DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Center for Consumer Information and Insurance Oversight 200 Independence Avenue SW Washington, DC 20201



February 6, 2018

VIA ELECTRONIC MAIL: lori.wing-heier@alaska.gov Lori K. Wing-Heier Director Alaska Division of Insurance 550 West 7th Avenue, Suite 1560 Anchorage, AK 99501-2567

Dear Ms. Wing-Heier:

On July 17, 2017, the Department of Health and Human Services (HHS) and the Department of the Treasury (collectively, the Departments) approved Alaska's section 1332 waiver application. Alaska's application sought waiver of the PPACA requirement for the single risk pool in order to implement the Alaska Reinsurance Program (ARP) for 2018 and future years. The Departments granted Alaska's application to waive the single risk pool requirement in the individual market under section 1312(c)(1) of the Patient Protection and Affordable Care Act (PPACA), to the extent it would otherwise require excluding total expected State reinsurance payments when establishing the market-wide index rate for the purposes described in the State's application.

In the letter, the Departments explained that the amount of pass-through funding for calendar years 2018 through 2022 will be calculated by the Departments annually (per PPACA section 1332(a)(3)) and reported to the State. The pass-through funding for calendar year 2018 is estimated to be \$58,484,978. This amount will be subject to a final administrative determination by the Department of the Treasury prior to payment.

If you have any questions regarding program matters or official correspondence concerning the waiver please contact Rachel Arguello at <u>Rachel Arguello@cms.hhs.gov</u> or <u>stateinnovationwaivers@cms.hhs.gov</u>.

Sincerely

Randy Pate

Director, Center for Consumer Information and Insurance Oversight Deputy Administrator, Centers for Medicare & Medicaid Services

Cc: David Kautter, Assistant Secretary for Tax Policy, U.S. Department of the Treasury The Honorable Bill Walker, Governor of Alaska