

Section 1332 of the Patient Protection and Affordable Care Act (ACA) State Innovation Waivers – Reinsurance Waiver Annual Report

Reporting Instructions: Please capture data for annual 1332 waiver grant reporting in this template, which has been developed based on your specific terms and conditions (STCs), and in accordance with 45 CFR 155.1324(b)-(c). For any items that are marked “if applicable,” please refer to the requirements in your STCs to determine whether you need to fill in those data fields. Draft annual reports are due within 90 days of the end of each calendar year that your waiver is in effect.

STATE: Alaska

A. GRANTEE INFORMATION		
1. Reporting Period End Date December 31, 2023	2. Report Due Date March 31, 2024	3. Report Submitted On (Date) March 29, 2024
4. Federal Agency and Organization Element to Which Report is Submitted Consumer Information & Insurance Oversight		
5. Federal Grant Number Assigned by Federal Agency SIWIW180004	6a. UEI Number 809387467	6b. EIN 92-6001185
7. Recipient Organization Name Alaska Department of Commerce, Community and Economic Development		
Address Line 1 Division of Insurance		
Address Line 2 P.O. Box 110805		
Address Line 3		
City Juneau	State AK	ZIP Code 99811
ZIP Extension 0805	8. Grant Period Start Date January 1, 2018	9. Grant Period End Date December 31, 2027
10. Other Attachments (attach other documents as needed or as instructed by the awarding federal agency)		

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B. REPORT CERTIFICATION	
11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.	
11a. Typed or printed name and title of Authorized Certifying Official Lori Wing-Heier	
11b. Signature of Authorized Certifying Official <small>DocuSigned by:</small> <i>Lori Wing-Heier</i> <small>A304E3801107480...</small>	
11c. Telephone (area code, number, and extension) 907-465-2515	
11d. Email address lori.wing-heier@alaska.gov	
11e. Date report submitted (month/day/year) March 29, 2024	
C. PROGRESS OF SECTION 1332 WAIVER – <u>General</u>	
12. Provide an update on progress made in implementing and/or operating the state's approved 1332 waiver program. On April 28, 2023, the division received the pass-through award amount of \$129,085,466 from CMS and the Department of Treasury for calendar year 2023. The program was set at \$120 million for 2023. On June 27, 2023, the division held the post-award public forum. See item #25 of this report for more information. The division drafted a 2023 grant agreement with ACHIA, which was signed by both parties on June 26, 2023. The division worked with Oliver Wyman to prepare Alaska's 1332 waiver reinsurance pass-through funding report for calendar year 2023. The report was submitted on September 21, 2023. Errors were found in the CMS provided template and a resubmission was provided on October 9, 2023. The division received 2023 Q1 and Q2 funding requests on December 26, 2023. The Q3 requests were received January 16, 2024 and Q4 was received March 4, 2024.	
13. Describe any implementation and/or operational challenges to meet the 1332 statutory guardrails and plans for and results of associated corrective actions. If challenges were described in a prior annual report, only report on changes and/or updates, as appropriate. To ensure consistent claims submission, it was determined that the program will align with the CMS HCC mapping to determine ARP eligibility starting for PY2024. On January 24, 2024, the 2023 benefit year Risk Adjustment Model was identified as the 2024 HCC mapping.	

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D. PROGRESS OF SECTION 1332 WAIVER – <u>State-Specific</u>		
14. Metrics to assist evaluation of the waiver's compliance with statutory requirements in Section 1332(b)(1). Please report data for the full plan year unless otherwise specified; if information for the full plan year is not available, please provide the most complete responses possible and specify the timeframe covered.		
	Value	Comments (if applicable)
a. Projected and actual individual market enrollment (total annual member months) on the Exchange in the state for the plan year.	Projected: 252,813 Actual Member Months: 278,631	December 2023 enrollment. Note since Alaska is an FFE, CMS will have better data.
b. Projected and actual individual market enrollment (total annual member months) off the Exchange in the state for the plan year.	Projected: 1,347 Actual Member Months: 1,485	December 2023 enrollment
c. Projected and actual individual market total annual collected premiums on the Exchange for the plan year. Projected and actual individual market average premium rate on the Exchange (i.e., total individual market premiums divided by total member months of all enrollees) for the plan year.	Projected: \$233,853,647 Actual: \$232,915,472 Projected: \$925 Actual: \$835.93	
d. Projected and actual individual market total annual collected premiums off the Exchange for the plan year. Projected and actual individual market average premium rate off the Exchange (i.e., total individual market premiums divided by total member months of all enrollees) for the plan year.	Projected \$1,246,353 Actual \$950,783 Projected: \$925.28 Actual: \$640.26	
e. Actual Second-Lowest Cost Silver Plan (SLCSP) premium for Exchange plans under the waiver for a representative consumer (e.g., a 21-year-old non-smoker) in each rating area for the plan year.	995: \$576 995 (2): \$668 996/997: \$606 996/997 (2): \$674 998/999: \$594	Rating areas are split into two areas due to marketing restrictions by one of the carriers.
f. Estimate of the SLCSP premium for Exchange plans as it would have been without the waiver for a representative consumer (e.g., a 21-year-old non-smoker) in each rating area for the plan year.	995: \$966 995 (2): \$1,047 996/997: \$1,011 996/997(2): \$1,058 998/999: \$991	Rating areas 995 and 996/9967 are split into two areas due to marketing restrictions by one of the carriers.

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g. For states with State-based Exchanges: actual amount of Advanced Premium Tax Credit (APTC) paid to issuers, by rating area for the plan year.	N/A	
h. For states with State-based Exchanges: actual number of APTC recipients for the plan year. This should be reported as number summed over all 12 months and divided by 12 to provide an annualized measure.	N/A	

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<p>15. Please confirm whether there was any impact of the waiver on the scope of benefits or Essential Health Benefit (EHB) benchmark.</p> <p>The waiver impacts the cost of health care premiums, but does not impact the components of the EHB benchmark. The EHB benchmark plan is not modified in any way by the 1332 waiver.</p>		
<p>16. Describe any technical changes to the state’s waiver plan during the plan year, including but not limited to: changes to the funding level the program will be operating at for the next plan year; changes to the approved payment parameters for reinsurance program reimbursement (if there were no changes, please still describe the final parameters); changes to eligibility criteria for enrollees' claims to be reimbursed under the reinsurance program.</p> <p>There was a change operationally to adopt the updated HCC mapping that CMS released.</p>		
<p>17. Describe any changes in state law or regulation that might impact the waiver and the date(s) these changes occurred or are expected to occur.</p> <p>There were no changes to state law relevant to the program during calendar year 2023.</p>		
<p>18. Report on spending for the plan year. If information for the full plan year is not available, please provide the most complete responses possible and specify the timeframe covered.</p>		
	Value	Comments (if applicable)
a. Amount of federal pass-through funding spent on individual claim payments to issuers from the reinsurance program for the plan year.	\$120,000,000	
b. Amount of federal pass-through funding spent on operation of the reinsurance program (e.g., administrative costs, EDGE server fees, etc.) for the plan year.	\$0	
c. Amount of any unspent balance of federal pass-through funding for the plan year.	\$9,085,466	
d. Amount of state funding contributed to fully fund the program for the plan year.	\$0	The ARP used ceded premium to fund the administrative cost of the program.

INFORMATION NOT RELEASABLE TO THE PUBLIC UNLESS AUTHORIZED BY LAW: This information has not been publicly disclosed and may be privileged and confidential. It is for internal government use only and must not be disseminated, distributed, or copied to persons not authorized to receive the information. Unauthorized disclosure may result in prosecution to the full extent of the law.

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<p>19. If applicable, provide a claims breakout at an aggregate level for the top five conditions or cost drivers of the five conditions, including settings of care in the individual market. For a claims breakout for the top 5 conditions, including settings of care, see attachment.</p>		
<p>20. If applicable, report on any strategies or incentives for providers, enrollees, and plan issuers to continue managing health care cost, claims, and utilization for individuals eligible for reinsurance. Given that the program funding is capped, there is an inherent incentive for providers and plan issuers to treat enrollees as if they are not in the reinsurance pool in order to stay within the budget.</p>		
<p>21. If applicable, report any reconciliation of reinsurance payments that the state wishes to make for any duplicative reimbursement through the state reinsurance program for the same high-cost claims reimbursed through the Department of Health and Human Services (HHS)-operated high-cost risk adjustment program.</p>		
	Value	Comments (if applicable)
a. Reinsurance payment (before reconciliation) for high-cost claims to issuers who also receive payment through the HHS risk adjustment program under the high-cost risk pool.	TBD	Risk adjustment true-up not completed at time of report
b. Risk adjustment amount paid by HHS for those claims.	TBD	Risk adjustment true-up not completed at time of report
c. Reinsurance reconciliation (or true-up) amount applied.	TBD	Risk adjustment true-up not completed at time of report
E. POST-AWARD FORUM		
<p>22. Was the date, time, and location of the Post-Award Forum advertised 30 days in advance?</p> <p><input checked="" type="radio"/> Yes <input type="radio"/> No</p>		
<p>23. State website address where Post-Award Forum was advertised and where the Annual Report is posted. In addition, please ensure prior years' Annual Reports are posted on the state's website. https://aws.state.ak.us/OnlinePublicNotices/</p>		

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<p>24. Date Post-Award Forum took place: June 27, 2023</p>
<p>25. Summary of Post-Award Forum, held in accordance with §155.1320(c), including all public comments received, number of participants in the forum, and actions taken in response to concerns or comments. <small>The forum was noticed on the division's website and via the State of Alaska's Online Public Notice System on May 22, 2023. The forum was held June 27, 2023 from 10:00 to 11:00 AM Alaska Daylight Time. Life and Health Supervisor Sarah Bailey provided a summary of the Reinsurance program. Deputy Director Heather Carpenter and Regulations Specialist Lieann Amante were in attendance. The division received no verbal comments during the public meeting. One letter of support was received from Moda, one of the insurers participating in the Alaska reinsurance program.</small></p>
<p>26. Other Attachments (attach other documents as needed pertaining to Post-Award Forum) Moda comment letter attached.</p>
F. STATE INTERNAL IMPLEMENTATION REVIEW – ATTESTATION
<p>27. Attestation: The state attests that periodic implementation reviews related to the implementation of the waiver have been conducted in accordance with 31 CFR 33.120(b) and 45 CFR 155.1320(b).</p> <p><input checked="" type="radio"/> Yes <input type="radio"/> No</p>
<p>28. Describe the state's implementation review process. The division completes internal risk assessment matrices as well as incorporating language into its grant agreement with the pass-through entity ACHIA.</p>

Certificate Of Completion

Envelope Id: 0547516AD675457881321C03DE167633	Status: Completed
Subject: Complete with DocuSign: Reinsurance Annual Reporting Template Alaska 3.28.2024.pdf	
Source Envelope:	
Document Pages: 7	Signatures: 1
Certificate Pages: 3	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelope Stamping: Disabled	Sarah Bailey
Time Zone: (UTC-09:00) Alaska	PO Box 110206
	Juneau, AK 99811
	sarah.bailey@alaska.gov
	IP Address: 158.145.15.25

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3/29/2024 11:15:57 AM	sarah.bailey@alaska.gov	
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: State of Alaska	Location: DocuSign

Signer Events

Lori Wing-Heier
 Lori.wing-heier@alaska.gov
 Director - Division of Insurance
 State of Alaska
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

 A304E38011074B0...
 Signature Adoption: Pre-selected Style
 Using IP Address: 139.64.185.41
 Signed using mobile

Timestamp

Sent: 3/29/2024 11:18:56 AM
 Viewed: 3/29/2024 11:42:32 AM
 Signed: 3/29/2024 11:42:40 AM

Electronic Record and Signature Disclosure:

Accepted: 3/6/2024 4:46:11 PM
 ID: 5975a8f6-fcee-45a1-9f55-f029a46bc997
 Company Name: State of Alaska

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events

Signature

Timestamp

Notary Events

Signature

Timestamp

Envelope Summary Events

Status

Timestamps

Envelope Sent	Hashed/Encrypted	3/29/2024 11:18:56 AM
Certified Delivered	Security Checked	3/29/2024 11:42:32 AM
Signing Complete	Security Checked	3/29/2024 11:42:40 AM
Completed	Security Checked	3/29/2024 11:42:40 AM

Payment Events

Status

Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

Please read this Electronic Records and Signature Disclosure (ERSD). It concerns your rights regarding electronically undertaking, and the conditions under which you and the State of Alaska agree to electronically undertake, the transaction to which it relates (the “TRANSACTION”).

Consent to Electronically Undertake the TRANSACTION

You can electronically undertake the TRANSACTION only if you confirm that you meet the following requirements by selecting the box next to “I agree to use electronic records and signature” (the “AGREE BOX”):

1. you can fully access and have read this ERSD;
2. you can fully access all of the information in the other TRANSACTION records;
3. you can retain all of the TRANSACTION records in a form that you will be able to fully access for later reference;
4. you consent to undertake the TRANSACTION electronically; and
5. you are authorized to undertake the TRANSACTION. (Please note that falsely undertaking the TRANSACTION may subject you to civil liabilities and penalties and/or to criminal penalties.)

If you cannot or are not willing to confirm each of these five things, do not select the AGREE BOX.

Withdrawing Consent

If you select the AGREE BOX, you can withdraw your consent to electronically undertake the TRANSACTION at any time before you complete the TRANSACTION: simply do not finalize it. The only consequence of withdrawing your consent is that you will not finalize the TRANSACTION.

If you select the AGREE BOX, your consent will apply only to this TRANSACTION. You must separately consent to electronically undertake any other transaction with the State of Alaska.

Paper Option for Undertaking the TRANSACTION

You may undertake the TRANSACTION with the State of Alaska using paper records. (State of Alaska employees who want to undertake the TRANSACTION in paper should contact the agency responsible for the TRANSACTION.) Print the paper records on the website of the State of Alaska agency responsible for the TRANSACTION, or request them from the agency. The State of Alaska homepage is at <http://alaska.gov/>.

Copies of TRANSACTION Records

After completing the TRANSACTION but before closing your web browser, you should download the TRANSACTION records. Or you can download the records within 30 days after

completing the TRANSACTION using the link in the DocuSign email sent to the email address you used to complete the TRANSACTION. The State of Alaska will not provide a paper copy of the TRANSACTION records as part of the TRANSACTION. Under the Alaska Public Records Act (APRA), AS 40.25.100–.295, you can request a copy from the agency responsible for the TRANSACTION, but if too much time has passed, the agency may no longer have the records when you make your request. If required under the APRA, the agency will charge a fee.

Required Hardware and Software

For the minimum system requirements to electronically undertake the TRANSACTION, including accessing and thereby retaining the TRANSACTION records, visit <https://support.docusign.com/guides/signer-guide-signing-system-requirements>. These requirements may change. In addition, you need access to an email account.

How to Contact the State of Alaska

To ask a question on this ERSD or the DocuSign document generated after you complete the TRANSACTION or on using DocuSign to electronically undertake the TRANSACTION, contact the Alaska Department of Administration at either of the following addresses:

State of Alaska
Department of Administration
550 West 7th Avenue
Suite 1970
Anchorage, AK 99501
Reference: DocuSign

doa.commissioner@alaska.gov
Subject: DocuSign

To ask any other question on the TRANSACTION records or to update the information for contacting you electronically, contact the State of Alaska agency responsible for the TRANSACTION using the contact information in the TRANSACTION records or, if those records contain no contact information, using the contact information on the agency's website. Again, the State of Alaska homepage is at <http://alaska.gov/>.