

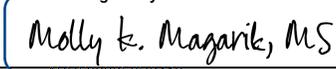
Section 1332 of the Patient Protection and Affordable Care Act (PPACA) State Innovation Waivers – Reinsurance Waiver Annual Report

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 (STC), 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: Delaware

A. GRANTEE INFORMATION		
1. Reporting Period End Date 12/31/2022	2. Report Due Date 3/31/2023	3. Report Submitted On (Date) 3/31/2023
4. Federal Agency and Organization Element to Which Report is Submitted Consumer Information & Insurance Oversight		
5. Federal Grant Number Assigned by Federal Agency	6a. UEI Number 809398084	6b. EIN 1516000279
7. Recipient Organization Name The State of Delaware, Delaware Department of Health and Social Services (DHSS)		
Address Line 1 Herman M. Holloway Sr. Health and Social Services Campus		
Address Line 2 1901 N. DuPont Highway		
Address Line 3		
City New Castle	State Delaware	ZIP Code 19720
ZIP Extension	8. Grant Period Start Date 01/01/2020	9. Grant Period End Date 12/31/2024
10. Other Attachments (attach other documents as needed or as instructed by the awarding federal agency) Highmark Blue Cross Blue Shield Delaware 2021 State Reinsurance Program Report		

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B. REPORT CERTIFICATION
<p>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.</p>
<p>11a. Typed or printed name and title of Authorized Certifying Official Molly K. Magarik, Cabinet Secretary</p>
<p>11b. Signature of Authorized Certifying Official <small>DocuSigned by:</small> </p>
<p>11c. Telephone (area code, number, and extension) (302) 255-9039</p>
<p>11d. Email address molly.magarik@delaware.gov</p>
<p>11e. Date report submitted (month/day/year) 03/31/2023</p>
C. PROGRESS OF SECTION 1332 WAIVER – <u>General</u>
<p>12. Provide an update on progress made in implementing and/or operating the state's approved 1332 waiver program.</p> <p>DHSS is awaiting final State Reinsurance Program (SRP) payment information, to be provided in May 2023, under the CMS agreement for payment calculation support. Following review of the State-based Reinsurance Summary Report (SRISR), DHSS will issue the final payment amount for 2022 eligible claims. DHCC expects to remit payment to the issuer no later than July 31, 2023.</p> <p>Additionally, DHSS has on-boarded two new issuers to the SRP for the 2023 plan year. To support on-boarding, DHSS supplemented the 2023 annual Letter to Issuers with additional information on SRP procedures and requirements.</p>
<p>13. Describe any implementation and/or operational challenges to meet the 1332 statutory guardrails, and plans for and results of associated corrective actions. After the first year, only report on changes and/or updates, as appropriate.</p> <p>DHSS reports no implementation and/or operational challenges to meet 1332 statutory guardrails.</p>

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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)		
	Value	Comments (if applicable)
a. Actual individual market enrollment on the Exchange in the state	29,840	Monthly average for calendar year 2022
Actual individual market enrollment off the Exchange in the state	3,271	Monthly average for calendar year 2022
b. Actual average individual market premium rate on the Exchange (i.e., total individual market premiums divided by total member months of all enrollees)	\$704.45	Calendar year 2022
Actual average individual market premium rate off the Exchange (i.e., total individual market premiums divided by total member months of all enrollees)	\$644.28	Calendar year 2022
c. 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	\$428.94	Calendar year 2022 for a 21 year-old non-smoker; only one rating area in DE
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	\$504.64	Calendar year 2022 for a 21 year-old non-smoker; only one rating area in DE
d. 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	N/A
e. 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	N/A

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15. Please confirm whether there was any impact of the waiver on the scope of benefits or Essential Health Benefit (EHB) benchmark.

DHSS confirms there was no impact of the waiver on Delaware's scope of benefits or the Essential Health Benefit benchmark plan.

16. Describe any changes to the state-operated reinsurance program, including changes to the funding level the program will be operating at for the next plan year, any changes to the approved payment parameters for reinsurance program reimbursement or changes to eligibility criteria for enrollees' claims to be reimbursed under the program.

DHSS reports updated 2023 State Reinsurance Program Parameters, targeting a 15% rate reduction, as follows:

Attachment Point: \$65,000

Coinsurance: 75%

Cap: \$340,000

17. Describe any changes in state law that might impact the waiver and the date(s) these change occurred or are expected to occur.

DHSS reports no changes to DE state law that might impact the waiver.

18. Report on spending:

	Value	Comments (if applicable)
a. Amount of federal pass-through funding spent on individual claim payments to issuers from the reinsurance program	N/A	DHCC has not issued a payment to issuers yet for the 2022 reporting year. The final payment amount will be determined by the EDGE server.
b. Amount of federal pass-through funding spent on operation of the reinsurance program	N/A	DHCC has not issued a payment to issuers yet for the 2022 reporting year. The final payment amount will be determined by the EDGE server.
c. Amount of any unspent balance of federal pass-through funding for the reporting year	N/A	DHCC has not issued a payment to issuers yet for the 2022 reporting year. The final payment amount will be determined by the EDGE server.
d. Amount of state funding contribution to fully fund the program for the reporting year	N/A	DHCC has not issued a payment to issuers yet for the 2022 reporting year. The final payment amount will be determined by the EDGE server.

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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.

Such data is not yet available for the 2022 plan year. DHSS will collect such information from issuers via the State Reinsurance Program Report, due October 31, 2023. DHSS has such information available from the 2021 plan year. The report is here attached to this submission.

20. If applicable, report on any incentives for providers, enrollees, and plan issuers to continue managing health care cost and utilization for individuals eligible for reinsurance.

By October 31 of each year issuers participating in the SRP must submit a report detailing the effectiveness/impact of the care management activities undertaken by issuers on the SRP. Included in the reporting is information on the determination of cost savings to the SRP associated with such programs. DHSS has such information available from the 2021 plan year. The report is here attached to this submission.

21. If applicable, report of 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.

	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	N/A	Not yet applicable for plan year 2022. DHSS will be privy to such information following the release of the Risk Adjustment annual report.
b. Risk adjustment amount paid by HHS for those claims	N/A	Not yet applicable for plan year 2022. DHSS will be privy to such information following the release of the Risk Adjustment annual report.
c. Reinsurance reconciliation (or true-up) amount applied	N/A	Not yet applicable for plan year 2022. DHSS will be privy to such information following the release of the Risk Adjustment annual report.

E. POST-AWARD FORUM

22. Was the date, time, and location of the Post-Award Forum advertised 30 days in advance?

Yes

No

23. State website address where Post-Award Forum was advertised

State of Delaware Public Meeting Calendar, <https://publicmeetings.delaware.gov>

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24. Date Post-Award Forum took place

06/24/2022

25. Summary of Post-Award Forum, held in accordance with §155.1320(c), including all public comments received and actions taken in response to concerns or comments.

On June 24, 2022, Delaware hosted a virtual Public Forum in accordance with the Specific Terms and Conditions for the State of Delaware's Patient Protection and Affordable Care Act section 1332 State Innovation Waiver. The Public Forum was an opportunity for the public to provide meaningful comment on the progress of the waiver. The Forum was held virtually because of the State's COVID-19 restrictions on large gatherings. The event was posted on the State of Delaware's Public Meeting Calendar.

During the Forum, background information was provided on Delaware's 1332 waiver application submission and approval process. The Forum highlighted how the reinsurance program reduces premium rates and by how much. With the Reinsurance Program in place, Delaware has experienced great improvements in increased enrollment and decreased premiums. The 2023 parameters were announced as well.

After the presentation, the conference line was held open for questions. None were received. Written comments were accepted until July 1, 2022. None were received.

26. Other Attachments (attach other documents as needed pertaining to Post-Award Form)

Delaware 1332 State Innovation Wavier Post Award Forum PowerPoint attached.

F. STATE INTERNAL IMPLEMENTATION REVIEW – ATTESTATION

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).

Yes

No

28. Describe the state's implementation review process.

On a periodic basis, the DHCC requests that the participating issuer submit enrollee data for the proper implementation of the State Reinsurance Program. The data calls ensure that the reinsurance parameters are set in alignment with expectations under the waiver.