents will have access to coverage that is as comprehensive and at least as affordable without the waiver.

The proposed section 1332 waiver will impact out-of-pocket costs by reducing gross premiums (prior to PTC) by approximately seven to ten percent in 2023, compared to what it otherwise would be without the waiver. Out-of-pocket costs will also be less than what it otherwise would be in each of the subsequent years of the section 1332 waiver. Reduced gross premiums directly improve the affordability for off-Exchange enrollees and Exchange enrollees who do not receive PTC. Reduced gross premiums also improve the affordability for enrollees who receive PTC and choose a plan with higher actuarial value or higher cost than the second-lowest cost silver plan.

Figure 2A from Appendix B. Actuarial and Economic Analysis is included here. It demonstrates the anticipated premium reduction to the second-lowest cost silver plans due to the waiver, assuming the American Rescue Plan Act of 2021 (ARP) subsidies are not extended past 2022.

CALENDAR YEAR	21-YEAR OLD MONTHLY PREMIUM				64-YEAR OLD MONTHLY PREMIUM			
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE
2022	\$361	\$361	\$0	0%	\$1,082	\$1,082	\$0	0%
2023	\$397	\$353	(44)	(11%)	\$1,192	\$1,059	(133)	(11%)
2024	\$417	\$375	(41)	(10%)	\$1,250	\$1,126	(124)	(10%)
2025	\$436	\$394	(42)	(10%)	\$1,308	\$1,182	(126)	(10%)
2026	\$456	\$411	(44)	(10%)	\$1,367	\$1,234	(133)	(10%)
2027	\$475	\$428	(47)	(10%)	\$1,425	\$1,285	(140)	(10%)
2028	\$495	\$448	(48)	(10%)	\$1,486	\$1,343	(143)	(10%)
2029	\$517	\$466	(50)	(10%)	\$1,550	\$1,399	(151)	(10%)
2030	\$539	\$486	(53)	(10%)	\$1,616	\$1,457	(159)	(10%)
2031	\$562	\$506	(56)	(10%)	\$1,685	\$1,518	(167)	(10%)
2032	\$586	\$527	(59)	(10%)	\$1,757	\$1,582	(176)	(10%)

Notes:

1. Values are rounded.
2. Values do not reflect available premium assistance for qualifying individuals.
3. Premiums are for non-tobacco user and assume federal default 3:1 age rating.
4. Premium savings would be realized by consumers not qualifying for federal premium assistance. For individuals qualifying for federal premium assistance, the federal government will have lower premium assistance expenditures.

Due to the “invisible” nature of the Pool’s reinsurance program, the proposed 1332 waiver will have no impact on affordability from a standpoint of cost sharing. Cost sharing protections against excessive out-of-pocket spending will continue to align with the ACA’s protections.

Idaho’s waiver proposal to implement the Pool is not anticipated to impact the affordability of minimum essential coverage (MEC), other than when MEC is obtained through the individual market. Medicaid, the Children’s Health Insurance Program (CHIP), and small or large group market insurance will not be affected.

Employer contributions and employee wages will not be impacted by the section 1332 waiver.

Idaho’s waiver proposal to implement the Pool will have no impact on the calculation of small business tax credits (SBTC) offered under the Small Business Health Options Program (SHOP).

### C. Scope of Coverage Requirement (Section 1332(b)(1)(C))

The third guardrail specifies that meaningful healthcare coverage must be provided to a comparable number of state residents as Title I of the ACA would provide. For each year the section 1332 waiver will be in effect, Idaho forecasts additional individuals will have healthcare coverage under the section 1332 waiver than would have had healthcare coverage absent the waiver.

Idaho projects that for each year the section 1332 waiver will be in effect, the number of individuals that will have healthcare coverage under the section 1332 waiver is no less than the number of individuals that would have had healthcare coverage absent the waiver.

Figure 1 from Appendix B. Actuarial and Economic Analysis is included here. The number of individuals insured in the non-group market is expected to increase by 1 to 1.6 thousand with the waiver in place.

CALENDAR YEAR	INDIVIDUALS INSURED IN NON-GROUP MARKET – BASELINE SUBSIDIES (THOUSANDS)			INDIVIDUALS INSURED IN NON-GROUP MARKET – ARP SUBSIDIES (THOUSANDS)		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER CHANGE	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER CHANGE
2022	94.4	94.4	0.0	94.4	94.4	0.0
2023	81.2	82.7	1.5	84.6	85.6	1.0
2024	81.5	83.0	1.5	85.2	86.2	1.0
2025	81.8	83.3	1.5	85.8	86.9	1.0
2026	82.1	83.6	1.5	86.5	87.6	1.1
2027	82.6	84.2	1.5	87.2	88.3	1.1
2028	83.1	84.7	1.6	87.9	89.0	1.1
2029	83.6	85.2	1.6	88.6	89.7	1.1
2030	84.2	85.7	1.6	89.3	90.4	1.1
2031	84.7	86.3	1.6	90.0	91.1	1.1
2032	85.2	86.8	1.6	90.8	91.9	1.1

Note: Values are rounded.

Idaho has examined the short- and long-term effects of the section 1332 waiver, and projects an increase in the overall number of Idaho residents with healthcare coverage with the waiver, compared to without the waiver. The waiver will improve the affordability of coverage, as explained under “B. Affordability Requirement,” which is anticipated to increase health plan enrollment in QHPs without PTC and health plans offered off-Exchange.

Idaho projects an increase in the overall number of individuals who do not receive PTC compared to without the waiver, but that is not anticipated to reduce the number of residents with healthcare coverage. The net premium for such individuals, with and without waiver, would not be substantially impacted. The waiver’s impact to eligibility of PTC would be due to sufficiently lowering market premiums with the waiver that the resulting PTC would be \$0 for certain household income levels.

Idaho can demonstrate the long-term impacts of the section 1332 waiver in the aggregate over the course of the waiver term will ensure that the coverage guardrail requirements are compliant with



guidance set forth by the Departments. Those residents that obtain coverage through other means, such as Medicaid, the Children’s Health Insurance Program (CHIP), small or large group market insurance, or other types of coverage, will have the same access to coverage.

#### D. Deficit Neutrality Requirement (Section 1332(b)(1)(D))

This proposed section 1332 waiver is projected to reduce federal spending prior to federal pass-through payments. Higher enrollment of individuals who do not qualify for PTC is expected to occur, however such enrollees do not impact federal spending.

The administrative costs to facilitate the section 1332 waiver will be paid by the State of Idaho and the Pool. Idaho’s state-based Exchange will continue to operate during the ten-year projection period, and consequently there is no anticipated impact to federal expenditures from the Exchange User Assessment.

Figure 33A from Appendix B. Actuarial and Economic Analysis is included here. The Pool is projected to reduce the premium rate for the second lowest cost Silver plan, and therefore reduce the aggregate Advance Premium Tax Credit (APTC) expenditures. The APTC saved is reconciled to PTC before projecting the net change in Federal spending due to the waiver.

REVENUE / (EXPENSE) ITEM	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Federal APTC Expenditures (Currently Enrolled)	(\$ 40)	(\$ 38)	(\$ 39)	(\$ 41)	(\$ 44)	(\$ 45)	(\$ 48)	(\$ 51)	(\$ 54)	(\$ 57)
APTC/PTC Reconciliation Factor	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%
<b>Net Change in Federal Expenditures</b>	<b>(\$ 37.2)</b>	<b>(\$ 35.2)</b>	<b>(\$ 36.0)</b>	<b>(\$ 38.3)</b>	<b>(\$ 40.6)</b>	<b>(\$ 41.7)</b>	<b>(\$ 44.3)</b>	<b>(\$ 47.0)</b>	<b>(\$ 49.9)</b>	<b>(\$ 52.9)</b>
<b>Reinsurance Funding</b>	<b>\$ 58.5</b>	<b>\$ 54.9</b>	<b>\$ 55.9</b>	<b>\$ 59.2</b>	<b>\$ 62.8</b>	<b>\$ 64.3</b>	<b>\$ 68.2</b>	<b>\$ 72.3</b>	<b>\$ 76.6</b>	<b>\$ 81.2</b>

Notes:

1. Dollar amounts are rounded to the nearest million.
2. Total values separately rounded.

The pass-through funding will be annually determined and agreed upon with the Departments to not exceed the net reduction in Federal expenditures created by the implementation of the waiver. Given that structure, Idaho’s waiver ensures that the amount of federal spending will be less than or equal to what the federal government would have paid during each year of the required 10-year budget period.

### Section V – Impact on Health Equity

Idaho’s 1332 waiver will promote health equity by providing support to consumers who do not qualify for PTC for various reasons (for example, those who are not eligible for PTC due to the “family glitch” or due to unpredictable income), as health insurance issuers in the individual market will be able to offer lower-cost health coverage. Consumers with higher-cost healthcare needs will continue to have access to the protections of the ACA against pre-existing condition exclusion periods and higher rates based on health status. The waiver will further stabilize access to and pricing of health insurance in Idaho through a reduction to premium levels and improved spreading of a volatile component of the claims risk within the pooled market.

## **Section VI – Reporting Targets**

The Idaho Department of Insurance (IDOI) will submit all required quarterly, annual, and cumulative targets for the guardrail requirements in accordance with 31 CFR 33.108(f)(4)(vi) and 45 CFR 155.1308(f)(4)(vi).

The IDOI will assume responsibility for the reporting requirements, including the following:

- Quarterly reports (31 CFR 33.124(a) and 45 CFR 155.1324 (a)): To the extent required by the Departments, the IDOI will submit quarterly reports, including reports of ongoing operational challenges, if any, and plans for, and results of, associated corrective actions.
- Annual reports (31 CFR 33.124(b) and 45 CFR 155.1324(b)): the IDOI will submit annual reports documenting the following:
  - (1) The current state and the progress of the section 1332 waiver to date.
  - (2) Data on the state’s compliance with the guardrails in ACA section 1332(b)(1)(A)-(D), 31 CFR 33.108(f)(3)(iv)(A)-(D), and 45 CFR 155.1308(f)(3)(iv)(A)-(D).
  - (3) Premiums for the second lowest-cost silver plan under the section 1332 waiver and an estimate of the premium as it would have been without the waiver for a representative consumer in each rating area.
  - (4) A summary of the annual public forum required by 31 CFR 33.120(c) and 45 CFR 155.1320(c) and a summary of actions taken in response to public input.

## **Section VII – Implementation Plan and Timeline**

Idaho currently maintains a state reinsurance program, Idaho Individual High Risk Reinsurance Pool, in which enrollees in individual coverage who are diagnosed with certain specified medical conditions are ceded to the Pool by the issuer. Through legislation, Idaho will sunset this reinsurance program after December 31, 2022 unless a section 1332 waiver is approved.

With approval of the waiver, Idaho will be able to continue to reinsure individual market enrollees with high-cost medical conditions. The federal pass-through funds will allow the Pool to increase the amount of reinsurance through one or more of the following actions: increasing the number of medical conditions which trigger ceding, raising the coinsurance amount paid by the program, lowering the attachment point at which reinsurance begins, or raising the annual reinsurance cap.

Idaho has reviewed the list of implementation questions posed by the Departments in the 2018 Discussion Paper. In order to comprehensively address implementation challenges, Idaho provides responses to the applicable questions below.

How will the state implement the waiver proposal?

Idaho will implement through the passage of enabling legislation.

- a. What is the entity that will administer the program? Is it a new or existing entity?  
To what extent will the entity be subject to state insurance laws?

The Idaho Individual High Risk Reinsurance Pool will implement the program. This entity was created through legislation in 2000 and has many years of experience administering a reinsurance program. The Board membership includes the Director of the IDOI as well as

insurers, insurance producers, consumer advocates, and state legislators. The entity is authorized by state insurance laws to perform certain duties.

- b. How much is the necessary funding for the Risk Stabilization Strategies program and what premium reduction is the state trying to achieve?

In order to achieve at least the 7% premium reduction in 2023, the Pool is expected to need approximately \$41 million in funding from the various revenue sources available to the Pool, including the pass-through funds. For the 10% to 11% premium reduction projected in the Actuarial and Economic Analysis for 2023, the pool will need approximately \$59 million total funding (assuming ARP subsidies sunset on December 31, 2022). The funding need is expected to increase with overall premium trend each year. The state, through the Pool Board, has discretion to assess the health market for additional funding, if needed.

- c. If state funding is required, how much funding does the state anticipate will be necessary to implement the state plan and how will the state generate the required state funding?

The state anticipates funding the program through ongoing annual premium tax allotment (anticipated to be approximately \$16 million in 2023 and increasing in future years) and a one-time deposit of \$25 million in calendar year 2022. It is anticipated that the \$25 million deposit will be used by the Board to increase the program's premium impact over multiple years. The state can also assess the health market if additional funding is needed to achieve the Board's target premium reduction.

- 2) What will be the data collection timing and mechanism for collecting claims information and generally for pay-out?

The Pool administrator will continue to collect claims information and to pay claims, based on the criteria outlined in the Pool's Plan of Operation. The IDOI will be responsible for federal reporting.

- a. How will the state identify and pay claims?

The state will continue to identify and pay claims through the Pool's administrator, in accordance with the procedures set forth in the Pool's Plan of Operations.

- 3) If pursuing a reinsurance waiver, will the state be using a conditions-based list and/or an attachment point model?

Idaho will use both a condition-based list and an attachment point.

- 4) Will the Risk Stabilization Strategies program include incentives for providers, enrollees, and plan issuers to continue managing health care cost and utilization for individuals eligible for the described reinsurance program (if any)?

Although the waiver application does not currently include such incentives, the state will evaluate future opportunities to manage health care costs and utilization through future revisions to the waiver.

- 5) Will the state specify a co-insurance amount, or a cap, based on available funds, similar to the federal reinsurance program?

Idaho will specify a coinsurance amount as well as an annual cap based on available funds.

- a. When will the parameters be finalized?

These parameters are expected to be finalized prior to the start of the next calendar year and will be revised as needed on an annual basis by the Pool Board.

- 6) Further, does the state have the ability to adjust the parameters to account for market changes? If so, what is the schedule and process for finalizing the parameters on a year-by-year basis?

The reinsurance parameters are specified within the Pool’s Plan of Operation. The Board of Directors, based on market conditions and the target premium reduction, recommends a change in the reinsurance parameters to the Director of the Idaho Department of Insurance. The Director, after a public hearing and comment period, then approves the recommended changes to the Pool’s Plan of Operation through an administrative order.

- 7) Will the state require issuers to include the impact of the reinsurance program and/or high-risk pool in initial and/or final rates?

Idaho will require issuers in the individual health insurance market to include this impact when submitting rates for the upcoming plan year.

- 8) Are there any legislation and/or regulations related to the state reinsurance program?

Title 41, Chapter 55, Idaho Code (Idaho Individual High Risk Reinsurance Pool) establishes the reinsurance program and addresses the powers of the Board, eligibility for ceding to the Pool, and other issues related to the program. The statute can be found at <https://legislature.idaho.gov/statutesrules/idstat/Title41/T41CH55/>.

- a. Are any additional regulations needed? If so, what is the timing of those regulations?

No, Governor Brad Little signed H611 on March 23, 2022, adding a new subsection of 41-5504, Idaho Code enabling the implementation of the waiver.

Idaho submits the proposed waiver implementation timeline, which is detailed in Table 1. Implementation Timeline below.

**Table 1. Implementation Timeline**

<b>End Date</b>	<b>Milestone</b>
<b>Section 1332 Waiver Application Process</b>	
<b>April 2022</b>	Publish draft section 1332 waiver application on state website and notify the public.
<b>April 1, 2022</b>	Begin public comment period.
<b>April 2022</b>	Conduct public hearings facilitated in 3 major cities/counties/regions across the state complete.
<b>February, March, April, and May 2022</b>	Conduct tribal consultation.

<b>End Date</b>	<b>Milestone</b>
<b>May 1, 2022</b>	End public comment period.
<b>May 2022</b>	Submit final section 1332 waiver application to the Departments.
<b>June 2022</b>	Target to receive feedback/approval from the Departments for the section 1332 waiver.
<b>July 2022</b>	If needed, revise and resubmit to CMS.
<b>July 2022</b>	Receive approval from the Departments for the section 1332 waiver.
<b>August 2022</b>	Rate Filings Due
<b>Legal Authority and Governance</b>	
<b>January 2022</b>	Establish appropriate state legal authority.
<b>January 2022</b>	Establish governance structure to support implementation.
<b>February 2022</b>	File proposed rules with state authority.
<b>Design</b>	
<b>August 2022</b>	Finalize eligibility requirements, methods of verification and redetermination.

## **Section VIII – Public Notice, Comment Process, and Communication Plan**

### **A. Public Notice**

On April 1, 2022 the state of Idaho opened the public comment period for this section 1332 waiver application and posted the notice of the opportunity to comment on the state website <https://doi.idaho.gov/information/public/reinsurance-waiver/>. On April 1, 2022 the IDOI sent notice and a press release via email to the IDOI listserv. The notice and press release are included in Appendix C: Notice for Public Comment Period. The listserv comprises more than 2800 individuals and organizations with an expressed interest in Idaho insurance-related matters. An updated notice was issued on April 22, 2022 including an additional hearing during the comment period. Information about public hearings and the comment period were included on the IDOI public website calendar, social media accounts, and Townhall Idaho (State of Idaho’s public meeting website).

### **B. Public Comment Process**

On April 18, 2022 the state of Idaho held a public hearing at the IDOI’s Boise office at 700 W. State St., in the JRW East Conference Room, Boise ID 83702. The meeting was also held virtually via WebEx. At the public hearing, 4 members of the public attended, including representatives of health insurance carriers, and a provider representative. The Deputy Director of Insurance utilized a PowerPoint presentation to present the proposal and facilitate discussion during the meeting. The

PowerPoint is attached as Appendix E to this Application. No major points were raised during the meeting. Attendees asked questions about the waiver process and potential impact including how many other states have applied for and received a similar waiver, and how is the waiver impacting their plan premiums; whether the number of individuals being counted included Medicaid and the potential for redetermination after the end of the public health emergency; if the IDOI had consulted with other states about their experience and lessons learned with 1332 waivers; and how to submit comments.

On April 20, 2022 the state of Idaho held a public hearing at the Idaho Department of Labor Office in Idaho Falls at 1515 E. Lincoln Road, Idaho Falls, ID 83401. No members of the public attended and there was no testimony.

On April 26, 2022 the state of Idaho held a public hearing at the Coeur d'Alene Public Library at 702 E. Front Ave, Coeur d'Alene, ID 83814. No members of the public attended and there was no testimony.

On April 28, 2022 the state of Idaho held a public hearing at the IDOI's Boise office at 700 W. State St., in the JRW East Conference Room, Boise ID 83702. The meeting was also held virtually via WebEx. At the public hearing, 4 members of the public attended, including tribal provider representatives and one member of the state legislature. The Deputy Director of Insurance utilized a PowerPoint presentation to present the proposal and facilitate discussion during the meeting. The PowerPoint is attached as Appendix E to this Application. There were no questions and no public comments during the meeting.

A total of six written comments were received during the 30-day comment period, one from a private individual and the others on behalf of associations connected with the health care or health insurance industry. All comments were in favor of the waiver. In general, the commenters cited the anticipated lower premiums that would result from the implementation of the waiver, allowing more Idahoans to afford to enroll in comprehensive health insurance plans in the individual market and improving the overall health of Idaho citizens. Many commenters noted that this increased affordability and access would be of particular benefit to those with serious or chronic health conditions such as rare diseases, cancers, and diabetes.

Individual comments received through the public notice period on this Section 1332 Waiver application are included as Appendix E of this application.

### C. Tribal Consultation

Idaho has five federally-recognized tribes: the Coeur d'Alene Tribe; the Kootenai Tribe; the Nez Perce Tribe; the Shoshone-Bannock Tribes; and the Shoshone-Paiute Tribes. Representatives of each of these tribes were contacted and provided information about the section 1332 waiver. Consultation with, or comments from, the tribes were solicited. IDOI also sent the notice to the Northwest Portland Area Indian Health Board and Indian Health Services. IDOI staff utilized a PowerPoint presentation to present the preliminary proposal and facilitate discussion about the proposed 1332 waiver application during a quarterly call with Idaho Department of Health and Welfare Medicaid (IDHW Medicaid) and representatives from the five federally-recognized tribes on February 23, 2022. Questions included if tribal members would be impacted by the waiver, the timeline for the application, and where to find further information.

IDOI staff provided an update on the 1332 waiver application proposal and comment period during the monthly meeting with IDHW Medicaid and the five federally-recognized tribes hosted by the Northwest Portland Area Indian Health Board on April 27, 2022. Attendees asked questions about the reinsurance pool and who is ceded. IDOI staff explained the Idaho Pool is an invisible, hybrid pool utilizing both claims and conditions-based ceding. Attendees asked about Idaho’s previous 1332 waiver application, and how the new application differs, which IDOI staff explained. Representatives were encouraged to review the website information, attend a hearing, and request a meeting if they had further questions. They were also invited to submit comments. Communications with each tribe are included in Appendix F: Tribal Consultation Communications. No comments were received from individuals or groups explicitly identifying themselves as tribal members or organizations. Tribal leaders thanked the IDOI for reaching out to them and for providing detailed information on the proposed waiver.

#### **D. Communication Plan**

To educate the public about the section 1332 waiver, the state issued a press release about the waiver application and public comment period, distributed the notice to stakeholder groups, provided information on the IDOI website, and provided two in-person and two hybrid public hearings in three major cities. Consumers with questions about the section 1332 waiver were invited to contact the IDOI by phone, email, and website. Consumers with questions about how to enroll in plans offered on Idaho’s state-based Exchange were invited to contact the Exchange via phone, email, and website.

### **Section IX – Additional Information**

Idaho’s 1332 waiver will have no impact on the administrative burden of individuals, issuers, or employers. The waiver will not affect the implementation of the ACA provisions which are not being waived. The waiver will increase access to private insurance for Idahoans who do not qualify for PTC. This may provide additional coverage for residents of Idaho who need to obtain healthcare services out of state.

IDOI staff will provide the federal government with all information necessary to administer the waiver at the federal level. The IDOI will utilize existing staffing and resources to effectively comply with the waiver requirements and support the activities of the Pool, while also seeking efficiencies and protecting against waste, fraud, and abuse.

### **Section X – Administration**

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Appendix A: **Authorizing Legislation**



IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 611

BY BUSINESS COMMITTEE

AN ACT

1 RELATING TO INSURANCE; AMENDING SECTION 41-5504, IDAHO CODE, TO SPECIFY RE-  
2 QUIREMENTS FOR CERTAIN REINSURANCE CLAIMS; AND DECLARING AN EMERGENCY  
3 AND PROVIDING AN EFFECTIVE DATE.  
4

5 Be It Enacted by the Legislature of the State of Idaho:

6 SECTION 1. That Section 41-5504, Idaho Code, be, and the same is hereby  
7 amended to read as follows:

8 41-5504. POWERS AND AUTHORITY. (1) The pool shall have the general  
9 powers and authority granted under the laws of this state to insurance com-  
10 panies and managed care organizations licensed to transact business, except  
11 the power to issue health benefit plans directly to individuals. In addition  
12 thereto, the pool shall have the specific authority to:

13 (a) Enter into contracts as are necessary or proper to carry out the  
14 provisions and purposes of this chapter, including the authority, with  
15 the approval of the director, to enter into contracts with similar pro-  
16 grams of other states for the joint performance of common functions or  
17 with persons or other organizations for the performance of administra-  
18 tive functions;

19 (b) Sue or be sued, including taking any legal actions necessary or  
20 proper to recover any assessments and penalties for, on behalf of, or  
21 against the pool or any carrier;

22 (c) Define the high risk medical conditions for which reinsurance will  
23 be provided, and to issue reinsurance policies, in accordance with the  
24 requirements of this chapter;

25 (d) Establish rules, conditions and procedures for reinsuring risks  
26 under the pool;

27 (e) Establish actuarial functions as appropriate for the operation of  
28 the pool;

29 (f) Assess carriers in accordance with the provisions of section  
30 41-5508, Idaho Code, and make advance interim assessments of carriers  
31 as may be reasonable and necessary for organizational and interim oper-  
32 ating expenses. Any interim assessments shall be credited as offsets  
33 against any regular assessments due following the close of the fiscal  
34 year;

35 (g) Appoint appropriate legal, actuarial and other committees as nec-  
36 essary to provide technical assistance in the operation of the pool,  
37 policy and other contract design, and any other function within the au-  
38 thority of the pool;

39 (h) Borrow money to effect the purposes of the pool. Any notes or other  
40 evidence of indebtedness of the pool not in default shall be legal in-  
41 vestments for carriers and may be carried as admitted assets;

1 (i) Establish rules, policies and procedures as may be necessary or  
2 convenient for the implementation of this chapter and the operation of  
3 the pool.

4 (2) Neither the board nor its employees shall be liable for any obliga-  
5 tions of the pool. No member or employee of the board shall be liable, and  
6 no cause of action of any nature may arise against them, for any act or omis-  
7 sion related to the performance of their powers and duties under this chap-  
8 ter, unless such act or omission constitutes willful or wanton misconduct.  
9 The board may provide for indemnification of, and legal representation for,  
10 its members and employees.

11 (3) No participation of a reinsuring carrier in the pool, no establish-  
12 ment of rates, forms or procedures, and no other joint or collective action  
13 required under the provisions of this chapter shall be grounds for any legal  
14 action, criminal or civil liability, or penalty against the pool or any of  
15 its reinsuring carriers either jointly or separately.

16 (4) The pool shall have no authority to provide reinsurance for any  
17 claims incurred after December 31, 2022, unless the following conditions are  
18 met:

19 (a) The state develops an application for a waiver for state innovation  
20 pursuant to 42 U.S.C. 18052 of the federal patient protection and af-  
21 fordable care act that facilitates the resumption of operations of the  
22 pool in a manner that minimizes the loss of federal funding to support  
23 the affordability of health insurance in the state;

24 (b) After proper public comment periods and consultation with inter-  
25 ested parties, including the pool board, and the approval of the gover-  
26 nor, the waiver application is submitted to the secretary of the United  
27 States department of health and human services and to the secretary of  
28 the United States department of the treasury; and

29 (c) The waiver application is approved.

30 (5) The director shall have the authority as necessary or proper to de-  
31 velop, apply for, and upon approval implement an innovation waiver under 42  
32 U.S.C. 18052 of the federal patient protection and affordable care act, in-  
33 cluding authorizing the pool to perform activities necessary for its imple-  
34 mentation.

35 SECTION 2. An emergency existing therefor, which emergency is hereby  
36 declared to exist, this act shall be in full force and effect on and after  
37 July 1, 2022.

Appendix B: **Actuarial and Economic Analyses**

MILLIMAN REPORT

# Section 1332 Waiver Actuarial Analyses and Certification and Economic Analyses: Idaho Individual High Risk Reinsurance Pool

Prepared for:  
Idaho Individual High Risk Pool Board of Directors

April 25, 2022

[Paul Houchens](#), FSA, MAAA  
[Zachary Hunt](#), ASA, MAAA  
[Robert Schmidt](#), FSA, MAAA



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## EXECUTIVE SUMMARY

Milliman, Inc. (Milliman) has been retained by the State of Idaho to provide actuarial and consulting services related to its operation of the Idaho Individual High Risk Reinsurance Pool (the Pool) under a Section 1332 waiver. The State is seeking a Section 1332 waiver to increase affordability of individual market coverage through a combination of state-based funding and federal pass-through amounts received under the waiver.

This report provides the required actuarial analysis, certification, and economic analyses supporting the State's determination that the Pool meets the requirements for a Section 1332 waiver. At the request of the Department of Insurance, we have illustrated the required projections for the actuarial certification and economic analyses under two scenarios:

- **Baseline Subsidies:** Beginning in calendar year (CY) 2023, premium subsidy amounts for marketplace coverage under the Affordable Care Act (ACA) revert to levels in place prior to the temporary increase in premium subsidy amounts authorized by the American Rescue Plan Act of 2021 (ARP).
- **ARP Subsidies<sup>1</sup>:** Premium subsidy amounts implemented by the ARP for CY 2021 and CY 2022 are made permanent or are extended through the duration of the 2023 through 2032 time period.

Based on guidance from the Department of Insurance, total funding for the Pool has been set at levels that achieve approximately a 10% premium rate reduction for the second-lowest cost silver plan for both scenarios. Pool funding under the ARP Subsidies scenario has been set \$5 million higher than under the Baseline Subsidies scenario to achieve this premium rate reduction goal. Final funding for the Pool will be determined by the Pool's Board of Directors (Board).

Note, because of the ongoing COVID-19 public health emergency (PHE) and its impacts to health insurance coverage and economic activity, as well as the ARP premium subsidy enhancements, there is increased uncertainty regarding future individual health insurance market enrollment, premium rates, and premium subsidies. The values presented in this report are estimates and actual values are certain to vary by an unknown degree.

### SECTION 1332 WAIVER

House Bill 611, authorizing the resumption of the Pool under a 1332 waiver was signed into law on March 23, 2022 by Governor Brad Little. This waiver application seeks to waive Section 1312(c)(1) under Section 1332 of the ACA. This provision of the ACA states that health insurance issuers "shall consider all enrollees in all health plans (other than grandfathered health plans) offered by such issuer in the individual market, including those enrollees who do not enroll in such health plans through the Exchange, to be members of a single risk pool."

### 1332 WAIVER GUARDRAILS

For the Pool to meet the federal requirements for a 1332 waiver, it must meet the following standards:

- **Scope of Coverage:** The 1332 waiver must provide health insurance to at least as many people as would be projected under the status-quo ACA (without waiver).
- **Affordability:** The 1332 waiver must provide coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable as would be projected without the waiver.
- **Comprehensiveness:** The 1332 waiver must provide coverage at least as comprehensive (as defined by the ACA's essential health benefits) as would be projected without the waiver.
- **Deficit Neutrality:** The 1332 waiver must be deficit neutral to the federal government as compared to projections without the waiver

It should be stressed that these requirements are in relation to scope of coverage, affordability, comprehensiveness, and deficit neutrality without the waiver. For example, a 1332 waiver is not required to result in more insured

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<sup>1</sup> Please see <https://us.milliman.com/-/media/milliman/pdfs/2021-articles/3-17-21-a-is-for-affordable.ashx> for further details on how premium subsidy amounts changed under the ARP.

individuals relative to a period before its implementation. Rather, it must be estimated to ensure at least as many insured individuals are covered during the projection period relative to if the 1332 waiver was not implemented.

Our analysis indicates that Idaho's 1332 waiver meets the federal requirements cited above. The remainder of the report provides the requested information in the CMS 1332 Waiver Checklist for the 1332 waiver's actuarial certification and economic analyses that documents how the Pool meets the four guardrails of Section 1332.

## Scope of Coverage

During the five-year initial waiver period and the ten-year projection period, we estimate the Pool will result in an increase to the number of insured Idahoans relative to without the waiver by approximately 1,000 persons per year. We do not estimate the Pool having any material impacts to the number of Idahoans covered under employer-sponsored plans, Medicaid, Medicare, or other public programs. Figure 1 illustrates estimated non-group market enrollment under the Pool relative to if the program was not in place for the Baseline Subsidies and ARP Subsidies scenarios. Our assumptions for the number of Idahoans incrementally enrolling in individual market coverage because of the Pool are based on experience from other states with similar reinsurance programs.<sup>2</sup> The enrollment decreases illustrated from 2022 to 2023 reflect the impact of transitional coverage modeled to end on December 31, 2022. Actual transitional enrollment will vary from this assumption but is not estimated to materially impact the waiver's impact on ACA-compliant coverage. Changes to the State's transitional coverage policy may impact individual market enrollment during the projection period.

FIGURE 1

### IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

#### ESTIMATED IMPACTS TO INDIVIDUAL MARKET HEALTH INSURANCE COVERAGE FROM REINSURANCE PROGRAM

CALENDAR YEAR	INDIVIDUALS INSURED IN NON-GROUP MARKET – BASELINE SUBSIDIES (THOUSANDS)			INDIVIDUALS INSURED IN NON-GROUP MARKET – ARP SUBSIDIES (THOUSANDS)		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER CHANGE	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER CHANGE
2022	94.4	94.4	0.0	94.4	94.4	0.0
2023	81.2	82.7	1.5	84.6	85.6	1.0
2024	81.5	83.0	1.5	85.2	86.2	1.0
2025	81.8	83.3	1.5	85.8	86.9	1.0
2026	82.1	83.6	1.5	86.5	87.6	1.1
2027	82.6	84.2	1.5	87.2	88.3	1.1
2028	83.1	84.7	1.6	87.9	89.0	1.1
2029	83.6	85.2	1.6	88.6	89.7	1.1
2030	84.2	85.7	1.6	89.3	90.4	1.1
2031	84.7	86.3	1.6	90.0	91.1	1.1
2032	85.2	86.8	1.6	90.8	91.9	1.1

Note: Values are rounded.

## Affordability

The Pool is not estimated to impact premium rates for employer-sponsored insurance, nor change affordability for public programs such as Medicaid and Medicare.

For the non-group market, the Pool is estimated to reduce Silver benchmark premium rates by approximately 10% to 12% (relative to without the waiver) over the ten-year projection period. Under the ACA's premium assistance program prior to the implementation of ARP subsidies, qualifying households with income between 100% and 400%

<sup>2</sup> <https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/1332-Data-Brief-Aug2021.pdf>

FPL (who do not qualify for Medicaid) have out-of-pocket premium expenses capped to a specified percent of income. We estimate the vast majority of individuals receiving premium assistance without the waiver will also receive premium assistance under the Pool. For these individuals, the premium savings will accrue to the federal government, as it reduces the amount of premium assistance necessary to ensure the out-of-pocket cost of coverage does not exceed the maximum specified by the ACA. It is possible that some young adults and other persons with income approaching 400% FPL receiving premium assistance without the waiver will see out-of-pocket premiums fall below the maximum specified by the ACA under the Pool. In these cases, only partial premium savings accrue to the federal government, while the consumer also directly benefits from the premium reduction.

As a result of the enhanced ARP subsidies, there is no income limit on premium subsidy assistance. For any household with a silver benchmark plan exceeding 8.5% of household income, federal premium subsidies will limit out-of-pocket premium expenses to 8.5% (or a smaller percentage as dictated by the ARP subsidy formula). In 2022, we estimate approximately 67% of Idahoans purchasing coverage in the ACA-compliant individual market will receive federal premium assistance. Because the ARP results in a larger percentage of Idaho's individual market receiving federal premium assistance, it reduces the number of Idahoans impacted by the Pool relative to the Baseline Subsidies scenario. For example, older adults with income above 400% who would not qualify for premium assistance under the Baseline Subsidies scenario and would realize out-of-pocket premium savings from the Pool, do not experience an out-of-pocket premium change for the Silver benchmark plan after becoming eligible for premium assistance under the ARP Subsidies scenario.

For households not eligible for premium assistance, the full amount of premium rate reduction will be realized under the Pool, with the federal government not accruing any savings. Figure 2a (Baseline Subsidies) and Figure 2b (ARP Subsidies) illustrate premium rate reductions for a 21-year old and a 64-year old for the second lowest cost Silver plan (the benchmark plan that is used to determine available premium assistance). Because of age rating allowed in the individual market, older Idahoans not qualifying for premium assistance will experience greater dollar reductions in monthly out-of-pocket premium expenses (while the percentage reduction in premium rates will not vary by age).

FIGURE 2A

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM – BASELINE SUBSIDIES

## CHANGES IN SECOND LOWEST COST SILVER PLAN MONTHLY PREMIUM FROM 1332 WAIVER IMPLEMENTATION

CALENDAR YEAR	21-YEAR OLD MONTHLY PREMIUM				64-YEAR OLD MONTHLY PREMIUM			
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE
2022	\$361	\$361	\$0	0%	\$1,082	\$1,082	\$0	0%
2023	\$397	\$353	(44)	(11%)	\$1,192	\$1,059	(133)	(11%)
2024	\$417	\$375	(41)	(10%)	\$1,250	\$1,126	(124)	(10%)
2025	\$436	\$394	(42)	(10%)	\$1,308	\$1,182	(126)	(10%)
2026	\$456	\$411	(44)	(10%)	\$1,367	\$1,234	(133)	(10%)
2027	\$475	\$428	(47)	(10%)	\$1,425	\$1,285	(140)	(10%)
2028	\$495	\$448	(48)	(10%)	\$1,486	\$1,343	(143)	(10%)
2029	\$517	\$466	(50)	(10%)	\$1,550	\$1,399	(151)	(10%)
2030	\$539	\$486	(53)	(10%)	\$1,616	\$1,457	(159)	(10%)
2031	\$562	\$506	(56)	(10%)	\$1,685	\$1,518	(167)	(10%)
2032	\$586	\$527	(59)	(10%)	\$1,757	\$1,582	(176)	(10%)

## Notes:

1. Values are rounded.
2. Values do not reflect available premium assistance for qualifying individuals.
3. Premiums are for non-tobacco user and assume federal default 3:1 age rating.
4. Premium savings would be realized by consumers not qualifying for federal premium assistance. For individuals qualifying for federal premium assistance, the federal government will have lower premium assistance expenditures.



## FIGURE 2B

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM – ARP SUBSIDIES

## CHANGES IN SECOND LOWEST COST SILVER PLAN MONTHLY PREMIUM FROM 1332 WAIVER IMPLEMENTATION

CALENDAR YEAR	21-YEAR OLD MONTHLY PREMIUM				64-YEAR OLD MONTHLY PREMIUM			
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE
2022	\$361	\$361	\$0	0%	\$1,082	\$1,082	\$0	0%
2023	397	350	(46)	(12%)	1,190	1,051	(139)	(12%)
2024	416	373	(44)	(10%)	1,248	1,118	(131)	(10%)
2025	435	391	(44)	(10%)	1,306	1,174	(132)	(10%)
2026	455	409	(46)	(10%)	1,365	1,226	(138)	(10%)
2027	474	426	(48)	(10%)	1,423	1,278	(145)	(10%)
2028	495	446	(49)	(10%)	1,484	1,337	(147)	(10%)
2029	516	464	(51)	(10%)	1,547	1,393	(154)	(10%)
2030	538	484	(54)	(10%)	1,613	1,452	(161)	(10%)
2031	561	504	(56)	(10%)	1,682	1,513	(169)	(10%)
2032	585	526	(59)	(10%)	1,754	1,577	(177)	(10%)

## Notes:

1. Values are rounded.
2. Values do not reflect available premium assistance for qualifying individuals.
3. Premiums are for non-tobacco user and assume federal default 3:1 age rating.
4. Premium savings would be realized by consumers not qualifying for federal premium assistance. For individuals qualifying for federal premium assistance, the federal government will have lower premium assistance expenditures.
- 5.

Based on the above summary of our analysis, we believe the Pool meets the affordability requirement for federal approval of a 1332 waiver.

## Comprehensiveness

The Pool meets the comprehensiveness requirement for a 1332 waiver. This waiver makes no change to insurer benefit requirements for plans offered in Idaho's health insurance markets as Idaho does not propose to waive any of the requirements concerning the Essential Health Benefits, and the waiver will not result in individuals losing coverage or moving to less comprehensive coverage. Therefore, the focus of the actuarial analysis was related to coverage and affordability requirements under the Pool, as presented above and discussed in greater detail later in this report.

## Deficit Neutrality

A 1332 waiver application must demonstrate it will not increase the federal deficit. The Pool will be funded through a combination of state-based funding (a combination of premium tax revenue, financial assets of the Pool, and ad-hoc state funding) and federal pass-through amounts. The Pool will operate as a condition-based Pool, with insurers receiving payment for enrollees meeting specific clinical criteria. The clinical criteria will be established prior to the beginning of each coverage year by the Board to target the projected total Pool funding available for the upcoming year. Total assumed Pool funding in each projection year is illustrated in Figure 3a (Baseline Subsidies) and Figure 3b (ARP Subsidies). These assumptions are based on discussion with the Department of Insurance.

By reducing non-group premiums, the Pool is estimated to result in federal savings on premium assistance provided through Your Health Idaho (YHI), the State's insurance marketplace, for the population qualifying for federal APTCs. Figure 3a (Baseline Subsidies) and Figure 3b (ARP Subsidies) illustrate estimated changes in federal APTC expenditures for QHP enrollees during the ten-year projection period. APTC savings are greater under the ARP

Subsidies scenario and more individuals qualify for premium subsidies relative to the Baseline Subsidies scenario. We do not estimate any material changes in other federal expenditures as a result of the Pool. It is assumed that Idaho continues to operate its state-based marketplace, YHI, during the projection period, resulting in no impact to federal marketplace user fee revenue.

**FIGURE 3A**  
**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**  
**ESTIMATED CHANGES IN FEDERAL APTC EXPENDITURES (\$ MILLIONS)**  
**REINSURANCE PROGRAM – BASELINE SUBSIDIES**

CALENDAR YEAR	APTC EXPENDITURES WITHOUT WAIVER	APTC EXPENDITURES WITH WAIVER	NET CHANGE IN FEDERAL EXPENDITURES	TOTAL POOL FUNDING UNDER WAIVER
2022	\$ 292.4	\$ 292.4	\$ 0.0	\$ 0.0
2023	274.4	234.3	(40.1)	58.5
2024	291.2	253.3	(37.9)	54.9
2025	308.4	269.7	(38.8)	55.9
2026	325.8	284.6	(41.3)	59.2
2027	343.5	299.7	(43.8)	62.8
2028	362.1	317.2	(44.9)	64.3
2029	381.9	334.1	(47.7)	68.2
2030	402.6	352.0	(50.7)	72.3
2031	424.6	370.8	(53.8)	76.6
2032	447.7	390.7	(57.0)	81.2

Note: Values are rounded.

**FIGURE 3B**  
**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**  
**ESTIMATED CHANGES IN FEDERAL APTC EXPENDITURES (\$ MILLIONS)**  
**REINSURANCE PROGRAM – ARP SUBSIDIES**

CALENDAR YEAR	APTC EXPENDITURES WITHOUT WAIVER	APTC EXPENDITURES WITH WAIVER	NET CHANGE IN FEDERAL EXPENDITURES	TOTAL POOL FUNDING UNDER WAIVER
2022	\$ 292.4	\$ 292.4	\$ 0.0	\$ 0.0
2023	332.4	287.2	(45.3)	63.5
2024	352.4	309.5	(42.9)	59.9
2025	372.6	328.9	(43.8)	60.9
2026	393.3	347.2	(46.2)	64.2
2027	414.4	365.8	(48.7)	67.8
2028	436.7	387.0	(49.7)	69.3
2029	460.2	407.8	(52.5)	73.2
2030	485.0	429.6	(55.4)	77.3
2031	511.1	452.7	(58.5)	81.6
2032	538.7	477.0	(61.7)	86.2

Note: Values are rounded.

Final pass-through funding available to the Pool is estimated to be reduced by an additional 7.2%, reflecting the difference between APTC and final reconciled PTC amounts. This percentage is based on calendar year 2019 federal tax return tax for Idahoans and calendar year 2019 effectuated APTC enrollment. The final percentage applied by CMS in the pass-through calculation may vary from this estimate based on updated data or funding methodologies.

## Sensitivity of Results

It should be noted that there is significant uncertainty surrounding future enrollment and premiums in health insurance programs, particularly the individual market. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

Actual enrollment and premium changes may vary for several reasons, including but not limited to:

- Health insurance market enrollment changes caused by economic or pandemic-related policy changes, including the end of the COVID-19 public health emergency which increases uncertainty about future individual market enrollment levels (discussed in more detail in Section 7 of the actuarial certification)
- Health care inflation
- Labor market fluctuations
- General inflation

The actuarial and economic analyses presented in this report solely reflect the estimated incremental impact of the Pool. Other current or pending state or federal policy changes may impact actual amounts presented in this report.

We note that our projections of enrollment and premium rates in the individual market assume CSR variants continue and insurer pricing assumptions do not materially deviate from 2022 assumptions. In Idaho, insurance carriers were allowed to increase Silver premiums in 2018 in response to the federal government eliminating the CSR payments as of October 2017.<sup>3</sup> To the extent that direct CSR payments are reinstated, our analysis will need to be updated. To the extent judicial, legislative, or regulatory changes are made to the ACA or state-based insurance regulations, the values presented in this report may be impacted to a significant degree. While we have presented insurance market projections under the Baseline Subsidy and ARP Subsidy scenarios, it is possible that the premium subsidy structure will differ from these two scenarios in the future. Our analysis does not reflect any impacts from the Biden-Harris Administration's proposed rule to address the "family glitch" that may result in additional Idahoans qualifying for federal premium assistance.<sup>4</sup> Results will also be influenced by the ultimate program funding strategy employed by the Pool's Board.

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<sup>3</sup> <https://www.hhs.gov/sites/default/files/csr-payment-memo.pdf>

<sup>4</sup> <https://www.federalregister.gov/documents/2022/04/07/2022-07158/affordability-of-employer-coverage-for-family-members-of-employees>

## SECTION I. ACTUARIAL ANALYSIS

This section provides the required actuarial analysis for Idaho's Section 1332 Waiver application. The appendix of this report contains the actuarial certification for the 1332 waiver.

A description of the actuarial analysis meeting the requirements under 45 CFR 155.1308(f)(4)(i) and other applicable information as requested in the Checklist for Section 1332 Waiver Applications has been provided in this section. For purposes of this analysis, calendar year 2022 serves as the baseline year for the ten-year required projections. Note, the baseline year reflects the enhanced ARP subsidies and the existing high-risk condition reinsurance program that will be terminated in the event Idaho's Section 1332 waiver application is not approved.

As discussed in the Assumptions and Methodology section of this report, we utilized a combination of census bureau survey and projection data, YHI enrollment and APTC data, publicly available health insurance enrollment and premium data, modeling of the ACA's premium assistance structure, and proprietary data to model the estimated impact of the Pool during the ten-year projection period. Our analysis reflects the estimated demographics of Idahoans during the projection period and models insurance purchasing behavior based on changes in premium rates and federal premium subsidies. Our modeling allows for the summarization of projected enrollment and premium information by age, gender, health status, household income, and insurance market. Prior to performing any projections, we calibrated our projection model's census, premium, claims expense, and other assumptions to reflect Idaho's insurance markets.

### 1. Projected Individual Market Population

Figure 4 illustrates the estimated number of Idahoans enrolled in ACA compliant coverage during the 2022 baseline year and ten-year projection period under the following scenarios:

- Baseline Subsidies, without waiver: Marketplace premium assistance available in YHI reverts to pre-ARP levels effective January 1, 2023, existing reinsurance program is terminated on December 31, 2022.
- Baseline Subsidies, with waiver: Marketplace premium assistance available in YHI reverts to pre-ARP levels effective January 1, 2023, the Pool is implemented under a 1332 waiver.
- ARP Subsidies, without waiver: Enhanced marketplace premium assistance under the ARP is made permanent, existing reinsurance program is terminated on December 31, 2022.
- ARP Subsidies, with waiver: Enhanced marketplace premium assistance under the ARP is made permanent, the Pool is implemented under a 1332 waiver.

In addition to these 4 scenarios, the incremental enrollment change between the with and without waiver scenarios is illustrated under the Baseline and ARP subsidy assumptions. Note, Figure 4 excludes enrollment for persons with non-ACA compliant coverage in the individual market. Because the ARP Subsidies results in lower out-of-pocket premium requirements for Idahoans purchasing coverage in YHI with federal premium assistance, we estimate individual market enrollment will be higher under the ARP Subsidies scenario relative to the Base Subsidies scenario.

The incremental enrollment change is estimated to be slightly higher under the Base Subsidies scenario, as Idahoans with income above 400% FPL are assumed to not qualify for federal premium assistance and thus directly benefit from the Pool.

**FIGURE 4**  
**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**  
**ESTIMATED ACA COMPLIANT INDIVIDUAL MARKET ENROLLMENT (THOUSANDS)**

CALENDAR YEAR	BASELINE SUBSIDIES, WITHOUT WAIVER	BASELINE SUBSIDIES, WITH WAIVER	BASELINE SUBSIDIES, INCREMENTAL ENROLLMENT CHANGE	ARP SUBSIDIES, WITHOUT WAIVER	ARP SUBSIDIES, WITH WAIVER	ARP SUBSIDIES, INCREMENTAL ENROLLMENT CHANGE
2022	79.3	79.3	0.0	79.3	79.3	0.0
2023	81.2	82.7	1.5	84.6	85.6	1.0
2024	81.5	83.0	1.5	85.2	86.2	1.0
2025	81.8	83.3	1.5	85.8	86.9	1.0
2026	82.1	83.6	1.5	86.5	87.6	1.1
2027	82.6	84.2	1.5	87.2	88.3	1.1
2028	83.1	84.7	1.6	87.9	89.0	1.1
2029	83.6	85.2	1.6	88.6	89.7	1.1
2030	84.2	85.7	1.6	89.3	90.4	1.1
2031	84.7	86.3	1.6	90.0	91.1	1.1
2032	85.2	86.8	1.6	90.8	91.9	1.1

Note: Values are rounded.

## 2. Estimated Premium Impact from 1332 Waiver

Figure 5a (Baseline Subsidies) and Figure 5b (ARP Subsidies) illustrate the estimated claims expense per member per month (PMPM), non-claims expense PMPM, composite premium PMPM and corresponding medical loss ratio (MLR), without adjustment for taxes and assessments or quality improvement expenses, with and without the waiver for the ACA-compliant risk pool. Without the implementation of the Pool, the composite market premium rate is estimated to increase by approximately 9.8% (Baseline Subsidies) to 9.2% (ARP Subsidies) as a result of healthcare inflation and the termination of the existing reinsurance program (which is estimated to reduce premium rates by approximately 3% in calendar year 2022).

**FIGURE 5A**

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**

**REINSURANCE PROGRAM – BASELINE SUBSIDIES**

**ESTIMATED NON-CLAIMS EXPENSES AND INDIVIDUAL MARKET MEDICAL LOSS RATIO**

YEAR	WITHOUT WAIVER				WITH WAIVER			
	PREMIUM PMPM	CLAIMS EXPENSE PMPM	NON-CLAIMS EXPENSE PMPM	MLR	PREMIUM PMPM	CLAIMS EXPENSE PMPM	NON-CLAIMS EXPENSE PMPM	MLR
2022	\$498	\$428	\$70	86%	\$498	\$428	\$70	86%
2023	547	472	75	86%	485	412	73	85%
2024	574	496	77	87%	516	440	76	85%
2025	601	521	79	87%	542	464	78	86%
2026	628	546	81	87%	566	486	79	86%
2027	655	571	83	87%	589	508	81	86%
2028	683	597	85	87%	616	533	83	86%
2029	712	624	88	88%	642	556	86	87%
2030	743	653	90	88%	669	581	88	87%
2031	775	683	92	88%	697	607	90	87%
2032	808	714	95	88%	727	634	92	87%

Notes:

1. Values have been rounded.
2. MLR estimates have not been adjusted for fees and taxes or quality improvement expenses.
3. Values exclude non-ACA compliant coverage.

**FIGURE 5B**  
**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**  
**REINSURANCE PROGRAM – ARP SUBSIDIES**  
**ESTIMATED NON-CLAIMS EXPENSES AND INDIVIDUAL MARKET MEDICAL LOSS RATIO**

YEAR	WITHOUT WAIVER				WITH WAIVER			
	PREMIUM PMPM	CLAIMS EXPENSE PMPM	NON-CLAIMS EXPENSE PMPM	MLR	PREMIUM PMPM	CLAIMS EXPENSE PMPM	NON-CLAIMS EXPENSE PMPM	MLR
2022	\$498	\$428	\$70	86%	\$498	\$428	\$70	86%
2023	544	469	75	86%	480	407	73	85%
2024	570	493	77	86%	510	435	75	85%
2025	597	517	79	87%	536	458	77	86%
2026	623	542	81	87%	559	480	79	86%
2027	650	566	83	87%	583	502	81	86%
2028	677	592	85	87%	610	526	83	86%
2029	706	619	88	88%	635	550	85	87%
2030	737	647	90	88%	662	575	88	87%
2031	768	676	92	88%	690	601	90	87%
2032	801	707	94	88%	720	628	92	87%

## Notes:

1. Values have been rounded.
2. MLR estimates have not been adjusted for fees and taxes or quality improvement expenses.
3. Values exclude non-ACA compliant coverage.

There is significant uncertainty regarding insurer pricing assumptions with or without the implementation of the 1332 waiver. Insurer competition, regulatory changes, and other unknown factors may result in actual claims and non-claims expenses varying materially from the above values. Additionally, economic changes, including both unemployment and inflation, that may influence premium rates have significant uncertainty during the projection period.

### 3. Coverage Requirements

As required under 45 CFR 155.1308(f)(3)(iv)(C), a State's proposed waiver must provide coverage to at least a comparable number of its residents as the provisions of Title I of the ACA. Under Idaho's 1332 waiver, we estimate the number of Idahoans with health insurance coverage will increase slightly relative to without the waiver.

The following paragraphs detail 2022 (baseline year) health insurance coverage in the non-group market, as well as estimated coverage changes during the ten-year projection period, 2023 through 2032.

#### A. NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME

Figure 6a (Baseline Subsidies) and Figure 6b (ARP Subsidies) illustrate estimated non-group market enrollment in thousands under the status-quo ACA (without waiver) during the baseline year (2022), and the projection period (2023 through 2032) by household income, as measured as a percentage of the FPL. Enrollment figures include all comprehensive non-group coverage, including transitional and grandfathered coverage.

FIGURE 6A

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2022 THROUGH 2032 (THOUSANDS)

## WITHOUT WAIVER – BASELINE SUBSIDIES

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>% OF FPL</b>											
0% to <100%	0	0	0	0	0	0	0	0	0	0	0
>=100% to <=150%	8	7	7	7	7	8	8	8	8	8	8
>150% to <=200%	15	14	14	14	14	14	15	15	15	15	15
>200% to <=250%	15	14	14	15	15	15	15	15	15	15	15
>250% to <=300%	10	9	9	9	9	9	9	10	10	10	10
>300% to <=400%	16	11	11	11	11	11	12	12	12	12	12
>400%	32	25	25	25	25	25	25	25	25	25	25
<b>Total Individual</b>	<b>94</b>	<b>81</b>	<b>81</b>	<b>82</b>	<b>82</b>	<b>83</b>	<b>83</b>	<b>84</b>	<b>84</b>	<b>85</b>	<b>85</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

FIGURE 6B

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2022 THROUGH 2032 (THOUSANDS)

## WITHOUT WAIVER – ARP SUBSIDIES

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>% OF FPL</b>											
0% to <100%	0	0	0	0	0	0	0	0	0	0	0
>=100% to <=150%	8	8	8	8	8	8	8	8	8	8	8
>150% to <=200%	15	15	15	15	15	15	15	15	15	16	16
>200% to <=250%	15	15	15	15	15	16	16	16	16	16	16
>250% to <=300%	10	10	10	10	10	10	10	10	10	10	10
>300% to <=400%	16	12	12	12	12	12	12	12	12	12	13
>400%	32	26	26	26	26	27	27	27	27	28	28
<b>Total Individual</b>	<b>94</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>87</b>	<b>87</b>	<b>88</b>	<b>89</b>	<b>89</b>	<b>90</b>	<b>91</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

For the population with income under 400% FPL, it is assumed that most of these households are receiving federal premium assistance to purchase health insurance coverage through YHI. We expect out-of-pocket premium rates for the APTC-eligible population (with the exception of impacts from ARP subsidies reverting to baseline levels in Figure 6a from calendar year 2022 to calendar year 2023) will not materially change during the ten-year projection period, resulting in steady APTC-eligible enrollment, with slight increases driven by population growth.

At the end of 2022, we assume transitional/grandfathered coverage will end, with many of these individuals electing to become uninsured in 2023 and the remainder enrolling in ACA compliant coverage. We have assumed this population cohort has income above 300% FPL, resulting in material enrollment increases for the 300% to 400% FPL and >400% FPL cohorts from calendar year 2022 to calendar year 2023. Thereafter, enrollment is estimated to grow slightly because of population growth.



Figure 7a (Baseline Subsidies) and Figure 7b (ARP Subsidies) illustrate estimated non-group market enrollment in thousands under the 1332 waiver (with waiver) during the baseline year (2022), and projection period (2023 through 2032). Enrollment figures include all comprehensive non-group coverage, including transitional and grandfathered coverage.

**FIGURE 7A**  
**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**  
**REINSURANCE PROGRAM**  
**ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2022 THROUGH 2032 (THOUSANDS)**  
**WITH WAIVER – BASELINE SUBSIDIES**

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>% OF FPL</b>											
0% to <100%	0	0	0	0	0	0	0	0	0	0	0
>=100% to <=150%	8	7	7	7	7	8	8	8	8	8	8
>150% to <=200%	15	14	14	14	14	14	15	15	15	15	15
>200% to <=250%	15	14	14	15	15	15	15	15	15	15	15
>250% to <=300%	10	9	9	9	9	9	9	10	10	10	10
>300% to <=400%	16	11	11	11	11	12	12	12	12	12	12
>400%	32	27	27	27	26	27	27	27	27	27	27
<b>Total Individual</b>	<b>94</b>	<b>83</b>	<b>83</b>	<b>83</b>	<b>84</b>	<b>84</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>86</b>	<b>87</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

**FIGURE 7B**  
**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**  
**REINSURANCE PROGRAM**  
**ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2022 THROUGH 2032 (THOUSANDS)**  
**WITH WAIVER – ARP SUBSIDIES**

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>% OF FPL</b>											
0% to <100%	0	0	0	0	0	0	0	0	0	0	0
>=100% to <=150%	8	8	8	8	8	8	8	8	8	8	8
>150% to <=200%	15	15	15	15	15	15	15	15	15	16	16
>200% to <=250%	15	15	15	15	15	16	16	16	16	16	16
>250% to <=300%	10	10	10	10	10	10	10	10	10	10	10
>300% to <=400%	16	12	12	12	12	12	12	12	12	13	13
>400%	32	27	27	27	27	28	28	28	28	29	29
<b>Total Individual</b>	<b>94</b>	<b>86</b>	<b>86</b>	<b>87</b>	<b>88</b>	<b>88</b>	<b>89</b>	<b>90</b>	<b>90</b>	<b>91</b>	<b>92</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

Figure 8a (Baseline Subsidies) and Figure 8b (ARP Subsidies) illustrates the estimated net non-group market change resulting from the implementation of the 1332 waiver from 2023 through 2032. Enrollment figures include all comprehensive non-group coverage, including transitional and grandfathered coverage.

**FIGURE 8A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2023 THROUGH 2032 (THOUSANDS)****NET ENROLLMENT CHANGE RESULTING FROM WAIVER – BASELINE SUBSIDIES**

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>% OF FPL</b>											
0% to <100%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>=100% to <=150%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>150% to <=200%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>200% to <=250%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>250% to <=300%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>300% to <=400%	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
>400%	0.0	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.5	1.5
<b>Total Individual</b>	<b>0.0</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

**FIGURE 8B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2023 THROUGH 2032 (THOUSANDS)****NET ENROLLMENT CHANGE RESULTING FROM WAIVER – ARP SUBSIDIES**

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>% OF FPL</b>											
0% to <100%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>=100% to <=150%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>150% to <=200%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>200% to <=250%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>250% to <=300%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>300% to <=400%	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
>400%	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Total Individual</b>	<b>0.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

As previously stated, because the Pool is not assumed to materially impact out-of-pocket premium rates for the population receiving premium assistance, we have projected substantive enrollment changes only for the population ineligible for premium assistance.

**B. NON-GROUP MARKET ENROLLMENT BY PREMIUM TAX CREDIT ELIGIBILITY**

Figures 9a and 9b, 10a and 10b, and 11a and 11b illustrate the impact to non-group market enrollment resulting from the Pool based on enrollee APTC eligibility status with waiver, without waiver, and the net change under the Baseline Subsidies (a) and ARP subsidies (b). Under the ACA, qualifying households with income between

100%<sup>5</sup> and 400% FPL who do not qualify for Medicare or Medicaid are eligible for an APTC that may be used to purchase health insurance coverage through YHI. These figures illustrate estimated non-group market enrollment without waiver, with waiver, and the net change. Enrollment figures under the Pool (with waiver) include all comprehensive non-group coverage, including transitional and grandfathered coverage. The enrollment decreases illustrated from 2022 to 2023 reflect the impact of transitional coverage assumed to end on December 31, 2022. Changes to the State's transitional coverage policy may impact individual market enrollment during the projection period.

Enrollment in the 'Not Eligible' category includes individuals that may qualify for premium assistance but have not purchased a qualified health plan in YHI with premium assistance.

**FIGURE 9A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)****WITHOUT WAIVER – BASELINE SUBSIDIES**

<b>APTC STATUS</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
Eligible	53	49	49	49	50	50	50	51	51	52	52
Not Eligible	41	33	33	32	32	33	33	33	33	33	33
<b>Composite</b>	<b>94</b>	<b>81</b>	<b>81</b>	<b>82</b>	<b>82</b>	<b>83</b>	<b>83</b>	<b>84</b>	<b>84</b>	<b>85</b>	<b>85</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

**FIGURE 9B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)****WITHOUT WAIVER – ARP SUBSIDIES**

<b>APTC STATUS</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
Eligible	53	56	56	57	57	58	58	59	59	59	60
Not Eligible	41	29	29	29	29	30	30	30	30	31	31
<b>Composite</b>	<b>94</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>87</b>	<b>87</b>	<b>88</b>	<b>89</b>	<b>89</b>	<b>90</b>	<b>91</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

<sup>5</sup> Lawfully present non-citizens with income below 100% FPL may also receive a premium tax credit

FIGURE 10A

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM**

**ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)**

**WITH WAIVER – BASELINE SUBSIDIES**

<b>APTC STATUS</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
Eligible	53	49	49	49	50	50	50	51	51	52	52
Not Eligible	41	34	34	34	34	34	34	34	34	35	35
<b>Composite</b>	<b>94</b>	<b>83</b>	<b>83</b>	<b>83</b>	<b>84</b>	<b>84</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>86</b>	<b>87</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 10B

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM**

**ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)**

**WITH WAIVER – ARP SUBSIDIES**

<b>APTC STATUS</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
Eligible	53	56	56	57	57	58	58	59	59	59	60
Not Eligible	41	30	30	30	30	31	31	31	31	32	32
<b>Composite</b>	<b>94</b>	<b>86</b>	<b>86</b>	<b>87</b>	<b>88</b>	<b>88</b>	<b>89</b>	<b>90</b>	<b>90</b>	<b>91</b>	<b>92</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 11A

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM**

**ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)**

**NET ENROLLMENT CHANGE RESULTING FROM WAIVER – BASELINE SUBSIDIES**

<b>APTC STATUS</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
Eligible	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Not Eligible	0.0	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6	1.6	1.6
<b>Composite</b>	<b>0.0</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 11B

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)

## NET ENROLLMENT CHANGE RESULTING FROM WAIVER – ARP SUBSIDIES

APTC STATUS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Eligible	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Not Eligible	0.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
<b>Composite</b>	<b>0.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>

## Notes:

1. Values are rounded to the nearest thousand.

Total values are separately rounded.

Under the ARP Subsidies scenario, APTC enrollment represents a larger proportion of the individual market (approximately 65% in calendar year 2023) relative to Baseline Subsidies scenario (59% in calendar year 2023).

## C. NON-GROUP MARKET ENROLLMENT BY METALLIC LEVEL

Figures 12a and 12b, 13a and 13b, and 14a and 14b illustrate the estimated impact to non-group market enrollment by plan level with waiver, without waiver, and the net change under the Baseline Subsidies (a) and ARP subsidies (b). Under the ACA, households may purchase a non-group plan in one of four metallic tiers: Bronze, Silver, Gold, or Platinum.<sup>6</sup> However, insurers participating in Idaho's non-group market do not currently offer Platinum level coverage. Catastrophic plans are available for individuals under age 30 or persons qualifying for an unaffordability or hardship exemption. Additionally, there is a relatively small portion of the non-group market that has maintained grandfathered or transitional coverage that was first purchased prior to the ACA's reformed rating rules implemented in 2014. For modeling purposes, we assumed transitional coverage will end and grandfathered coverage would phase-out after 2022.

FIGURE 12A

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)

## WITHOUT WAIVER - BASELINE SUBSIDIES

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0	0	0	0	0	0	0	0	0	0	0
Bronze	49	50	50	50	50	51	51	51	52	52	52
Silver	23	23	23	23	23	24	24	24	24	24	24
Gold	7	8	8	8	8	8	8	8	8	8	8
Platinum	0	0	0	0	0	0	0	0	0	0	0
Non-ACA	15	0	0	0	0	0	0	0	0	0	0
<b>Composite</b>	<b>94</b>	<b>81</b>	<b>81</b>	<b>82</b>	<b>82</b>	<b>83</b>	<b>83</b>	<b>84</b>	<b>84</b>	<b>85</b>	<b>85</b>

## Notes:

1. Values are rounded to the nearest thousand.

2. Total values are separately rounded.

<sup>6</sup> See <https://www.healthcare.gov/choose-a-plan/plans-categories/> for more information.

**FIGURE 12B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)****WITHOUT WAIVER - ARP SUBSIDIES**

<b>PLAN LEVEL</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
Catastrophic	0	0	0	0	0	0	0	0	0	0	0
Bronze	49	52	53	53	54	54	54	55	55	56	56
Silver	23	24	24	24	24	25	25	25	25	25	26
Gold	7	8	8	8	8	8	8	8	8	8	9
Platinum	0	0	0	0	0	0	0	0	0	0	0
Non-ACA	15	0	0	0	0	0	0	0	0	0	0
<b>Composite</b>	<b>94</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>87</b>	<b>87</b>	<b>88</b>	<b>89</b>	<b>89</b>	<b>90</b>	<b>91</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

**FIGURE 13A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)****WITH WAIVER - BASELINE SUBSIDIES**

<b>PLAN LEVEL</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
Catastrophic	0	0	0	0	0	0	0	0	0	0	0
Bronze	49	51	51	51	52	52	52	52	53	53	53
Silver	23	23	23	24	24	24	24	24	24	25	25
Gold	7	8	8	8	8	8	8	8	8	8	8
Platinum	0	0	0	0	0	0	0	0	0	0	0
Non-ACA	15	0	0	0	0	0	0	0	0	0	0
<b>Composite Individual</b>	<b>94</b>	<b>83</b>	<b>83</b>	<b>83</b>	<b>84</b>	<b>84</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>86</b>	<b>87</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 13B

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM**

**ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)**

**WITH WAIVER - ARP SUBSIDIES**

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0	0	0	0	0	0	0	0	0	0	0
Bronze	49	53	53	54	54	55	55	56	56	56	57
Silver	23	24	24	24	25	25	25	25	25	26	26
Gold	7	8	8	8	8	8	8	8	8	9	9
Platinum	0	0	0	0	0	0	0	0	0	0	0
Non-ACA	15	0	0	0	0	0	0	0	0	0	0
<b>Composite Individual</b>	<b>94</b>	<b>86</b>	<b>86</b>	<b>87</b>	<b>88</b>	<b>88</b>	<b>89</b>	<b>90</b>	<b>90</b>	<b>91</b>	<b>92</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 14A

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM**

**ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)**

**NET ENROLLMENT CHANGE RESULTING FROM WAIVER - BASELINE SUBSIDIES**

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bronze	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1
Silver	0.0	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Gold	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Platinum	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-ACA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Composite</b>	<b>0.0</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 14B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM

## ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)

## NET ENROLLMENT CHANGE RESULTING FROM WAIVER – ARP SUBSIDIES

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bronze	0.0	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8
Silver	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Gold	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Platinum	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-ACA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Composite</b>	<b>0.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

As shown in Figure 14a and Figure 14b, the majority of individual market enrollment increases resulting from the waiver are estimated to come from the Bronze coverage tier, as individuals with income above 400% FPL predominately enroll in Bronze coverage because it is more affordable relative to other tiers.

**D. NON-GROUP MARKET ENROLLMENT BY AGE**

Figures 15a and 15b, 16a and 16b, and 17a and 17b illustrate the estimated impacts to non-group market enrollment by age group without waiver, with waiver, and the net change under the Baseline Subsidies (a) and ARP subsidies (b).

FIGURE 15A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM

## ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)

## WITHOUT WAIVER - BASELINE SUBSIDIES

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 AND UNDER	16	13	13	12	12	12	12	13	13	13	13
18 TO 25	7	6	6	6	6	6	6	6	6	6	6
26 TO 34	11	9	9	9	9	9	9	9	10	10	10
35 TO 44	17	15	15	15	15	15	15	15	15	15	16
45 TO 54	16	14	14	14	14	14	15	15	15	15	15
55 TO 64	26	23	23	22	22	23	23	23	23	23	23
65 AND OVER	3	3	3	3	3	3	3	3	3	3	3
<b>TOTAL</b>	<b>94</b>	<b>81</b>	<b>81</b>	<b>82</b>	<b>82</b>	<b>83</b>	<b>83</b>	<b>84</b>	<b>84</b>	<b>85</b>	<b>85</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.



**FIGURE 15B**  
**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**  
**REINSURANCE PROGRAM**  
**ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)**  
**WITHOUT WAIVER - ARP SUBSIDIES**

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 and Under	16	13	13	13	13	13	13	13	14	14	14
18 to 25	7	6	6	6	6	6	6	7	7	7	7
26 to 34	11	10	10	10	10	10	10	10	10	10	10
35 to 44	17	15	15	16	16	16	16	16	16	16	17
45 to 54	16	14	15	15	15	15	15	16	16	16	16
55 to 64	26	23	23	23	23	24	24	24	24	24	24
65 and Over	3	3	3	3	3	3	3	3	3	3	3
<b>Total</b>	<b>94</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>87</b>	<b>87</b>	<b>88</b>	<b>89</b>	<b>89</b>	<b>90</b>	<b>91</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

**FIGURE 16A**  
**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL**  
**REINSURANCE PROGRAM**  
**ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)**  
**WITH WAIVER - BASELINE SUBSIDIES**

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 and Under	16	13	13	13	13	13	13	13	13	13	13
18 to 25	7	6	6	6	6	6	6	6	6	6	6
26 to 34	11	9	9	9	10	10	10	10	10	10	10
35 to 44	17	15	15	15	15	15	15	16	16	16	16
45 to 54	16	14	14	14	15	15	15	15	15	15	16
55 to 64	26	23	23	23	23	23	23	23	23	23	23
65 and Over	3	3	3	3	3	3	3	3	3	3	3
<b>Total</b>	<b>94</b>	<b>83</b>	<b>83</b>	<b>83</b>	<b>84</b>	<b>84</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>86</b>	<b>87</b>

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

**FIGURE 16B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)****WITH WAIVER – ARP SUBSIDIES**

<b>AGE GROUP</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
17 and Under	16	13	13	13	13	13	13	14	14	14	14
18 to 25	7	6	6	6	7	7	7	7	7	7	7
26 to 34	11	10	10	10	10	10	10	10	10	10	10
35 to 44	17	16	16	16	16	16	16	16	17	17	17
45 to 54	16	15	15	15	15	15	16	16	16	16	16
55 to 64	26	24	24	24	24	24	24	24	24	24	24
65 and Over	3	3	3	3	3	3	3	3	3	3	3
<b>Total</b>	<b>94</b>	<b>86</b>	<b>86</b>	<b>87</b>	<b>88</b>	<b>88</b>	<b>89</b>	<b>90</b>	<b>90</b>	<b>91</b>	<b>92</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

**FIGURE 17A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)****NET ENROLLMENT CHANGE RESULTING FROM WAIVER - BASELINE SUBSIDIES**

<b>AGE GROUP</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
17 and Under	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
18 to 25	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
26 to 34	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
35 to 44	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
45 to 54	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
55 to 64	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4
65 and Over	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

**FIGURE 17B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)  
NET ENROLLMENT CHANGE RESULTING FROM WAIVER – ARP SUBSIDIES**

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 and Under	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
18 to 25	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
26 to 34	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
35 to 44	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
45 to 54	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
55 to 64	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
65 and Over	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>

## Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

As shown in Figure 17a and Figure 17b, the change in enrollment in the individual market due to the Pool is projected to increase individual market enrollment across each age group slightly.

**E. NON-GROUP MARKET HEALTH STATUS IMPACT**

Because of the Pool's limited impact on overall market enrollment, we do not estimate any material changes to the overall individual market risk pool's morbidity. The reduced premium rates resulting from the implementation of the Pool will benefit Idahoans regardless of health status.

## 4. Affordability Requirements

As required under 45 CFR 155.1308(f)(3)(iv)(B), a state's proposed 1332 waiver must provide coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable under Title I of the ACA. As described in CMS-9936-N, increasing the number of state residents with large health care spending burdens relative to their incomes would result in a waiver proposal failing to meet the affordability requirement of the 1332 waiver application.<sup>7</sup> Additionally, regulations state an evaluation of the affordability requirement will take into account the impact of the waiver proposal to "vulnerable residents, including low-income individuals, elderly individuals, and those with serious health issues or who have a greater risk of developing serious health issues".

The Pool is estimated to result in premium rate decreases of approximately 10% (relative to without the waiver). This decrease is driven primarily by the direct subsidy that the Pool provides to the individual market, and to a lesser extent, the marginally improved morbidity of the individual market risk pool.

While the overall premium rate impacts from the Pool are estimated to reduce premium rates by approximately 10%, the following directional impacts are estimated to be experienced by different cohorts of Idaho's individual health insurance market.

- For the majority of the existing APTC-eligible population, the 1332 waiver will not impact out-of-pocket premium costs for the second-lowest cost Silver plan (subsidy benchmark plan). These households will continue to pay up to a maximum percentage of their household income for the subsidy benchmark plan.
- A very small portion of consumers receiving an APTC in the absence of the Pool may no longer be eligible for the subsidy after the implementation of the Pool, due to the premium expense not exceeding the maximum percentage of household income as defined under the ACA. These consumers will realize out-of-pocket premium savings as a result of the Pool. The income level at which this described scenario occurs increases with age and will occur at higher income levels under the ARP Subsidies scenario relative to the Baseline Subsidies scenario.
- For consumers purchasing coverage through YHI without an APTC or outside YHI, premium savings will be realized from the Pool.
- For persons qualifying for APTC that are purchasing Bronze level coverage, it is possible that out-of-pocket premiums may increase as a result of the Pool. As the Pool is estimated to reduce the dollar amount of the APTC for qualifying individuals, the available financial assistance that can be applied to the purchase of Bronze level coverage is reduced. Based on March 2022 enrollment data provided by YHI, approximately 34,000 Idahoans are purchasing Bronze coverage with an APTC.
- Due to the ACA's permissible 3:1 age rating factor and the discontinuation of federal CSR payments, some older adults are eligible for a \$0 Bronze plan at income levels above 300% FPL (and even more likely so if ARP Subsidies are extended through the projection period). As the Pool is estimated to reduce premiums, it is likely the number of marketplace enrollees qualifying for a \$0 Bronze plan will decrease by a very small degree relative to without the waiver.
- For enrollees with income under 200% FPL, we estimate a large portion of marketplace enrollees will continue to have access to a Bronze plan with \$0 out-of-pocket premium. Additionally, the majority of consumers with income less than 200% FPL are projected to purchase Silver coverage to access plans with reduced cost sharing (CSR variants).

Premium savings from the Pool will vary by allowable rating factors under the ACA and the APTC structure: age, tobacco-usage, geographic location, plan metallic level, and household income. Enrollees will realize out-of-pocket premium savings consistent with their demographics as they relate to these factors. The Pool does not make any changes to required insurer plan design, cost sharing limitations, or cost sharing assistance in the non-group market.

The following sections provide estimates of changes in market premiums and APTC amounts resulting from the Pool.

<sup>7</sup> See <https://www.gpo.gov/fdsys/pkg/FR-2015-12-16/pdf/2015-31563.pdf> for more information.

**A. NON-GROUP MARKET PER MEMBER PER MONTH PREMIUM**

Figures 18a and 18b, 19a and 19b, and 20a and 20b illustrate estimated non-group PMPM premiums for 2022 and the ten-year projection period without the waiver, under the waiver, and the net change in PMPM premiums for the Baseline Subsidies (a) and ARP subsidies (b). We have illustrated premiums separately for ACA-compliant coverage (ACA) and transitional/grandfathered coverage (Non-ACA). ACA coverage reflects premiums attributable to coverage purchased through YHI, as well as coverage outside YHI that is compliant with ACA rating rules. Note, drivers of premium rate changes include direct impacts from the Pool, as well as age and plan mix changes. Non-ACA coverage is assumed to end after 2022 under both the without and with waiver scenarios. In projecting premium rates beyond 2022, we have relied on CMS Office of the Actuary's National Health Expenditure projections for per capita private health insurance spending (excluding Medigap and Property & Casualty insurance).<sup>8</sup>

**FIGURE 18A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032****WITHOUT WAIVER – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$498	\$547	\$574	\$601	\$628	\$655	\$683	\$712	\$743	\$775	\$808
Non-ACA	235	0	0	0	0	0	0	0	0	0	0
<b>Composite</b>	<b>\$456</b>	<b>\$547</b>	<b>\$574</b>	<b>\$601</b>	<b>\$628</b>	<b>\$655</b>	<b>\$683</b>	<b>\$712</b>	<b>\$743</b>	<b>\$775</b>	<b>\$808</b>

Note: Values are rounded to the nearest whole dollar.

**FIGURE 18B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032****WITHOUT WAIVER – ARP SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$498	\$544	\$570	\$597	\$623	\$650	\$677	\$706	\$737	\$768	\$801
Non-ACA	235	0	0	0	0	0	0	0	0	0	0
<b>Composite</b>	<b>\$456</b>	<b>\$544</b>	<b>\$570</b>	<b>\$597</b>	<b>\$623</b>	<b>\$650</b>	<b>\$677</b>	<b>\$706</b>	<b>\$737</b>	<b>\$768</b>	<b>\$801</b>

Note: Values are rounded to the nearest whole dollar.

**FIGURE 19A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032****WITH WAIVER – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$498	\$485	\$516	\$542	\$566	\$589	\$616	\$642	\$669	\$697	\$727
Non-ACA	235	0	0	0	0	0	0	0	0	0	0
<b>Composite</b>	<b>\$456</b>	<b>\$485</b>	<b>\$516</b>	<b>\$542</b>	<b>\$566</b>	<b>\$589</b>	<b>\$616</b>	<b>\$642</b>	<b>\$669</b>	<b>\$697</b>	<b>\$727</b>

Note: Values are rounded to the nearest whole dollar.

<sup>8</sup> <https://www.cms.gov/files/zip/nhe-projections-tables.zip>, Table 17.

FIGURE 19B

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032

## WITH WAIVER – ARP SUBSIDIES

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$498	\$480	\$510	\$536	\$559	\$583	\$610	\$635	\$662	\$690	\$720
Non-ACA	235	0	0	0	0	0	0	0	0	0	0
<b>Composite</b>	<b>\$456</b>	<b>\$480</b>	<b>\$510</b>	<b>\$536</b>	<b>\$559</b>	<b>\$583</b>	<b>\$610</b>	<b>\$635</b>	<b>\$662</b>	<b>\$690</b>	<b>\$720</b>

Note: Values are rounded to the nearest whole dollar.

FIGURE 20A

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## COVERAGE REINSURANCE PROGRAM ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032

## NET PMPM DOLLAR CHANGE – BASELINE SUBSIDIES

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$0	(\$62)	(\$58)	(\$59)	(\$62)	(\$65)	(\$67)	(\$70)	(\$74)	(\$78)	(\$82)
Non-ACA	0	0	0	0	0	0	0	0	0	0	0
<b>Composite</b>	<b>\$0</b>	<b>(\$62)</b>	<b>(\$58)</b>	<b>(\$59)</b>	<b>(\$62)</b>	<b>(\$65)</b>	<b>(\$67)</b>	<b>(\$70)</b>	<b>(\$74)</b>	<b>(\$78)</b>	<b>(\$82)</b>

Note: Values are rounded to the nearest whole dollar.

FIGURE 20B

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## COVERAGE REINSURANCE PROGRAM ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032

## NET PMPM DOLLAR CHANGE – ARP SUBSIDIES

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	(\$0)	(\$64)	(\$60)	(\$61)	(\$64)	(\$67)	(\$68)	(\$71)	(\$74)	(\$78)	(\$81)
Non-ACA	0	0	0	0	0	0	0	0	0	0	0
<b>Composite</b>	<b>(\$0)</b>	<b>(\$64)</b>	<b>(\$60)</b>	<b>(\$61)</b>	<b>(\$64)</b>	<b>(\$67)</b>	<b>(\$68)</b>	<b>(\$71)</b>	<b>(\$74)</b>	<b>(\$78)</b>	<b>(\$81)</b>

Note: Values are rounded to the nearest whole dollar.

As observed in the above figures, the Pool is estimated to result in a PMPM premium decrease for ACA compliant coverage of approximately \$60 to \$80 PMPM during the ten-year projection period relative to estimated premium levels without the waiver. The above premium rate changes have not been normalized for changes in age and metallic plan mix resulting from the Pool. Premium rates under the waiver in 2023 and beyond are estimated to increase due primarily to healthcare expense inflation, while still being lower if the Pool was terminated.

## B. NON-GROUP MARKET AGGREGATE PREMIUM

The following tables illustrate estimated non-group aggregate premium for 2022 and the ten-year projection period without the waiver, under the waiver, and the net change in aggregate premium for the Baseline Subsidies (a) and ARP subsidies (b). We have illustrated premiums separately for ACA-compliant coverage (ACA) and transitional/grandfathered coverage (Non-ACA). ACA coverage reflects premiums attributable to coverage purchased through YHI, as well as coverage outside YHI that is compliant with ACA rating rules.

**FIGURE 21A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)  
WITHOUT WAIVER – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 474.3	\$ 533.0	\$ 560.9	\$ 589.4	\$ 618.4	\$ 648.8	\$ 680.9	\$ 714.7	\$ 750.2	\$ 787.5	\$ 826.8
Non-ACA	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Composite</b>	<b>\$ 516.9</b>	<b>\$ 533.0</b>	<b>\$ 560.9</b>	<b>\$ 589.4</b>	<b>\$ 618.4</b>	<b>\$ 648.8</b>	<b>\$ 680.9</b>	<b>\$ 714.7</b>	<b>\$ 750.2</b>	<b>\$ 787.5</b>	<b>\$ 826.8</b>

Note: Dollar amounts are rounded to the nearest million.

**FIGURE 21B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)  
WITHOUT WAIVER – ARP SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 474.3	\$ 552.1	\$ 582.9	\$ 614.5	\$ 646.8	\$ 679.7	\$ 714.4	\$ 751.0	\$ 789.5	\$ 830.0	\$ 872.7
Non-ACA	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Composite</b>	<b>\$ 516.9</b>	<b>\$ 552.1</b>	<b>\$ 582.9</b>	<b>\$ 614.5</b>	<b>\$ 646.8</b>	<b>\$ 679.7</b>	<b>\$ 714.4</b>	<b>\$ 751.0</b>	<b>\$ 789.5</b>	<b>\$ 830.0</b>	<b>\$ 872.7</b>

Note: Dollar amounts are rounded to the nearest million.

As illustrated in Figure 21a and Figure 21b, aggregate ACA-compliant premiums in 2022 are estimated to be \$474 million. During the projection period, individual market premium volume without the waiver is estimated to increase to approximately \$830 million under the Baseline Subsidies scenario (\$870 million under the ARP Subsidies scenario).

**FIGURE 22A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL  
REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)  
WITH WAIVER – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 474.3	\$ 481.7	\$ 513.8	\$ 541.7	\$ 567.7	\$ 595.0	\$ 626.1	\$ 656.4	\$ 688.3	\$ 721.9	\$ 757.1
Non-ACA	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Composite</b>	<b>\$ 516.9</b>	<b>\$ 481.7</b>	<b>\$ 513.8</b>	<b>\$ 541.7</b>	<b>\$ 567.7</b>	<b>\$ 595.0</b>	<b>\$ 626.1</b>	<b>\$ 656.4</b>	<b>\$ 688.3</b>	<b>\$ 721.9</b>	<b>\$ 757.1</b>

Note: Dollar amounts are rounded to the nearest million.

**FIGURE 22B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)****WITH WAIVER – ARP SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 474.3	\$ 492.8	\$ 527.7	\$ 558.6	\$ 587.7	\$ 617.4	\$ 650.9	\$ 683.8	\$ 718.5	\$ 755.1	\$ 793.5
Non-ACA	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Composite</b>	<b>\$ 516.9</b>	<b>\$ 492.8</b>	<b>\$ 527.7</b>	<b>\$ 558.6</b>	<b>\$ 587.7</b>	<b>\$ 617.4</b>	<b>\$ 650.9</b>	<b>\$ 683.8</b>	<b>\$ 718.5</b>	<b>\$ 755.1</b>	<b>\$ 793.5</b>

Note: Dollar amounts are rounded to the nearest million.

**FIGURE 23A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)****NET CHANGE – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 0.0	(\$ 51.3)	(\$ 47.2)	(\$ 47.7)	(\$ 50.7)	(\$ 53.8)	(\$ 54.8)	(\$ 58.2)	(\$ 61.9)	(\$ 65.7)	(\$ 69.7)
Non-ACA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Composite</b>	<b>\$ 0.0</b>	<b>(\$ 51.3)</b>	<b>(\$ 47.2)</b>	<b>(\$ 47.7)</b>	<b>(\$ 50.7)</b>	<b>(\$ 53.8)</b>	<b>(\$ 54.8)</b>	<b>(\$ 58.2)</b>	<b>(\$ 61.9)</b>	<b>(\$ 65.7)</b>	<b>(\$ 69.7)</b>

Note: Dollar amounts are rounded to the nearest million.

**FIGURE 23B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)****NET CHANGE – ARP SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 0.0	(\$ 59.2)	(\$ 55.2)	(\$ 55.9)	(\$ 59.0)	(\$ 62.3)	(\$ 63.5)	(\$ 67.1)	(\$ 70.9)	(\$ 74.9)	(\$ 79.2)
Non-ACA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Composite</b>	<b>\$ 0.0</b>	<b>(\$ 59.2)</b>	<b>(\$ 55.2)</b>	<b>(\$ 55.9)</b>	<b>(\$ 59.0)</b>	<b>(\$ 62.3)</b>	<b>(\$ 63.5)</b>	<b>(\$ 67.1)</b>	<b>(\$ 70.9)</b>	<b>(\$ 74.9)</b>	<b>(\$ 79.2)</b>

Note: Dollar amounts are rounded to the nearest million.

The change in aggregate premium resulting from the waiver is tied closely to assumed Pool funding in each year. Pool funding under the Baseline Subsidies scenario is assumed to increase from \$58.5 million (calendar year 2023) to \$81.2 million (calendar year 2032). Pool funding under the ARP Subsidies scenario is assumed to increase from \$63.5 million (calendar year 2023) to \$86.2 million (calendar year 2032). Premium reductions from the Pool are offset by slightly higher market enrollment attributable to more affordable insurance coverage under the waiver.

**C. SECOND-LOWEST-COST SILVER PLAN PREMIUM – 40 YEAR OLD**

Based on discussions with the Department of Insurance, we have assumed the premium rate impact from the Pool will not vary materially among carriers, nor will the impact to the second-lowest-cost silver plan premium vary relative to other plans offered on YHI or outside the marketplace.

Figures 24a and 24b, 25a and 25b, and 26a and 26b illustrate the estimated second-lowest-cost Silver plan PMPM premiums (also referred to as the “subsidy benchmark plan”) for a single, 40 year old, non-tobacco user in Idaho’s six rating areas for the Baseline Subsidies (a) and ARP subsidies (b).<sup>9</sup> The majority of enrollment is estimated to be in Rating Areas 3 through 5, representing nearly 75% of statewide individual market enrollment.

<sup>9</sup> <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Market-Reforms/id-gra.html>



We have assumed variation by rating area during the projection period is consistent with the observed variation in the baseline year.

FIGURE 24A

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

## WITHOUT WAIVER – BASELINE SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 446	\$ 491	\$ 515	\$ 539	\$ 563	\$ 588	\$ 613	\$ 639	\$ 666	\$ 695	\$ 724
2	479	528	554	579	605	631	658	686	715	746	778
3	458	504	529	553	578	603	629	656	684	713	743
4	445	490	514	538	562	586	611	637	664	693	722
5	518	571	599	627	655	683	712	742	774	807	842
6	445	491	514	538	562	587	612	638	665	693	723
<b>Composite</b>	<b>\$ 461</b>	<b>\$ 508</b>	<b>\$ 533</b>	<b>\$ 557</b>	<b>\$ 582</b>	<b>\$ 607</b>	<b>\$ 633</b>	<b>\$ 660</b>	<b>\$ 688</b>	<b>\$ 718</b>	<b>\$ 749</b>

## Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 24B

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

## WITHOUT WAIVER – ARP SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 446	\$ 491	\$ 515	\$ 538	\$ 563	\$ 587	\$ 612	\$ 638	\$ 665	\$ 693	\$ 723
2	479	527	553	578	604	630	657	685	714	745	777
3	458	504	528	553	577	602	628	654	682	712	742
4	445	489	513	537	561	585	610	636	663	691	721
5	518	570	598	626	654	682	711	741	773	806	840
6	445	490	514	538	562	586	611	637	664	692	722
<b>Composite</b>	<b>\$ 461</b>	<b>\$ 507</b>	<b>\$ 532</b>	<b>\$ 556</b>	<b>\$ 581</b>	<b>\$ 606</b>	<b>\$ 632</b>	<b>\$ 659</b>	<b>\$ 687</b>	<b>\$ 717</b>	<b>\$ 747</b>

## Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 25A

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

## WITH WAIVER – BASELINE SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 446	\$ 437	\$ 464	\$ 487	\$ 509	\$ 530	\$ 554	\$ 577	\$ 601	\$ 626	\$ 652
2	479	469	498	523	546	569	595	619	645	672	700
3	458	448	476	500	522	544	568	592	617	642	669
4	445	435	463	486	507	528	552	575	599	624	650
5	518	507	539	566	591	616	644	670	698	727	758
6	445	436	463	486	508	529	553	576	600	625	651
Composite	\$ 461	\$ 451	\$ 480	\$ 504	\$ 526	\$ 547	\$ 572	\$ 596	\$ 621	\$ 647	\$ 674

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 25B

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

## WITH WAIVER – ARP SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 446	\$ 433	\$ 461	\$ 484	\$ 506	\$ 527	\$ 551	\$ 574	\$ 598	\$ 624	\$ 650
2	479	465	495	520	543	566	592	617	643	670	698
3	458	445	473	497	519	541	566	589	614	640	667
4	445	432	459	483	504	525	550	573	597	622	648
5	518	504	535	563	588	612	641	667	696	725	756
6	445	432	460	483	505	526	550	573	597	623	649
Composite	\$ 461	\$ 448	\$ 476	\$ 500	\$ 522	\$ 545	\$ 570	\$ 593	\$ 618	\$ 645	\$ 672

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 26A

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM

## ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

## NET CHANGE – BASELINE SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 0	\$ (55)	\$ (51)	\$ (52)	\$ (55)	\$ (58)	\$ (59)	\$ (62)	\$ (65)	\$ (69)	\$ (72)
2	0	(59)	(55)	(56)	(59)	(62)	(63)	(67)	(70)	(74)	(78)
3	0	(56)	(53)	(53)	(56)	(59)	(60)	(64)	(67)	(71)	(74)
4	0	(55)	(51)	(52)	(55)	(58)	(59)	(62)	(65)	(69)	(72)
5	0	(64)	(60)	(60)	(64)	(67)	(68)	(72)	(76)	(80)	(84)
6	0	(55)	(51)	(52)	(55)	(58)	(59)	(62)	(65)	(69)	(72)
Composite	\$ 0	\$ (57)	\$ (53)	\$ (54)	\$ (57)	\$ (60)	\$ (61)	\$ (64)	\$ (68)	\$ (71)	\$ (75)

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

**FIGURE 26B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032****NET CHANGE – ARP SUBSIDIES**

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 0	\$ (57)	\$ (54)	\$ (54)	\$ (57)	\$ (60)	\$ (61)	\$ (63)	\$ (66)	\$ (70)	\$ (73)
2	0	(62)	(58)	(58)	(61)	(64)	(65)	(68)	(71)	(75)	(78)
3	0	(59)	(55)	(56)	(58)	(61)	(62)	(65)	(68)	(71)	(75)
4	0	(57)	(54)	(54)	(57)	(60)	(60)	(63)	(66)	(69)	(73)
5	0	(67)	(63)	(63)	(66)	(69)	(70)	(74)	(77)	(81)	(85)
6	0	(57)	(54)	(54)	(57)	(60)	(60)	(63)	(66)	(69)	(73)
<b>Composite</b>	<b>\$ 0</b>	<b>\$ (59)</b>	<b>\$ (56)</b>	<b>\$ (56)</b>	<b>\$ (59)</b>	<b>\$ (62)</b>	<b>\$ (63)</b>	<b>\$ (66)</b>	<b>\$ (69)</b>	<b>\$ (72)</b>	<b>\$ (75)</b>

## Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

As shown in Figure 26a and Figure 26b, each rating area is expected to experience a reduction in the premium amount for the subsidy benchmark plan under the “with waiver” scenario. We have assumed the baseline premium rates accurately reflect the underlying insured population in each rating region. Therefore, on a PMPM basis, rating areas with higher baseline premiums are estimated to have a greater PMPM reduction relative to rating areas with less expense premiums. Similarly, because the Pool will reimburse insurers for covered individuals meeting specific clinical criteria, we have assumed these clinical conditions are uniformly and proportionately distributed by rating area. On a percentage basis, we estimate premium rate reductions of approximately 10% resulting from the Pool for the subsidy benchmark plan.

**D. ADVANCED PREMIUM TAX CREDIT**

Figures 27a and 27b, 28a and 28b, and 29a and 29b illustrate the estimated number of average monthly enrollees receiving an APTC through YHI, the average APTC PMPM amount, and aggregate APTC expenditures for 2022 and the ten-year projection period without the waiver, under the waiver, and the net change for these values resulting from waiver implementation for the Baseline Subsidies (a) and ARP subsidies (b). In the without waiver scenario, we estimate aggregate APTC expenditures of approximately \$292 million in 2022, increasing to approximately between \$450 million (Baseline Subsidies) and \$540 million (ARP Subsidies) by 2032.

**FIGURE 27A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****WITHOUT WAIVER – BASELINE SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees <sup>1</sup>	53.4	48.6	48.9	49.3	49.7	50.1	50.5	50.9	51.3	51.7	52.1
APTC PMPM <sup>2</sup>	\$456	\$471	\$496	\$521	\$546	\$571	\$598	\$625	\$654	\$684	\$716
Aggregate APTC <sup>3</sup>	\$ 292	\$ 274	\$ 291	\$ 308	\$ 326	\$ 343	\$ 362	\$ 382	\$ 403	\$ 425	\$ 448

## Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

**FIGURE 27B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****WITHOUT WAIVER – ARP SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees <sup>1</sup>	53.4	55.8	56.3	56.7	57.1	57.6	58.1	58.5	59.0	59.5	59.9
APTC PMPM <sup>2</sup>	\$456	\$496	\$522	\$548	\$574	\$600	\$627	\$655	\$685	\$716	\$749
Aggregate APTC <sup>3</sup>	\$ 292	\$ 332	\$ 352	\$ 373	\$ 393	\$ 414	\$ 437	\$ 460	\$ 485	\$ 511	\$ 539

## Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

**FIGURE 28A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****WITH WAIVER – BASELINE SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees <sup>1</sup>	53.4	48.6	48.9	49.3	49.7	50.1	50.5	50.9	51.3	51.7	52.1
APTC PMPM <sup>2</sup>	\$456	\$402	\$431	\$456	\$477	\$499	\$524	\$547	\$572	\$598	\$625
Aggregate APTC <sup>3</sup>	\$ 292	\$ 234	\$ 253	\$ 270	\$ 285	\$ 300	\$ 317	\$ 334	\$ 352	\$ 371	\$ 391

## Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

**FIGURE 28B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****WITH WAIVER – ARP SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees <sup>1</sup>	53.4	55.8	56.3	56.7	57.1	57.6	58.0	58.5	59.0	59.5	59.9
APTC PMPM <sup>2</sup>	\$456	\$429	\$458	\$483	\$506	\$529	\$556	\$581	\$607	\$634	\$663
Aggregate APTC <sup>3</sup>	\$ 292	\$ 287	\$ 309	\$ 329	\$ 347	\$ 366	\$ 387	\$ 408	\$ 430	\$ 453	\$ 477

## Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

**FIGURE 29A****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****NET CHANGE – BASELINE SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees <sup>1</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
APTC PMPM <sup>2</sup>	\$0	(\$69)	(\$64)	(\$65)	(\$69)	(\$73)	(\$74)	(\$78)	(\$82)	(\$86)	(\$91)
Aggregate APTC <sup>3</sup>	\$ 0	(\$ 40)	(\$ 38)	(\$ 39)	(\$ 41)	(\$ 44)	(\$ 45)	(\$ 48)	(\$ 51)	(\$ 54)	(\$ 57)

## Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

**FIGURE 29B****IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****NET CHANGE – ARP SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees <sup>1</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
APTC PMPM <sup>2</sup>	(\$0)	(\$67)	(\$63)	(\$64)	(\$67)	(\$70)	(\$71)	(\$75)	(\$78)	(\$82)	(\$86)
Aggregate APTC <sup>3</sup>	\$ 0	(\$ 45)	(\$ 43)	(\$ 44)	(\$ 46)	(\$ 49)	(\$ 50)	(\$ 52)	(\$ 55)	(\$ 58)	(\$ 62)

## Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

As shown in Figure 29a and Figure 29b, the Pool is estimated to not have any material impact on APTC enrollment.

## 5. Comprehensiveness Requirements

As required under 45 CFR 155.1308(f)(3)(iv)(A), a state's proposed 1332 waiver must provide coverage that is at least as comprehensive as the coverage defined in Section 1302(b) of the ACA. As described in CMS-9936-N, comprehensiveness refers to the scope of benefits provided by the coverage as measured by the extent to which coverage meets the requirements for essential health benefits (EHBs). The Pool makes no changes to EHB requirements in the individual market, fulfilling the comprehensiveness requirements of 45 CFR 155.1308(f)(4)(iv)(A).

## 6. Sensitivity Testing Related to the End of the Covid-19 Public Health Emergency

In the above projections, we have not made any explicit adjustments for individual market enrollment changes resulting from the end of the COVID-19 PHE. As of the date of this report, the end of the COVID-19 PHE has not been announced and therefore the timing of any enrollment impacts from the end of the PHE are uncertain. During the PHE, the Medicaid redetermination process has been paused<sup>10</sup>, resulting in a portion of the Medicaid population retaining coverage that would have otherwise lapsed to the extent the PHE was not in effect.

To illustrate the potential effects of higher individual market that may result from the end of the PHE, we have modeled an alternative scenario that assumes an additional 10,000 individuals with household income between 139% and 200% FPL enter the ACA-compliant market in calendar year 2023. The additional enrollment of 10,000 persons is assumed to occur with or without the waiver in place. Figure 30 illustrates the impact of this scenario for total ACA-compliant enrollment, APTC enrollment, and APTC expenditures under both the Baseline Subsidies and ARP subsidies scenarios. Total Pool funding is assumed to remain the same as the assumptions documented in Figure 3a and Figure 3b. While APTC expenditures increase as a result of the enrollment influx, the APTC change from the waiver itself is estimated to only vary between 7% (\$40.1 million to \$43.0 million under the Baseline Subsidies scenario) and 6% (\$45.3 million to \$47.8 million under the ARP Subsidies scenario) as a result of the waiver.

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<sup>10</sup> <https://www.medicaid.gov/federal-policy-guidance/downloads/sho22001.pdf>

FIGURE 30

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## Estimated Impact of the End of the COVID-19 Public Health Emergency on Calendar Year 2023

PHE STATUS	INDIVIDUALS INSURED IN NON-GROUP MARKET – BASELINE SUBSIDIES			INDIVIDUALS INSURED IN NON-GROUP MARKET – ARP SUBSIDIES		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT
No PHE Influx	81.2	82.7	1.5	84.6	85.6	1.0
PHE Influx Scenario	91.2	92.7	1.5	94.6	95.6	1.0
<b>PHE Influx Change</b>	<b>10.0</b>	<b>10.0</b>	<b>0.0</b>	<b>10.0</b>	<b>10.0</b>	<b>0.0</b>

PHE STATUS	INDIVIDUALS ENROLLED IN APTCS – BASELINE SUBSIDIES			INDIVIDUALS ENROLLED IN APTCS – ARP SUBSIDIES		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT
No PHE Influx	48.6	48.6	0.0	55.8	55.8	0.0
PHE Influx Scenario	58.6	58.6	0.0	65.8	65.8	0.0
<b>PHE Influx Change</b>	<b>10.0</b>	<b>10.0</b>	<b>0.0</b>	<b>10.0</b>	<b>10.0</b>	<b>0.0</b>

PHE STATUS	TOTAL APTC EXPENDITURES – BASELINE SUBSIDIES			TOTAL APTC EXPENDITURES – ARP SUBSIDIES		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT
No PHE Influx	\$ 274.4	\$ 234.3	(\$ 40.1)	\$ 332.4	\$ 287.2	(\$ 45.3)
PHE Influx Scenario	\$ 342.4	\$ 299.4	(\$ 43.0)	\$ 405.5	\$ 357.7	(\$ 47.8)
<b>PHE Influx Change</b>	<b>\$ 68.0</b>	<b>\$ 65.1</b>	<b>(\$ 2.9)</b>	<b>\$ 73.1</b>	<b>\$ 70.6</b>	<b>(\$ 2.5)</b>

Figure 31 illustrates the change in estimated federal pass-through funding under the alternative scenario in calendar year 2023, reflecting the APTC savings and the estimated APTC / PTC reconciliation factor of 92.8%. Federal pass-through funding is estimated to increase by \$2.9 million under the Baseline Subsidies scenario and by \$2.5 million under the ARP Subsidies scenario. Since the new enrollees are assumed to qualify for significant premium assistance as a result of having income between 139% and 200% FPL, the share of total market premiums funded by APTC expenditures increases, resulting in greater pass-through funding under the waiver.

FIGURE 31

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## Estimated Impact of the End of the COVID-19 Public Health Emergency on Calendar Year 2023 Expenditures

PHE STATUS	IMPACT OF WAIVER ON FEDERAL APTC EXPENDITURES - BASELINE SUBSIDIES		IMPACT OF WAIVER ON FEDERAL APTC EXPENDITURES - ARP SUBSIDIES	
	GROSS EXPENDITURES	NET OF PTC/APTC RECONCILIATION	GROSS EXPENDITURES	NET OF PTC/APTC RECONCILIATION
No PHE Influx	(\$ 40.1)	(\$ 37.2)	(\$ 45.3)	(\$ 42.0)
PHE Influx Scenario	(\$ 43.0)	(\$ 39.9)	(\$ 47.8)	(\$ 44.4)
<b>PHE Influx Change</b>	<b>(\$ 2.9)</b>	<b>(\$ 2.7)</b>	<b>(\$ 2.5)</b>	<b>(\$ 2.4)</b>

Figure 32 illustrates the estimated impact of the alternative scenario on the premium rate for the second-lowest cost silver plan for a 21 year old in calendar year 2023. Because the total Pool funding remains unchanged, the premium rate decrease resulting from the Pool is estimated to be dampened as the reinsurance funds must be spread across a larger market with additional aggregate claims expense. While premium rates for a 21 year old are illustrated, the estimated percentage impact to premium rates for other ages will be identical. The influx of 10,000 members with income between 139% and 200% FPL is also estimated to increase the required silver loading for cost-sharing reduction (CSR) plans, causing premium rate for the second-lowest cost silver plan to increase with or without the waiver.

FIGURE 32

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## CHANGES IN SECOND LOWEST COST SILVER PLAN MONTHLY PREMIUM FROM PHE TERMINATION

21-YEAR OLD MONTHLY PREMIUM - BASELINE				
PHE STATUS	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	% CHANGE
No PHE Influx	\$397	\$353	(44)	(11%)
PHE Influx Scenario	\$410	\$370	(40)	(10%)
21-YEAR OLD MONTHLY PREMIUM - ARP SUBSIDIES				
PHE STATUS	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	% CHANGE
No PHE Influx	\$397	\$350	(46)	(12%)
PHE Influx Scenario	\$409	\$367	(42)	(10%)



## SECTION II. ECONOMIC ANALYSIS

45 CFR 155.1308(f)(4)(ii) requires the Section 1332 Waiver application to provide economic analyses to support the State's estimates that the proposed waiver will comply with the comprehensive coverage requirement, the affordability requirement, and the scope of coverage requirement and the federal deficit requirement. Analyses related to the estimated impact of the 1332 waiver to health insurance coverage in Idaho has been provided within the actuarial certification. This section addresses the deficit neutrality requirements of the waiver application, providing a ten-year budget plan that includes all costs under the waiver, including administrative and other costs to the federal government.

As shown in the actuarial analysis, Figures 29a and 29b, the Pool is estimated to have a significant impact on the federal government APTC expenditures for Idahoans purchasing health insurance coverage through YHI. Per CMS guidance, we have assumed for the purposes of the final pass-through calculation, the federal APTC expenditure savings are adjusted by a APTC / PTC reconciliation factor adjustment, reflecting the ratio between initial APTC amounts and final PTC amounts as calculated on tax returns. The 92.8% factor used in the below figures was developed based on calendar 2019 experience, specifically calendar 2019 tax data published by the Internal Revenue Service<sup>11</sup> and effectuated APTC data published by CMS<sup>12</sup>. This percentage may materially change for the final pass-through calculation. Based on calendar year 2021 pass-through payments for existing Section 1332 waiver reinsurance programs, the adjustment factor varied from 89.7% to 98.2%.

Figure 33a (Baseline Subsidies) and Figure 33b (ARP Subsidies) provide a summary of estimated federal expenditure changes during the ten-year projection period. The change in federal APTC expenditures is dependent upon a number of factors but will be directly impacted by the total annual funding for the Pool (illustrated in Figure 3a and Figure 3b) established by the Board each year. All else equal, a larger annual Pool funding amount than assumed in Figure 3a and Figure 3b will increase federal APTC expenditure savings, while reducing the Pool's funding will result in a lower amount of federal APTC expenditure savings.

**FIGURE 33A**

### IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

#### REINSURANCE PROGRAM – BASELINE SUBSIDIES

#### ESTIMATED FEDERAL GOVERNMENT EXPENDITURES CHANGES: 2023 THROUGH 2032 (IN MILLIONS)

REVENUE / (EXPENSE) ITEM	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Federal APTC Expenditures (Currently Enrolled)	(\$ 40)	(\$ 38)	(\$ 39)	(\$ 41)	(\$ 44)	(\$ 45)	(\$ 48)	(\$ 51)	(\$ 54)	(\$ 57)
APTC/PTC Reconciliation Factor	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%
<b>Net Change in Federal Expenditures</b>	<b>(\$ 37.2)</b>	<b>(\$ 35.2)</b>	<b>(\$ 36.0)</b>	<b>(\$ 38.3)</b>	<b>(\$ 40.6)</b>	<b>(\$ 41.7)</b>	<b>(\$ 44.3)</b>	<b>(\$ 47.0)</b>	<b>(\$ 49.9)</b>	<b>(\$ 52.9)</b>
<b>Reinsurance Funding</b>	<b>\$ 58.5</b>	<b>\$ 54.9</b>	<b>\$ 55.9</b>	<b>\$ 59.2</b>	<b>\$ 62.8</b>	<b>\$ 64.3</b>	<b>\$ 68.2</b>	<b>\$ 72.3</b>	<b>\$ 76.6</b>	<b>\$ 81.2</b>

Notes:

1. Dollar amounts are rounded to the nearest million.
2. Total values separately rounded.

<sup>11</sup> <https://www.irs.gov/pub/irs-soi/19in13id.xlsx>

<sup>12</sup> <https://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/Early-2020-2019-Effectuated-Enrollment-Report.pdf>

FIGURE 33B

## IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

## REINSURANCE PROGRAM – ARP SUBSIDIES

## ESTIMATED FEDERAL GOVERNMENT EXPENDITURES CHANGES: 2023 THROUGH 2032 (IN MILLIONS)

REVENUE / (EXPENSE) ITEM	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Federal APTC Expenditures (Currently Enrolled)	(\$ 45)	(\$ 43)	(\$ 44)	(\$ 46)	(\$ 49)	(\$ 50)	(\$ 52)	(\$ 55)	(\$ 58)	(\$ 62)
APTC/PTC Reconciliation Factor	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%
<b>Net Change in Federal Expenditures</b>	<b>(\$ 42.0)</b>	<b>(\$ 39.8)</b>	<b>(\$ 40.6)</b>	<b>(\$ 42.8)</b>	<b>(\$ 45.2)</b>	<b>(\$ 46.1)</b>	<b>(\$ 48.7)</b>	<b>(\$ 51.4)</b>	<b>(\$ 54.3)</b>	<b>(\$ 57.3)</b>
<b>Reinsurance Funding</b>	<b>\$ 63.5</b>	<b>\$ 59.9</b>	<b>\$ 60.9</b>	<b>\$ 64.2</b>	<b>\$ 67.8</b>	<b>\$ 69.3</b>	<b>\$ 73.2</b>	<b>\$ 77.3</b>	<b>\$ 81.6</b>	<b>\$ 86.2</b>

## Notes:

1. Dollar amounts are rounded to the nearest million.
2. Total values separately rounded.

Federal APTC Expenditures: The Pool is projected to reduce the premium rate for the second lowest cost Silver plan (subsidy benchmark plan), and therefore reduce the per capita APTC. Federal APTC reductions are larger under the ARP Subsidies scenarios because a greater number of Idahoans qualify for an APTC relative to the Baseline Subsidies scenario. Further detail on APTC savings is provided in Figure 29a and Figure 29b of the actuarial certification.

Exchange User Assessment: We have assumed YHI, Idaho's state-based insurance marketplace, will continue to operate during the ten-year projection period. Therefore, we do not estimate any change in federal expenditures as it relates to the Exchange User Assessment.

## SECTION III. ASSUMPTIONS AND METHODOLOGY

### 1. Market Calibration

A key aspect of modeling healthcare reform proposals is establishing a status quo set of assumptions for the population being modeled. For the State of Idaho insurance markets, we developed estimates for the number of Idahoans insured through on- and off- exchange insurance markets (or uninsured) in 2022 by age, gender, household income, health status, metallic level (if applicable for the market), premium rates, and other factors to establish baseline assumptions for Idaho's population with respect to health insurance coverage. We developed our starting census and premium rate assumptions for each insurance market from a number of publicly available data sources, as well as proprietary information provided by the Idaho Department of Insurance (IDOI), and YHI. The assumptions in the model related to insurance take-up rates and market migration have been calibrated based on observed insurance market experience during calendar years 2021 through 2022. This calibration was based on publicly available data related to insurance marketplace enrollment, as well as proprietary data that we received from the IDOI and YHI, along with other sources we have gathered and developed.

Data from the IDOI included 2021 enrollment and premium information for individual market coverage by rating area as well as enrollment, premium, and claims data for on and off exchange markets by plan and metallic level as of December 2021. Proprietary data received from DHW included January and March 2022 marketplace enrollment by county, income, metallic level, and associated federal premium assistance. Public data sources used in our census and assumption calibration process include:

- Idaho Census Projections – To project statewide census changes by age and gender, we utilized population projections from 2019 through 2029 published by the Idaho Department of Labor.<sup>13</sup> For years after 2029, we assumed annual population growth equal to estimated changes from 2028 to 2029.
- American Community Survey (ACS) data – Due to the large sample size, ACS data were used to provide estimated enrollment distributions by insurance coverage, age, gender, FPL, and marital status. Adjustments were made to the ACS data to reflect misalignments with non-group coverage relative to actual insurer data.
- Current Population Survey Annual Social and Economic Supplement (CPS ASEC) data – CPS data were used to supplement the model population developed with the use of the ACS data by providing additional information on individual market enrollment and health status.
- Medical Loss Ratio Reporting Form data (MLR) data – MLR data is required to be submitted by carriers offering fully-insured commercial products for the purpose of complying with federal MLR reporting requirements. Publicly available MLR information from 2020 was used to evaluate historical changes in the number of covered lives by insurance segment and market per capita premium. This source of information includes a more credible source of insured lives relative to population survey data for non-group markets.
- Marketplace Enrollment Reports – We utilized publicly available data provided by the United States Department of Health and Human Services (HHS) related to the 2022 open enrollment period.<sup>14</sup>

Based on actual insurance enrollment from insurer financial data and public programs, we estimated 2022 enrollment counts for each insurance market. The ACS demographic distributions were used to allocate enrollment in each market by age, gender, and income level. For the individual market, March 2022 APTC enrollment detail was also used to calibrate our model's baseline values. Updated individual market enrollment detail for 2022 may impact our baseline and with waiver estimates contained in this report.

<sup>13</sup> See <http://mi.idaho.gov/population-projections> for more information.

<sup>14</sup> See <https://www.cms.gov/research-statistics-data-systems/marketplace-products/2022-marketplace-open-enrollment-period-public-use-files> for more information.

## 2. Population Modeling

Based on the Idaho census projections, we estimated enrollment in the individual insurance market from 2022 through 2032 by assuming the distribution of insurance market enrollment by age, gender, and income level would remain constant relative to 2022. Changes in insurance market enrollment during the projection period are a result of changes in the estimated number of Idahoans by age and gender in the census projections.

We have assumed individual market enrollment and premium rates will be relatively stable during the projection period relative to the 2014 through 2018 coverage years, which experienced significant enrollment swings and premium rate changes. Our modeling assumes the economic environment in the baseline year continues during the projection period. An economic downturn during the projection period may materially alter health insurance coverage sources and premiums. For example, if unemployment rates increased, we would estimate a shift in health insurance coverage from employer-sponsored insurance to Medicaid, individual market coverage, or an increase in the number of uninsured individuals.

With the current COVID-19 PHE, individual market enrollment may be impacted by the pause in Medicaid redetermination that has occurred for more than 2 years. A detailed analysis of potential enrollment migration from Medicaid to other insurance markets after the PHE is ended was not included in scope of our analysis for this report.

In our projections, we have estimated immaterial changes in non-group coverage for the population eligible for APTC (other than if the enhanced premium subsidies offered under the ARP are not extended past calendar year 2022). As the structure of the APTC calculation caps a consumer's out-of-pocket premium, we have assumed immaterial enrollment changes (other than those driven by census projections), for the population eligible for APTC. This assumption is supported by the general stability in APTC enrollment from 2016 through 2022 (after normalizing for Medicaid expansion in calendar year 2020), despite significant premium rate fluctuations occurring in the market.

### MORBIDITY LEVELS

For the uninsured and non-group markets, we divided enrollment into five risk levels, and assigned a morbidity factor to each risk level based on risk scores developed through the health status assigned from the ACS and CPS ASEC modeling.

### INDIVIDUAL MARKET ENROLLMENT CHANGES

For the population not eligible for APTC (largely Idahoans with income above 400% FPL or who did not purchase a qualifying health plan through the state exchange), we have assumed an increase in market enrollment after 2022 due to the modeled phase-out of non-ACA compliant transitional plans, then steady enrollment increases associated with general population growth for the rest of the projection period, with or without the waiver.

For overall ACA-compliant individual market enrollment, we project gradual market enrollment increases from 2022 through the end of the ten-year projection period under each scenario:

- Without waiver and baseline subsidies: 79,000 (2022) to 85,000 (2032)
- With waiver and baseline subsidies: 79,000 (2022) to 87,000 (2032)
- Without waiver and ARP subsidies: 79,000 (2022) to 91,000 (2032)
- With waiver and ARP subsidies: 79,000 (2022) to 92,000 (2032)

## 3. Premium and Claims Expense Projections

Premium and claims expenses estimated in the non-group market are based on a combination of the following factors:

- Estimated healthcare inflation (assuming no change in benefit levels or insured demographics);
- Changes in population morbidity (as measured by the assigned morbidity factors to each risk quintile);
- Estimated changes in non-claims expenses (administrative costs, fees and taxes, and insurer margin); and,
- Changes in composite benefit level (the mix of coverage by metallic tier in the non-group market).

Health care inflation assumptions were based on premium rate projections published by the CMS Office of the Actuary.<sup>15</sup> Population morbidity changes were developed based on the composite mix of morbidity scores for the population estimated to purchase non-group coverage in a given year.

For individuals estimated to enroll or maintain non-group coverage, a metallic tier plan is assigned based on the distribution of metallic plans selected for 2022 through YHI by income level. For example, based on YHI data, individuals qualifying for CSR payments between 100% and 250% FPL have a much greater likelihood of purchasing a Silver plan, relative to households at higher income levels.

Federal premium assistance was estimated based on premium rate changes for the second-lowest cost Silver plan available through YHI, projected household income by FPL, and the indexing of the premium tax credit expenditures. For each enrollee, a rating factor corresponding to the default federal age curve, which Idaho plans to continue using, was assigned.<sup>16</sup>

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<sup>15</sup> <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/Proj2018Tables.zip>, Table 17.

<sup>16</sup> See <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Market-Reforms/Downloads/StateSpecAgeCrv053117.pdf>.

## LIMITATIONS

Milliman has developed certain models to estimate the values included in this report. The intent of the models was to estimate pass-through funding for Idaho's reinsurance program for the individual health insurance market under a Section 1332 waiver. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOP).

The models rely on data and information as input to the models. We have relied upon certain data and information provided by Idaho Individual High Risk Reinsurance Pool Board, Your Health Idaho, and publicly available data published by federal agencies for this purpose and accepted it without audit. To the extent that the data and information provided is not accurate, or is not complete, the values provided in this report may likewise be inaccurate or incomplete.

Milliman's data and information reliance includes:

- March 2022 Your Health Idaho census
- Aggregated carrier survey data from the Department of Insurance
- Economic and healthcare inflation assumptions published by federal agencies
- Insurance carrier statutory statement data downloaded via S&P Global Market Intelligence

If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete. Furthermore, actual revenues and expenditures of the reinsurance program can vary from projected amounts due to a multitude of reasons, including economic changes, regulatory or legislative changes, consumer behavior, carrier pricing assumptions, and population changes.

The results presented are based upon a set of assumptions,<sup>3</sup> as described above. If actual results differ from the underlying assumptions, actual financial results may differ from those presented in this presentation.

There is heightened uncertainty concerning future insurance market enrollment due to the current COVID-19 public health emergency and its associated policies that may change materially for CY 2023.

We are members of the American Academy of Actuaries and meet the qualification standards to perform projections of this type.

This analysis has been prepared for the use of the Idaho Individual High Risk Reinsurance Pool Board and the Idaho Department of Insurance. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends any third party recipient be aided by its own actuary or other qualified professional when reviewing the Milliman work product.

The consultants who worked on this assignment are health actuaries. Milliman's advice is not intended to be a substitute for qualified tax, legal, or accounting counsel. This information is being provided under the current contract between Milliman and the Idaho Individual High Risk Reinsurance Pool.

The terms of Milliman's Professional Services Agreement with the Idaho Individual High Risk Reinsurance Pool dated August 19, 2002 and the statement of work signed on April 20, 2022 apply to this report.

## APPENDIX: ACTUARIAL CERTIFICATION

**Idaho Individual High Risk Reinsurance Pool  
Section 1332 Waiver Application  
Actuarial Certification**

I, Paul R. Houchens, am a Principal and Consulting Actuary with the firm of Milliman, Inc. I am a Member of the American Academy of Actuaries and a Fellow of the Society of Actuaries. I meet the qualification standards established by the American Academy of Actuaries and have followed the standards of practice established by the Actuarial Standards Board. I have been employed by the State of Idaho to perform an actuarial analysis and certification regarding the state's operation of a Pool for the individual health insurance market under a Section 1332 State Relief and Empowerment Waiver. I am generally familiar with the federal requirements for Section 1332 waiver proposals, commercial health insurance rating rules, Medicaid eligibility, insurance exchanges, the Affordable Care Act's premium assistance structure, and other components of the Affordable Care Act relevant to this Section 1332 State Relief and Empowerment Waiver proposal.

As required under 45 CFR 155.1308 (f)(4)(i), this certification provides documentation that my actuarial analyses support the State of Idaho's finding that the 1332 waiver complies with the following requirements for Section 1332 waivers as defined under 45 CFR 155.1308 (f)(3)(iv)(a)-(c):

- The proposal will provide coverage to at least a comparable number of the state's residents as would be provided absent the waiver;
- the proposal will provide coverage and cost-sharing protections against excessive out-of-pocket spending that are at least as affordable for the state's residents as would be provided absent the waiver; and,
- the proposal will provide access to coverage that is at least as comprehensive for the state's residents as would be provided absent the waiver

The assumptions and methodology used in the development of the actuarial certification has been documented in my report provided to the State of Idaho. The actuarial certification provided with this report is for the period from January 1, 2023 through December 31, 2027. To the extent state or federal regulations are modified through the end of the waiver period, it may be necessary for this actuarial certification and corresponding analyses to be amended.

The actuarial analyses presented with this certification is based on a projection of future events. Actual experience may be expected to vary from the experience assumed in the analyses.

In developing the actuarial certification, I have relied upon data and information provided by the State of Idaho agencies, publicly available federal government data sets and reports, and statutory financial statement data downloaded through S&P Global Market Intelligence. I have relied upon these third parties for audit of the data. However, I did review the data for reasonableness and consistency.

Electronic  
Paul R. Houchens

Paul R. Houchens, FSA  
Member, American Academy of Actuaries

April 25, 2022

Date



Appendix C: **Notice for Public Comment Period**

*State of Idaho*  
**DEPARTMENT OF INSURANCE**

**BRAD LITTLE**  
Governor

700 West State Street, 3rd Floor  
P.O. Box 83720  
Boise, Idaho 83720-0043  
Phone 208-334-4250  
Fax 208-334-4398  
Website: <https://doi.idaho.gov>

**DEAN L. CAMERON**  
Director

**April 1, 2022**

**Idaho Department of Insurance Section 1332 State Innovation Waiver  
Notice of Public Hearing and Public Comment Period**

The Idaho Department of Insurance gives notice of intent to apply to the Centers for Medicare and Medicaid Services (CMS) and to the United States Department of the Treasury for a Section 1332 State Innovation waiver on or about May 2022. The purpose of the waiver is to implement a state reinsurance program to increase affordability of individual health insurance in Idaho. The proposed effective date for the waiver is January 1, 2023.

The waiver would be implemented primarily by the Idaho Individual High Risk Reinsurance Pool (“the Pool”), a state reinsurance program in which enrollees in individual coverage who are diagnosed with certain specified medical conditions are ceded to the Pool by the health insurer. The health insurer then pays a monthly premium to the Pool for that reinsurance.

Due to implementation of the program, health insurers are able to mitigate the effects of extremely high health claims on the individual risk pool, helping to stabilize the individual health insurance market and resulting in lower premiums than would otherwise occur.

The state is submitting this section 1332 waiver in order to further increase affordability of individual health insurance in Idaho. The Pool has successfully reduced premiums in the past, and Idaho anticipates that approval of this 1332 waiver will reduce premiums by at least 7% in 2023 and onward, compared to premiums without the waiver in place.

As part of the waiver process, the Department submitted legislation to authorize the Department to submit the waiver application to the federal agencies and to condition future premium reductions from the state reinsurance program upon approval of the 1332 waiver. Governor Little signed H611 on March 23, 2022.

The Department’s comprehensive public notice, Tribal notice, and the waiver application are available on our website at <https://doi.idaho.gov/information/public/reinsurance-waiver/>. The Department is seeking public comment through public hearings, the interactive form available on the website, via fax, via email or traditional mail as indicated below. Public hearings will be held at the following locations:

**Boise Public Hearing (also virtual)**

**Location:** Idaho Department of Insurance

700 W. State St.

JRW East Conference Room

Boise, ID 83702

**Date:** April 18, 2022

**Time:** 10:00AM – 12:00PM MT

**Idaho Falls Public Hearing**

**Location:** Idaho Department of Labor

1515 E. Lincoln Rd.

Yellowstone Room

Idaho Falls, ID 83401

**Date:** April 20, 2022

**Time:** 2:30PM – 4:30PM MT

**Coeur d’Alene Public Hearing**

**Location:** Coeur d’Alene Public Library

702 E. Front Ave.

Community Room

Coeur d’Alene, ID 83814

**Date:** April 26, 2022

**Time:** 10:30AM – 12:30PM PT

**Webex Information:** (Boise Date Only)

**Link:** <https://idahogov.webex.com/idahogov/j.php?MTID=m1ca043b7088fac88c9be403e5254b9ba>

**Meeting Number (access code):** 2456 145 7410

**Password:** WWiPiPNb685

**Call In Number:** 1-415-655-0001

Interested parties may also request hard copies of the waiver packet or submit comments via email or traditional USPS mail to:

Attention: Shannon Hohl  
Market Oversight Bureau Chief  
Department of Insurance  
P.O. Box 83720; Boise, Idaho 83720-0043  
**E-mail to:** [DOI.Reform@doi.idaho.gov](mailto:DOI.Reform@doi.idaho.gov)

**Public comments will be accepted until May 1, 2022.**

*State of Idaho*  
**DEPARTMENT OF INSURANCE**

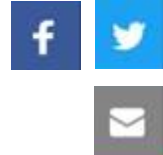
**BRAD LITTLE**  
Governor

700 West State Street, 3rd Floor  
P.O. Box 83720  
Boise, Idaho 83720-0043  
Phone 208-334-4250  
Fax 208-334-4398  
Website: <https://doi.idaho.gov>

**DEAN L. CAMERON**  
Director

**Idaho Department of Insurance News Release**

For immediate release: April 1, 2022  
Contact: Julie Robinson, 208-334-4312  
[Julie.Robinson@doi.idaho.gov](mailto:Julie.Robinson@doi.idaho.gov)



## **Idaho Department of Insurance Opens Public Comment Period for Section 1332 State Innovation Waiver Application**

**BOISE, ID (April 1, 2022)** – The Idaho Department of Insurance is seeking public comment on its intent to apply to the Centers for Medicare and Medicaid Services (CMS) and to the United States Department of the Treasury for a Section 1332 State Innovation waiver on or about May 2022. The state is submitting this section 1332 waiver to further increase affordability of individual health insurance in Idaho. The proposed effective date for the waiver is January 1, 2023. Public comments will be accepted until May 1, 2022.

The proposed waiver would be implemented primarily by the Idaho Individual High Risk Reinsurance Pool (“the Pool”), a state reinsurance program in which enrollees in individual coverage who are diagnosed with certain specified medical conditions are ceded to the Pool by the issuer. The Pool was created in 2000. From its inception, it has successfully paid over \$164.6 million in claims for over 13,000 Idahoans with serious medical conditions.

“We anticipate that approval of this 1332 waiver will result in 2023 premiums that are at least 7% lower than they would be without the waiver, and that 7% reduction should be able to be maintained year over year,” said Dean Cameron, Director of the Idaho Department of Insurance. “This means reduced health insurance costs for Idahoans.”

As part of the waiver process, the Department submitted legislation to authorize the Department to submit the waiver application to the federal agencies and to condition the continuation of the state reinsurance program upon approval of the 1332 waiver. Governor Little signed the legislation, H611, on March 23, 2022.

The Department’s comprehensive public notice, Tribal notice and the waiver application are available on our website at <https://doi.idaho.gov/information/public/reinsurance-waiver/>. The Department is seeking public comment through public hearings, the interactive form

available on the website, via fax, and email or traditional mail as indicated below. Public hearings will be held at the following locations:

**Boise Public Hearing (also virtual)**

**Location:** Idaho Department of Insurance  
700 W. State St.  
JRW East Conference Room  
Boise, ID 83702  
**Date:** April 18, 2022  
**Time:** 10:00AM – 12:00PM MT

**Idaho Falls Public Hearing**

**Location:** Idaho Department of Labor  
1515 E. Lincoln Rd.  
Yellowstone Room  
Idaho Falls, ID 83401  
**Date:** April 20, 2022  
**Time:** 2:30PM – 4:30PM MT

**Coeur d’Alene Public Hearing**

**Location:** Coeur d’Alene Public Library  
702 E. Front Ave.  
Community Room  
Coeur d’Alene, ID 83814  
**Date:** April 26, 2022  
**Time:** 10:30AM – 12:30PM PT

**Webex Information:** (Boise Date Only)

**Link:**

<https://idahogov.webex.com/idahogov/j.php?MTID=m1ca043b7088fac88c9be403e5254b9ba>

**Meeting Number (access code):** 2456 145 7410

**Password:** WWiPiPNb685

**Call In Number:** 1-415-655-0001

Interested parties may also request hard copies of the waiver packet or submit comments via email or traditional USPS mail to:

Attention: Shannon Hohl  
Market Oversight Bureau Chief  
Department of Insurance  
P.O. Box 83720; Boise, Idaho 83720-0043  
**E-mail to:** DOI.Reform@doi.idaho.gov

**About the Department of Insurance**

The Idaho Department of Insurance has been regulating the business of insurance in Idaho since 1901. The mission of the Department is to serve and protect Idahoans by equitably, effectively and efficiently administering the Idaho Insurance Code and the International Fire Code. For more information, please visit us at [doi.idaho.gov](http://doi.idaho.gov) or email us at [consumeraffairs@doi.idaho.gov](mailto:consumeraffairs@doi.idaho.gov).

###

*State of Idaho*  
**DEPARTMENT OF INSURANCE**

**BRAD LITTLE**  
Governor

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Boise, Idaho 83720-0043  
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Website: <https://doi.idaho.gov>

**DEAN L. CAMERON**  
Director

**April 22, 2022**

**Idaho Department of Insurance Section 1332 State Innovation Waiver  
Additional Public Hearings and Request for Comments**

The Idaho Department of Insurance opened a public comment period on April 1, 2022 announcing its intent to apply to the Centers for Medicare and Medicaid Services (CMS) and to the United States Department of the Treasury for a Section 1332 State Innovation waiver on or about May 2022. The purpose of the waiver is to implement a state reinsurance program to increase affordability of individual health insurance in Idaho. The proposed effective date for the waiver is January 1, 2023. **Public comments will be accepted until May 1, 2022.**

The Department's comprehensive public notice, Tribal notice, and the waiver application are available on our website at <https://doi.idaho.gov/information/public/reinsurance-waiver/>. The Department is seeking public comment through public hearings, the interactive form available on the website, via fax, via email or traditional mail as indicated below. To encourage public engagement, an additional hearing has been added on April 29, 2022.

Following is a list of the remaining public hearings -

**Coeur d'Alene Public Hearing**

**Location:** Coeur d'Alene Public Library  
702 E. Front Ave.  
Community Room  
Coeur d'Alene, ID 83814  
**Date:** April 26, 2022  
**Time:** 10:30AM – 12:30PM PT

**Boise Public Hearing (also virtual)**

**Location:** Idaho Department of Insurance  
700 W. State St.  
JRW East Conference Room  
Boise, ID 83702  
**Date:** April 29, 2022  
**Time:** 10:00AM – 11:00AM MT

**Webex Information: (Boise Date Only)**

**Link:**

<https://idahogov.webex.com/idahogov/j.php?MTID=me1119135282facc7b6780432200cefb2>

**Meeting Number (access code):** 2453 951 4005

**Password:** jpU35ERRXm3  
**Call In Number:** 1-415-655-0001

Interested parties may also request hard copies of the waiver packet or submit comments via email or traditional USPS mail to:

Attention: Shannon Hohl  
Market Oversight Bureau Chief  
Department of Insurance  
P.O. Box 83720; Boise, Idaho 83720-0043  
**E-mail to:** [DOI.Reform@doi.idaho.gov](mailto:DOI.Reform@doi.idaho.gov)

**Public comments will be accepted until May 1, 2022.**

Appendix D: **Records of Public Testimony**



**From:** [WordPress](#)  
**To:** [DOI Reform](#)  
**Subject:** A new 1332 Waiver Comment has been submitted.  
**Date:** Monday, April 4, 2022 10:38:07 AM

---

**Name**

Zerin Buchanan

**Email**

zerin@thehartwellcorp.com

**Comments**

This sounds like a great idea! I'm all for it!



April 28, 2022

Attention: Shannon Hohl  
Market Oversight Bureau Chief  
Department of Insurance  
P.O. Box 83720; Boise, Idaho 83720-0043

Re: Idaho Department of Insurance Section 1332 State Innovation Waiver

Dear Ms. Hohl;

The National Organization for Rare Disorders (NORD) appreciates the opportunity to submit comments on the state's draft Section 1332 State Innovation Waiver Application. NORD is a unique federation of voluntary health organizations dedicated to helping the 25-30 million Americans living with a rare disease. We believe that all patients should have access to quality, accessible, and affordable health coverage that is best suited to their medical needs. We are pleased to support Idaho's efforts to strengthen its marketplace through the implementation of a reinsurance program.

Reinsurance is an important tool to help stabilize health insurance markets. Reinsurance programs help insurance companies cover the claims of very high-cost enrollees, which in turn keeps premiums affordable for other individuals buying insurance on the individual market. Reinsurance programs have been used to stabilize premiums in a number of healthcare programs, such as Medicare Part D. A temporary reinsurance fund for the individual market was also established under the Affordable Care Act and reduced premiums by an estimated 10 to 14 percent in its first year.<sup>iii</sup> More recently, a data brief released by the Center for Medicare and Medicaid Services showed that states with reinsurance waivers have experienced significantly lower individual market premiums than they would have otherwise and have seen gains in insurer participation.<sup>iii</sup> Idaho itself has benefited from reinsurance for many years, and we are pleased to see that the state intends to build upon this successful program.

Idaho's proposal will allow the state to use federal pass-through funding to implement a state-based reinsurance program, starting in the 2023 plan year. The program is projected to reduce premiums by seven percent in each of the next ten years, compared to anticipated premiums in the absence of a waiver. This would significantly help patients with rare disorders obtain affordable and comprehensive coverage. There are more than 7,000 known rare diseases, impacting an estimated one-in-ten people. The financial burden of living with a rare disorder can be significant, and patients often depend on frequent access to health care services, including regular visits to specialists, use of prescription drugs, and even hospitalizations. Lower out-of-pocket costs in the form of reduced premiums for their insurance can be a significant relief to these patients and their families. Lower premiums also increase the likelihood that people will be

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55 KENOSIA AVENUE  
DANBURY, CT 06810  
T 203-744-0100 ■ F 203-263-9938

1900 CROWN COLONY DRIVE, SUITE 310  
QUINCY, MA 02169  
T 617-249-7300 ■ F 617-249-7301

[rarediseases.org](http://rarediseases.org) ■ [orphan@rarediseases.org](mailto:orphan@rarediseases.org)

*NORD® and icon are registered trademarks of the National Organization for Rare Disorders. NORD is a registered 501(c)(3) charity organization.*

able to afford and maintain higher-quality coverage that can meet their needs as they pursue treatment for their rare condition.

Once again, thank you for the opportunity to provide comments. NORD believes that this 1332 State Innovation Waiver will help stabilize the individual market in Idaho and help to provide affordable and comprehensive health insurance coverage to people with rare diseases. We urge the state to proceed with approval and implementation. For questions about NORD or our comments please contact Corinne Alberts at [calberts@rarediseases.org](mailto:calberts@rarediseases.org).

Sincerely,

*Annissa Reed*

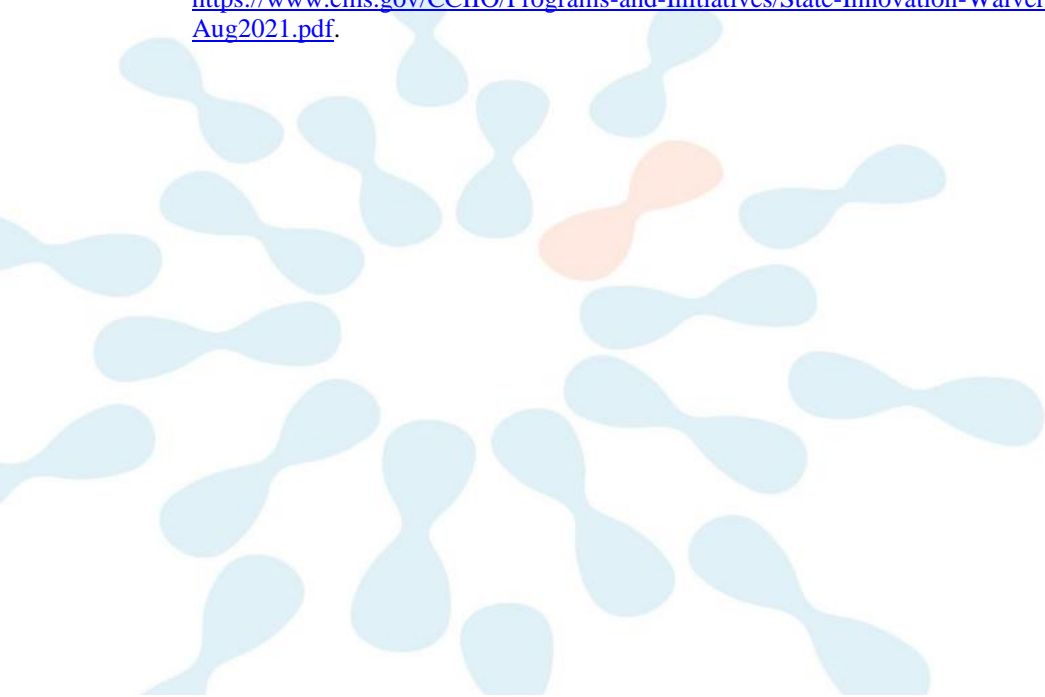
Annissa Reed  
State Policy Manager  
National Organization for Rare Disorders

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<sup>i</sup> American Academy of Actuaries, Individual and Small Group Markets Committee. *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes*. January 2017. Retrieved from [https://www.actuary.org/files/publications/Acad\\_eval\\_indiv\\_mkt\\_011817.pdf](https://www.actuary.org/files/publications/Acad_eval_indiv_mkt_011817.pdf).

<sup>ii</sup> American Academy of Actuaries, Individual and Small Group Markets Committee. *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes*. January 2017. Retrieved from [https://www.actuary.org/files/publications/Acad\\_eval\\_indiv\\_mkt\\_011817.pdf](https://www.actuary.org/files/publications/Acad_eval_indiv_mkt_011817.pdf).

<sup>iii</sup> Centers for Medicare and Medicaid Services, Center for Consumer Information and Insurance Oversight (CCIIO). *State Innovation waivers: State-Based Reinsurance Programs*. August 2021. Available at: <https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/1332-Data-Brief-Aug2021.pdf>.





*Via electronic submission*

April 27, 2022

Dean Cameron  
Director  
Idaho Department of Insurance  
700 West State Street  
Boise, Idaho 83720

**Re: Idaho Section 1332 Waiver Application Draft**

Dear Mr. Cameron:

The American Cancer Society Cancer Action Network (ACS CAN) appreciates the opportunity to comment on the State of Idaho's Section 1332 Waiver Application Draft. ACS CAN is making cancer a top priority for public officials and candidates at the federal, state and local levels. ACS CAN empowers advocates across the country to make their voices heard and influence evidence-based public policy change as well as legislative and regulatory solutions that will reduce the cancer burden. As the American Cancer Society's nonprofit, nonpartisan advocacy affiliate, ACS CAN is critical to the fight for a world without cancer.

ACS CAN supports a robust marketplace from which consumers can choose a health plan that best meets their needs. Access to health care coverage is paramount for persons with cancer and survivors. Research from the American Cancer Society has shown that uninsured Americans are less likely to get screened for cancer and thus are more likely to have their cancer diagnosed at an advanced stage when survival is less likely and the cost of care more expensive.<sup>1</sup> In the United States, more than 1.9 million Americans will be diagnosed with cancer this year – an estimated 10,440 in Idaho.<sup>2</sup> An additional 16.9 million Americans are living with a history of cancer – 77,860 in Idaho.<sup>3</sup> For these Americans access to affordable health insurance is a matter of life or death.

ACS CAN supports Idaho's proposal for a reinsurance program. A well-designed reinsurance program can help to lower premiums and mitigate the plan risk associated with high-cost enrollees. The Department states in the application that it expects the program will reduce premiums by 7% in each of the next ten

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<sup>1</sup> E Ward et al, "Association of Insurance with Cancer Care Utilization and Outcomes, *CA: A Cancer Journal for Clinicians* 58:1 (Jan./Feb. 2008), <http://www.cancer.org/cancer/news/report-links-health-insurance-status-with-cancer-care>.

<sup>2</sup> American Cancer Society. *Cancer Facts & Figures: 2022*. Atlanta: American Cancer Society, 2022.

<sup>3</sup> American Cancer Society. *Cancer Treatment & Survivorship: Facts & Figures 2019-2021*. Atlanta: American Cancer Society, 2019.



years if implemented.<sup>4</sup> Overall, other states that have implemented section 1332 state-based reinsurance waivers for the individual market have seen statewide average premium reductions ranging from 3.75% to 41.17%, compared to premiums absent the waiver. For example, in 2021, statewide average premium reductions due to the waiver were 4.92% in Pennsylvania, 18.47% in Colorado, and 34.0% in Maryland, compared to a scenario with no waiver in place.<sup>5</sup> These savings can reduce federal government subsidy payments, and lower premiums for consumers.

A reinsurance program may encourage insurance carriers to enter the market, bringing stability and more options for consumers. Nationally, in states with section 1332 state-based reinsurance waivers, the average number of qualified health plans weighted by enrollment increased by 30.6% from 2020 to 2021.<sup>6</sup> Further, the expected maintenance or increase in plan competition due to the reinsurance program may help to keep premiums from rising. These premium savings could help cancer patients and survivors afford health insurance coverage and may enable some individuals to enroll who previously could not afford coverage – especially if expanded subsidies for marketplace plans expire in 2022 as they are currently set to do.

We are pleased that the proposal states that the waiver extension will not impact the comprehensiveness of coverage in Idaho. ACS CAN believes that patient protections in current law – like the prohibition on pre-existing condition exclusions, prohibition on lifetime and annual limits, and Essential Health Benefits requirements – are crucial to making the healthcare system work for cancer patients and survivors.

### Conclusion

On behalf of the American Cancer Society Cancer Action Network, we thank you for the opportunity to comment on Idaho's Section 1332 Waiver Application Draft. We strongly support Idaho's reinsurance proposal, which will provide long-term viability of the individual market while not eroding important consumer protections. If you have any questions, please feel free to contact [Kristin.Page.Nei@cancer.org](mailto:Kristin.Page.Nei@cancer.org) or 406.360.8752.

Sincerely,



Kristin Page-Nei, Idaho Government Relations Director

---

<sup>4</sup> Idaho Department of Insurance. Idaho Section 1332 Waiver Application Draft. April 1, 2022. <https://doi.idaho.gov/wp-content/uploads/info/1332Waiver/FINAL-VERSION-FOR-PUBLIC-COMMENT-Idaho-1332-Application-1.pdf>

<sup>5</sup> U.S. Centers for Medicare and Medicaid Services. American Rescue Plan Provides States Additional Funding to Lower Health Coverage Costs, Increase Affordability for Americans. Press Release. September 7, 2021. <https://www.cms.gov/newsroom/press-releases/american-rescue-plan-provides-states-additional-funding-lower-health-coverage-costs-increase>

<sup>6</sup> Ibid.



Connected for Life

April 29, 2022

Market Oversight Bureau Chief  
Department of Insurance  
P.O. Box 83720; Boise, Idaho 83720

Shannon Hohl,

My name is Carissa Kemp and I am the Director of State Government Affairs for the American Diabetes Association® (ADA), the nation's leading voluntary health organization fighting to bend the curve on the diabetes epidemic. I appreciate the opportunity to submit comments on Idaho's Section 1332 State Innovation Waiver.

Healthcare costs for people with diabetes is 2.5 times higher than for people without diabetes.<sup>1</sup> The high cost of care has put people at risk with 1 in 4 individuals reporting that the cost of insulin has impacted their use.<sup>2</sup> There are 132,857 people in Idaho that have been diagnosed with diabetes and an additional 427,000 living with prediabetes<sup>3</sup>. It is critical that these individuals who access their health insurance through the marketplace are able to obtain affordable and robust insurance.

The American Diabetes Association believes everyone should have quality and affordable healthcare coverage. A strong, robust marketplace is essential for people with diabetes to access the coverage that they need. The American Diabetes Association supports Idaho's efforts to strengthen its marketplace by submitting this 1332 State Innovation Waiver to implement a reinsurance program.

Reinsurance is an important tool to help stabilize health insurance markets. Reinsurance programs help insurance companies cover the claims of very high cost enrollees, which in turn keeps premiums affordable for other individuals buying insurance on the individual market. Reinsurance programs have been used to stabilize premiums in a number of healthcare programs, such as Medicare Part D. A temporary reinsurance fund for the individual market was also established under the Affordable Care Act and reduced premiums by an estimated 10 to 14 percent in its first year.<sup>1</sup><sup>2</sup> More recently, a data brief

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<sup>1</sup> Sarah Stark Casagrande, Catherine C. Cowie; Health Insurance Coverage Among People With and Without Diabetes in the U.S. Adult Population. *Diabetes Care* 1 November 2012; 35 (11): 2243–2249. <https://doi.org/10.2337/dc12-0257>

<sup>2</sup> American Diabetes Association, *Insulin and Drug Affordability*, [https://diabetes.org/advocacy/insulin-and-drug-affordability?utm\\_source=diabetes-care-cost&utm\\_medium=website&utm\\_content=learn-more-1-btn&utm\\_campaign=ADV&s\\_src=online&s\\_subsrc=insulin-drug-affordability](https://diabetes.org/advocacy/insulin-and-drug-affordability?utm_source=diabetes-care-cost&utm_medium=website&utm_content=learn-more-1-btn&utm_campaign=ADV&s_src=online&s_subsrc=insulin-drug-affordability)

<sup>3</sup> American Diabetes Association, *The Burden of Diabetes in Idaho*, [https://diabetes.org/sites/default/files/2022-04/ADV\\_2022\\_State\\_Fact\\_sheets\\_all\\_rev\\_ID-4-4-22.pdf](https://diabetes.org/sites/default/files/2022-04/ADV_2022_State_Fact_sheets_all_rev_ID-4-4-22.pdf)

---

Carissa Kemp  
Director, State Government Affairs  
1-800-676-4065 Ext. 2053  
ckemp@diabetes.org

1-800-DIABETES (342-2383)

diabetes.org  
@AmDiabetesAssn



Connected **for Life**

released by the Center for Medicare and Medicaid Services showed that states with reinsurance waivers have experienced significantly lower individual market premiums than they would have otherwise and have seen gains in insurer participation.<sup>3</sup>

Idaho's proposal will help patients with pre-existing conditions, including patients with diabetes obtain affordable, comprehensive coverage.

The American Diabetes Association believes the 1332 State Innovation Waiver will help stabilize the individual market in Idaho and protect patients and consumers. Thank you for the opportunity to provide comments.

Sincerely,

Carissa Kemp  
Director of State Government Affairs

---

<sup>1</sup> American Academy of Actuaries, Individual and Small Group Markets Committee. *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes*. January 2017. Retrieved from [https://www.actuary.org/files/publications/Acad\\_eval\\_indiv\\_mkt\\_011817.pdf](https://www.actuary.org/files/publications/Acad_eval_indiv_mkt_011817.pdf).

<sup>2</sup> American Academy of Actuaries, Individual and Small Group Markets Committee. *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes*. January 2017. Retrieved from [https://www.actuary.org/files/publications/Acad\\_eval\\_indiv\\_mkt\\_011817.pdf](https://www.actuary.org/files/publications/Acad_eval_indiv_mkt_011817.pdf).

<sup>3</sup> Centers for Medicare and Medicaid Services, Center for Consumer Information and Insurance Oversight (CCIIO). *State Innovation waivers: State-Based Reinsurance Programs*. August 2021. Available at: <https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/1332-Data-Brief-Aug2021.pdf>.



April 27, 2022

Director Dean Cameron  
700 West State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, Idaho 83720

Re: Idaho Section 1332 State Innovation Waiver

Dear Director Cameron:

The American Lung Association appreciates the opportunity to submit comments on Idaho's Section 1332 State Innovation Waiver.

The American Lung Association is the oldest voluntary public health association in the United States, currently representing the more than 36 million Americans living with lung diseases, including more than 187,000 Idahoans. The Lung Association is the leading organization working to save lives by improving lung health and preventing lung disease through research, education, and advocacy.

The American Lung Association believes everyone should have quality and affordable healthcare coverage. A strong, robust marketplace is essential for people with lung diseases to access the coverage that they need. The American Lung Association supports Idaho's efforts to strengthen its marketplace and reduce premiums by using this 1332 State Innovation Waiver to implement a reinsurance program.

Reinsurance is an important tool to help stabilize health insurance markets. Reinsurance programs help insurance companies cover the claims of very high-cost enrollees, which in turn keeps premiums affordable for other individuals buying insurance on the individual market. Reinsurance programs have been used to stabilize premiums in several healthcare programs, such as Medicare Part D. A temporary reinsurance fund for the individual market was also established under the Affordable Care Act and reduced premiums by an estimated 10 to 14% in its first year.<sup>1</sup> More recently, a data brief released by the Center for Medicare and Medicaid Services showed that states with reinsurance waivers have experienced significantly lower individual market premiums than they would have otherwise and have seen gains in insurer participation.<sup>2</sup>

Idaho's proposal will create a reinsurance program starting for the 2023 plan year. This program is projected to reduce premiums by 7%. This would help patients with pre-existing conditions, including patients with lung diseases, obtain affordable, comprehensive coverage. The American Lung Association believes the 1332 State Innovation Waiver will help stabilize the individual market in Idaho and protect patients and consumers. Thank you for the opportunity to provide comments.



Sincerely,

*Carrie Nyssen*

Carrie Nyssen  
Senior Director of Advocacy

---

<sup>1</sup> American Academy of Actuaries, Individual and Small Group Markets Committee. *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes*. January 2017. Retrieved from [https://www.actuary.org/files/publications/Acad\\_eval\\_indiv\\_mkt\\_011817.pdf](https://www.actuary.org/files/publications/Acad_eval_indiv_mkt_011817.pdf).

<sup>2</sup> Centers for Medicare and Medicaid Services, Center for Consumer Information and Insurance Oversight (CCIIO). State Innovation waivers: State-Based Reinsurance Programs. August 2021. Available at: <https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/1332-Data-Brief-Aug2021.pdf>.



# Idaho Association of Health Plans

Department of Insurance  
State of Idaho  
700 W. State Street, 3rd Fl.  
P.O. Box 83720  
Boise, ID 83720-0043

Attention: Shannon Hohl  
Market Oversight Bureau Chief

Re: Section 1332 State Innovation Waiver

To Whom It May Concern:

The Idaho Association of Health Plans consists of members BlueCross of Idaho, Regence BlueShield of Idaho, SelectHealth and PacificSource Health Plans (Association). The Association supports efforts of the state of Idaho to obtain a 1332 waiver so as to use savings from a reinsurance program to reduce the cost of health insurance premiums to Idaho citizens purchasing products through the YourHealthIdaho (YHI) marketplace.

The Association has a long standing record of providing health insurance products to a majority of Idaho individuals. In partnership with the Idaho Department of Insurance (DOI), the Association has supported the state-based reinsurance program producing regular 2-3% reductions in premium for the last 20 years. The Association applauds the DOI for working with CMS to determine a way to maximize the reinsurance program through the 1332 waiver. The Association also thanks the DOI for sponsoring legislation that requires the program rely upon the 1332 waiver going forward.

At the request of the High Risk Reinsurance Program, Milliman completed the Actuarial Analyses and Certification and Economic Analyses. The analyses just released show the likely impact of the waiver will bring up to 10-12% premium savings for the next 5-10 years. This is very meaningful savings that will likely result in more Idaho citizens being able to purchase health insurance and more importantly, improve the overall health of Idaho citizens.

With this letter, the Association wants to express support for CMS to approve the 1332 waiver as submitted by the Idaho Department of Insurance.

**OFFICERS**  
**Charlene Maher**  
President

**Matt Bell**  
Vice President  
Secretary/Treasurer

**MEMBER ORGANIZATIONS**  
**BLUE CROSS OF IDAHO**

**Charlene Maher**  
President & CEO  
Meridian, ID

**PACIFICSOURCE HEALTH PLANS**

**Matt Bell**  
VP, Idaho Regional Director  
Boise, ID

**REGENE BLUESHIELD OF IDAHO**

**Mark Ruszczyk**  
President  
Boise, ID

**SELECTHEALTH, INC.**

**Ed Castledine**  
Idaho Market President  
Meridian, ID

Very truly yours,

Charlene Maher, President & CEO  
Blue Cross of Idaho

Matt Bell, Vice President-Idaho Regional Director  
Pacific Source Health Plans

Mark Ruszczyk, President  
Regence Blue Shield of Idaho

Ed Castledine, Idaho Market President  
Selecthealth, Inc.

Dated: April 27, 2022

Appendix E: **Presentations from the Public Comment and Information Sessions**



# Idaho's 1332 Waiver Application for Reinsurance

April 19, 2022

# About the Idaho Department of Insurance (DOI)

Wes Trexler, Deputy Director

[Weston.Trexler@doi.idaho.gov](mailto:Weston.Trexler@doi.idaho.gov)

208-334-4214

Shannon Hohl, Market Oversight Bureau Chief

[Shannon.Hohl@doi.idaho.gov](mailto:Shannon.Hohl@doi.idaho.gov)

208-334-4315

Kathy McGill, Health Insurance Specialist

[Kathy.mcgill@doi.idaho.gov](mailto:Kathy.mcgill@doi.idaho.gov)

208-334-4300



# About the Idaho Department of Insurance (DOI)

- The Department of Insurance is a regulatory agency created to regulate the business of insurance in Idaho.
- The mission of the Department of Insurance is to serve and protect Idahoans by equitably, effectively and efficiently administering the Idaho Insurance Code and the International Fire Code.



# Welcome

## Plan for today

- Discuss Idaho's Section 1332 Waiver Application
- Review Idaho's High Risk Reinsurance Pool
- Next Steps
- Accept Comments





# What is a 1332 Waiver?

- Section 1332 Waivers allow a state greater **flexibility** in providing high quality, affordable health insurance coverage to their citizens by waiving one or more provisions of the Affordable Care Act.
- These waivers can be approved only if residents of the state will receive health care coverage that is at least as **comprehensive** and **affordable**, and if at least as many state residents will be **covered**, as without the waiver, and **doesn't** increase the federal deficit.



# Why is Idaho Applying?

- To reduce the premiums of individual health insurance through increased funding to Idaho's High Risk Reinsurance Pool.
- The Department of Insurance projects that, if the waiver is approved, premiums will be **at least 7% lower** than without the waiver, in 2023 and in future years.



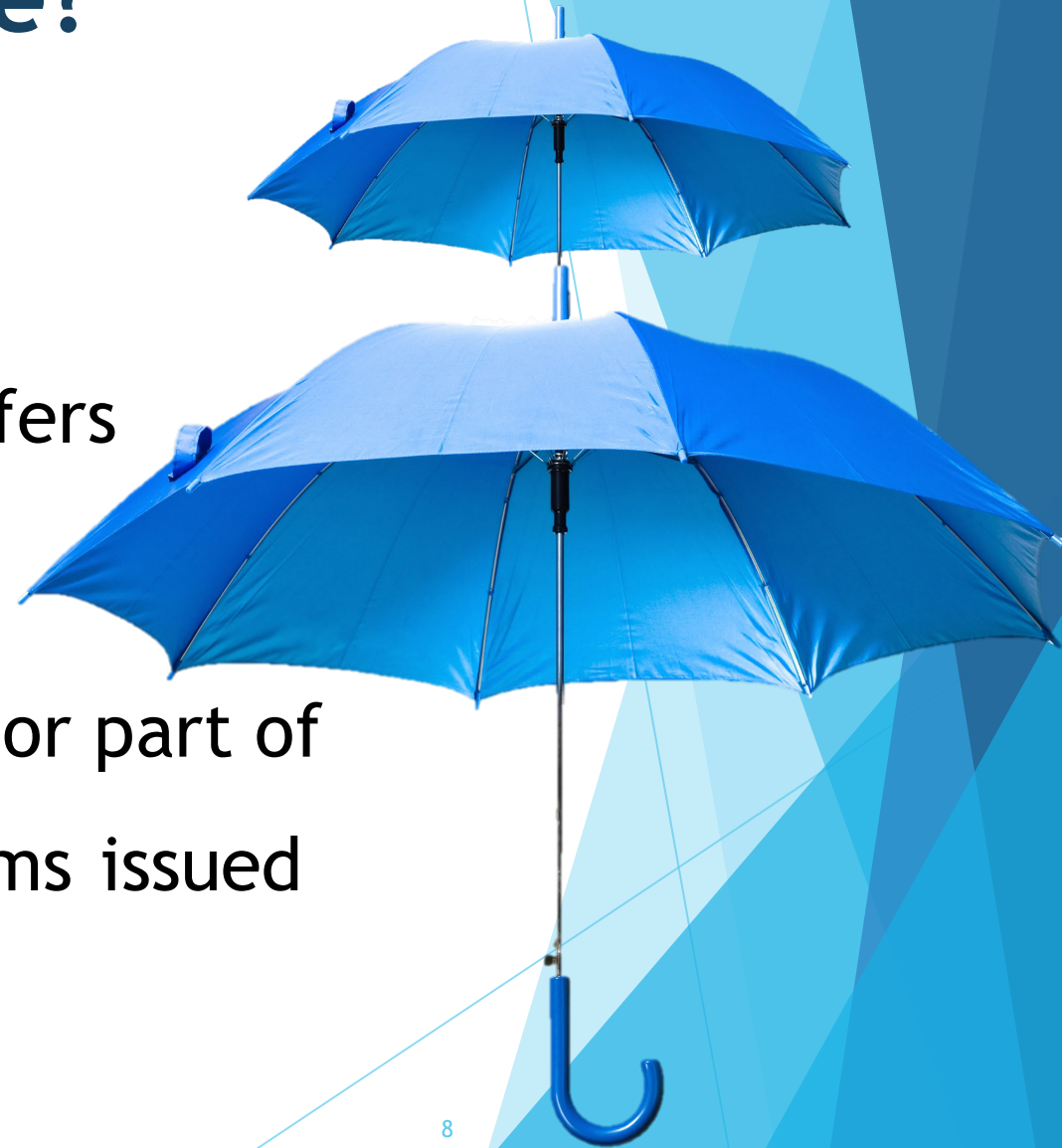
# Idaho's Individual Health Insurance Market - 2021

	Members Covered at End of Year	Enrollee Premium	Premium Paid through APTC	Total Premium
Exchange ACA	64,700	\$81,700,000	\$325,200,000	\$406,900,000
Off-Exchange ACA	10,400	\$66,100,000	\$0	\$66,100,000
Pre-Exchange Plans	6,900	\$28,300,000	\$0	\$28,300,000
<b>Total individual Market</b>	<b>82,000</b>	<b>\$176,100,000</b>	<b>\$325,200,000</b>	<b>\$501,300,000</b>



# What is Reinsurance?

- Insurance for insurance companies
- Insurance Company - cedent - transfers risk to the reinsurance company
- Reinsurance Company - assumes all or part of one or more insurance policies/claims issued by the cedent



# About the Idaho High Risk Reinsurance Pool

- Individual health insurance enrollees who are diagnosed with certain medical conditions are ceded to the Pool by the insurer, without any action by or impact to the ceded individuals.
- Health insurer pays a monthly reinsurance premium to the Pool per ceded individual.
- Once the claims for a ceded individual reach a specified attachment point, the Pool pays the Insurer a set coinsurance percentage of claims greater than the attachment point.



# About the Idaho High Risk Reinsurance Pool

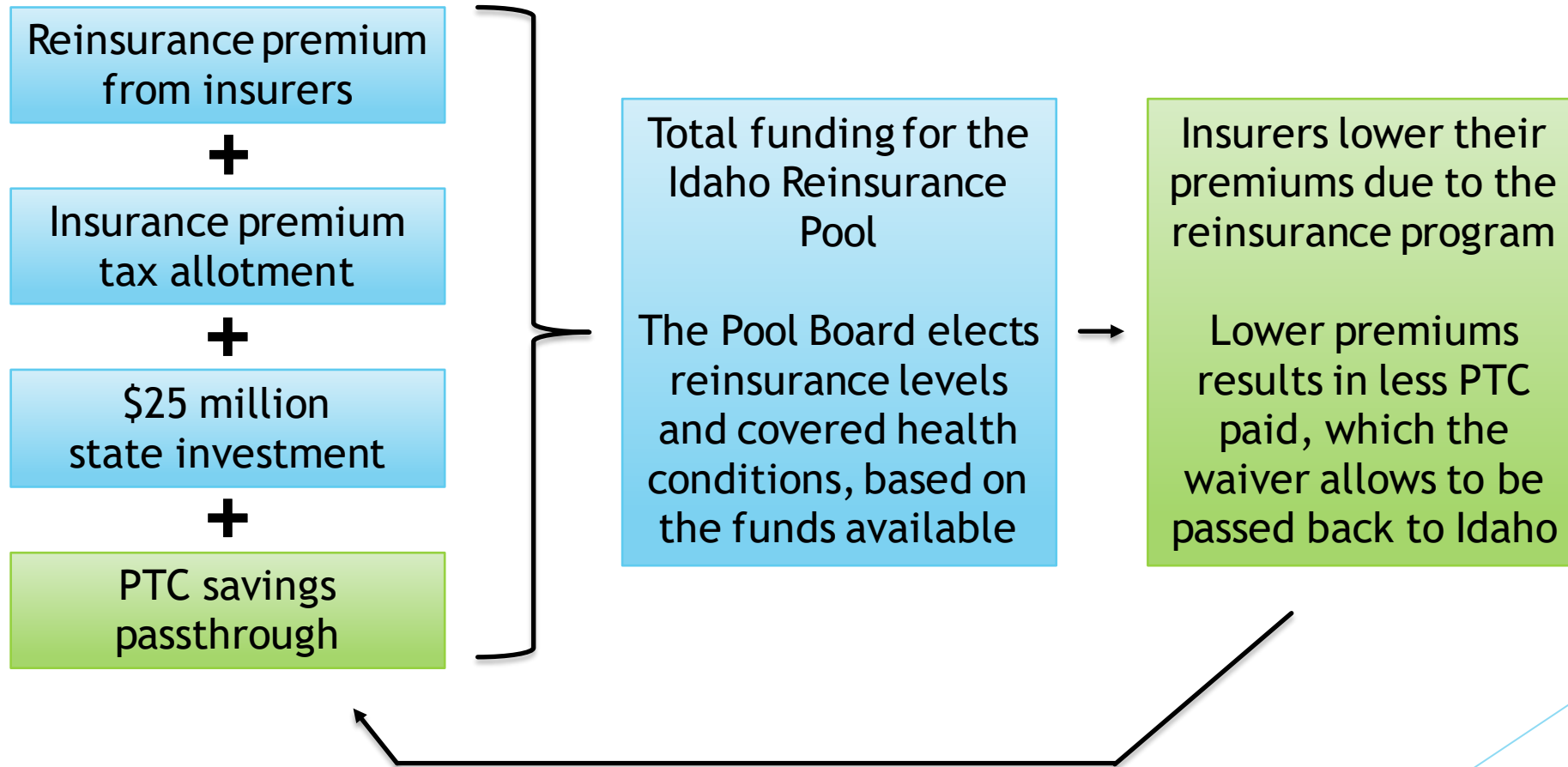
- The Reinsurance Pool spreads and reduces the insurers' costs for certain high risk health conditions.
- The Pool's reinsurance payments directly lower the premiums that insurers charge.
- In recent years, the Pool reduced the individual health insurance premiums by 2-4%.



# How Does the Waiver Work?

- **Lower PTC costs:** The waiver reduces (through the Idaho Reinsurance Pool) the premiums of health plans sold on the Idaho exchange, so the federal government pays less in Premium Tax Credits (PTC).
- **Passthrough funding sent to Idaho's Pool:** The waiver authorizes the federal government to pay Idaho the PTC savings. Called “passthrough funding,” which keeps overall federal spending neutral. The Pool uses that funding to further reduce premiums.
- **No change in net premium to PTC recipients:** The waiver decreases both the insurance premiums and the PTC paid to Idaho residents, so Idahoans pay similar net premiums as without the waiver.

# Idaho Reinsurance Pool with Waiver





# What are the Benefits of the Waiver?

- **Lower premiums for Idahoans:** The waiver greatly benefits those Idahoans who do not qualify for PTC (such as family glitch), by substantially reducing premiums. It also reduces premiums for Idahoans with PTC who choose greater coverage plans (Gold).
- **Potential for increased health insurance enrollment:** Because Idahoans will be able to purchase individual health insurance with premiums significantly lower than would be available without the waiver, the Department anticipates that enrollment will increase due to better affordability.

# How Does Idaho Apply? Next Steps

A state's waiver application must include:

- Description of what program the waiver will implement
- Legislation authorizing the state to apply for and implement the waiver - *H611 signed by Governor Little on March 23, 2022*
- Actuarial and economic analysis supporting the waiver's program
- Feedback from a public comment period and public hearings -  
*Comment period ends May 1<sup>st</sup>*

After submission, CMS reviews for completeness, approves or denies

If approved, the waiver will impact 2023 health insurance premiums



# Questions?

For more information about Idaho's 1332 Waiver Application and to submit comments online visit <https://doi.idaho.gov/information/public/reinsurance-waiver/>

Interested parties may also request hard copies of the waiver packet or submit comments via email or traditional USPS mail to:

Attention: Shannon Hohl  
Market Oversight Bureau Chief  
Department of Insurance  
P.O. Box 83720; Boise, Idaho 83720-0043  
E-mail to: [DOI.Reform@doi.idaho.gov](mailto:DOI.Reform@doi.idaho.gov)

For more information about the 1332 Waiver process visit [https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section\\_1332\\_State\\_Innovation\\_Waivers-](https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section_1332_State_Innovation_Waivers-)





Appendix F: **Tribal Consultation Communications**

*State of Idaho*  
**DEPARTMENT OF INSURANCE**

C.L. "BUTCH" OTTER  
Governor

700 West State Street, 3rd Floor  
P.O. Box 83720  
Boise, Idaho 83720-0043  
Phone (208)334-4250  
Fax (208)334-4398  
Website: <http://www.doi.idaho.gov>

DEAN L. CAMERON  
Director

April 1, 2022

**Via Email**

Dear Tribal Representative:

The Idaho Department of Insurance gives notice of intent to apply to the Centers for Medicare and Medicaid Services (CMS) and to the United States Department of the Treasury for a Section 1332 State Innovation waiver on or about May 2022. The purpose of the waiver is to implement a state reinsurance program to increase affordability of individual health insurance in Idaho. The proposed effective date for the waiver is January 1, 2023.

Department staff shared initial information about the proposed waiver application and process with Tribal Representatives during the February 23, 2022 Idaho Tribes/Idaho Medicaid Quarterly Meeting. This letter is intended to provide further information and invite you to provide comment on the application.

The proposed 1332 waiver does not affect the provision of tribal health care services or the benefits of any health insurance policies that tribal members may be enrolled in. There is no impact to Indian Health Services, the Federal Health Program for American Indians, and Alaska Natives. The proposed 1332 waiver, if approved by CMS, will reduce health insurance premiums for any Native Americans who buy on Idaho's individual market. The waiver is also expected to help reduce uncompensated care costs for providers by helping more people afford insurance coverage.

The waiver would be implemented primarily by the Idaho Individual High Risk Reinsurance Pool ("the Pool"), a state reinsurance program in which enrollees in individual coverage who are diagnosed with certain specified medical conditions are ceded to the Pool by the health insurer. The health insurer then pays a monthly premium to the Pool for that reinsurance.

Due to implementation of the program, health insurers are able to mitigate the effects of extremely high health claims on the individual risk pool, helping to stabilize the individual health insurance market and resulting in lower premiums than would otherwise occur.

The state is submitting this section 1332 waiver in order to further increase affordability of individual health insurance in Idaho. The Pool has successfully reduced premiums in the past, and Idaho anticipates that approval of this 1332 waiver will reduce premiums by at least 7% in 2023 and onward, compared to premiums without the waiver in place.

As part of the waiver process, the Department submitted legislation to authorize the Department to submit the waiver application to the federal agencies and to condition future premium reductions

from the state reinsurance program upon approval of the 1332 waiver. Governor Little signed H611 on March 23, 2022.

The Department's comprehensive public notice, Tribal notice and the waiver application are available on our website at <https://doi.idaho.gov/information/public/reinsurance-waiver/>. The Department is seeking public comment through public hearings, the interactive form available on the website, via fax, via email or traditional mail as indicated below. Public hearings will be held at the following locations:

<b><u>Boise Public Hearing (also virtual)</u></b>	<b><u>Idaho Falls Public Hearing</u></b>	<b><u>Coeur d'Alene Public Hearing</u></b>
<b>Location:</b> Idaho Department of Insurance 700 W. State St. JRW East Conference Room Boise, ID 83702	<b>Location:</b> Idaho Department of Labor 1515 E. Lincoln Rd. Yellowstone Room Idaho Falls, ID 83401	<b>Location:</b> Coeur d'Alene Public Library 702 E. Front Ave. Community Room Coeur d'Alene, ID 83814
<b>Date:</b> April 18, 2022	<b>Date:</b> April 20, 2022	<b>Date:</b> April 26, 2022
<b>Time:</b> 10:00AM – 12:00PM MT	<b>Time:</b> 2:30PM – 4:30PM MT	<b>Time:</b> 10:30AM – 12:30PM PT

**Webex Information:** (Boise Date Only)

**Link:** <https://idahogov.webex.com/idahogov/j.php?MTID=m1ca043b7088fac88c9be403e5254b9ba>

**Meeting Number (access code):** 2456 145 7410

**Password:** WWiPiPNb685

**Call In Number:** 1-415-655-0001

We would be happy to respond to any question you may have about this proposed waiver application. If you would like to arrange a virtual meeting to discuss the proposal, please contact Shannon Hohl, Market Oversight Bureau Chief via email [Shannon.Hohl@doi.idaho.gov](mailto:Shannon.Hohl@doi.idaho.gov), or via phone 208-334-4315. We would appreciate any written comments you may have by May 1, 2022.

Sincerely,



Weston Trexler  
Deputy Director

**From:** [Shannon Hohl](#)  
**To:** [jennifer@kootenai.org](mailto:jennifer@kootenai.org)  
**Cc:** [jdickison@kootenai.org](mailto:jdickison@kootenai.org); [Weston Trexler](#); [Kathy McGill](#)  
**Subject:** Tribal Consultation for Idaho 1332 Waiver Proposal  
**Date:** Friday, April 1, 2022 6:15:00 PM  
**Attachments:** [image001.png](#)  
[Tribal Consultation Letter for 1332 Waiver.pdf](#)

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Hello Chairperson Porter,

Idaho is applying to the federal government for a waiver under the Affordable Care Act to pursue innovative strategies for providing its residents with access to quality, affordable health insurance. The waiver application process requires the State to consult with federally-recognized tribes in Idaho regarding the proposed waiver. Attached please find a letter providing more detailed information about the proposal, including a link to related materials. Some of the initial information and a brief overview was shared during the February 23, 2022 Idaho Tribes/Medicaid Quarterly Meeting.

We would be happy to answer any questions you have about this proposal. If a virtual meeting to discuss the proposal would be helpful, please let me know. We would appreciate any written comments you may have by May 1, 2022. Thank you for your time and consideration.

Sincerely,

**Shannon Hohl**

Market Oversight Bureau Chief  
Idaho Department of Insurance  
Direct Line - 208-334-4315  
Cell - 208-615-7392

[Shannon.hohl@doi.idaho.gov](mailto:Shannon.hohl@doi.idaho.gov)

<https://doi.idaho.gov/>





**From:** [Shannon Hohl](#)  
**To:** [tstevenson@cdatribe-nsn.gov](mailto:tstevenson@cdatribe-nsn.gov); [jfletcher@cdatribe-nsn.gov](mailto:jfletcher@cdatribe-nsn.gov); [jjordan@marimnhealth.org](mailto:jjordan@marimnhealth.org)  
**Cc:** [cway@marimnhealth.org](mailto:cway@marimnhealth.org); [mschnebly@marimnhealth.org](mailto:mschnebly@marimnhealth.org); [mhendrickx@marimnhealth.org](mailto:mhendrickx@marimnhealth.org); [asanchez@marimnhealth.org](mailto:asanchez@marimnhealth.org); [pbergland@marimnhealth.org](mailto:pbergland@marimnhealth.org); [Weston Trexler](#); [Kathy McGill](#)  
**Subject:** Tribal Consultation for Idaho 1332 Waiver Proposal  
**Date:** Friday, April 1, 2022 6:17:00 PM  
**Attachments:** [Tribal Consultation Letter for 1332 Waiver.pdf](#)  
[image001.png](#)

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Hello,

Idaho is applying to the federal government for a waiver under the Affordable Care Act to pursue innovative strategies for providing its residents with access to quality, affordable health insurance. The waiver application process requires the State to consult with federally-recognized tribes in Idaho regarding the proposed waiver. Attached please find a letter providing more detailed information about the proposal, including a link to related materials. Some of the initial information and a brief overview was shared during the February 23, 2022 Idaho Tribes/Medicaid Quarterly Meeting.

We would be happy to answer any questions you have about this proposal. If a virtual meeting to discuss the proposal would be helpful, please let me know. We would appreciate any written comments you may have by May 1, 2022. Thank you for your time and consideration.

Sincerely,

**Shannon Hohl**

Market Oversight Bureau Chief  
Idaho Department of Insurance  
Direct Line - 208-334-4315  
Cell - 208-615-7392  
[Shannon.hohl@doi.idaho.gov](mailto:Shannon.hohl@doi.idaho.gov)  
<https://doi.idaho.gov/>



**From:** [Shannon Hohl](#)  
**To:** [robertab@nimiipuu.org](mailto:robertab@nimiipuu.org)  
**Cc:** [Weston Trexler](#); [Kathy McGill](#)  
**Subject:** Tribal Consultation for Idaho 1332 Waiver Proposal  
**Date:** Friday, April 1, 2022 6:20:00 PM  
**Attachments:** [Tribal Consultation Letter for 1332 Waiver.pdf](#)  
[image001.png](#)

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Hello,

Idaho is applying to the federal government for a waiver under the Affordable Care Act to pursue innovative strategies for providing its residents with access to quality, affordable health insurance. The waiver application process requires the State to consult with federally-recognized tribes in Idaho regarding the proposed waiver. Attached please find a letter providing more detailed information about the proposal, including a link to related materials. Some of the initial information and a brief overview was shared during the February 23, 2022 Idaho Tribes/Medicaid Quarterly Meeting.

We would be happy to answer any questions you have about this proposal. If a virtual meeting to discuss the proposal would be helpful, please let me know. We would appreciate any written comments you may have by May 1, 2022. Thank you for your time and consideration.

Sincerely,

**Shannon Hohl**

Market Oversight Bureau Chief  
Idaho Department of Insurance  
Direct Line - 208-334-4315  
Cell - 208-615-7392

[Shannon.hohl@doi.idaho.gov](mailto:Shannon.hohl@doi.idaho.gov)

<https://doi.idaho.gov/>



**From:** [Shannon Hohl](#)  
**To:** [thomas.brian@shopai.org](mailto:thomas.brian@shopai.org)  
**Cc:** [vitale.alexander@shopai.org](mailto:vitale.alexander@shopai.org); [Weston Trexler](#); [Kathy McGill](#)  
**Subject:** Tribal Consultation for Idaho 1332 Waiver Proposal  
**Date:** Friday, April 1, 2022 6:24:00 PM  
**Attachments:** [Tribal Consultation Letter for 1332 Waiver.pdf](#)  
[image001.png](#)

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Hello Chairman Thomas,

Idaho is applying to the federal government for a waiver under the Affordable Care Act to pursue innovative strategies for providing its residents with access to quality, affordable health insurance. The waiver application process requires the State to consult with federally-recognized tribes in Idaho regarding the proposed waiver. Attached please find a letter providing more detailed information about the proposal, including a link to related materials. Some of the initial information and a brief overview was shared during the February 23, 2022 Idaho Tribes/Medicaid Quarterly Meeting.

We would be happy to answer any questions you have about this proposal. If a virtual meeting to discuss the proposal would be helpful, please let me know. We would appreciate any written comments you may have by May 1, 2022. Thank you for your time and consideration.

Sincerely,

**Shannon Hohl**

Market Oversight Bureau Chief  
Idaho Department of Insurance  
Direct Line - 208-334-4315  
Cell - 208-615-7392

[Shannon.hohl@doi.idaho.gov](mailto:Shannon.hohl@doi.idaho.gov)

<https://doi.idaho.gov/>



**From:** [Shannon Hohl](#)  
**To:** [ggover@nwbshoshone.com](mailto:ggover@nwbshoshone.com)  
**Cc:** [Kathy McGill](#); [Weston Trexler](#)  
**Subject:** Tribal Consultation for Idaho 1332 Waiver Proposal  
**Date:** Friday, April 1, 2022 6:23:00 PM  
**Attachments:** [Tribal Consultation Letter for 1332 Waiver.pdf](#)  
[image001.png](#)

---

Hello Director Gover,

Idaho is applying to the federal government for a waiver under the Affordable Care Act to pursue innovative strategies for providing its residents with access to quality, affordable health insurance. The waiver application process requires the State to consult with federally-recognized tribes in Idaho regarding the proposed waiver. Attached please find a letter providing more detailed information about the proposal, including a link to related materials. Some of the initial information and a brief overview was shared during the February 23, 2022 Idaho Tribes/Medicaid Quarterly Meeting.

We would be happy to answer any questions you have about this proposal. If a virtual meeting to discuss the proposal would be helpful, please let me know. We would appreciate any written comments you may have by May 1, 2022. Thank you for your time and consideration.

Sincerely,

**Shannon Hohl**

Market Oversight Bureau Chief  
Idaho Department of Insurance  
Direct Line - 208-334-4315  
Cell - 208-615-7392

[Shannon.hohl@doi.idaho.gov](mailto:Shannon.hohl@doi.idaho.gov)

<https://doi.idaho.gov/>



**From:** [Shannon Hohl](#)  
**To:** [nickolausl@lummi-nsn.gov](mailto:nickolausl@lummi-nsn.gov)  
**Cc:** [Weston Trexler](#); [Kathy McGill](#); [idahomeetings@npaihb.org](mailto:idahomeetings@npaihb.org)  
**Subject:** Tribal Consultation for Idaho 1332 Waiver Proposal  
**Date:** Friday, April 1, 2022 6:26:00 PM  
**Attachments:** [Tribal Consultation Letter for 1332 Waiver.pdf](#)  
[image001.png](#)

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Hello Chairman Lewis,

Idaho is applying to the federal government for a waiver under the Affordable Care Act to pursue innovative strategies for providing its residents with access to quality, affordable health insurance. The waiver application process requires the State to consult with federally-recognized tribes in Idaho regarding the proposed waiver. Attached please find a letter sent to representatives of the five federally-recognized tribes in Idaho providing more detailed information about the proposal, including a link to related materials. Some of the initial information and a brief overview was shared during the February 23, 2022 Idaho Tribes/Medicaid Quarterly Meeting. We thought the Northwest Portland Area Indian Health Board might be interested in this information.

We would appreciate any written comments you may have by May 1, 2022. Thank you for your time and consideration.

Sincerely,

**Shannon Hohl**

Market Oversight Bureau Chief  
Idaho Department of Insurance  
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**From:** [Shannon Hohl](#)  
**To:** ["karla.mankoff@ihs.gov"](#); ["kristi.woodard@ihs.gov"](#)  
**Cc:** [Weston Trexler](#); [Kathy McGill](#)  
**Subject:** Tribal Consultation for Idaho 1332 Waiver Proposal  
**Date:** Friday, April 1, 2022 6:11:00 PM  
**Attachments:** [Tribal Consultation Letter for 1332 Waiver.pdf](#)  
[image001.png](#)

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Hello Karla and Kristi,

Idaho is applying to the federal government for a waiver under the Affordable Care Act to pursue innovative strategies for providing its residents with access to quality, affordable health insurance. The waiver application process requires the State to consult with federally-recognized tribes in Idaho regarding the proposed waiver. Attached please find a letter sent to representatives of the five federally-recognized tribes in Idaho providing more detailed information about the proposal, including a link to related materials. Some of the initial information and a brief overview was shared during the February 23, 2022 Idaho Tribes/Medicaid Quarterly Meeting. We thought Indian Health Services may be interested in this information.

Sincerely,

**Shannon Hohl**

Market Oversight Bureau Chief  
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# Idaho's 1332 Waiver Application for Reinsurance

# About the Idaho Department of Insurance (DOI)

- The Department of Insurance is a regulatory agency created to regulate the business of insurance in Idaho.
- The mission of the Department of Insurance is to serve and protect Idahoans by equitably, effectively and efficiently administering the Idaho Insurance Code and the International Fire Code.





# Idaho's 1332 Waiver

- **Waiver Goal** – Reduce health insurance premiums, including for those Idahoans who buy insurance on the individual market
- 1332 State Innovation Waiver – CMS permits states to waive some parts of the Affordable Care Act
- Waiver administered by Idaho Department of Insurance and the Idaho High Risk Reinsurance Pool
- Combination of federal “pass-through” funds (federal savings) and one-time state funding



# Impact to Tribal Communities

- Reinsurance reduces premium for any Native Americans who buy their own health insurance on Idaho's individual market
- Approximately 500 Your Health Idaho Enrollees identify as American Indian/Alaskan Native
- Reinsurance **does not** impact health care services provided through Indian Health Services, tribal or urban Indian Health programs, or other providers
- Reinsurance **does** help reduce uncompensated care costs for these providers by helping more people afford insurance coverage

# How Does Idaho Apply for a Waiver?

Federal rules require that the authorizing legislation make the current reinsurance program contingent upon approval of the waiver.

A state's waiver application must include:

- Legislation authorizing the state to apply for the waiver
  - *H611 signed by Governor Little on March 23, 2022.*
- Actuarial analysis and certification supporting the reinsurance program
- Feedback from a public comment period and public hearings
  - *Comment period ends May 1<sup>st</sup>*



# Questions?

For more information about Idaho's 1332 Waiver Application visit <https://doi.idaho.gov/information/public/reinsurance-waiver/>

For more information about the 1332 Waiver process visit [https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section\\_1332\\_State\\_Innovation\\_Waivers-](https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section_1332_State_Innovation_Waivers-)

## Other inquiries

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