# STATE OF MAINE
# EXECUTIVE SUMMARY
# APPLICATION FOR WAIVER
# UNDER SECTION 1332 OF THE
# PATIENT PROTECTION AND AFFORDABLE CARE ACT

**(Note; This portion of the application is incomplete. Further information will be added following the close of the public comment period and following tribal consultations. )**

**Table of Contents**

**I. Executive Summary** ... 1
**II. Assurances Regarding Compliance with Section 1332 Guardrails** ... 2
**III. Background and Description of Maine's Health Insurance Market** ... 3
**IV. Description of Proposed 1332 Waiver** ... 5
**V. Actuarial Analyses and Certifications** ... 8
**VI. Implementation Plan and Timeline** ... 9
**VII. Additional Information** ... 10

**State of Maine**
**Executive Summary**
**Application for Waiver under Section 1332**
**of the Patient Protection and Affordable Care Act**

## I. Executive Summary

A. Request. The State of Maine, through its Bureau of Insurance, Department of Professional and Financial Regulation ("State") submits this 1332 State Innovation Waiver request to the United States Department of the Treasury and to the Centers for Medicare and Medicaid Services ("CMS"), a division of the United States Department of Health and Human Services ("HHS"). This request seeks waiver of Section 1312(c)(1) under Section 1332 of the Patient Protection and Affordable Care Act ("ACA") for a period of five years beginning in the 2019 plan year to permit the reinstatement of Maine Guaranteed Access Reinsurance Association ("MGARA"), the State's existing reinsurance program (described in the following section). This waiver will not affect any other provision of the ACA, but will result in lowering premiums and reducing federal payment of premium tax credits ("PTC")

B. Background. Prior to the implementation of the ACA, Maine was a leader in state-level innovation designed to reduce Mainers' healthcare costs and increase their access to affordable health coverage. The State's flagship innovation was MGARA, a legislatively established private nonprofit organization operating a reinsurance program for the higher-risk segment of the State's individual health insurance market. MGARA generated an approximate 20% annual rate reduction in that market during two years of operation. That highly successful program was placed in suspension with the advent of the ACA, to avoid the imposition of redundant costs on the Maine market through parallel federal and state reinsurance programs. The State now seeks a State Innovation Waiver under Section 1332 of the ACA (a "1332 Waiver") to permit the reinstatement of its flagship program and to build upon the State's past health reform successes.

Under the proposed 1332 Waiver, Maine would restart the MGARA reinsurance program (the "State Program") and receive federal pass-through funding in the amount of the savings that would be generated from the resulting reduction in PTC subsidies. The proposed 1332 Waiver would be effective January 1, 2019 for an initial period of five years, with an option to renew for an additional five years.

C. Basis for Request and Goal of Reinsurance Program. During the past few years, Maine's individual health insurance market has undergone a significant amount of change. Community Health Options ("CHO"), the State's Consumer Operated and Oriented Plan (CO-OP), has emerged as the State's largest carrier serving the individual market. Anthem, formerly the State's largest carrier serving the individual market, announced on September 27, 2017, that it would not be writing ACA plans in Maine for 2018, premiums have increased significantly, and we have seen the implementation of narrower provider networks by health carriers.

The restart of the State Program through the 1332 Waiver will bring increased certainty and stability to Maine's individual health insurance market through a positive effect on premium levels. By reinsuring high-cost claims, the State Program will spread risk across the broader Maine health insurance market, thereby lowering premiums. The program also spreads the most volatile component of the risk within the individual market, thereby providing stability. The program is also expected to encourage participation (or continued participation) by insurers in that market.

D. Impact of the State Program. On June 2, 2017, Governor Paul LePage signed into law LD 659 (the "Legislation"), authorizing the State Superintendent of Insurance ("Superintendent") to develop a proposal for a 1332 Waiver to facilitate resumption of the State Program, and to apply for the waiver upon approval by the Governor and implement it upon federal approval. The Legislation conditions resumption of the State Program on the granting of a 1332 Waiver. Total funding for the State Program for 2019 is estimated to be approximately $93 million (see funding model described in Section III below). The State estimates that the State Program will result in a net premium decrease of nine percent (9%) in 2019. Through this waiver request, Maine seeks federal pass-through funds – provided from the proceeds of net premium tax credit savings, estimated to be in excess of $33 million per year through 2027 – to partially recoup expenditures made from assessments collected under state law.

E. Compliance with Section 1332. Granting the 1332 Waiver will not impact the comprehensiveness of coverage in the Maine insurance markets. As noted above, the waiver will reduce premiums and increase affordability. As a result, the State estimates enrollment in the individual market will increase by approximately 1.1 percent in 2019, 0.9 percent in 2019, and 1.4 percent in the eight years remaining in the 10- year budget cycle (see Table 1, which follows). Due to the resulting reduction in individual health insurance premiums, including premiums for the second-lowest-cost silver plan, the federal government will see a net reduction in spending of more than $33 million for each year the five-year waiver and the State Program are in place.

**II. Assurances Regarding Compliance with Section 1332 Guardrails** Subject to revision/update based on actuarial study.

The State 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 insurance market in Maine 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 decrease existing coverage or cost-sharing protections against excessive out-of-pocket spending. The waiver will not result in any decrease in affordability for individuals; on the contrary, the purpose of the waiver is to revive the State Program's favorable effect on insurance rates in Maine's individual market.

C. Scope of Coverage – 1332(b)(1)(C). The proposed waiver will facilitate the provision of coverage to at least a comparable number of Maine residents as would be provided absent the waiver. The total estimated non-group enrollment increase resulting from the waiver is 1.1% in 2019 and ranges from 0.3% to 0.9% each year through 2028. Percentage enrollment increases are greatest for those persons not eligible for premium tax credits

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 Program's reduction in federal PTC subsidies for which the federal government would otherwise be responsible.

E. Pass-Through Funding. Under the proposed waiver, the federal government would pass through to the State, as contemplated by Section 1332(a)(3) of the ACA, its cost savings resulting from the State Program's positive effect on premium rates and corresponding reduction in the amount of PTC that would otherwise be claimed by many individual market participants in Maine in a given calendar year

F. Effect on Federal Operational Considerations. The proposed waiver requests no changes to Maine's federally-facilitated exchange (the "Exchange") or treatment by the Internal Revenue Service.

G. Public Notice. The proposed waiver has been publicly posted, public information and comment hearings were held, and public comments were solicited in compliance with 31 CFR 33.112 and 45 CFR 155.1312. Postings on-line met national standards to assure access to individuals with disabilities.

## III. Background and Description of Maine's Health Insurance Market

A. Background: Maine's Individual Market Reinsurance Program. MGARA is a key component of the reforms originally instituted in May 2011, when the Maine State Legislature passed Public Law Chapter 90, "An Act to Modify Rating Practices for Individual and Small Group Health Plans and to Encourage Value-based Purchasing of Health Care Services" (PL90). During its period of active operation (prior to suspension of operations due to the transitional reinsurance provided under the ACA), MGARA reduced insurance costs in Maine's individual health insurance market by providing reinsurance for a significant portion of the coverage provided through individual health insurance policies. If the 1332 Waiver request is granted, MGARA's re-activation is intended to again reduce insurance costs in Maine's individual health insurance market through operation of its reinsurance program.

PL90 established a four-part funding mechanism to spread the costs associated with the MGARA reinsurance program across the individual, group, and self-insurance markets. Under the proposed waiver, pass-through funds received by the State would be contributed to MGARA as a fifth revenue source, further enhancing its ability to make insurance more affordable for Maine residents and increase market stability for insurers. The funding sources are described in the following table.

**Table 1**

| **<u>Funding Mechanism</u>** | **<u>Description</u>** |
|---|---|
| Organizational Assessment | One-time nominal $500 fee for each insurer licensed in 2012 for medical insurance, whether or not active in that market (not applicable prospectively) |
| Base Market Assessment | Assessment to health insurers and third-party administrators based on the number of insured lives covered by each in the Individual, Small Group, Large Group and Self-insured Markets (excluding State and Federal employees), at a rate of up to $4 per covered person per month ("PMPM") |
| Reinsurance Premium | Insurers ceding covered persons to MGARA pay a ceding premium, currently set at 90% of the premium received from the enrollee |
| Deficit Assessment | Optional Assessments to cover any Net Losses -- up to a maximum of $2 PMPM assessed to health insurers based on the number of insured lives covered by each |
| Pass-Through Funding | Under the proposed waiver, all pass-through funds will be contributed to MGARA to enhance its capabilities. |

The definition of "insurer" includes any insurance company, nonprofit hospital and medical service organization, fraternal benefit society, health maintenance organization, non-ERISA self-insured employer, third-party administrator, multiple employer welfare arrangement, health reinsurer, health insurance captive, and any other State-sponsored health benefit program, whether fully insured or self-funded.

The State Program will operate like a traditional reinsurance program. MGARA will reimburse ceding carriers for eligible claims incurred under ceded policies at the following levels, as prescribed by statute and subject to adjustment to reflect increases in costs and utilization:

- 90 percent of claims paid in excess of $47,000 to and including $77,000; and

- 100 percent of claims paid in excess of $77,000.

24-A Me. Rev. Stat. § 3958(1)(A). Eligible claims are only those amounts that are actually paid by a ceding carrier for benefits provided to the individual. Eligible Claims do not include such things as administrative expenses, attorneys' fees, or non-medical benefits. MGARA has unlimited exposure for all losses on ceded policies in excess of the exposure retained by the primary insurer, i.e., $77,000.

The MGARA Plan of Operation is attached hereto as Exhibit A for reference.

Over MGARA's period of active operation (2012 and 2013), MGARA paid approximately $66 million in claims and generated a positive fund balance of approximately $5 million. Based on rate filings submitted by insurance carriers operating in Maine's individual market, the State Program generated an approximate **20% reduction in requested rates**. By way of example, Anthem Health Plans of Maine, Inc.'s ("Anthem") 2013 rate filing sought a rate increase of 1.7%. Anthem projected that without the State Program, its 2013 rate increase would have been 21.6%.

Despite this success, the State Program was rendered redundant during the pendency of the federal transitional reinsurance program (the "Federal Program") established by HHS under the ACA. Both programs offered reinsurance for the individual health insurance market in Maine, subsidized by broad-based assessments on the entire health benefit market. Although there were differences between the structures of the two programs, the Federal Program served essentially the same functions as MGARA and there was substantial overlap in the benefits that would have been paid to ceding insurers. Accordingly, MGARA suspended all but limited administrative operations effective January 1, 2014, to avoid imposing redundant costs on the Maine market through parallel federal and state individual market reinsurance programs.

The Federal Program ended as scheduled on December 31, 2016. Cognizant of the success of its pre-ACA health reform efforts and the unfavorable rate effects associated with the absence of any individual market reinsurance program in the State, Maine seeks to reinstate the State Program. In this connection, Maine seeks a 1332 Waiver pursuant to the provisions of Section 1332 of the Act, as discussed below.

B. Characteristics of Maine's Health Insurance Market.

Maine's individual market has grown significantly in the last several years, from approximately 28,500 individuals in 2013 to over 85,000 in 2017 and 78,000 as of February, 2018. Approximately 90% of the individual market is insured through the Exchange. A very high percentage of the individual market (estimated at 78%) qualifies for federal Premium Tax Credit (PTC) subsidy, with 51% of the individual market at less than 250FPL and 27% between 250FPL and 400FPL. Approximately 73% of the Exchange individual market is enrolled in Silver Plans. Maine's individual coverage rates were increased by approximately 23% in 2017 (the first year following the cessation of the Federal Program), and again by approximately 32]% in 2018. This reflects, among other things, the continued absence of an individual market reinsurance program in Maine following the cessation of the Federal Program. Granting of the 1332 Waiver is required in order to re-start the State Program.[1]

## IV. Description of Proposed 1332 Waiver

[1] 24-A Me. Rev. Stat. § 3953(1)(A)(1).

As described above, during its period of operation, the State Program has been shown to have a rapid and material effect on individual market premiums in the State. A 1332 Waiver will permit the resumption of the State Program and continuation of its ameliorative effect on rates in the ACA context.

A. Overview. As contemplated by Section 1332, the State proposes to apply the federal funding that would have been paid to Maine Exchange participants absent the State Program, as pass-through payments under Section 1332(a)(3) of the ACA ("Pass-Through Payments"). This funding would be combined with MGARA's existing funding mechanism to support and enhance the State Program's continued ameliorative impacts on Maine's individual market insurance rates. Without a reinsurance program, individual health insurance premiums will continue to rise at an unsustainable rate. Consequently, more Mainers will choose or be forced to go without health insurance, further driving up rates due to adverse selection and provider cost shifting. By re-implementing the State Program, Maine will reduce the potential for further market disruption, lower the cost of individual premiums, and decrease federal government PTC obligations.

Table 2 shows that, after factoring in the 1332 Waiver and the re-implementation of the State Program, average 2019 federal PTC payments are estimated to be $500 per member per month. Table 1 also shows that without the 1332 Waiver and the State Program, 2019 federal PTC payments will be an estimated $65 per member per month higher. As Table 3 shows, even with an estimated 0.3% increase in individual market enrollment of PTC eligible individuals, 2019 federal PTC obligations are still estimated to decrease by nearly $35 million. Similar savings are estimated for the remainder of the 10-year budget cycle.

**Table 2**

| Best Estimate Assumptions | |
|---|---|
| Enrollment | 62,100 |
| Premiums | $618 PMPM |
| Total Reduction in Premiums | -9% |
| Estimated Net Federal Savings | 33,000,000 |

In order to reestablish the State Program, Maine seeks federal pass-through funds in the amount the federal government would have otherwise paid in PTC absent consideration of the reinsurance payments in the premiums paid by insureds in the individual market. By mitigating high-cost individual health insurance claims, the State Program will help to stabilize Maine's individual market and make premiums more affordable. With the 1332 Waiver in place and State Program in operation, Maine anticipates that individual premiums, including premiums for the second-lowest-cost silver plan, will be lower, net of the premium assessment, by 9% in 2019, 9.4% in 2020, and in the 8-9% range for 2021 through 2028 than they would have been without the 1332 Waiver and re-implementation of the State Program.

The following snapshot illustrates the projected benefits of resumption of the State Program under the proposed 1332 Waiver:

**Table 3**

| Source | Baseline | Waiver/State Program |
|---|---|---|
| 2019 Premium | $683 PMPM | $618 PMPM |
| 2019 Enrollment | 61,000 | 62,100 |

B. Need for the Waiver

The proposed 1332 Waiver would resolve an unintended consequence of the interface between the ACA and the State Program. The State Program, by reducing premiums in the individual market, will decrease the PTC amount that Maine's Exchange participants have the right to receive. Section 1332 of the ACA was enacted to recognize the federal government's continuing obligation to provide equivalent funding in such situations. The reduced PTC amount represents a measurable loss of federal support to Maine's insurance market, compared to the amount that would otherwise be received by Exchange participants in Maine in a given calendar year absent the State Program. In the ACA context, this PTC reduction has the unintended result that participants' out-of-pocket costs in many non-baseline non-2LCSP[2] plans will be higher than they would have been absent the State Program, because the ACA makes Exchange participants responsible for 100% of the premium difference between their selected plan and the baseline plan, less the now-reduced PTC amount. Accordingly, these lower PTC amounts may unintentionally limit the coverage options for many Exchange participants. PTC-eligible participants would see no benefit from the State Program's premium reductions unless they chose to enroll in higher-cost plans, and even if they did, the reduction in their PTC would substantially erode the value of the State Program's premium decreases.

The proposed 1332 Waiver would help neutralize this effect by redeploying the PTC amounts for which the federal government would have been responsible absent the State Program's rate reductions, in the form of federal Pass-Through Payments. These Pass-Through Payments would be used, in combination with MGARA's existing funding mechanism to fund the State Program's operation and augment its rate reduction effects.

C. Impact if Waiver is Not Granted

Absent a Section 1332 Waiver, even if the law had permitted the resumption of the State Program, it would almost certainly remain in suspension. This is because, if operated without a 1332 Waiver, the State Program would impose costs on the Maine insurance market without the materialization of a corresponding market benefit, as outlined above. Maine has already experienced average annual individual market rate increases of 23% in 2017 and 32% in 2018

[2] For purposes of this document, "baseline plan" refers to the applicable second lowest cost silver plan (as that term is used in Section 36B(b)(3) of the Internal Revenue Code of 1986, as amended).

since the suspension of MGARA and the cessation of the federal transitional reinsurance. These increases are expected to continue and, indeed, intensify. If a 1332 Waiver is granted and the State Program resumes, it is anticipated that approximately 300 to 1100 additional individuals will have access to affordable coverage due to the lower cost of health insurance through MGARA's ameliorative effect on rates.

D. Legislation

On June 2, 2017, Governor Paul LePage signed into law LD 659 (the "Legislation"), authorizing the State Superintendent of Insurance to develop a proposal for a 1332 Waiver to facilitate resumption of the State Program, to apply for the proposed waiver upon approval by the Governor, and to implement the waiver if it receives federal approval. Consistent with the rationale articulated above, the Legislation conditions resumption of the State Program on the granting of a 1332 Waiver. A copy of the Legislation is attached as Exhibit 1 hereto.

E. Pass-Through Funding and Tax Credit Proposal; Section Impacted by Waiver

Consistent with Section 1332(a)(3) of the ACA, the State requests that the aggregate amount of credits and reductions that would have been paid on behalf of Maine Exchange participants absent the resumption of the State Program, be paid to the State for the purposes of implementing the State Program under the 1332 Waiver. Table II-1 of the actuarial analysis projects a reduction in federal PTC of approximately $35 million in 2019 under a resumption of the State Program, and accordingly this amount is requested in the form of federal Pass-Through Payments. These funds will be leveraged by the State Program to further augment its beneficial effects on Maine's individual health insurance rates. The implementation of the State Program directly affects the cost of the baseline plan as defined in Section 36B(b)(3)(B) of the Internal Revenue Code, and it alters the structure of the single risk pool mandated for the individual market by Section 1312(c)(1) of the ACA.

F. Effect on ACA Sections that are Not Proposed to be Waived

No other section of the ACA would be affected by the proposed 1332 Waiver.

## V. Actuarial Analyses and Certifications

A. Coverage Comparability

Actuarial analysis modeling included in this application estimates that MGARA will result in a lower number of uninsured Mainers each year than in the baseline scenario in which MGARA is not reactivated. The analysis estimates that MGARA will not have any material impacts on the number of Mainers covered under employer-sponsored plans, traditional Medicaid, Medicare, or other public programs. For the duration of the projection period, the analysis estimates approximately 300 to 1,100 additional annual enrollees in the non-group market relative to the non-MGARA scenario.

B. Affordability of Coverage

MGARA is not estimated to impact premium rates materially for employer-sponsored insurance. A state-based assessment of $4 per member per month on commercial insurers and group health plans administered by third party administrators will be reimplemented as partial funding for MGARA. The modeling estimates this assessment will be less than 1% of an average employer's premium rate. There will be no impact on public programs such as Medicare and Medicaid. For the non-group market, there is an estimated 9% aggregate premium reduction relative to what rates would be without the waiver. Similar premium reductions are projected for each year through 2028. Net impact on any individual insured will vary greatly depending on his or her household income and interaction with the ACA's premium assistance program.

C. Scope and Comprehensiveness of Coverage

Because MGARA makes no change to insurer benefit requirements for plans offered in Maine's health insurance markets, MGARA meets the comprehensiveness requirements required for a Section 1332 waiver.

## VI. Implementation Plan and Timeline

The State Program will be re-implemented by MGARA under the supervision of the Superintendent and the Maine Bureau of Insurance ("MBOI") through the filing of an amended Plan of Operation consistent with this Application, which will contain MGARA's operating processes, requirements, payment parameters, and procedures.[3]

| | |
|---|---|
| 06/02/17: | Legislation enacted. |
| 4/2/18: | The public comment period begins. |
| 4/_13_/18: | Second public comment hearing is held. |
| 4/__/18: | Separate tribal consultation occurs. |
| 5/2/18: | The public comment period ends. |
| 5/3/18: | The 1332 waiver application is submitted to the federal government. |
| 5/__/18: | The federal government determines that the waiver application is complete. |
| 7/1/18: | CMS approves 1332 Waiver for State Program |
| 7/1/18: | Amended MGARA Plan of Operation approved by Superintendent of Insurance. |
| 7/1/18: | MGARA assessment notice to insurers for 2019 operations, to be paid quarterly. |
| 12/31/18: | Insurers pay first quarterly assessment to fund the plan of operation. |
| 1/1/19: | MGARA commences operation, including reporting to CMS or other federal agency or authority. |

[3] MGARA's current Plan of Operation is attached as Exhibit 2.. The revised Plan of Operation will be prepared following approval of the 1332 Waiver, but will be consistent with its existing plan of Operation in most material respects other than finalization of ceding premiums and possible adjustment of Mandatory Ceding Conditions.

4/1/19: The federal government funds the pass-through payments to the State Program for 2019.

## VII. Additional Information

A. Administrative Burden. The 1332 Waiver will cause minimal administrative burden and expense for Maine and for the federal government. The waiver will cause no additional administrative burden to employers and individual consumers because the State Program does not relate to the administrative functions or requirements typically undertaken by employers or individuals. Individual health insurers will see no additional administrative burden associated directly with the 1332 Waiver. Individual health insurers will experience additional administrative burden and associated expense as a result of the operation of the State Program resulting from ceding of policies and submission of reinsurance claims; however, the 1332 Waiver itself will not result in any additional administrative burden or cost, and the monetary benefit from the State Program's reinsurance will far exceed any resulting administrative expense.

MGARA and the MBOI, collectively, have the resources and staff necessary to absorb the following administrative tasks that the 1332 Waiver will require the state to perform:

- Administer the State Program
- Collect and apply federal pass-through funds
- Monitor compliance with federal law
- Collect and analyze data related to the 1332 Waiver
- Perform reviews of the implementation of the 1332 Waiver
- Submit annual reports (and quarterly reports, if ultimately required) to the federal government

The 1332 Waiver will require the federal government to perform the following administrative tasks:

- Review documented complaints, if any, related to the 1332 Waiver.
- Review state reports.
- Periodically evaluate the state's 1332 Waiver program.
- Calculate and facilitate the transfer of pass-through funds to the State.

Maine believes that the above administrative tasks are similar to other administrative functions currently performed by the federal government, so that their effect should be insignificant. The 1332 Waiver does not necessitate any changes to the Federally-Facilitated Marketplace and will not affect how PTC or cost-sharing reduction payments are calculated or paid.

B. Impact on Residents Who Need to Obtain Health Care Services Out-of-State. The vast majority of Maine residents receive healthcare services from Maine-based providers. Maine does share a border with New Hampshire, and is not far from Boston, which is a center for advanced health care facilities; however, insurer service areas and networks that cover border areas generally are serviced through Maine-based providers and insurers' networks make adequate provision for any service required in New Hampshire or Massachusetts. Granting the 1332 Waiver request will not affect insurer networks or service areas that provide coverage for services performed by out-of-state providers.

C. Ensuring Compliance; Preventing Waste, Fraud, and Abuse. MGARA is required under its enabling legislation to annually prepare comprehensive financial accounting statements audited by an independent certified public accountant and file the audited statements with the Superintendent and the Joint Standing Committee on Insurance and Financial Services Committee of the Maine Legislature. The independent certified public accountant is required to make an annual review of MGARA's solvency, and submit that review to the Superintendent. The Superintendent has authority to order MGARA to charge additional assessments, as necessary to maintain solvency. MGARA is also required to report annually to the Insurance and Financial Services Committee of the Maine Legislature regarding its operations and financial condition. MGARA and the Maine Bureau of Insurance will administer the State Program in accordance with its existing accounting, auditing, and reporting procedures. Auditing and reporting obligations of participating insurers are governed by MGARA's Plan of Operation and State rules and regulations.

The Maine Bureau of Insurance is responsible for regulating and ensuring regulatory compliance and monitoring the solvency of MGARA and all insurers; performing market conduct analysis, examinations, and investigations; and providing consumer outreach and protection. The Maine Bureau of Insurance investigates all complaints that fall within its regulatory authority.

The federal government is responsible for calculating the savings resulting from this waiver and for ensuring that this waiver does not increase federal spending.

D. State Reporting Requirements and Targets. The Maine Bureau of Insurance will submit the required quarterly, annual, and cumulative targets for the scope of coverage requirement, the affordability requirement, the comprehensive requirement, and the federal deficit requirement, in accordance with 45 CFR 155.1308(f)(4).

As required, the State will hold public meetings six months after the proposed 1332 Waiver is granted and annually thereafter. The date, time and location of each forum will be posted on the MGARA website and the Bureau of Insurance website. The division will also notify consumer and business advocacy organizations. Each meeting will be conducted at a site that allows both in-person and telephonic attendance to accommodate residents across the State.

The Maine Bureau of Insurance will assume responsibility for the reporting requirements of 45 CFR 155.1324, including the following:

- Quarterly reports [45 CFR 155.1324(a)]: To the extent required, the Maine Bureau of Insurance will submit quarterly reports, including reports of ongoing operational challenges, if any, and plans for, and results of, associated corrective actions.

- Annual reports [45 CFR 155.1324(b)]: MBOI will submit annual reports documenting the following:

  (1) The progress of the waiver.
  (2) Data on compliance with Section 1332(b)(1)(B) through (D) of the ACA.
  (3) Modifications, if any, to the essential health benefits for compliance with Section 1332(b)(1)(A) of the ACA.
  (4) The premium for the second lowest-cost silver plan under the waiver and an estimate of the premium as it would have been without the waiver for a representative consumer in each rating area.
  (5) A summary of the annual post-award public forum required by 45 CFR 155.1320(c) together with a summary of action taken in response to public input.
  (6) Any additional information required by the terms of the Section 1332 Waiver.

MBOI will submit and publish annual reports by the deadlines established in 45 CFR 155.1324(c) or the deadlines established by the terms of the 1332 Waiver.

## VIII. Public Comment and Tribal Consultation

A. Public Comment. On March 30, 2018, MBOI opened public comment on this 1332 Waiver request and posted notice of the opportunity to comment on the MBOI website and the MGARA website. On the same day, MBOI sent notice via govdelivery to its list of interested parties and stakeholders . The list comprises more than 1500 individuals and organizations with an expressed interest in insurance-related matters.

On April 12 and 13, 2018 MBOI held public comment and information sessions in Bangor and Portland, Maine. A summary of the public hearing comments appears as Attachment __.

**B. Tribal Consultation (**to be completed]